

# RENTAL COMPLIANCE MANUAL

*City of Boulder, Housing & Human Services*

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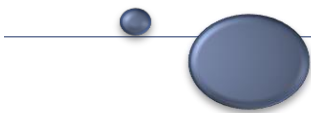
Last Revision: January 2023





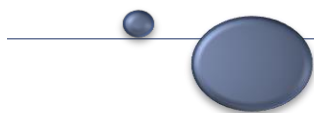
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## INTRODUCTION

The City of Boulder's current affordable housing goal is to ensure that 15% of Boulder's housing stock is permanently affordable to low/moderate income household, those earning up to 60% AMI for rental housing and 10% above the HUD low-income limit for homeownership units was established by City Council in 2000. In 2016, City Council added a goal for making housing to middle income households; a total of 3,500 units, 2,500 of which can be non-deed restricted and 1,000 of which must be permanently affordable.

The City of Boulder Department of Housing & Human Services Rental Compliance Program has been developed to not only ensure long-term compliance and preserve permanent affordability, but to also ensure that all city-supported rental housing projects serve the most vulnerable residents of Boulder.

## CONTENTS OF THIS MANUAL

Due to the long-term nature of the city's obligation, the city's compliance requirements take a long-term and broad view of compliance in developing the Rental Compliance Program. The city's local rules and policies are established to lay the foundation for ensuring compliance and project success at the earliest stage of a project and throughout the period of affordability.

City-supported projects are often financed with a combination of funds. When combining multiple sources of funds, the Owner/Manager must comply with the requirements of all applicable programs. Generally, this can be achieved by complying with the most restrictive requirement. The manual is designed to answer questions regarding the policies, procedures, rules, and regulations that govern the permanently affordable rental housing units under Covenant with the city. It is important to note that this manual is to be used as a supplement to existing laws and rules.

## WHO SHOULD READ THIS GUIDE?

This manual is intended to be used as a training and reference guide to ensure compliance with the city's Rental Compliance Program. The manual also serves as a guide for the Regional Housing Partnership which focuses on expanding affordable housing throughout the region and establishes a centralized compliance program for rental housing led by the City of Boulder. This manual may be superseded by changes in the local policies, federal program requirements and technical revisions. Partners will be notified of these revisions via email and publication on the city's website. Partners will be given fifteen (15) days to provide feedback, questions and comments prior to final adoption of the proposed changes/updates. A copy of the manual can be accessed at the City of Boulder Housing & Human Services website at <https://bouldercolorado.gov/services/investment-and-grant-compliance>.



## GLOSSARY OF KEY TERMS

**Annual Income** – All amounts, monetary or not, anticipated to be received during the next 12-month period by all members of the household eighteen years of age and older. Annual income includes amounts derived from assets to which any member of the household has access. Calculation of annual income is based on the actual income of a household over the previous year.

**Area Median Income (AMI)** – The AMI reported annually for households of various sizes by the United States Department of Housing and Urban Development (HUD), or by any successor United States Government department, agency or instrumentality, for the Primary Metropolitan Statistical Area “PMSA” which includes the City of Boulder, Colorado. The AMI limits are published annually by HUD and submitted to Owners, managers and partners by the Housing Sr Program Manager. A copy of these limits may be accessed via the city’s website.

**Assets** – Cash or non-cash resources with economic value that an individual owns or controls with the expectation that it will provide future benefit.

**Asset Limits** –. Households with liquid assets of more than \$55,000 at the time of initial application or annual re-certification are not eligible to occupy or renew their lease for a permanently affordable rental housing unit or participate in the city’s Rental Compliance Program. Seniors and people with disabilities are exempt from the liquid asset limit.

**City-Supported Unit** - A unit created or preserved using City of Boulder subsidy(ies), resulting from City of Boulder regulatory requirements (e. g., annexation, Inclusionary Housing), and/or maintains any city restrictions.

**Extremely Low Income** – Person or household whose incomes are no greater than 30% of the AMI, as determined by HUD.

**Gross Rent** – The gross rent for a unit is the sum of tenant paid rent + utility allowance + non-optional charges. The gross rent may never exceed the maximum rent allowed unless the unit receives a rent subsidy.


**Household** – One or more persons occupying a permanently affordable rental housing unit.

**Liquid Assets** – Cash on hand or any asset that can readily be converted to cash.

**Low Income** – Persons or households whose incomes are no greater than the maximum income required to meet the U.S. Department of Housing & Urban Development low-income guidelines, commonly referred to as “HUD Low”.

**Maximum Income** – At initial occupancy, the combined household income may not exceed the AMI as outlined in the Agreement and/or Covenant. After initial occupancy the combined household income may not exceed 84% AMI.

**Maximum Rent** – The maximum rent is the rent amount published annually by the City of Boulder based on AMI per bedroom size. The published rent limit includes the tenant-paid rent plus utility allowance plus any non-optional charges. Therefore, tenants generally cannot be charged the maximum rent unless all utilities are paid by the owner and there are no



additional non-optional charges.

***Non-Renewal*** – The end of a lease or rental agreement without an option to renew the lease.

***Over-Income*** – A combined household income that exceeds 140% of 60% AMI (or 84% AMI), after initial occupancy.

***Participating Jurisdiction “PJ”*** – Any State or local government that has been designated by HUD to administer the HOME program grant.

***Student*** – An individual 18 years of age or older who is enrolled in an institution of higher education during the calendar year regardless of part-time or full-time enrollment status.

***Termination of Tenancy*** – A termination of the lease or rental agreement prior to the expiration of the lease term.

***Utilities*** – The average monthly cost of services for electric and heating. Utilities do not include water, sewer, and trash services.

***Utility Allowance*** – The reasonable estimate cost of utilities in the area, given the type of building, and the size of the unit. Annually, the city will establish a monthly Utility Allowance for Boulder.

***Very Low-Income*** – A household whose annual income does not exceed 50% of the AMI, as determined by HUD.



# Chapter 1: City Supported Housing

## 1.1 OVERVIEW

The city's Department of Housing & Human Services administers a Housing Investment Program and Inclusionary Housing Program which partners with affordable housing owners and developers to create and preserve housing opportunities. The primary goal of these partnerships is to provide housing choices at every income level of the affordable housing continuum. Currently, the Housing Investment Program focuses its financial resources to serve the lower end of the income spectrum, targeting the following populations:

- Households with children;
- Households with working members who earn a low or moderate wage;
- Non-student Households; and
- Special population groups including:
  - Homeless
  - People with disabilities
  - Chronically mentally ill
  - Frail elderly

Permanently affordable rental housing units are produced, acquired and preserved through either a grant allocation from the City of Boulder, to satisfy Inclusionary Housing or as part of an annexation. All of which are subject to compliance and eligibility requirements in perpetuity. These requirements are formally agreed to by the signing of a Low-Income Rental Housing Covenant prior to the drawdown of any funds or issuance of building permits. These covenants run with the land and may only be amended with the agreement of all signing parties.

## 1.2 SOURCES OF FUNDS

The City of Boulder currently has five funding sources whereby affordable housing units are acquired. These sources include:

- Affordable Housing Fund (AHF)
- Community Development Block Grant (CDBG)
- Commercial Linkage Fee
- Community Housing Assistance Program (CHAP)
- HOME Investment Partnership (HOME)

These funding sources have been combined to create a pool of funds that support a variety of housing developments and programs. Apart from the Community Development Block Grant program, each fund promotes affordable housing as its primary goal. Different requirements and restrictions apply, yet the potential for complementary uses exists and is often utilized. For example, CHAP funds support housing for persons earning 15% - 60% AMI; HOME and CDBG funds may be used for households with incomes up to the HUD low-income limit. Together, fund sources can be used on a mixed income housing development which provides for households with very low incomes, middle incomes and market rate housing.



## Chapter 2: Roles & Responsibilities

### **2.1 RENTAL COMPLIANCE PROGRAM**

The City of Boulder has been designated as a Participating Jurisdiction by the U.S. Department of Housing and Urban Development (HUD) to administer federal program funds. The City's Department of Housing and Human Services includes the Compliance Team which is responsible for oversight of the Rental Compliance Programs. For the purpose of this manual, this includes developing policies, procedures and establishing affordable rental housing program compliance requirements.

The Rental Compliance Program is designed to ensure that all city-supported rental housing is permanently affordable, serves low and very-low-income households, and that properties are maintained to meet local and federal property standards.

### **2.2 HOUSING SR COMPLIANCE MANAGER**

The Housing Sr Compliance Manager is responsible for managing the Rental Compliance Program to ensure that all project and programs are in compliance with applicable local and federal regulations. The Housing Sr Compliance Manager serves as a primary contact for information and questions related to compliance monitoring as well as questions that may arise from project implementation to lease up and on-going compliance. Risk Assessments, Project/Program Performance Analysis, and Desk Reviews will be conducted by the Housing Sr Compliance Manager to ensure all projects maintain long-term viability and programs maintain long-term compliance. The Housing Sr Compliance Manager provides supervision and day to day oversight of all city Compliance staff and provides leadership, training and guidance to the Regional Housing Partnership.

### **2.3 GRANTS ADMINISTRATOR**

The Grants Administrator serves as a liaison with HUD, manages the city's reporting and tracking for federally funded projects. This position also serves as a project manager for federal and locally funded projects, provides guidance in matters of compliance to affordable housing and community development projects. The Grants Administrator will assist in providing training and technical assistance for the Owner/Manager.


### **2.4 HOUSING PROJECT MANAGER**

The Housing Project Manager serves as a senior project manager for all federally funded projects, provides guidance, training and technical assistance to HHS Project Managers as well as Owners/Managers. This position also serves as a Coordinator for Section 3, Section 504 and individuals with Limited English Proficiency (LEP).

### **2.5 COMPLIANCE & MONITORING ADMINISTRATOR**

The Compliance & Monitoring Administrator is responsible to ensure that permanently affordable rental units are leased and maintained in accordance with funding conditions, covenants and agreements. Compliance & Monitoring Administrator works directly with property managers to ensure compliance with all programs and projects. The Compliance &





Monitoring Administrator sends requests for all documentation which is to be submitted to the Department of Housing & Human Services for compliance monitoring purposes. The also serves as a contact for information and questions about compliance monitoring and questions that may arise as it relates to long term monitoring. Regular on-site, remote monitoring reviews, necessary follow-up reviews and unit/property inspections will be conducted by the Compliance & Monitoring Administrator in order to verify compliance. The Compliance & Monitoring Administrator will assist in providing training and technical assistance for the Owner/Manager.

## **2.6 OWNER**

The Owner of a permanently affordable rental housing project or their designee is responsible to ensure compliance with all requirements outlined in the covenants executed for the property as well as the local rules and policies adopted by the City of Boulder. In order for the city to allocate grant funds to an affordable housing project, the project must meet the following criteria:

- Remain affordable in perpetuity to the established population as defined in the covenant.
- Be well maintained and cared for and meet all housing quality standards, rehabilitation standards and City of Boulder housing codes, as applicable.
- Meet Affirmative Marketing & Fair Housing requirements.
- Comply with all federal, state and local regulations that may apply to the project.

The Owner is ultimately responsible for assuring compliance with all applicable rules, regulations and policies that govern the property, notwithstanding notification from the City of Boulder as to any changes in such requirements. If the Owner determines that the development is not in compliance with City of Boulder program requirements, the Housing Sr Compliance Manager must be notified immediately.

It is the responsibility of the Owner/Manager to ensure that all property management staff receive adequate training to ensure compliance with the terms out lined in the Covenant, Rental Compliance Manual and city policies.


In order to ensure compliance, the Owner should provide property management personnel with copies of the Covenant, Agreement and Rental Compliance Manual. Additionally, if there is a change in management, the Owner is responsible for providing all information and previous tenant files to the new property management company.

## **2.7 PROPERTY MANAGER/ PROPERTY MANAGEMENT COMPANY**

The Property Manager is responsible for ensuring that once the development has been placed in service; it is properly managed and maintained so that at all times it is suitable for occupancy. As an authorized representative of the Owner, the Property Manager must adhere to all of the compliance requirements as referenced above.

It is the responsibility of the Property Management company to report any changes in staffing, property assignments and staff turnover. This information must be reported to the Housing Sr Compliance Manager within thirty (30) days of such changes.

The Property Management Company must ensure that all property management staff are properly



trained in local and federal rental compliance requirements. Compliance & Monitoring Administrator will provide support to the Property Management Company in their training efforts by providing technical assistance upon request.

## **2.8 CHANGES IN OWNERSHIP OR MANAGEMENT OF PROPERTY**

If a change in ownership or management occurs, the Owner is responsible for reporting such change to the Compliance & Monitoring Administrator. In addition, the Owner/Manager must notify the Compliance & Monitoring Administrator of any changes in ownership or management contact information including names, titles, address, email, phone and fax number.



## CHAPTER 3: REGULATORY REQUIREMENTS

### 3.1 RENTAL HOUSING LICENSING

The City's Boulder Revised Code and Property Maintenance Code requires all rental properties in Boulder to maintain a valid rental license. The code also establishes minimum standards for the use and safe occupancy of dwellings to protect, preserve, and promote physical and mental health of residents.

Obtaining a rental license is the responsibility of the property owner. The discovery of an unlicensed rental property will result in legal action. Additional information regarding rental licensing requirements may be found on the following link: <https://bouldercolorado.gov/plan-develop/rental-housing-licensing>

### 3.2 PERIOD OF AFFORDABILITY

The period of affordability is the length of time during which specific compliance requirements apply to the assisted rental property.

#### A. City of Boulder Period of Affordability

All properties restricted by a City of Boulder Covenant require permanent affordability, e.g., in perpetuity.

#### B. HOME Period of Affordability

A HOME funded rental project requires a period of affordability that is determined by the type of activity and the average per unit HOME investment. The HOME Agreement for each HOME assisted project outlines the period of affordability that applies to the project. Upon expiration of the HOME period of affordability, the Low-Income Rental Housing Covenant for the property will govern all units specified within the Covenant. All units under Covenant will remain permanently affordable.

| HOME Investment                                     | HOME POA |
|---|----------|
| <\$15,000   | 5 years  |
| \$15,000 - \$40,000                                 | 10 years |
| >\$40,000   | 15 years |
| Refinancing of Rental Housing (with rehabilitation) | 15 years |
| New Construction                                    | 20 years |

#### C. Combined City, HOME & Low-Income Housing Tax Credits

When HOME and Low-Income Housing Tax Credits (LIHTC) are combined in a locally funded property, the Owner/Manager of the property must comply with the requirements of each program for the duration of the programs affordability/compliance period. Generally, the HOME Program imposes more restrictive requirements. However, there are some locally imposed rules and policies that are more restrictive than the HOME and LIHTC Programs. To ensure compliance with all program requirements, the Owner/Manager must adhere to the most restrictive compliance requirements in any given circumstance.



### 3.3 UNIT MIX

Many permanently affordable rental projects require a mix of unit sizes, bedrooms and assign a maximum AMI limit for the unit. The Owner/Manager must ensure that the appropriate unit mix is maintained at all times. When HOME funds are used to finance the property, the HOME Agreement also requires a specific number of units to be maintained as HOME-assisted units throughout the HOME period of affordability. The Owner/Manager must maintain the appropriate unit mix at all times.

#### **A. HOME Unit Designation**

HOME-assisted properties require a certain number of the total units in a property to be designated as HOME-assisted units. The Owner/Manager must designate which units within the property are HOME-assisted unit. These units must be identified in the tenant file and on the Annual Tenant Report.

#### **B. Floating Unit**

Properties with a mix of AMI's (i.e., 30% 50% and 60%) may float the unit AMI designation among permanently affordable units within the same property provided that the required unit AMI and bedroom mix, is maintained at all times as required in the Covenant.

#### **C. Floating HOME Units**

Properties with floating HOME-assisted units do not have specific units that are designated HOME-assisted units for the duration of the period of affordability. Instead, the HOME-assisted unit designation may change, or "float" among comparable assisted and non-assisted units during the HOME period of affordability in order to keep the original mix of assisted and non-assisted units.


#### **D. Maintaining Unit Mix When Units "Float"**

When re-designating units, in order to maintain the required unit mix, the Owner/Manager must substitute the HOME-assisted unit designation to a non-assisted comparable unit. The Owner/Manager may choose to substitute a "greater" unit for a "lesser" unit. A "greater" unit is one that might be considered more preferable because of larger size, additional bedrooms, or amenities. However, the Owner/Manager is never permitted to substitute a "lesser" unit for a greater one.

Maintaining the unit mix in properties with HOME-assisted units is achieved by changing the unit designation when the next HOME-assisted or non-assisted unit becomes available. For example:

- A property has an over-income tenant in a HOME-assisted unit. When the next non-assisted unit becomes available, it is designated as HOME-assisted and rented to an income eligible tenant.
- The unit occupied by an over-income tenant is re-designated as a non-assisted unit.

When the designation of a unit changes, the Owner/Manager must ensure that the tenant lease is revised accordingly.



**NOTE:** If a household occupies a newly designated HOME-Unit, be sure to obtain a Declaration of Citizenship for each member of the household upon re-certification of income or prior to the designation of a HOME-Unit, whichever comes first.

### **3.4 FAIR HOUSING & EQUAL OPPORTUNITY**

Title VIII of the Civil Rights Act of 1968 makes it unlawful to discriminate in any aspect relating to the rental of dwellings, or in the provision of brokerage services or facilities in connection with the rental of a dwelling, because of *race, color, gender, religion, or national origin*, (protected classes). The Fair Housing Amendments Act of 1988 expanded coverage of Title VIII to prohibit discriminatory housing practices based on *disability and familial status* (protected classes). Owners/Manager should be aware of the individual laws that may have established “protected classes”.

### **3.5 NONDISCRIMINATION IN HOUSING**

Federal Fair Housing laws prohibit discrimination in housing based on a person’s race, color, religion, sex, familial status, national origin, age and disability. Fair housing laws prohibit discrimination in all housing, housing-related activities and housing programs regardless of whether or not the housing receives Federal financial assistance. The Owner/Manager cannot discriminate in the rental of units, in establishing terms and conditions of property rentals, or in advertising the availability of rental housing units. The Housing Discrimination Complaint Form ([Appendix III-A](#)) should be made available to all applicants and residents. Additional information regarding the complaint process may be found in the following link:

[https://www.hud.gov/program\\_offices/fair\\_housing\\_equal\\_opp/disabilities/sect504complaint](https://www.hud.gov/program_offices/fair_housing_equal_opp/disabilities/sect504complaint)

### **3.6 CITY OF BOULDER HUMAN RIGHTS ORDINANCE**


The City of Boulder Human Rights Ordinance is a local law that protects against illegal discrimination within the city limits of Boulder. The Ordinance specifically affords protection against discrimination in three areas:

- Housing
- Employment
- Public Accommodation

Within these three areas, the Human Rights Ordinance prohibits discrimination on ancestry, color, creed, gender variance, genetic characteristics, immigration status, marital status, mental disability, national origin, physical disability, race, religion, sex, sexual orientation and source of income, in housing. It also prohibits discrimination based on custody of minor child, parenthood and pregnancy, in employment, it also prohibits discrimination based on age, specifically age 40 years and older. A copy of the Human Rights Ordinance can be found on the city’s website or by contacting the City of Boulder Office of Human Rights at 303-441-4197.

### **3.7 ADA, SECTION 504 & FAIR HOUSING ACCESSIBILITY**

There are several different laws that Owners/Managers must be familiar with as they apply to various permanently affordable housing types in Boulder. Federal programs and the age of the property determine which laws apply.

- 
- Title VIII of the Civil Rights Act of 1968 (Fair Housing Act) protects race, religion, sex and national origin
  - The Fair Housing Amendments Act of 1988 (Amendments Act - FHAA) added disability and familial status
  - The Fair Housing Amendments Act of 1998 protects people from discrimination when they are renting, buying, or securing financing for any housing. The prohibitions specifically cover discrimination because of race, color, national origin, religion, sex, disability and the presence of children
  - The Americans with Disabilities act (ADA) of 1990 addresses public accommodations (rental offices and common areas are considered public accommodations)
  - Section 504 of the Rehabilitation Act of 1973 (Section 504) applies to those receiving federal assistance
  - Persons with disabilities have their rights protected under three main laws (ADA, FHAA, and 504)

### **3.8 AMERICANS WITH DISABILITIES ACT (ADA)**

Title III of the ADA covers public and common use areas at housing developments when these public areas are, by their nature, open to the general public. For example, it covers the rental office since the rental office is open to the general public.

Title II of the ADA applies to all programs, services, and activities provided or made available by public entities. This includes housing when the housing is provided or made available by a public entity. For example, housing covered by Title II of the ADA includes public housing authorities that meet the ADA definition of "public entity".


The City of Boulder's ADA Title I Policy is provided in ([Appendix III-B](#)) and Notice Under the Americans with Disabilities Act provided in ([Appendix III-B.1](#)) which outlines the city's compliance with ADA. The city's Grievance Procedures and Complaint form may be found in ([Appendix III-B.2](#)). These forms may also be accessed through the city's website. For additional information on Section 504 compliance please contact the Section 504 and ADA Coordinator James Brown at (303) 441-3075 in the city's office of Risk Management.

### **3.9 SECTION 504 & DISABILITY RIGHTS IN HOUSING**

Section 504 provides that no qualified individual with a disability should, only by reason of his or her disability, be excluded from participating in, be denied benefits of, or be subjected to discrimination under any program or activity receiving Federal financial assistance.

**Definition of Disability:** Federal laws define a person with a disability as "Any person who has a physical or mental impairment that substantially limits one or more major life activities, has a record of such impairment, or is regarded as having such impairment."

In general, a physical or mental impairment includes hearing, mobility and visual impairments, chronic alcoholism, chronic mental illness, AIDS, AIDS Related Complex, and mental retardation that substantially limits one or more major life activities. Major life activities include walking, talking and hearing, seeing, breathing, learning, performing manual tasks, and caring for oneself.



Disability Rights in Private and Public Housing regardless of whether you live in private or public housing, Federal laws provide the following rights to persons with disabilities:

**A. Prohibits Discrimination of Persons with Disabilities**

It is unlawful for an Owner/Manager of permanently affordable rental housing to refuse to rent to a person simply because of a disability. An Owner/Manager may not impose different application or qualification criteria, rental fees or, and rental terms or conditions than those required of or provided to persons who are not disabled.

*Example:* An Owner/Manager may not refuse to rent to an otherwise qualified individual with a mental disability because they are uncomfortable with the individual's disability. Such an act would violate the Fair Housing Act because it denies a person housing solely on the basis of their disability.

**B. Section 504 of the Fair Housing Act - Reasonable Accommodations**

The Fair Housing Act requires Owners/Managers to make reasonable accommodations and modifications when necessary to afford a person with a disability the equal opportunity to rent an affordable rental housing unit. Owners/Managers of permanently affordable rental properties must ensure that their program and units are accessible to and usable by people with disabilities which include:

- Ensure effective communication with applicants, tenants and members of the public.
- Make reasonable accommodations.
- Wheelchair access to program in-take/application offices, public hearings and tenant meetings, etc.

For purposes of the Fair Housing Act, disability is defined as a person who has:

- A physical or mental impairment which substantially limits one or more of such person's major life activities, or
- A record of having such an impairment; or

The Owner/Manager may verify the disability ([Appendix III-C](#)) only to the extent necessary to document that the applicant/tenants have a need for the requested accommodation. The Owner/Manager may not require applicants/tenants to provide access to confidential medical records or to submit to physical examination. The Owner/Manager may not specifically ask for or verify the nature and extent of the disability. The verification form used must be signed by the applicant/tenant to authorize release of such information and should request that the source identify (1) whether the applicant meets the definition of disabled as provided above and (2) whether the requested accommodation or modification relates to the person's specific needs. Receipt of Social Security disability payments is adequate verification of an individual's disability status, but the correlation between the disability and the requested accommodation or modification may still need verified.





### **C. Reasonable Accommodations**

A reasonable accommodation is a change, exception, or adjustment in rules, policies, practices, or services when such a change is necessary to afford a person with a disability the equal opportunity to use and enjoy a dwelling, including public and common spaces.

Per the Fair Housing Act, Owners/Managers must allow a Request for Reasonable Accommodation ([Appendix III-D](#)) unless doing so will be an undue financial burden or fundamentally alter the nature of the Owner's/Manager's operations. When a reasonable accommodation will result in an undue financial burden, the Owner/Manager must provide all other accommodation up to the point at which further accommodation will result in the undue financial burden. For more information on reasonable accommodation, refer to the HUD and Department of Justice Joint Statement "reasonable Accommodation Under the Fair Housing Act" released May 17, 2004.

A common type of reasonable accommodation involves service animals. The city uses the term service animals in this manual to broadly describe a category that also includes therapy animals, companion animals, emotional support animals, and assistance animals. These types of animals are not pets and therefore must be permitted even in "no-pet" housing, assuming that the individual has requested an accommodation to the "no-pet" rule and that the need for the service animal can be verified. In addition, the Owner/Manager cannot charge an upfront security deposit or a fee for the service animal. However, the Owner/Manager can charge the tenant the cost of repairing any damaged caused by the service animal. Another common example of reasonable accommodation is a live-in care attendant/ live-in aid.

### **D. New Construction 504 Regulations**

In covered multifamily housing consisting of 4 or more units with an elevator built for first occupancy after March 13, 1991, all units must comply with the following seven design and construction requirements of the Fair Housing Act:


- Accessible Entrance on an Accessible Route
- Accessible Public and Common-Use Areas
- Usable Door
- Accessible Route Into and Through the Dwelling Unit
- Accessible Light Switches, Electrical Outlets, Thermostats, and Environmental Controls
- Reinforced Walls in Bathrooms
- Usable Kitchens and Bathrooms
- In multifamily housing covered by 504 regulations without an elevator that consists of 4 or more units built for first occupancy after March 13, 1991, all ground floor units must comply with the Fair Housing Act's seven design and construction requirements.

For information on how to comply with the physical accessibility requirements of the Fair Housing Act, visit the Fair Housing Accessibility FIRST Web site: <http://www.fairhousingfirst.org>.

### **3.10 HOUSING FOR OLDER PERSONS**

The Housing for Older Persons Act of 1995 (HOPA) exempts certain types of "housing for older





persons” from the Fair Housing Act’s prohibition against discrimination because of familial status. Therefore, Owners/Managers may have designated housing for older persons in one of the following ways and not be in violation of Fair Housing:

- 100% of the units are restricted for households in which all members are age 62 or older (see 24 CFR Part 100.303); or
- At least 80% of the units in the property are restricted for households which at least one member is age 55 or older. The remaining 20% of the units may be restricted for households in which at least one member is 55 or older, may have a lower age restriction, or may be left open without any age restriction. This determination is left up to the Owner/Manager. The policy elected by the Owner/Manager in regard to the remaining 20% of the units must be implemented equally for all applicants and must be placed in writing as part of the properties Tenant Selection Plan. In addition, the remaining portion of units not counted for purposes of meeting the 80% requirement may not be segregated within the community or facility.

### **3.11 AFFIRMATIVE MARKETING**


Affirmative Fair Housing Marketing Regulations (24 CFR 200.600) ensures that persons of similar income levels in a housing market area have a like range of housing choices available to them, regardless of race, color, religion, sex, or national origin.

The City's policy is to provide information and attract eligible persons to available housing without regard to race, color, national origin, sex, religion, familial status (persons with children under 18 years of age, including pregnant women), or disability. The procedures followed are intended to further the objectives of Title VIII of the Civil Rights Act of 1968 (Fair Housing Act), and Executive Order 11063, which prohibits discrimination in the sale, leasing, rent and other disposition of properties and facilities owned or operated by the federal government or provided with federal funds.

In accordance with the Affirmative Marketing regulations of the HOME Program 24 CFR 92.351, the City has established an Affirmative Marketing Plan ([Appendix III-E](#)) to ensure that all Owners/Managers employ a marketing plan that promotes fair housing and ensures outreach to all potentially eligible households, especially those least likely to apply for assistance.

The Owner/Manager must ensure compliance with affirmative marketing responsibilities as enumerated pursuant to 24 CFR 92.351. Such procedures are subject to approval of the City. The Owner/Manager shall comply with the City’s requirements to affirmatively market all permanently affordable units available for rent in a manner to attract tenants without regard to race, color, national origin, sex, religion, familial status or disability, per the Affirmative Marketing Plan. The Owner/Manager agrees, in soliciting tenants, to do the following:

- a. Use the Equal Housing Opportunity logo in all advertising;

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- b. Solicit applications for vacant units from persons who are not likely to apply for the housing without special outreach e.g., use of community organizations, places of worship, employment centers, fair housing groups, or housing counseling agencies etc.
  - c. Display a Fair Housing poster in the rental leasing office;
  - d. Where appropriate, advertise, use media, including minority outlets, likely to reach persons least likely to apply for the housing;
  - e. Maintain files of the Owner/Manager's affirmative marketing activities for five (5) years and provide access thereto to the City's Staff;
  - f. Not refrain from renting to any tenant holding a Section 8 Existing Housing Certificate, except for good cause, such as previous failure to pay rent and/or to maintain a rental unit, or the tenant's violation of other material terms and conditions of tenancy;
  - g. Comply with Section 8 Existing Housing Regulations when renting to any tenant holding a Section 8 Existing Housing Certificate; and
  - h. Exercise affirmative marketing of the units when vacated.

The Owner/Manager is required to develop and maintain an AFHMP specific to the property. Any AFHMP that includes preferences must be reviewed and approved by HUD prior to implementation. A copy of the approved AFHMP must be provided to the City prior to lease-up. The procedures must be in writing and consistent of actions that provide information and otherwise attract eligible persons to available housing without regard to race, color, national origin, sex, religion, familial status or disability. A sample AFHMP for Owners/Managers to use is provided in [Appendix III-E.1](#). The affirmative marketing requirements also apply to properties targeted to persons with special needs.


The Owner/Manager must maintain documentation of all advertising and outreach activities. This documentation should be used as reference when completing the Affirmative Marketing Compliance Report ([Appendix VII-K](#)) which demonstrates, the Owner/Manager efforts to comply with Affirmative Marketing requirements.

### **3.12 LIMITED ENGLISH PROFICIENCY (LEP)**

Persons who, as a result of national origin, do not speak English as their primary language and who have limited ability to speak, read, write or understand English ("Limited English Proficiency" or "LEP") may be entitled to language assistance under Title VI of the Civil Rights Act of 1964 in order to receive a particular benefit or service. In accordance with Title VI, its implementing regulations and Executive Order 13166, the Owner/Manager should take reasonable steps to ensure meaningful access by LEP persons which apply and live in permanently affordable rental housing.

#### **A. LEP Reasonable Steps**

Any of the following actions may constitute "reasonable steps" depending on the circumstance.



This is not, however, an exhaustive list of possible actions:

- Acquiring translators to translate vital documents, advertisements, or notices
- Acquiring interpreters for face-to-face interviews with LEP persons;
- Placing advertisements and notices in newspapers that serve LEP persons;
- Partnering with other organizations that serve LEP populations to provide translation, interpretation, or dissemination of information regarding the permanently affordable property;
- Hiring bilingual employees or volunteers for outreach and intake activities; or
- Contracting with a telephone line interpreter service.

#### **B. LEP Services, Procedures & Training**

The Owner/Manager is responsible for ensuring that property management staff are aware of LEP services and procedures and are trained to work effectively with interpreters. The Owner/Manager may demonstrate effective outreach to the LEP in the community by:

- Notifying LEP persons about the availability of free language assistance services, when applying and/or residing in permanently affordable housing;
- Provide notices in the correct language(s) to reach Boulder's LEP populations;
- Posting signs in common areas, offices and anywhere else where applications are received for permanently affordable housing;
- Provide appropriate statements in outreach documents (brochures, booklets, posters, etc.) that language services are available without cost;
- Providing a telephone voice mail menu in the most common languages encountered;
- Publish notices in/on local non-English media (i.e., newspapers, radio, and television stations).

### **3.13 LANGUAGE ACCESS PLAN**

As a recipient of federal funds, the City of Boulder must comply with specific language access requirements as established by Title VI of the Civil Rights Act of 1964 (Title VI), which prohibits recipients of federal financial assistance from discriminating based on national origin, among other things. Title VI and Executive Order 13166 – Improving Access to Services for People with Limited English Proficiency require that recipients of federal financial assistance take reasonable steps to provide LEP individuals with meaningful access to programs, services, and activities. The Owner/Manager must ensure compliance with the [City of Boulder Language Access Plan](#).

### **3.14 MARKETING REQUIREMENTS**

#### **A. Advertising & Marketing Efforts**

The Owner/Manager of permanently affordable rental housing units must conduct marketing and advertising activities in accordance with applicable fair housing laws, in addition to specific HOME requirements that relate to affirmative marketing. These fair housing and affirmative marketing requirements ensure that Owner/Manager provide the opportunity to rent permanently affordable units to *all* eligible applicants. Marketing efforts should be sent to a variety of sources. Limiting efforts to one source is not acceptable. Using the internet must not be relied upon as the



only source of marketing as some people do not have access to the internet.

### **B. Program Marketing**

The Owner/Manager must conduct marketing and advertising activities to inform persons within the housing market area of the availability of programs, services and permanently affordable rental housing opportunities. Marketing and advertising activities must include the Equal Housing Opportunity logo or non-discrimination statement, or both.

### **C. Marketing Vacant Units**

Advertising of vacant units must include the Equal Housing Opportunity logo or slogan, or both. Advertising may include but not limited to:

- Newspapers
- Radio
- Television
- Brochures
- Leaflets
- On-site Poster
- Websites

Advertising must be targeted to persons within the housing market (City of Boulder) that are least likely to apply for affordable housing without the benefit of special outreach efforts. In general, persons who are not of the race/ethnicity of the residents of the neighborhood in which the affordable units are located shall be considered those least likely to apply.


Owners/Managers must analyze the local housing market to identify persons who are least likely to apply and then formulate marketing techniques to reach the persons identified. The housing market should be re-assessed annually to determine who are least likely to apply for housing. Resources for targeted outreach may include, but not limited to.

- Community Organizations
- Employment Centers
- Fair Housing Groups
- Housing Counseling Agencies
- Social Service Centers

Marketing techniques utilized from the previous year should be analyzed to determine effectiveness in reaching those persons identified. Marketing efforts should be modified based on the results of this analysis, to increase participation from those persons identified as being least likely to apply for affordable housing. Owners/Managers must maintain a file documenting all marketing efforts (i.e., copies of newspaper ads, memos of phone calls, printed emails, copies of letters and posters, etc.).

### **D. Marketing Accessible Units**

In addition, the Owner/Manager must take certain additional steps to make accessible units available to persons with disabilities. The Owner/Manager of properties with accessible units



that are built in accordance with Section 504 requirements must develop procedures to ensure that information regarding the availability of accessible units reaches eligible individuals with disabilities. Reasonable, nondiscriminatory steps must be taken to make sure that available, accessible units are offered:

- First, to a current occupant of the property who might require or benefit from the accessibility feature(s) of the unit
- Second, to an eligible qualified applicant on the waiting list who requires the accessibility of feature(s) of the unit
- Market the unit to attract a new disabled applicant
- Last, to a nondisabled person on the waiting list

A nondisabled tenant may rent an accessible unit only when the Owner/Manager has made all reasonable efforts to attract a tenant with a disability and has followed the steps outlined above. Our recommendation is that the property manager contacts the Center for People with Disabilities (CPWD) at 303-442-8662 or 1-888-929-5519 to let the agency know that an accessible rental housing unit is available to income qualified households. CPWD staff can inform their eligible clients of the limited accessible housing inventory, and counsel them to apply for rental housing and be on your waiting list. The city recommends this approach to optimize specially designed housing resources by providing them first to households who need them with the goal of making the most of our affordable housing programs.

#### **E. Fair Housing Poster, Logo & Non-Discrimination Clause**

The Owner/Manager must prominently display and maintain the required Fair Housing Opportunity Poster ([Appendix III-F](#)) so it is readily apparent to all persons seeking housing. The Fair Housing Equal Opportunity Logo ([Appendix III-F.1](#)) and non-discrimination clause should be displayed on all program material and published on the Owner/Manager's website, as applicable.

#### **F. Maintaining Records of Marketing & Outreach Efforts**

The Owner/Manager is responsible to maintain records of all marketing and outreach efforts related to the property including newspaper ads, printed emails, photos of posters/signs, copies of publications, etc.


### **3.15 SELECTING PROCEDURES**

The Owner/Manager is responsible for establishing tenant selection procedures specific to each property. The Owner/Manager must treat applicants and tenants fairly and equitably by:

- Establishing and following standard tenant selection procedures;
- Using leases that protect tenant's rights; and
- Using established procedures to resolve conflicts with tenants

### **3.16 TENANT SELECTION PLAN**

The City of Boulder, Department of Housing & Human Services seeks to reduce barriers to accessing housing. To further that goal, all permanently affordable rental housing properties under Covenant with the City of Boulder must develop a Tenant Selection Plan that adheres to the City's Tenant Selection Plan Guidelines ([Appendix III-G](#)) and have a Tenant Selection Plan in place prior



to leasing of units. A Sample Tenant Selection Plan is provided in [Appendix III-G.1](#).

### **3.17 PREFERENCES**

As referenced earlier in this manual, the city's Housing Investment Program focuses its efforts at targeting special population groups. In support of these efforts the Owner/Manager may give preference in a tenant selection process to persons with special needs, such as the homeless individuals, elderly and persons with disabilities. However, the Owner/Manager may not give preference to persons with a *specific-type* of disability. Permanently affordable housing for persons with disabilities must be equally available to all persons with disabilities regardless of the nature of their disability. Preferences must not violate HUD's anti-discrimination policies. Preferences must be clearly outlined in the Tenant Selection Plan and Affirmative Fair Housing Marketing Plan. Supplemental documentation must be submitted with the AFHMP to provide a justification for applying preferences. The proposed plans must be reviewed and approved by HUD and/or Fair Housing Equal Opportunity Office (FHEO) prior to implementation. A copy of the approved plans must be submitted to the Housing Sr Compliance Manager for review and approval prior to implementation.

### **3.18 NOTICE APPLICANTS**

The Owner/Manager must provide prompt notification to the applicant in writing of the denial of their application and specify the reason for the denial. Prompt notification is generally considered to be within 30-days of application.

### **3.19 WAIT LIST REQUIREMENTS**

The Owner/Manager must provide applicants with the opportunity to complete an application for a permanently affordable rental unit. Applications must be available through the property management office and available by mail, email or fax. The Owner/Manager must accommodate persons with disabilities, who as a result of their disabilities cannot utilize the Owner/Manager's preferred application process by providing an alternative method of taking applications. Through the Owner/Manager's screening process the Owner/Manager must maintain a waiting list of eligible applicants and select applications from the waiting list in chronological order to fill vacancies.

#### **A. Creating & Maintaining Waiting List**


Upon receipt of an application for tenancy or assistance, the Owner/Manager must indicate on the application the date and time received. The Owner/Manager must either process the applicant for admission, place the applicant on the waiting list, or based on preliminary eligibility determination, reject the applicant.

The Owner/Manager must collect information about the preferences for which the applicant qualifies so that they are able to select applicants from the waiting list in accordance with preferences established for the property.

#### **B. Opening & Closing Waiting List**

The Owner/Manager should monitor the vacancies in their properties and their waiting list regularly to ensure that there are enough applicants to fill vacancies. The Owner/Manager should





monitor their waiting list to make sure they do not become so long that the wait for a unit becomes excessive.

- **Opening Waiting Lists:** When the Owner/Manager agrees to accept applications for a waiting list, a notice of this action must be announced in a publication likely to be read by potential applicants. The notification should be extensive, and the rules for applying and the order in which applications will be processed should be stated. Advertisements should include where and when to apply and conform to the advertising and outreach activities described in the Affirmative Fair Housing Marketing Plan.
- **Closing Waiting Lists:** The waiting list may be closed for one or more-unit sizes when the average wait is excessive (e.g., one year or more). When the Owner/Manager decides to no longer accept applications, the Owner/Manager must publish a notice to that effect in a publication likely to be read by potential applicants. The notice must state the reasons for the Owner/Manager's refusal to accept additional applications.

### **C. Nondiscrimination When Matching Applicants to Available Units**

Although the Owner/Manager may establish preferences to admit households with specific characteristics from the waiting list, the Owner/Manager must never base applicant selection or denial of assistance upon any of the following:

- Membership into a socio-economic class (e.g., welfare recipients, single parent households) or lack of membership in the sponsoring organization;
- Familial status;
- Race, color, religion, sex, or national origin of household members;
- Whether the household has a member with a specific disability (unless restricted by program statute);
- Family size (However, if the family size requires a unit size that does not exist in the property, the family must be denied assistance.
- Age (unless restricted by program statute)


### **3.20 INTEREST LIST**

Any Owner/Manager that chooses to utilize an online (web-based) Interest List must also make the Interest List available to individuals without internet access and accessible to people with disabilities.

### **3.21 DECLARATION OF CITIZENSHIP**

The Personal Responsibility and Work Opportunities Act of 1996 (PRWORA) prohibits HOME-assisted properties from providing assistance to persons who are other than United States citizens, nationals, or certain categories of eligible noncitizens either applying to or residing in a federally assisted property. This includes HOME-assisted units that require compliance during the required period of affordability.

The Owner/Manager is required to have each household member of a HOME-assisted unit, complete a Declaration of Citizenship ([Appendix III-H](#)) and provide all required documentation. A copy of the Declaration of Citizenship and all required documentation must be maintained in



the tenant file for each member of the household. Non-profit organizations, overnight shelters and transitional housing units are exempt from this rule.

**NOTE:** A Declaration of Citizenship is only required for HOME-assisted units. It is not required for locally funded units. When a HOME-assisted unit designation floats to a new unit, all occupants of the newly designated HOME-assisted unit must comply with the Declaration of Citizenship requirement.

### **3.22 RACE & ETHNICITY**

The Owner/Manager must offer tenants the opportunity to complete the Race and Ethnicity Data Reporting form ([Appendix III-I](#)) or Supplemental Demographic form ([Appendix III-I.1](#)). This form is to be completed at the initial application or at lease signing. Once the form is completed it does not need to be completed again unless the head of household or household composition changes. There is no penalty for persons who do not complete the form. However, the applicant/tenant must have signed, date and state that they decline to complete the form. Parents or guardians are to complete the form for children under the age of 18. Owners/Managers are not required to use the Race & Ethnicity form published by HUD as long as the form used contains the same information outlined in the HUD form.





## CHAPTER 4: ELIGIBILITY REQUIREMENTS

Potential tenants of permanently affordable rental housing units should be advised early in the application process that there are maximum income and asset limits along with restrictions on student occupancy and ownership of real estate. The Owner/Manager should explain to the applicants that the income, assets and student status of **all** persons over eighteen who will occupy the unit must be verified prior to occupancy. The Owner/Manager should also explain that once the person or household is determined to no longer meet the eligibility requirements upon annual recertification, they will not be eligible to renew their lease. Please see Section 5.5 for more information.

### 4.1 ELIGIBILITY IN CITY, HOME & LIHTC PROPERTIES

Some of the eligibility requirements outlined in this manual are different from the requirements of the HOME and LIHTC Programs. Please note that in some instances, the city's local requirements are more restrictive than HOME and LIHTC requirements. The Owner/Manager must use the most restrictive requirements and processes to determine eligibility.

### 4.2 OCCUPANCY LIMITS

There are no federal regulations governing the number of persons allowed to occupy a unit based on size. However, the city's local ordinance restricts occupancy to three unrelated individuals. Owners/Managers of rental dwellings in Boulder must comply with new rules that change how current and potential tenants are informed about the maximum number of unrelated individuals that are allowed to live in their unit. Advertisements for rental units must also state the maximum number of unrelated occupants allowed. Additional information regarding occupancy limits may be found in the following link: <https://bouldercolorado.gov/occupancy-limits>.

### 4.3 AUTHORIZED GUESTS & VISITORS


Residents may allow a guest/visitor to reside in their unit up to 14 consecutive days with prior approval from the Owner/Manager. However, the guest/visitor cannot occupy the unit for more than 21 nights total in any one year (12-month period, not calendar year). Residents shall not allow any person to occupy their unit other than individuals that are listed on the lease. It is important to note that allowing an authorized guest/visitor to stay in the unit longer than allowed is a violation of the Rental Compliance Manual.

### 4.4 RESTRICTIONS ON SHORT-TERM RENTAL & SUBLETTING

Short-term rentals (STR) are residential units that are rented to a visitor for less than 30-days. Residents living in permanently affordable rental housing units are prohibited from renting their unit out for any length of time. Residents are prohibited from assigning their lease or subletting the unit.

### 4.5 ELECTRONIC SIGNATURES & DOCUMENT TRANSMISSION

The City of Boulder has determined to adopt the HUD Multifamily Guidance regarding electronic signatures and document transmission [Notice H 20-4](#) published on May 26, 2020 for permanently affordable rental housing units under Covenant with the city. The city permits but does not require Owners and Managers to accept electronic signatures. Owners and Managers



must also provide applicants and tenants the option to use wet signatures and paper documents upon request. The city also permits electronic transmission of required documents when local, state and federal law permits.

#### **4.6 STUDENT POLICY**

Affordable housing is intended to assist low-income community members of Boulder. Community goals for affordable rental housing include assisting low-income households, providing workforce housing and assisting those with disabilities. Most post-secondary students are short-term members of the community and have access to resources other than earned income for living expenses and therefore their low incomes are not a primary community concern.

It is the city's intention that permanently affordable rental housing units' s support residents working towards self-sufficiency and through life transitions. The city may consider the following exceptions to the Student Policy ([Appendix IV-A](#)) upon submission of a Student Exception Request ([Appendix IV-B](#)) and supporting documentation. Please note that households occupying HOME designated units are not eligible for exceptions 7 through 9 as outlined below. A final determination of eligibility is at the city's sole discretion.

1. The student is 24 years of age or older,
2. The student is a veteran of the U.S. Military, or
3. The student is a person with disabilities, or
4. The student has dependent child(ren), or
5. The student is living with a parent who is determined to be eligible; or
6. The student is married, or
7. The student receives assistance under the Title IV of the Social Security Act, also known as Temporary Aid for Needy Families (TANF), or
8. The student is enrolled in a job training program receiving assistance under the Workforce Investment Act (formerly known as the Jon Training Partnership Act) or under a similar federal, state, or local program, or
9. The student was previously under the care and placement responsibility of the State agency responsible for administering a plan under Title IV of the Social Security Act (i.e., Foster Care).

##### **A. Review Process & Determination of Eligibility**

A Student Exception Request ([Appendix IV-B](#)) must be completed by all household members 18 years of age and older enrolled in an institution of higher education prior to lease-up and annually upon lease renewal. Student eligibility is determined on an individual basis, regardless of full-time, part-time enrollment or employment status or household composition.

All students enrolled in an institution of higher education **must** submit a Student Exception Request and supplemental documentation which supports eligibility for exception to Property Management staff for their review to make a determination of eligibility. All Student Exception Requests and supplemental documentation must be maintained in the tenant file and made available to the Compliance & Monitoring Administrator upon request for monitoring purposes.



#### **4.7 DEFINITION OF INCOME**

The city's Income & Asset Policy ([Appendix IV-C](#)) adopts the definition of annual income ([Appendix IV-C.1](#)) found at 24 CFR Part 5, is used by a variety of Federal programs including the HOME and LIHTC Programs. Annual income is used to determine household income eligibility.

#### **4.8 DETERMINING INCOME ELIGIBILITY**

Each permanently affordable rental housing unit and property under Covenant with the city, establishes a maximum income limit based on the household size and applicable AMI published annually by HUD. The Owner/Manager must implement the new income limits within forty-five (45) days of the date they are released by HUD. These limits may fluctuate from year to year in response to market conditions. The Owner/Manager must use the most recently published AMI to determine income eligibility at the time of initial occupancy and upon annual recertification of income.

Owners/Manager must determine that a prospective tenant is income eligible before renting a permanently affordable rental housing unit to the household. This means verifying the household's anticipated annual gross income and determining that it does not exceed the maximum income limit established for the unit in the Covenant executed on the property.

#### **4.9 INCOME CALCULATION**

Owners/Managers must ensure that the income calculation used to determine eligibility is in compliance with the Technical Guide for Determining Income and Allowances for the HOME Program ([Appendix IV-D](#)). The [Eligibility Calculator](#) and User Manual ([Appendix IV-E](#)) was developed by HUD to be an interactive tool that makes determining income eligibility a simple process. The calculator performs income eligibility calculations for HOME and a variety of other federal programs. The use of this tool is optional.

When determining the tenant household's income, the following rules apply:

- The income of all adult household members (18 years of age and older) must be included.
- The determination must be based on anticipated income in the next twelve months.
- For initial income eligibility determination and sixth year of the placed in-service date or the HOME period of affordability, (as applicable) as described in this chapter, the Owner/Manager must examine third party income source documents to verify the accuracy of the income information that the tenant reports on the application.
- Upon each anniversary of the tenant's move-in date, all household income must be recertified in writing.

Any information used to determine the household's income eligibility must be documented in a way that allows the city to monitor the Owner/Manager's determination.

#### **4.10 METHODS OF INCOME & ASSET VERIFICATION**

The Owner/Manager must verify the combined household income of all members 18 years of age and older. Income and asset verification must be completed at the initial occupancy and annually thereafter. The city has adopted the following methods for verifying household income and assets.

### A. Third Party Verification

Owners/Managers must conduct third-party income and asset certification prior to the first year of occupancy and every **6<sup>th</sup>** year of the placed in-service date or HOME Period of Affordability, as applicable. Under this form of verification, a third party (e.g., employer, Social Security Administration or public assistance agency) is contacted to provide information to verify income and assets. Although written requests and responses are generally preferred, conversations with a third-party are acceptable if documented through a memorandum to the file that notes the contact person, information conveyed, and date of call. The Owner/Manager must make adequate effort to ensure the sender is a valid third-party source.

- The verifiable income of all household members 18 years of age and older must be included.
- The determination must be based on income that is anticipated in the next twelve months.
- The Owner/Manager must examine income **source documents** to verify the accuracy of the income information reported on the application.

### B. Self-Certification

Upon annual recertification during intervening years, Owners/Managers may accept self-certification of income and assets from tenants.

#### Example:

| PIS Year | 1                     | 2         | 3         | 4         | 5         | 6                     | 7         |
|----------|-----------------------|-----------|-----------|-----------|-----------|-----------------------|-----------|
| HOME     | 3 <sup>rd</sup> party | Self-Cert | Self-Cert | Self-Cert | Self-Cert | 3 <sup>rd</sup> party | Self-Cert |

**NOTE:** All households in the affordable property must have third party verification every sixth year of placed in service date - not sixth year of the household anniversary date.


## 4.11 ACCEPTABLE FORMS OF INCOME VERIFICATION

The following section provides brief guidance on some common and/or complicated sources of income to verify.

### A. Third Party Verification

A minimum of three months of income sources are required, third party must accompany one of the following source examples:

- Pay Stubs – review several to determine patterns and verify overtime, tips and bonuses.
- Social Security – annual letter
- Tax returns – are ok if:
  - Circumstances have not changed since filing (if income is likely to remain the same next year)
  - Use tax return to determine income information (e.g. self-employment, other sources of income)
  - If sole documentation: obtain certified IRS copy using form 4506 or 4506T (free)

- 
- Sample third-party income verification forms are included with this manual as ([Appendix IV-F 1-8](#)).

## **B. Self-Certification**

Self-Certification is used to document household income in lieu of a full income certification. The following methods of self-certification may be used:

- Tenant Written Statement & Certification
- Government Program Written Statement

### **4.12 ANNUAL RECERTIFICATION**

Owners/Managers must establish systems to recertify tenant income on an annual basis. Typically, each household's income and assets will be examined on the anniversary of the original income/asset evaluation or at lease renewal. However, the Owner/Manager may adopt an annual schedule and perform all verifications at the same time. When the city performs Site Reviews or Remote Monitoring, staff will verify that recertification documentation is in the tenant files. As part of annual recertification, the Owner/Manager must update the Tenant Income Certification (TIC) and maintain the document in the tenant file.

### **4.13 EXCLUDED SOURCES OF INCOME**

A comprehensive list of income that is excluded from calculations of incomes can be found in ([Appendix IV-G](#)). Some common sources of income to exclude are:

- GI/Military Benefits (*education, training and housing*)
- Live-In Aid
- Rental Assistance Payments
- Student Financial Assistance
- Temporary, nonrecurring or sporadic income (*including gifts*)

### **4.14 EFFECTIVE TERM OF CERTIFICATION**


Written verifications of income/assets are valid for ninety-(90) days. If the applicant has not moved in within the 90-day period, the information may be verbally updated from the source for an additional thirty-(30) days. If the applicant has not moved in within thirty-(30) day period, a new written verification must be obtained. Verbal updates must be documented in the applicant's file.

### **4.15 ASSETS**

Annual income includes amounts derived from assets to which household members have access. The Owner/Manager must examine third party asset documents to verify the accuracy of the information that the tenant reports on the application and determine the amounts of income derived assets which are to be included in calculating annual household income. Third-party verification of assets must be completed at the time of application and every other year thereafter. Self-Certification of Assets may be accepted during intervening years. The Asset Policy ([Appendix IV-C](#)) defines an asset as cash or non-cash resource with economic value that an individual owns or controls with the expectation that it will provide future benefit.

## **A. Assets in City/HOME/LIHTC Properties**

The HOME Program requires all assets income to be verified with source documentation



regardless of the amount. The LIHTC Program requires the Owner/Manager to verify asset amounts and asset income when a tenant asset is more than \$5,000. The city has adopted HOME's more restricted rule; therefore, all asset amounts and asset income must be verified for all applicants of permanently affordable rental housing units.

#### **B. Asset Limit**

The city's local Income & Asset Policy ([Appendix IV-C](#)) establishes an asset limit for liquid assets. The asset limit does not include non-liquid assets. A *Liquid Asset* is defined as cash on hand or any asset that can be readily converted to cash. Households with liquid assets of more than \$55,000, at the time of initial application or annual recertification are not eligible to occupy or renew their lease for a permanently affordable rental housing unit. A list of Asset Inclusions & Exclusions is provided in ([Appendix-C.2](#)).

#### **C. Restriction on Residential Ownership**

Applicants and/or tenants that have ownership interest in a residential property in which they can legally reside are restricted from occupying a permanently affordable rental housing unit. However, some exceptions may apply as outlined in the Income & Asset Policy.

#### **D. Asset Policy Exceptions**

The city's Income & Asset Policy provides an exception to the liquid asset limit for elderly and disabled persons. Federal law defines an elderly person as an individual that is 55 years of age or older. A disabled person is defined as a person who has a physical or mental impairment that substantially limits one or more major life activities, has a record of such impairment; or is regarded as having such an impairment.

Any applicant/tenant seeking an exception to the Asset Policy (including the restriction on residential ownership) must submit an Exception Request and supplemental documentation which supports eligibility for exception to Property Management staff for their review to make a determination of eligibility. All Asset Policy Exception Requests ([Appendix IV-C.3](#)) and supplemental documentation must be maintained in the tenant file. The Housing & Human Services Specialist will review this documentation during regular Site Reviews and remote monitoring. Any issues of non-compliance including corrective action will be documented in the monitoring letter.

|   |
|---|
| <p><b>NOTE:</b> There is not an asset limit required in the HOME or LIHTC Programs. The city's Asset Limit policy was developed as a local rule. The Owner/Manager must adhere to the most restrictive requirements</p> |
|---|


### **4.16 INCREASE IN HOUSEHOLD INCOME**

The city's Income & Asset Policy restricts annual household income to 140% of 60% AMI (or 84% AMI), after initial occupancy. When the Owner/Manager recertifies the combined household annual income and determines that it exceeds the limits set forth above, the household is considered over-income.

#### **A. Over-Income Tenants**

Over-income households are not eligible to occupy a permanently affordable rental unit and therefore no longer eligible to renew their lease when the current lease agreement expires. Please





see Section 5.5 regarding non-renewal of lease.

Owners/Managers must immediately notify impacted households when they have been determined to be over-income. The Owner/Manager may execute a month-to-month lease with the household for up to one year, to allow the household to find suitable replacement housing. At the end of the one-year term, the household must either demonstrate that they are eligible for continued occupancy or vacate the permanently affordable housing unit.

#### **B. Over-Income Tenants in HOME Units**

When an Owner/Manager recertifies a tenant's income, he or she may find that the tenant's income has increased. A tenant is considered over-income when the tenant occupies a unit and the household income increases over the current AMI limit allowed for its household size.

When a tenant is over-income, the unit is no longer eligible to be designated as a HOME- assisted unit. The Owner/Manager must float the HOME-unit designation to another unit with an income eligible household in order to maintain the required unit mix. Since the unit occupied by an over-income tenant is no longer eligible to be designated as a HOME- assisted unit, the unit reverts back to a non-HOME-assisted unit which is governed by the Covenant.

#### **4.17 CHANGES IN HOUSEHOLD COMPOSITION**

If an additional person moves into a permanently affordable rental housing unit, that new member must be fully certified. The household income is based on the existing resident's income at the most recent certification combined with that of the new household member. It is not necessary to recertify the entire household unless the recertification is currently due for the existing household members. The new combined household income must not exceed the maximum income limit allowed.

#### **4.18 UNIT TRANSFER**


When a current qualified household transfers to another unit, the household may simply transfer to the new unit and is not required to be certified as a new move-in. The Owner/Manager must document the transfer in the tenant file by updating the Tenant Income Certification form and either amend the existing lease or execute a new lease.

#### **4.19 UNIT TRANSFER WITH CHANGE IN HOUSEHOLD COMPOSITION**

When a current qualified household transfers to another unit and has a change in household composition by adding a new household member 18 years of age and older, the new household member must complete third-party income/asset verification. The new total household income is based on the existing household's most recent income/asset certification combined with the new household members income. It is not necessary to recertify the entire household unless a recertification is currently due for the existing household members.

#### **4.20 DETERMINING RENTS**

The city's permanently affordable rental units are subject to rent limits designed to help make rents affordable to low-moderate income households. Annually, the city will publish the maximum rents for the City of Boulder based upon the number of bedrooms and applicable AMI. City of Boulder maximum rents are grounded in and expanded on the CHFA maximum rent and reflect the Boulder market. The city maintains the discretion to amend maximum rents or



substitute an alternative index which shall be published annually.

The city uses the HUD-published HOME and Fair Market rent limits which are established for HOME-assisted units. These rent limits are updated every year to reflect market conditions. If the rent limits go up, the Owner/Manager may raise rents accordingly. If the rent limits go down, the Owner/Manager is required to decrease rents.

It is a violation of the Covenant and city policy if the Owner/Manager charges rents that exceed the maximum rents allowed or fail to adjust rents when the most recent published limits go down.

#### **A. Maximum Rents**

Each Agreement or Covenant executed on a property specifies the maximum rents allowed which are based on the targeted AMI and bedroom size, as published annually by the city. The total rent paid by the tenant *including* any non-optional fees and the established monthly Utility Allowance, as applicable may not exceed the maximum rents for the City of Boulder and published by the City.

#### **B. Maximum HOME Rents**

Every HOME-assisted unit is subject to rent limits designed to make rents affordable to low-income households. These maximum rents are referred to as “HOME Rents”. High and Low HOME Rents: HUD annually publishes High and Low HOME rents. These rents are based on Fair Market Rents (FMRs) and calculations of rents affordable to households earning 65% and 50% of the area median income. All HOME units must be occupied by low-income households, and in certain situations some HOME units must be reserved for very low-income households. Low HOME rents are used in these units.

At no time can a tenant be charged more than HOME rent limits even in conjunction with another program. The total rent paid by the tenant including the established monthly utility allowance may not exceed the High or Low HOME rents established annually by HUD. Current limits are published on the city’s website and available upon request from the Housing Sr Compliance Program Manager.

#### **C. Calculating Maximum Rents**

The rent maximum rent for a permanently affordable rental housing unit is calculating using the following factors:

- Applicable Unit AMI Designation
- Total Number of Bedrooms
- Utility Allowance (as applicable)
- Non-Optional Charges/Fees (as applicable)

#### **D. Rent Limits for Special Unit Types**

The following rent limits apply to the following special unit types:

- **Single Room Occupancy (SRO):** Rents may not exceed 75% of the Fair Market Rent (FMR) for a zero-bedroom (efficiency) unit.
- **Micro-Units:** Rents for small units of 475 SF or less (regardless of bedroom size) are subject to the small unit category on the city’s Income and Rent Limits chart.





### E. Rent Limits in City/HOME/LIHTC Properties

The city's permanently affordable rental housing, HOME and LIHTC programs have different rent limit requirements. When a city-assisted unit or HOME-assisted unit is also designated as a LIHTC unit, "the lesser of" rule applies. Rents for Permanently Affordable units, Low/High HOME Rent units cannot exceed the lesser of the city-published maximum rent limit, HUD-published Low/High HOME rent limit or the LIHTC rent limit for that unit. This means that the Owner/Manager must determine the maximum allowable rent for each of the programs, and then use the lower rent.

**NOTE:** Owner/Manager must implement new income limits published annually by the City within 45 days of the date they are released by the City of Boulder.

### F. Rent Increases

Rent may be increased no more than once each year at initial occupancy or prior to lease renewal, up to the applicable City of Boulder maximum rents as outlined above. The Owner/Manager must provide tenants with a minimum of sixty (60) days written notice before rent increases may be implemented.

### G. Tenants Receiving Subsidy

When a household receives rental assistance such as Section 8, Housing Assistance Payment or any other type of rental assistance payment, the total paid rent (*tenant paid rent + utility allowance + rent subsidy = total paid rent*) may exceed the applicable maximum rent published annually by the City of Boulder, provided that the *total tenant paid rent* does not exceed the applicable maximum rent allowed.

**NOTE:** The maximum allowable rent for a HOME-assisted unit cannot exceed the applicable HUD-published HOME rent limit. This means that the tenant's rental assistance payment plus the tenant's contribution towards rent cannot exceed the published High HOME rent, Low HOME rent or other applicable maximum rent limit as outlined in the Covenant executed on the unit/property.

## 4.21 CITY APPROVAL FOR RENT ADJUSTMENTS

The Housing Sr Compliance Manager must approve the rent increases for all permanently affordable rental housing units. Rent increases occur when the published rent limits increase.

## 4.22 UTILITY ALLOWANCE

Utilities represent the average monthly cost of services for electricity and heating. Utilities do not include water, sewer, and trash services. Annually, the city will establish monthly utility allowances for Boulder. Generally, tenants of permanently affordable rental units in Boulder should not pay more than 30% of their income for rent and utilities. Whenever a tenant is required to pay for heating and electricity, the Owner/Manager is required to calculate the appropriate "Utility Allowance" using the Utility Allowance Schedule ([Appendix IV-H](#)) published annually by the city. The utility allowance must then be deducted from the maximum rent in order to calculate the tenant paid rent.



## CHAPTER 5: TENANT RIGHTS & PROTECTIONS

The Owner/Manager must develop policies and criteria to ensure that all applicants and tenants are treated fairly and equitably. The City of Boulder protects tenant rights in a number of ways:

- Written notification must be given to all rejected/denied applicants which includes an explanation of the grounds for rejection/denial.
- Every tenant must have a written lease or rental agreement;
- The lease term must be for at least twelve (12) months, unless otherwise approved by the City of Boulder;
- The lease term may never be for less than 30 days;
- The Low-Income Rental Housing Covenant specifies certain prohibited lease clauses which must be adhered to when entering into a lease with a tenant; and
- The city must review and approve all lease and addendum templates and updates prior to execution.

### 5.1 NO EVICTION WITHOUT REPRESENTATION [Ordinance No. 8412]


[Eviction Prevention & Rental Assistance Program](#) provides services for those facing potential eviction. This program helps people resolve eviction-related housing issues through legal services, rental assistance and mediation. Owners/Managers must provide tenants with the City of Boulder Lease Addendum ([Appendix V-A](#)) which includes information regarding this program.

### 5.2 MINIMUM LEASE REQUIREMENTS

The Owner/Manager must enter into a one-year (12 months) lease with all tenants of the household 18 years of age and older. A month-to-month lease may be executed upon mutual agreement of the Owner/Manager and the tenant(s). The lease must describe the terms and conditions of occupying a permanently affordable rental housing unit. The requirements outlined in the Rental Compliance Manual must be incorporated within the terms and conditions of the lease. At minimum, the lease should include, but not limited to:

The Owner/Manager must provide a copy of their lease and any subsequent updates and Addendums to the Housing Sr Program Manager for review and approval prior to execution.

- The legal name of all parties to the lease agreement;
- A description of the unit to be rented; must include unit/bedroom size, address and unit number;
- The date the lease becomes effective;
- The term of the lease
- Language addressing security deposits;
- Lead Based Paint Addendum;
- City of Boulder Affordable Unit Addendum (as applicable);
- VAWA Lease Addendum;
- The utility allowance requirements, including a clear breakdown of which utilities are

- 
- owner-paid and which are tenant-paid;
  - The use of the premises including language addressing that only members listed on the lease/TIC may occupy the unit, that the unit must be the household's primary residence, and that the unit may not be sublet;
  - Language or Lease Addendum outlining the rights and obligations of the parties, including the obligation of the tenant to certify eligibility annually;
  - Language addressing the right of the Owner/Manager or the Housing & Human Services Specialist to enter the permanently affordable unit for physical inspection;
  - Language addressing the termination process (must provide a minimum of 30-days' notice);
  - Signature of all tenant(s) 18 years of age and older;
  - Signature of Owner/Manager; and
  - Date of execution.

### **5.3 PROHIBITED LEASE TERMS**

No residential lease for the Property or any part thereof may contain any of the following provisions:

- Agreement by the tenant to be sued, admit guilt, or to a judgment in favor of the Owner/Manager in a lawsuit brought in connection with the lease;
- Agreement by the tenant that the Owner/Manager may take, hold or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. The Owner/Manager may dispose of this personal property in accordance with state law;
- Agreement by the tenant not to hold the Owner/Manager or the Owner/Manager's agents legally responsible for any action or failure to act, whether intentional or negligent;
- Agreement of the tenant that the Owner/Manager may institute a lawsuit without notice to the tenant;
- Agreement by the tenant that the Owner/Manager may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties;
- Agreement by the tenant to waive any right to a trial by jury;
- Agreement by the tenant to waive the tenant's right to appeal or to otherwise challenge in court a court decision in connection with the lease; and
- Agreement by the tenant to pay attorney's fees or other legal costs even if the tenant wins in a court proceeding by the Owner/Manager against the tenant. The tenant may be obligated to pay costs if the tenant loses.

### **5.4 REQUIRED LEASE ADDENDUMS**

#### **A. City of Boulder Affordable Unit Addendum**

The City of Boulder Affordable Unit Addendum ([Appendix V-A](#)) outlines specific eligibility criteria per city policies. Owners/Manager are encouraged to use this Addendum as a method of informing applicants and residents or adopt a similar Addendum that demonstrates compliance



with city policies.

**B. City of Boulder Eviction Legal Representation & Rental Assistance Addendum**

Every person who rents or leases a dwelling unit within the city limits of Boulder, Colorado must be provided with information in accordance with the provisions of Boulder Revised Code, Section [12-2-9](#) (Ordinance [8462](#)). Landlords are encouraged to make required disclosures at the time that lease agreements are executed in order to promote discussion of these city regulations. Landlords can, however, make required written disclosure at any time.

**C. City Codes Addendum**

Every person who rents or leases a dwelling unit within the city limits of Boulder, Colorado must be provided with written disclosures in accordance with the provisions of the Boulder Revised Code, Section [12-2-4](#) (Ordinance [8412](#)).

**D. Lead Based Paint Lease Addendum**

Owners/Managers of permanently affordable rental housing units must ensure that a Lead Based Paint Addendum ([Appendix V-B](#)) is executed with residents at the time of initial occupancy.

**5.5 VIOLENCE AGAINST WOMEN ACT**

The Violence Against Women Act of 2005 (VAWA) provides legal protections to victims of domestic violence, dating violence or stalking. These protections prohibit Owners/Managers from evicting or terminating assistance from individuals being assisted under a HOME or Section 8 program if the asserted grounds for such action is an instance of domestic violence, dating violence or stalking.


The Owner/Manager may not consider incidents of domestic violence, dating violence or stalking as a serious or repeated violation of the lease or other “good cause” for termination of assistance, tenancy or occupancy rights of the victim of abuse. The Owner/Manager may not consider criminal activity directly relating to abuse, engaged in by a member of a tenant’s household or any guest or other person under the tenant’s control, cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant’s family is the victim or threatened victim of abuse. The Owner/Manager must meet all of the VAWA requirements in accordance with 24 CFR 92.359.

**A. Notification Requirements**

The Owner/Manager must provide a notice ([HUD-5380](#)) ([Appendix V-C](#)) and certification form ([HUD-5382](#)) ([Appendix V-C.1](#)) that meets the requirements of 24 CFR 5.2005(a) to the applicant for a HOME-assisted unit at the time the applicant is admitted to a HOME-assisted unit, or denied admission to a HOME-assisted unit based on the Owner/Manager's tenant selection policies and criteria. The Owner/Manager of HOME-assisted rental housing must also provide the notice and certification form described in 24 CFR 5.2005 with any notification of eviction from a HOME-assisted unit.

**B. Bifurcation of Lease Requirements**

For the purposes of this part, the following requirements shall apply in place of the requirements at 24 CFR 5.2009(b): If a household living in a HOME-assisted rental unit



separates under 24 CFR 5.2009(a), the remaining tenant(s) may remain in the HOME-assisted unit.

**C. VAWA Lease Term/Addendum ([HUD-91067](#))**

The Owner/Manager must develop a VAWA lease term/addendum ([Appendix V-C.2](#)) to incorporate all requirements that apply to the Owner/Manager or lease under 24 CFR part 5, Subpart L, and this section, including the prohibited bases for eviction and restrictions on construing lease terms under 24 CFR 5.2005(b) and (c). This VAWA lease term/addendum must also provide that the tenant may terminate the lease without penalty if the Owner/Manager determines that the tenant has met the conditions for an emergency transfer under 24 CFR 5.2005(e). When HOME tenant-based rental assistance is provided, the lease term/addendum must require the Owner/Manager to notify the City before the Owner/Manager bifurcates the lease or provides notification of eviction to the tenant. If HOME tenant-based rental assistance is the only assistance provided (*i.e.*, the unit is not receiving project-based assistance under a covered housing program, as defined in 24 CFR 5.2003), the VAWA lease term/addendum may be written to expire at the end of the rental assistance period.

**D. Emergency Transition Plan ([HUD-5381](#))**

The Owner/Manager is required to develop an Emergency Transfer Plan ([Appendix V-C.3](#)) as outlined in the City's Rental Compliance Manual.

**E. Emergency Transfer Request**

If a victim of domestic violence is seeking an emergency transfer, the Owner/Manager must provide [HUD-5383](#) ([Appendix V-C.4](#)) to request an emergency transfer and certify they meet the requirements for eligibility for an emergency transfer under the Violence Against Women Act.

**F. Early Termination of Lease**


If a tenant who is living in an affordable unit is a victim of family violence, the Owner/Manager must allow the tenant to terminate their lease without penalty.

**NOTE:** The VAWA Lease Addendum requirement is only applicable to HOME-designated units.

## **5.6 TERMINATION OF TENANCY**

A termination of tenancy is a termination of the lease or rental agreement prior to the expiration of the lease term. Owners/Managers can only terminate the tenancy of a tenant of a permanently affordable rental housing unit for "Good Cause", which includes:

- A serious or repeated violation of the terms and conditions of the lease;
- Violation of applicable Federal, state, or local law;
- Completion of the tenancy period for transitional housing; or
- Other good cause, as defined by the city and outlined in the lease.



When good cause exists, an Owner/Manager may terminate tenancy by:

- Serving written notice upon the tenant at least thirty (30) days before the termination of tenancy. This notice must specify the grounds for the termination.
- Documenting the property files with justification for terminating the lease and a copy of the 30-day written notice to the tenant.

Items not to be construed as Good Cause for Eviction:

- Eviction is not permitted if such eviction is discriminatory based on the tenant/household's protected class under the Fair Housing Act (see Chapter 3).
- Per the Violence Against Women Reauthorization Act of 2013 (see [Section 5.3 C](#)) the Owner/Manager shall ensure that an incident of actual or threatened domestic violence, dating violence, sexual assault, or stalking shall not be construed as either:
  - A serious or repeated violation of a lease by the victim or threatened victim of such incident; or
  - Good cause for terminating the assistance, tenancy or occupancy rights to housing of the victim of such incident.

## **5.7 NON-RENEWAL OF LEASE**

A lease to rent a permanently affordable rental housing unit is a contract. A lease contract expires at the end of the time period specified in the lease. At that time, the tenant surrenders the unit back to the owner. The Owner/Manager may renew the lease, thereby allowing the tenant to continue occupying the unit, but the Owner/Manager is not obligated to renew a lease or enter into a new one. Failure to renew the lease does not constitute an eviction without good cause. However, under no circumstances can a notice of non-renewal be issued in an effort to avoid eviction when good cause exists. The Owner/Manager should contact the Housing Sr Compliance Manager for consultation prior to issuing notices of non-renewal.


Any household that is determined ineligible per city policies and/or program requirements upon annual recertification, is not eligible to renew their lease. The Owner/Manager must inform tenants of the city's policies and requirements at the time of initial occupancy or at lease renewal, as applicable and must be outlined in their lease.

When a household no longer meets eligibility requirements, the Owner/Manager must notify the tenant that they are no longer eligible to occupy a permanently affordable rental housing unit and their lease will not be renewed. The Owner/Manager may execute a month-to-month lease with the household for up to one year, to allow the household to find suitable replacement housing. At the end of the one-year term, the household must either demonstrate that they are eligible for continued occupancy or vacate the permanently affordable housing unit.

## **5.8 CHARGES & FEES**

All charges and fees must be submitted to the Housing Sr Program Manager along with the template lease for review/approval prior to implementation. Customary charges and fees are considered reasonable costs that are normally charged to all tenants, such as damage (security deposits), pet deposits, application fees and/or credit deposits. The basic principle is that charges and fees must be reasonable, necessary and comparable to other affordable housing properties.





Refundable fees associated with renting units are permitted as long as such fees are reasonable, necessary and clearly defined within the lease. Examples of such fees include: security deposits, one-time penalty fees such as late payment fees and fees for prematurely breaking a lease. These charges should not be included in the gross rent calculation.

#### **A. Application Processing Fees**

Application fees may be charged to cover the actual cost of processing the application and checking criminal history, credit history, landlord references, etc. However, the fee cannot exceed the amount of actual out-of-pocket costs incurred by management. No amount may be charged in excess of the average expected out-of-pocket cost of processing the application.

#### **B. Renter's Insurance**

Owners/Managers may encourage tenants to secure Rental Insurance. However, if renter's insurance is required as a condition of occupancy (mandatory), then the amount of renter's insurance must be included in the gross rent calculation. The city strongly recommends that Owners/Managers do not mandate renter's insurance. Instead, they should include clear language in the lease explaining that the Owner/Manager is not responsible for damage to the household's belongings and recommending that tenants seek out renter's insurance as they see fit.

### **5.9 OPTIONAL FEES**

Any fee selected by the tenant for additional services or amenities such as pet fees, extra parking space(s) and/or extra storage space, etc., are considered optional fees. Parking is generally considered part of the property's common area. Adequate storage, parking or access to alternative transportation options must be available to each unit. Optional fees must not be included in the gross rent calculation. A service or amenity is considered optional only if:

- A tenant may opt out of the service or amenity without penalty and continue to live at the property; and
- Reasonable alternatives exist.


Additionally, any services the tenant pays for that are provided by the property whether optional or non-optional must be listed in the tenant's lease with the cost of each individual service clearly listed.

### **5.10 NON-OPTIONAL/MANDATORY FEES**

Any fee that is charged as a condition of occupancy (i.e. a fee for a service) is considered a non-optional or mandatory fee. All non-optional or mandatory fees must be included in the gross rent calculation.

### **5.11 GUIDELINES FOR ALLOWABLE CHARGES & FEES**

The following fee schedule was developed based on the affordable housing industry standards that requires fees to be reasonable, necessary and comparable to other affordable housing properties located in the City of Boulder. The fee schedule is not all inclusive and is intended to be a guide for determining reasonable charges and fees. All charges and fees must be reviewed and approved by the City.




| Type of Charges & Fees                                       | City Approved Charges & Fees  |
|--|---|
| Application Fee  | Tenants may be charged for the actual cost of processing applications, not to exceed \$30. No fee may be charged for recertification.                                       |
| Late, Dishonored Payments, Eviction and Other Fees & Charges | \$50.00 late fee followed by a maximum of \$15.00 per day until all amounts are paid in full.   |
| Lease Break/Re-Letting Fees                                  | Break-lease fees are permitted if they are in lieu of paying rent for the remaining term of the lease. The fee may not exceed two months' rent.                             |
| Re-Inspection Fee  | Permissible only in the case of a documented lease violation, not to exceed \$25.   |
| Misc. Fees   | Tenants may be charged for the actual cost of providing service or replacement.   |
| Replace damaged smoke/CO detector                            | Tenants may be charged for the actual cost of replacement when they are at fault for damage.  |
| Fill Nail/Molly Holes  | Fees for preparing or providing maintenance to a unit due to normal wear and tear are not allowed. Actual cost for repairing damage beyond normal wear and tear is allowed. |
| Replace standard light bulbs                                 | Tenants may be responsible for replacing standard light bulbs during occupancy.   |
| Replace batteries in smoke/CO detectors                      | Tenants may be responsible for replacing batteries during occupancy.  |

### 5.12 PROHIBITED FEES

The following fees may not be charged, regardless of whether or not they are included in the gross rent calculation:

- Fees for work involved in completing the Tenant Income Certification and other program specific documentation. Owners/Managers cannot charge the applicant or tenant for costs incurred to receive or complete income verification forms. If there is a fee associated with obtaining verification, the Owner/Manager may choose to pay the fee or may instead use a different source of verification.
- Fees for preparing a unit for occupancy or providing general maintenance. The Owner/Manager is responsible for maintaining all units in a manner suitable for occupancy at all times. Tenants may only be charged for repair or damages that are beyond normal wear and tear. The Owner/Manager must document damages in the file with photos to prove that the unit is in condition beyond normal expected wear and tear. Charges to the tenant must not exceed the actual cost to repair. The city will expect to see documentation in the tenant file as to the nature of the damage, including photos and receipts for the repair work.
- Lease processing fees, acceleration charges and interest on unpaid balances are prohibited.





At the end of occupancy, the tenant shall deliver the rental premises to the Owner/Manager in a clean and proper condition. Ordinary wear and tear is expected and is considered the normal course of habitation of a dwelling unit.

### **5.13 LANDLORD/TENANT HANDBOOK**

The Landlord-Tenant Handbook ([Appendix V-D](#)) was prepared by the City of Boulder Mediation Services with legal advice from the Boulder City Attorney's Office. It summarizes existing State of Colorado and City of Boulder resident landlord-tenant law. The Landlord-Tenant website provides valuable resources and may be found on the following link:

<https://bouldercolorado.gov/services/landlord-tenant-and-roommate-resources>.

### **5.14 CONFLICT OF INTEREST**

With the exception of on-site property managers and maintenance workers that reside in a unit, Owners, and their officers, employees, agents, or consultants, may not occupy a permanently affordable rental housing unit. The city may grant exceptions to this rule on a case-by-case basis.

### **5.15 DISPUTE RESOLUTION**

Owners/manager should have written procedures in place that address the following situations:

- Disputes between individual tenants or households; and
- Tenant grievances against property management.

### **5.16 MEDIATION SERVICES**

The City of Boulder Community Mediation Service assists in resolving disputes for City of Boulder residents regarding landlord-tenant issues. Mediation is based on open communication and a sincere desire to resolve the dispute. Participation in mediation is voluntary. A large percentage of the work done by the Community Mediation Services involves landlord and tenant issues. A variety of resources have been developed dealing specifically with these types of relationships. These resources may be accessed in the following link:

<https://bouldercolorado.gov/community-mediation-and-resolution-center>.



## CHAPTER 6: PROPERTY STANDARDS

### 6.1 OVERVIEW

The Owner/Manager shall maintain the Property in good, safe, and habitable condition in all respects, except for normal wear and tear, and in full compliance with all applicable laws, ordinances, rules, and regulations. The Owner/Manager is responsible to conduct annual unit inspections and maintain documentation of such inspection in the tenant file. The Department of Housing & Human Services has contracted with a Housing Inspection Contractor to conduct inspections of rental units to ensure compliance with HUD property standards. The Contractor will conduct regular unit and property inspections to assure compliance with property standards.

All permanently affordable rental units must meet the property standards established by the City of Boulder, including rules related to the control and abatement of lead-based paint and the Uniform Federal Accessibility Standards for accessible units. The property standards are applicable in perpetuity regardless of who manages the property and/or whether the property's Ownership is transferred.

### 6.2 MINIMUM PROPERTY STANDARDS

The following minimum property standards apply by specific activity type:

#### A. Acquisition

- Applicable state or local housing quality standards and code requirements; and
- Uniform Federal Accessibility Standards for accessible units, as applicable.

#### B. Rehabilitation

- Local written rehabilitation standards;
- State/local code and standards or model codes; and
- Uniform Federal Accessibility Standards for accessible units, as applicable.

#### C. New Construction


- State/local code and standards or model codes;
- International Energy Conservation Code; and
- Uniform Federal Accessibility Standards for accessible units, as applicable.
- Site and Neighborhood Standards

### 6.3 LEAD BASED PAINT REQUIREMENTS

When a city-supported project involves acquisition or rehabilitation of a property that was constructed prior to 1978, the property is subject to the lead-based paint regulations at 24 CFR Part 35.

#### A. Exempt Housing

- Properties built after January 1, 1978;
- Properties that have previously tested negative for lead-based paint;
- Properties where all lead-based paint has been identified and removed using approved methods;

- 
- Properties where rehab will not disturb paint and no paint hazards are identified; and
  - Properties where occupancy by a child is unlikely.

### **B. LBP Disclosure Requirements**

The Owner/Manager must understand lead-based paint disclosure and ongoing maintenance obligations. Prior to leasing a unit, Owner/Manager of pre-1978 rental properties must:

- Provide prospective tenants the lead hazard information pamphlet, *Protect Your Family in Your Home* ([Appendix VI-A](#)).
- Provide tenants with a Lead Based Paint Disclosure form ([Appendix VI-A.1](#)) and maintain in the tenant file.
- Disclose any known lead or lead hazards in the property, including the location of lead-based paint and/or lead hazards, and the condition of the painted surfaces.
- Provide the prospective tenants any records and reports on lead-based paint and/or lead-based paint hazards which are available to the Owner/Manager, including records and reports concerning common areas and other units, when such information is obtained as a result of a building-wide evaluation; and
- Attach to the lease, or insert language in the lease, a *Lead Warning Statement*, that confirms the Owner/Manager has compliance with all notification requirements. If an attachment is used, Owners/Managers and tenants must sign and date the attachment.

### **C. Lead Hazard Evaluation & Reduction**

Properties built prior to 1978 must be evaluated to determine the presence of deteriorated paint. Regular maintenance and evaluation of lead hazard reduction must be performed. The Owner/Manager is responsible for:

- A visual inspection of lead-based paint at unit turnover or at least annually on occupied units;
- Repair of all unstable paint;
- Repair of encapsulated or enclosed areas that are damaged; and
- Continue to comply with the notification requirements when additional lead hazard evaluation and hazard reduction activities are performed.

## **6.4 ANNUAL INSPECTIONS**

The Owner/Manager is responsible to ensure that all permanently affordable rental housing units are inspected annually. Documentation of the inspection must be maintained in the tenant file or other property management files available for review by the city upon request.



## Chapter 7: Record Keeping & Retention

As for all program activities, the city requires documentation for rental projects to show that all program and project regulations have been met. Because of the long-term monitoring required for rental projects, record-keeping responsibilities are slightly more substantial.


Owner/Manager are responsible to keep adequate records that demonstrate compliance with all applicable requirements. The Owner/Manager must maintain both property and tenant records. Property records should include documentation to back-up rent and utility allowance calculations.

### 7.1 MAINTAINING TENANT RECORDS

To have the necessary information for reporting, Owner/Manager of permanently affordable rental housing units are required to maintain a tenant file for each household occupying an affordable housing unit. Tenant files should include the documentation necessary to demonstrate that each unit is properly occupied by an eligible tenant. The file must contain the following information:

- Unit number
- Number of bedrooms in the unit
- Name of the tenant occupying the unit
- Tenant application
- Tenant signed release forms
- Third-party income verification documentation for each household member 18 years and over
- Move-in inspection and annual inspection reports
- Total rent paid by tenant
- Utility allowance
- Tenant subsidy type and amount
- A copy of the current lease or Amendment to the original lease
- Household AMI
- Percentage of tenant income paid on rent
- Household size
- Names and birthdates of all members of the household
- Self-identified race/ethnicity for all members of the household
- Status of the head of household
- Beginning and ending dates of tenants' occupancy
- Reasons unit occupancy has changed
- Household disability status
- Declaration of Section 214 Status (HOME units only)
- Race/Ethnic Data Reporting Form
- Lead based paint acknowledgements (built pre-1978)

The documentation retained shall be sufficient to support the information provided by the



Owner/Manager to the city. The Owner/Manager must allow access to these records at any time during normal business hours upon request by the city. Records must be kept in the Owner/Manager's local office.

## **7.2 SAMPLE TENANT FILE FORMS**

The city has developed the following forms to assist Owners/Managers in ensuring compliance with tenant file requirements:

- Tenant File Checklist ([Appendix VII-A](#))
- Sample Application ([Appendix VII-B](#))
- Certification Questionnaire ([Appendix VII-C](#))
- Sample Income Verification Forms ([Appendix D, D.1 - D.8](#))
- Tenant Income Certification Form ([Appendix VII-D](#))
- Clarification Form ([Appendix VII-E](#))
- Move-In/Move-Out Inspection Checklist ([Appendix VII-F](#))
- Self-Certification Questionnaire ([Appendix VII-G](#))
- Race & Ethnicity ([Appendix III-J, J.1 - J.2](#))
- Lease Addendums ([Appendix V-A through V-C.4](#))

## **7.3 RECORD RETENTION**

The Owner/Manager must retain complete records for the most recent three-year period showing the extent to which applicants have applied for the program. The Owner/Manager must also retain complete tenant file records for the most recent five-year period which document tenant eligibility.

## **7.4 ACCESS TO RECORDS**

The Owner/Manager must allow the city access to all records at any time during normal business hours. All records should be kept in the Owner/Manager's local office.


## **7.5 REPORTING REQUIREMENTS**

The city requires Owners/Manager of rental properties to demonstrate that all program compliance requirements have been met. The annual submission of reports is a key way for Owner/Manager to demonstrate compliance requirements including applicable property standards, affordability, tenant eligibility and occupancy requirements. As part of the city's long-term monitoring, all rental properties are subject to an annual risk assessment and desk review of the following required reports:

### **A. Annual Tenant Report**

Upon completion of initial lease-up and annually thereafter, the Owner/Manager must provide tenant information by submitting an Annual Tenant Report ([Appendix VII-H](#)) by January 31<sup>st</sup> each year.

- Unit Number
- Identify Designated HOME-assisted units
- Number of Bedrooms
- Total Square Feet
- Unit AMI

- 
- Head of Household Last Name
  - Head of Household Type (*such as*):
    - Female Head of Household
    - Disabled Head of Household
    - Elderly Head of Household
  - Ethnic Characteristics
  - Racial Characteristics
  - Student Status
  - Head of Household Occupation
  - Household Size
  - Total Household Annual Income
  - Total Household Annual Assets
  - Source of Assets
  - Total Tenant Paid Rent
  - Rental Subsidy (as applicable)
  - Utility Allowance (as applicable)
  - Total Non-Optional Charges & Fees (as applicable)
  - Total Gross Rent
  - Date of Initial Occupancy

#### **B. Annual Beneficiary Report**

The Annual Beneficiary Report ([Appendix VII-I](#)) is required for some rental housing properties. This report summarizes the number of individuals or households (beneficiaries) that benefited from services provided by the project/program. This report must be completed on an annual basis and received by the Housing Sr Program Manager no later than January 30th of each year.

Only rental housing properties that provide overnight shelter or short-term transitional housing are required to submit an Annual Beneficiary Report. All other rental properties must submit an Annual Tenant Report.

#### **C. Annual Certification of Compliance**

As part of our Annual Risk Analysis for the Rental Compliance Program, the Annual Certification of Compliance ([Appendix VII-J](#)) must be submitted on an annual basis. This report certifies the activities of the past calendar year. The report is required for all permanently affordable rental housing units under Covenant.

#### **D. Affirmative Marketing Compliance Report**

The Owner/Manager must submit an Affirmative Marketing Compliance Report ([Appendix VII-K](#)) to demonstrate compliance with the city's Affirmative Fair Housing Marketing Plan or provide a written narrative of the affirmative marketing outreach efforts taken to market permanently affordable rental housing units in the past year. Supporting documentation detailing marketing efforts must be attached. The Compliance & Monitoring Administrator will monitor for Program compliance by all the required annual reports. Failure to submit reports as required may be considered an issue of noncompliance.



## CHAPTER 8: COMPLIANCE MONITORING

This chapter of the manual outlines the city's procedures for monitoring all permanently affordable rental housing partners and properties. Monitoring is designed to assist Owners/Managers with federal, and local regulations regarding the city's compliance monitoring requirements and procedures in accordance with 24 CFR Part 92, 24 CFR Part 570. However, compliance is the sole responsibility of the Owner of permanently affordable rental housing units under Covenant with the city.

### 8.1 MONITORING OVERVIEW

When the City of Boulder invests federal and local funds or acquires units through Inclusionary Housing or Annexation, it incurs an obligation to monitor the permanently affordable rental housing properties to ensure it is in compliance with all applicable rules and regulations throughout the period of affordability per the HOME Agreement, and in perpetuity per the Covenant to ensure that the property is maintained in accordance with applicable requirements and property standards. Three primary goals of monitoring are to:

- Ensure production and accountability;
- Ensure compliance with all federal and local requirements; and
- Evaluate organizational and project performance as well as project viability (financial health, management capacity, etc.)

Minimum monitoring activities include:

#### **A. Reporting**

Owner/Manager must submit an annual tenant report on rents and occupancy. This report provides data on the affordability requirements that limit occupancy to low-and-very low-income households and restrict rents to affordable levels.

#### **B. Unit & Property Inspections**

Owner/Manager must conduct annual inspections of units to verify that the property is maintained in standard condition and meet applicable housing quality standards, including lead-based paint notification and on-going maintenance requirements, as applicable.

#### **C. Record-Keeping**


Owner/Manager must maintain sufficient records to determine whether the Owner/Manager has met all requirements.

#### **D. Review of Records**

The City of Boulder will review records maintained by the Owner/Manager to verify the accuracy of reports and ascertain compliance.

### 8.2 MONITORING PLAN

The City of Boulder has an obligation to monitor all city-supported permanently affordable rental housing units and properties to ensure that they comply with applicable requirements. The city's



monitoring plan outlines the procedures the Housing & Human Services Specialist will follow when conducting various types of monitoring. These procedures have been developed to be complete, fair and consistent with the city's monitoring activities. Monitoring compliance falls into three general areas:

**A. Administrative & Financial Monitoring**

Ensures that Owner/Manager administering the program properly with necessary fiscal controls. It involves the review of and enforcement of Agreements and Covenants, timely completion of projects, adherence to policies and procedures adopted by the City of Boulder, compliance with administrative requirements, timely and accurate reporting and documentation of accomplishments.

**B. Program Monitoring**

Determines whether the Owner/Manager has the proper procedures, forms and files in place to carry out a program in compliance with local and federal requirements. It involves the examination of funding applications, policies, procedures, program files, financial files, project files structure and maintenance.

**C. Project Monitoring**

Ensures that each funded project meets all project requirements, eligible beneficiaries and property standards. A review of tenant files and unit inspections are completed as part of this process.

**8.3 TYPES OF MONITORING**

Comprehensive monitoring reviews are conducted regularly, even for an Owner/Manager of properties with a strong history of good performance and compliance. The Housing Sr Program Manager ensures that every permanently affordable rental project in the City of Boulder's Affordable Housing portfolio is monitored annually by utilizing three types of review which include:

**A. Pre-Lease-Up Monitoring**

Any Owner/Manager of new rental housing developments that does not have previous affordable housing experience is subject to additional monitoring and oversight during initial lease-up. City Compliance staff reserve the right to review/approve all tenant files through the first year of lease-up.

**B. Risk Assessment**

The Housing Sr Program Manager performs an annual Risk Assessment to identify which permanently affordable rental housing projects require comprehensive monitoring throughout the year. High-risk projects include but not limited to:

- New partner in providing permanently affordable rental housing;
- Experiencing turnover in key staff positions;
- Undertaking multiple funded activities for the first time; and
- Not submitting timely or accurate reports





### **C. Desk Review**

Desk reviews are a key component of basic monitoring activities. This review involves examining information and materials provided by Owners/Managers, as a means to track performance and identify potential problem areas. This review is conducted by the Housing Sr Program Manager on a quarterly and annual basis. Reports may include but not limited to: property compliance, overall project performance, financial health, and rent & occupancy reports. As most reports only offer a snapshot of a situation, the city may contact the Owner/Manager for clarification of information or seek additional information when conducting a desk review.

### **D. Pre-Monitoring Desk Reviews**

The Compliance & Monitoring Administrator will conduct a Pre-Monitoring Desk Review prior to conducting each Site Review or remote monitoring. This review consists of the following:

1. Fair Housing & Equal Opportunity – Ensure Fair Housing & Equal opportunity posters are displayed at:
  - The property location if a single site project; and/or
  - At the site where residents apply for housing.
2. Affirmative Marketing Procedures
  - Review the Affirmative Fair Housing Marketing Plan (AFHMP) to ensure it is being utilized in determining market for persons least likely to apply for housing.
  - Ensure that the AFHMP is evaluated and updated at least once every five (5) years in accordance to the policies of the Fair Housing & Equal Opportunity Office of the Department of Housing & Urban Development (HUD). All AFHMPs and updates must be submitted to the Housing Sr Program Manager for review and approval.
3. Tenant Selection Policies – review to ensure that applicants are selected, and the criteria used for approving or denying applicants.


### **E. On-Site Review (Site Reviews)**

The Housing & Human Services Specialist conducts Site Reviews and unit/property inspections. During the Site Review an analysis of randomly selected tenant files and review of supplemental information is completed along with an inspection of the general physical condition of the units and property.

### **F. Remote Monitoring**

Off-site Remote Monitoring is conducted in lieu of on-site Site Reviews when it's appropriate to do so. Unit inspections may be completed on the same day as remote monitoring or within a reasonable timeframe of the remote monitoring.

The Site Review and Remote Monitoring consists of two components:

- 
1. Review records and files retained on-site that document the Owner/Manager's compliance with requirements outlined in the Covenant and to verify the accuracy of information provided in the Owner/Manager's rent and occupancy reports.
  2. Conduct a physical inspection of a sample of units at the property to be sure the property is maintained in standard condition

A review of records may include but not limited to the following:

**General administrative files:** generated in the administration of the property as a whole, including marketing activities, tenant selection plan, wait list, policies and procedures.

**Tenant Files:** Related to the tenant and the unit he/she occupies.

**HOME-Unit Designation:** Reflect which units are HOME-assisted units at any given point in time.

**Maintenance Files:** Documentation of annual unit inspections to ensure applicable property standards are met and identify all physical improvements made to the property.

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| <p><b>NOTE:</b> The city may conduct monitoring or inspections more frequently as needed.</p> |
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#### **8.4 SITE REVIEW & REMOTE MONITORING PROCESS**

The basic framework for conducting Site Reviews consists of four steps which include:

##### **A. Monitoring Preparation**

Compliance staff will perform a Pre-Monitoring Desk Review of project related data. A Pre-Monitoring Questionnaire will be provided to the Owner/Manager to be completed and returned to Compliance staff prior to the Site Review.

##### **B. Conducting the Monitoring**


The Compliance Conduct the Site Review which consists of the following steps:

**Step 1: Notification:** Compliance staff will contact the Owner/Manager to explain the purpose of the visit and agree upon a date to conduct the Site Review. Any information needed for the review will be requested at the time of notification. Generally, a minimum of 30-days' notice will be provided to the Owner/Manager prior to the Site Review, unless otherwise agreed upon between all parties.

**Step 2: Entrance Conference:** Compliance staff will meet with the Owner/Manager and/or designated staff at the beginning of the monitoring visit to make sure the Owner/Manager has a clear understanding of the purpose and scope for the monitoring.

**Step 3: Tenant File Review:** Compliance staff will perform a review of tenant files and supplemental documentation to determine compliance with applicable requirements.

**Step 4: Exit Conference:** At the end of the Site Review, Compliance staff will meet again with



the Owner/Manager and/or designated staff to present the preliminary results of the monitoring, secure additional information needed, and to provide the Owner/Manager with an opportunity to respond to questions and concerns.

**Step 5: Unit Inspections:** At the end of the file review, Compliance staff will accompany the Owner/Manager or designated staff in conducting an inspection of units to ensure applicable property standards are met.

**Step 6: Follow-Up:** At the end of the Site Review, Compliance staff will follow-up with the Owner/Manager to ensure that all outstanding questions and/or concerns have been resolved. The Owner/Manager will be given an opportunity to address any area of concern identified in the monitoring, prior to the formal submission of the monitoring letter.

**Step 7: Monitoring Letter:** A written summary of the Site Review will be provided to the Owner/Manager within thirty (30) days of the Site Review. The Owner/Manager will be given thirty (30) days from the receipt of the monitoring letter to address any corrective action required as outlined in the monitoring letter.

## **8.5 TECHNICAL ASSISTANCE**

The city incorporates technical assistance into the overall monitoring plan in an effort to help Owner/Manager understand and comply with all compliance requirements. Technical assistance is not intended to replace formal monitoring but rather serves as a supplemental tool for monitoring to ensure long-term compliance. Technical assistance is offered prior to initial lease-up, based on need as identified in the monitoring process, staff turnover and is available upon request.

## **8.6 MONITORING LONG-TERM VIABILITY**


Many difficulties in rental project first appear in the form of financial problems. For this reason, the city performs enhanced monitoring to ensure the long-term financial viability of a property. This review is conducted annually through a review of operating income and expense reports, vacancy reports and annual financial statements.

## **8.7 NONCOMPLIANCE**

Noncompliance is defined as any period of time in which the project fails to satisfy applicable requirements. Any determination of noncompliance will be communicated to the Owner/Manager in writing. The letter will be written to notify the Owner/Manager of all areas of concern, any determination of noncompliance, required corrective actions and the period of resolution. The severity and extent of noncompliance may vary. In general, issues of noncompliance fall into three levels of severity.

**Level 1:** One-time instance of noncompliance, general identified as an “area of concern”;

**Level 2:** Moderate to severe instances of noncompliance that have multiple occurrences, and or suggest that there are problems with management or operational issues in carrying out requirements;



**Level 3:** Instances of gross negligence, fraud, discrimination, or physical conditions that pose an imminent threat to the health or safety of tenants.

If issues of noncompliance are not resolved within the period of time allotted, the Housing Sr Program Manager will investigate and may visit the site to determine the extent of noncompliance.

## **8.8 TERMS OF ENFORCEMENT**

When issues of noncompliance are identified, a range of corrective actions or remedies may be imposed. The type of corrective action depends on the severity of noncompliance. Some examples of remedies may include:

**Level 1:** Document the issue of noncompliance, follow-up and verify that the issue of noncompliance has been corrected; and or monitor more frequently to ensure that issues of noncompliance are not repeated.

**Level 2:** Meet with the Owner/Manager to correct the issue of noncompliance; document the meeting and directives in a follow-up letter, verify that all issues of noncompliance have been corrected; and monitor more frequently and provide technical assistance as needed.

**Level 3:** Meet with the Owner/Manager to identify issues of noncompliance and establish a timeframe for corrective action, execute a formal agreement which specifies the terms and conditions to address the issue of noncompliance. Notify the City Attorney's Office if full compliance within the allotted resolution period is not satisfied. The City Attorney's Office may pursue whatever legal action necessary to correct the situation.

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| <p><b>NOTE:</b> The city reserves the right to take the corrective actions as referenced above and as outlined in the Agreement and/or Covenant.</p> |
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APPENDIX III-A

# Are You a Victim of Housing Discrimination?

Fair Housing is Your Right!

If you have been denied your housing rights...you may have experienced unlawful discrimination.



U.S. Department of Housing and Urban Development

## WHERE TO MAIL YOUR FORM OR INQUIRE ABOUT YOUR CLAIM

**For Connecticut, Maine, Massachusetts,  
New Hampshire, Rhode Island, and Vermont:  
NEW ENGLAND OFFICE**

Fair Housing Hub  
U.S. Dept. of Housing and Urban Development  
Thomas P. O'Neill, Jr. Federal Building  
10 Causeway Street, Room 321  
Boston, MA 02222-1092  
Telephone (617) 994-8320 or 1-800-827-5005  
Fax (617) 565-7313 • TTY (617) 565-5453  
E-mail: [Complaints\\_office\\_01@hud.gov](mailto:Complaints_office_01@hud.gov)

**For New Jersey and New York:  
NEW YORK/NEW JERSEY OFFICE**

Fair Housing Hub  
U.S. Dept. of Housing and Urban Development  
26 Federal Plaza, Room 3532  
New York, NY 10278-0068  
Telephone (212) 264-1290 or 1-800-496-4294  
Fax (212) 264-9829 • TTY (212) 264-0927  
E-mail: [Complaints\\_office\\_02@hud.gov](mailto:Complaints_office_02@hud.gov)

**For Delaware, District of Columbia, Maryland,  
Pennsylvania, Virginia, and West Virginia:  
MID-ATLANTIC OFFICE**

Fair Housing Hub  
U.S. Dept. of Housing and Urban Development  
The Wanamaker Building  
100 Penn Square East  
Philadelphia, PA 19107  
Telephone (215) 656-0663 or 1-888-799-2085  
Fax (215) 656-3419 • TTY (215) 656-3450  
E-mail: [Complaints\\_office\\_03@hud.gov](mailto:Complaints_office_03@hud.gov)

**For Alabama, the Caribbean, Florida, Georgia, Kentucky, Missis-  
sippi, North Carolina, South Carolina, and Tennessee:  
SOUTHEAST/CARIBBEAN OFFICE**

Fair Housing Hub  
U.S. Dept. of Housing and Urban Development  
Five Points Plaza  
40 Marietta Street, 16th Floor  
Atlanta, GA 30303-2808  
Telephone (404) 331-5140 or 1-800-440-8091  
Fax (404) 331-1021 • TTY (404) 730-2654  
E-mail: [Complaints\\_office\\_04@hud.gov](mailto:Complaints_office_04@hud.gov)

**For Illinois, Indiana, Michigan, Minnesota,  
Ohio, and Wisconsin:  
MIDWEST OFFICE**

Fair Housing Hub  
U.S. Dept. of Housing and Urban Development  
Ralph H. Metcalfe Federal Building  
77 West Jackson Boulevard, Room 2101  
Chicago, IL 60604-3507  
Telephone (312) 353-7776 or 1-800-765-9372  
Fax (312) 886-2837 • TTY (312) 353-7143  
E-mail: [Complaints\\_office\\_05@hud.gov](mailto:Complaints_office_05@hud.gov)

**For Arkansas, Louisiana, New Mexico, Oklahoma, and Texas:  
SOUTHWEST OFFICE**

Fair Housing Hub  
U.S. Dept. of Housing and Urban Development  
801 North Cherry, 27th Floor  
Fort Worth, TX 76102  
Telephone (817) 978-5900 or 1-888-560-8913  
Fax (817) 978-5876 or 5851 • TTY (817) 978-5595  
E-mail: [Complaints\\_office\\_06@hud.gov](mailto:Complaints_office_06@hud.gov)

**For Iowa, Kansas, Missouri and Nebraska:  
GREAT PLAINS OFFICE**

Fair Housing Hub  
U.S. Dept. of Housing and Urban Development  
Gateway Tower II  
400 State Avenue, Room 200, 4th Floor  
Kansas City, KS 66101-2406  
Telephone (913) 551-6958 or 1-800-743-5323  
Fax (913) 551-6856 • TTY (913) 551-6972  
E-mail: [Complaints\\_office\\_07@hud.gov](mailto:Complaints_office_07@hud.gov)

**For Colorado, Montana, North Dakota, South Dakota,  
Utah, and Wyoming:  
ROCKY MOUNTAINS OFFICE**

Fair Housing Hub  
U.S. Dept. of Housing and Urban Development  
1670 Broadway  
Denver, CO 80202-4801  
Telephone (303) 672-5437 or 1-800-877-7353  
Fax (303) 672-5026 • TTY (303) 672-5248  
E-mail: [Complaints\\_office\\_08@hud.gov](mailto:Complaints_office_08@hud.gov)

**For Arizona, California, Hawaii, and Nevada:  
PACIFIC/HAWAII OFFICE**

Fair Housing Hub  
U.S. Dept. of Housing and Urban Development  
600 Harrison Street, Third Floor  
San Francisco, CA 94107-1300  
Telephone (415) 489-6524 or 1-800-347-3739  
Fax (415) 489-6558 • TTY (415) 436-6594  
E-mail: [Complaints\\_office\\_09@hud.gov](mailto:Complaints_office_09@hud.gov)

**For Alaska, Idaho, Oregon, and Washington:  
NORTHWEST/ALASKA OFFICE**

Fair Housing Hub  
U.S. Dept. of Housing and Urban Development  
Seattle Federal Office Building  
909 First Avenue, Room 205  
Seattle, WA 98104-1000  
Telephone (206) 220-5170 or 1-800-877-0246  
Fax (206) 220-5447 • TTY (206) 220-5185  
E-mail: [Complaints\\_office\\_10@hud.gov](mailto:Complaints_office_10@hud.gov)

***If after contacting the local office nearest you, you still have ques-  
tions – you may contact HUD further at:***

U.S. Dept. of Housing and Urban Development  
Office of Fair Housing and Equal Opportunity  
451 7th Street, S.W., Room 5204  
Washington, DC 20410-2000  
Telephone (202) 708-0836 or 1-800-669-9777  
Fax (202) 708-1425 • TTY 1-800-927-9275

To file electronically, visit: [www.hud.gov](http://www.hud.gov)



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Public Reporting Burden for this collection of information is estimated to average 20 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information.

The Department of Housing and Urban Development is authorized to collect this information by Title VIII of the Civil Rights Act of 1968, as amended by the Fair Housing Amendments Act of 1988, (P.L. 100-430); Title VI of the Civil Rights Act of 1964, (P.L. 88-352); Section 504 of the Rehabilitation Act of 1973, as amended, (P.L. 93-112); Section 109 of Title I- Housing and Community Development Act of 1974, as amended, (P.L. 97-35); Americans with Disabilities Act of 1990, (P.L. 101-336); and by the Age Discrimination Act of 1975, as amended, (42 U.S.C. 6103).

The information will be used to investigate and to process housing discrimination complaints. The information may be disclosed to the United States Department of Justice for its use in the filing of pattern and practice suits of housing discrimination or the prosecution of the person(s) who committed that discrimination where violence is involved; and to State or local fair housing agencies that administer substantially equivalent fair housing laws for complaint processing. Failure to provide some or all of the requested information will result in delay or denial of HUD assistance.

Disclosure of this information is voluntary.



# HOUSING DISCRIMINATION INFORMATION

Departamento de Vivienda y Desarrollo Urbano    Oficina de Derecho Equitativo a la Vivienda  
U.S. Department of Housing and Urban Development    Office of Fair Housing and Equal Opportunity

**Instructions:** (Please type or print) Read this form carefully. Try to answer all questions. If you do not know the answer or a question does not apply to you, leave the space blank. You have one year from the date of the alleged discrimination to file a complaint. Your form should be signed and dated.

\_\_\_\_\_  
Your Name

\_\_\_\_\_  
Your Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

\_\_\_\_\_  
Best time to call

\_\_\_\_\_  
Your Daytime Phone No

\_\_\_\_\_  
Evening Phone No

## Who else can we call if we cannot reach you?

\_\_\_\_\_  
Contact's Name

\_\_\_\_\_  
Best Time to call

\_\_\_\_\_  
Daytime Phone No

\_\_\_\_\_  
Evening Phone No

\_\_\_\_\_  
Contact's Name

\_\_\_\_\_  
Best Time to call

\_\_\_\_\_  
Daytime Phone No

\_\_\_\_\_  
Evening Phone No

## 1 What happened to you?

How were you discriminated against?

For example: were you refused an opportunity to rent or buy housing? Denied a loan? Told that housing was not available when in fact it was? Treated differently from others seeking housing?

State briefly what happened.

# HOUSING DISCRIMINATION INFORMATION

Departamento de Vivienda y Desarrollo Urbano    Oficina de Derecho Equitativo a la Vivienda  
U.S. Department of Housing and Urban Development    Office of Fair Housing and Equal Opportunity

## 2 Why do you think you are a victim of housing discrimination?

Is it because of your:

• race • color • religion • sex • national origin • familial status (families with children under 18) • disability?

For example: were you denied housing because of your race? Were you denied a mortgage loan because of your religion? Or turned down for an apartment because you have children?

Briefly explain why you think your housing rights were denied and circle the factor(s) listed above that you believe apply.

## 3 Who do you believe discriminated against you?

For example: was it a landlord, owner, bank, real estate agent, broker, company, or organization?

Identify who you believe discriminated against you.

\_\_\_\_\_  
Name

\_\_\_\_\_  
Address

## 4 Where did the alleged act of discrimination occur?

For example: Was it at a rental unit? Single family home? Public or Assisted Housing? A Mobile Home?

Did it occur at a bank or other lending institution?

Provide the address.

\_\_\_\_\_  
Address

\_\_\_\_\_  
City

\_\_\_\_\_  
State

\_\_\_\_\_  
Zip Code

## 5 When did the last act of discrimination occur?

Enter the date

\_\_\_\_/\_\_\_\_/\_\_\_\_

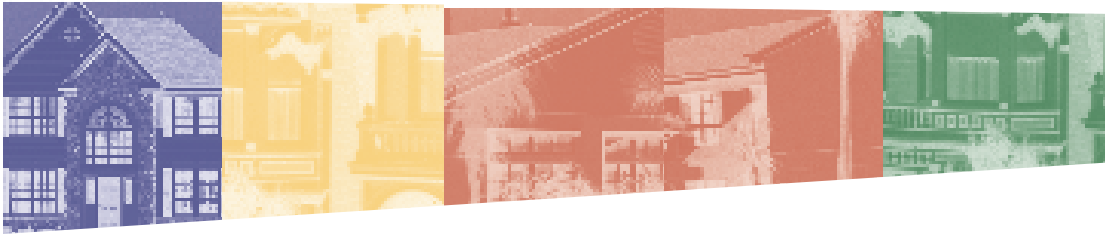
Is the alleged discrimination continuing or ongoing?

Yes No \_\_\_\_\_

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Send this form to HUD or to the fair housing agency nearest you. If you are unable to complete this form, you may call that office directly. See address and telephone listings on back page.



## It is Unlawful to Discriminate in Housing Based on These Factors...

- Race
- Color
- National origin
- Religion
- Sex
- Familial status (families with children under the age of 18, or who are expecting a child)
- Handicap (if you or someone close to you has a disability)

## If You Believe Your Rights Have Been Violated...

- HUD or a State or local fair housing agency is ready to help you file a complaint.
- After your information is received, HUD or a State or local fair housing agency will contact you to discuss the concerns you raise.

Detach here. Fold and close with glue or tape (no staples)

Keep this information for your records.

Date you mailed your information to HUD:

\_\_\_\_/\_\_\_\_/\_\_\_\_

Address to which you sent the information:

Office

Telephone

Street

City

State

Zip Code

If you have not heard from HUD or a State or local fair housing agency within three weeks from the date you mailed this form, you may call to inquire about the status of your complaint. See address and telephone listings on back page.

## ARE YOU A VICTIM OF HOUSING DISCRIMINATION?

"The American Dream of having a safe and decent place to call 'home' reflects our shared belief that in this nation, opportunity and success are within everyone's reach.

Under our Fair Housing laws, every citizen is assured the opportunity to build a better life in the home or apartment of their choice — regardless of their race, color, religion, sex, national origin, family status or disability."

Alphonso Jackson  
Secretary

## HOW DO YOU RECOGNIZE HOUSING DISCRIMINATION?

### Under the Fair Housing Act, it is Against the Law to:

- Refuse to rent to you or sell you housing
- Tell you housing is unavailable when in fact it is available
- Show you apartments or homes only in certain neighborhoods
- Set different terms, conditions, or privileges for sale or rental of a dwelling
- Provide different housing services or facilities
- Advertise housing to preferred groups of people only
- Refuse to provide you with information regarding mortgage loans, deny you a mortgage loan, or impose different terms or conditions on a mortgage loan
- Deny you property insurance
- Conduct property appraisals in a discriminatory manner
- Refuse to make reasonable accommodations for persons with a disability if the accommodation may be necessary to afford such person a reasonable and equal opportunity to use and enjoy a dwelling.
- Fail to design and construct housing in an accessible manner
- Harass, coerce, intimidate, or interfere with anyone exercising or assisting someone else with his/her fair housing rights

# APPENDIX III-B

## TITLE I

### EMPLOYMENT

**1. DISABILITY means**, with respect to an individual:

- A. A physical or mental impairment that substantially limits one or more of the major life activities of such individual;
- B. A record of such impairment; or
- C. Being regarded as having such an impairment (even though the individual does not have such an impairment).

If an individual meets any one of these three tests, he or she is considered to be an individual with a disability for purposes of coverage under the ADA.

**2. MAJOR LIFE ACTIVITIES means** functions such as caring for one's self, performing manual tasks, walking, hearing, seeing, breathing, learning, and working.

**3. SUBSTANTIALLY LIMITS -** means significantly restricted, more than minor impairments. With respect to 'work it means significantly restricted ability to perform either a class or broad range of jobs. The inability to perform a single, particular job does not constitute a substantial limitation.

**4. PHYSICAL or MENTAL IMPAIRMENT** means any psychological disorder or condition, cosmetic disfigurement or anatomical loss affecting one or more of the following body systems: neurological, musculoskeletal, special sense including speech organs, cardiovascular, reproductive, etc. It also means any mental or psychological disorder such as mental retardation, or mental illness, or specific learning disorder, or drug addiction or alcoholism.

Psychological or mental disorder does not include most sexual behavior disorders or gender identity disorders such as exhibitionism, voyeurism, or transsexualism.

Use of drugs

An individual who is currently using illegal drugs is specifically excluded from the definition of a "qualified person with a disability" even if otherwise meeting the definition

**6. ACTIVITIES AND PRACTICES COVERED UNDER TITLE I**

Discrimination is prohibited in all aspects of employment including:

- |    |   |    |                   |
|----|---|----|-------------------|
| A. | Application procedures<br>(i.e. advertising,<br>recruiting and testing) | D. | promotion         |
|    |   | E. | pay               |
|    |   | F. | training          |
|    |   | G. | seniority         |
| B. | hiring  | H. | layoff and recall |
|    |   | I. | leave             |
| C. | firing  | J. | fringe benefits   |

**7. QUALIFIED INDIVIDUAL WITH A DISABILITY** means a person who meets legitimate skill, knowledge, experience or education requirements of a position that he/she holds, or seeks to hold, and can perform the essential functions of the position with or without reasonable accommodations.

Note - requiring the ability to perform the essential functions assures that an individual will not be disqualified because he or she is unable to perform incidental or marginal job *functions*.

Determination of whether an individual with a disability is qualified is to be made at the time of the employment decision, and not based on speculation that the employee may become unable in the future.

8. **ESSENTIAL JOB FUNCTIONS** means the *fundamental job* duties of the position the individual with the disability holds or desires. A function may be essential because: it is the reason a position exists (a typist must be able to type), there are a limited number of employees among whom the function can be distributed, or the function is highly specialized.

Some criteria for determining whether a particular function is essential:

- A. The employer's judgement;
- B. Identification in a job description prepared in advance of advertising or interview;
- C. The amount of time spent on the function; and
- D. The consequences of not performing the function.

9. **REASONABLE ACCOMMODATION** means any modification to a job or work environment that will allow a qualified applicant or employee with a disability to participate in the application process or to perform the essential job functions.

An accommodation may include restructuring a job, modifying work schedules, providing qualified readers or interpreters, or modifying examinations. It may also mean reassigning a current employee who becomes disabled to a vacant position for which he/she is qualified.

Reasonable accommodation does not mean lowering either quantity or quality standards for essential job elements. For instance where a predetermined job standard stated that a custodian must complete certain tasks within a specific time period, it would be permissible to exclude a disabled person who could perform the tasks but took twice as long.

10. **PERSONAL ASSISTANTS** - The regulations are vague and the extent to which employers are required to accommodate disabled employees by providing personal assistants. All that is stated is that "Providing personal assistants, such as page turners for an employee with no hands or a travel attendant to act as a sighted guide to assist a blind employee on occasional business trips, may also be a reasonable accommodation."
11. **JOB RESTRUCTURING** - Entails "reallocating or redistributing non-essential marginal job functions" or "altering when or how an essential function is to be performed". An employer is not required to reallocate essential functions or to make an accommodation involving the restructuring of a job that would fundamentally alter the requirements of a position.
12. **REASONABLE ACCOMMODATION IS NOT REQUIRED WHEN** it would impose an undue hardship on the operation of the employer's business.
13. **UNDUE HARDSHIP** means an action requiring significant difficulty or expense when considered in relation to the size, resources, nature and structure of the employer's operation.

Criteria that would be used to determine if an accommodation presented an undue hardship would include: the nature and cost of the accommodation; the overall *financial resources* of the City, not just of the department or work group; the impact of the accommodation on the ability of other employees to perform their duties; and the impact on the *organization's ability* to conduct business.



14. **DIRECT THREAT (to applicants, employees or the public)** - The City may require as qualification standard, that an individual not pose a direct threat to the *health or* safety of himself/herself or others. Like any other qualification *standard, such* a standard must apply to all applicants or employees and not just to individuals with disabilities.

If the threat is the result of a disability, the employer must determine whether a reasonable accommodation would either eliminate the risk or reduce it to an acceptable level. If no such accommodation exists, an employer may refuse to hire an applicant or may discharge an employee.

The risk can only be considered when it poses a significant risk, i.e., high probability of substantial harm. All decisions related to determining whether an employee or applicant poses a substantial risk must be made on a case by case basis.

The following factors are to be considered when determining whether or not an employee or applicant poses a direct threat:

- A. Duration of the risk;
- B. Nature and severity of the potential harm;
- C. Likelihood that the potential harm will occur; and
- D. Imminence of the potential harm.

15. **TESTING** - If a test is intended to measure skills, aptitude, or other factors, it must be administered in a way which does not reflect impaired sensory (most typically hearing or vision), manual, or speaking skills.

A test which judges the sensory, manual or speaking skills of an applicant may do so only if that is the purpose of the test and because those skills are relevant to the job.

We have the duty to provide a reasonable accommodation to a *disabled person* in the administration of a test when we know the individual is disabled and the disability involves sensory, manual, or speaking skills. For example, if we know an applicant is blind, we are required to provide a reader or other oral or braille version of the test.

ADA implies that we give notice to all job applicants that tests are required so that if an applicant requires an accommodation, they can give reasonable notice of their specific need.

Physical agility tests are not medical exams.

16. **PRE-EMPLOYMENT EXAMINATION OR INQUIRY** - There are no circumstances under which we may inquire on an application or in an interview whether, or to what extent, an applicant is disabled.

We can only ask if the applicant can perform job functions. If we know the applicant has a disability we can ask how he/she can perform functions with or without accommodations we may consider difficult or impossible because of the disability.

17. ATTENDANCE - An employer cannot ask how often the individual will require leave for treatment or how often they will use leave for treatment or use leave as result of a disability.
18. MEDICAL EXAMINATIONS - Regulations prohibit all medical examinations made prior to a job offer. An employer cannot inquire as to whether an individual has a disability at the pre-offer stage of the selection process, nor can an employer inquire at the pre-offer stage about an applicant's workers' compensation history.

However, the regulations do allow required medical examinations after an employment offer has been made. An employment offer may be made conditional upon the results of a medical examination providing that all entering employees in the same job category are subject to such an examination regardless of disability.

## APPENDIX III-B.1

# NOTICE UNDER THE AMERICANS WITH DISABILITIES ACT

In accordance with the requirements of title II of the Americans with Disabilities Act of 1990 ("ADA"), the City of Boulder will not discriminate against qualified individuals with disabilities on the basis of disability in its services, programs, or activities.

***Employment:*** The City of Boulder does not discriminate on the basis of disability in its hiring or employment practices and complies with all regulations promulgated by the U.S. Equal Employment Opportunity Commission under title I of the ADA.

***Effective Communication:*** The City of Boulder will generally, upon request, provide appropriate aids and services leading to effective communication for qualified persons with disabilities so they can participate equally in the City of Boulder programs, services, and activities, including qualified sign language interpreters, documents in Braille, and other ways of making information and communications accessible to people who have speech, hearing, or vision impairments.

***Modifications to Policies and Procedures:*** The City of Boulder will make all reasonable modifications to policies and programs to ensure that people with disabilities have an equal opportunity to enjoy all of its programs, services, and activities. For example, individuals with service animals are welcomed in the City of Boulder offices, even where pets are generally prohibited.

Anyone who requires an auxiliary aid or service for effective communication, or a modification of policies or procedures to participate in a program, service, or activity of the City of Boulder, should contact Kevin Krayna, at (303) 441-3061 in the office of Risk Management as soon as possible but no later than 48 hours before the scheduled event.

The ADA does not require the City of Boulder to take any action that would fundamentally alter the nature of its programs or services, or impose an undue financial or administrative burden.

Complaints that a program, service, or activity of the City of Boulder is not accessible to persons with disabilities should be directed to Kevin Krayna, at (303) 441-3061 or email at [kraynak@bouldercolorado.gov](mailto:kraynak@bouldercolorado.gov).

For employment related complaints, please contact Joyce Lira, Human Resources Director, at 303-441-1948 or email [liraj@bouldercolorado.gov](mailto:liraj@bouldercolorado.gov).

The City of Boulder will not place a surcharge on a particular individual with a disability or any group of individuals with disabilities to cover the cost of providing auxiliary aids/services or reasonable modifications of policy, such as retrieving items from locations that are open to the public but are not accessible to persons who use wheelchairs.



**City of Boulder  
Grievance Procedure Notice  
Title II of the Americans with Disabilities Act**

Under Title II of the Americans with Disabilities Act (ADA) the City of Boulder is required to make city facilities, services and programs accessible to people with disabilities and in compliance with the ADA.

If you feel that you have not been able to access City of Boulder facilities, services or programs, or have been discriminated against based upon your disability, please call Kevin Krayna at 303-441-3061 or fill out the ADA Complaint Form. For employment related matters, please call Joyce Lira at 303-441-1948.

Your complaint will be investigated and you will be contacted with the results, or how to further proceed. This form and process are designed to provide you with the opportunity to quickly and effectively resolve any issues as they relate to the ADA and the City of Boulder. For organizations or businesses outside the City's responsibility, please contact the Department of Justice at 1-800-514-0301.

## EXHIBIT III-B.3



### City of Boulder ADA Complaint Form

Kevin Krayna  
Safety and Workers' Compensation Coordinator  
1301 Arapahoe Ave, Boulder, CO 80302  
Phone: (303) 441-3061  
Email: kraynak@bouldercolorado.gov

For employment related complaints, please contact:  
Joyce Lira  
Human Resources Director  
3065 Center Green Dr, Boulder, CO 80301  
Phone: 303-441-1948  
Email: liraj@bouldercolorado.gov

**Instructions:** Please fill out the form completely.

**Name:** \_\_\_\_\_

**Address:** \_\_\_\_\_ **City:** \_\_\_\_\_

**State:** \_\_\_\_\_ **Zip Code:** \_\_\_\_\_

**Home #:** \_\_\_\_\_ **Work #:** \_\_\_\_\_ **Cell #:** \_\_\_\_\_

**Email Address:** \_\_\_\_\_

**Reason for Grievance/Complaint:** Please be specific and provide as much information as possible, such as location, date, time, names, etc...

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**What do you think should be done to resolve this issue?**

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**Signature:** \_\_\_\_\_

**Date:** \_\_\_\_\_

This information will be held in confidence unless instructed otherwise by you.

If you have questions about this form, need an accommodation, or a different format, please contact the City of Boulder, Kevin Krayna, at (303) 441-3061 or for employment related accommodations, Joyce Lira at (303)441-1948

**Sign and return original with signature to:**

Kevin Krayna  
Safety and Workers' Compensation Coordinator  
1301 Arapahoe Ave, Boulder, CO 80302  
Phone: (303) 441-3061  
Email: kraynak@bouldercolorado.gov

For employment related complaints, please contact:  
Joyce Lira  
Human Resources Director  
3065 Center Green Dr, Boulder, CO 80301  
Phone: 303-441-1948  
Email: liraj@bouldercolorado.gov

**Please allow us 30 business days, from the date of receipt, to investigate and respond to your complaint.**

## APPENDIX III-C

### VERIFICATION OF DISABILITY/HANDICAPPED STATUS

RE: \_\_\_\_\_  
Applicant/Participant Social Security Number  
\_\_\_\_\_  
Name of Member Claiming Disability/Handicap Social Security Number

#### TO WHOM IT MAY CONCERN:

The applicant/participant is applying for housing subsidized through the Department of Housing and Urban Development. Federal regulations require that all income, expenses, preferences and other information related to eligibility must be third-party verified. Please complete this form as it applies to the above named household member who is claiming preference. Be assured that your reply will be kept confidential. Please provide the requested information within the next 10 days. If you have any questions, please contact:

\_\_\_\_\_  
Property Management Telephone Number

#### RELEASE OF INFORMATION:

I hereby authorize the release of the information requested below:

|  |               |
|--|---------------|
| _____<br>Signature of Head of Household        | _____<br>Date |
| _____<br>Signature of Family Member (If Adult) | _____<br>Date |

This is to certify that, in my opinion, \_\_\_\_\_ is ☐ or is not ☐  
(choose one) disabled/handicapped to such an extent that one of the following applies to his/her condition:

- \_\_\_\_\_ a) the person has a disability as defined in Section 223 of the Social Security Act of (42 U.S.C. 423);
- \_\_\_\_\_ b) the person has a developmental disability as described by Section 102(7) of the Developmental Disabilities Assistance and Bill of Rights Act (42 U.S.C. 6001(7)); or
- \_\_\_\_\_ c) The person has a physical, mental or emotional impairment that:
- a. is expected to be of long-continued and indefinite duration;
  - b. substantially impedes his or her ability to live independently, and
  - c. is of such a nature that ability to live independently could be improved by more suitable housing conditions.

Disability began on/about \_\_\_\_\_  
(Residential Coordinator may not verify this information)

|  |   |
|--|---|
| _____<br>Signature of Knowledgeable Professional | _____<br>Print Name of Knowledgeable Professional |
| _____<br>Title of Knowledgeable Professional     | _____<br>License Number (if applicable)           |
| _____<br>Street Address                          | _____<br>City                                     |
| _____<br>Telephone                               | _____<br>State                                    |
| _____<br>Date                                    | _____<br>Zip                                      |

**WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful, false statements of misrepresentation to any Department or Agency of the U.S. as to any matter within its jurisdiction.**



## APPENDIX III-D

### **Request for Reasonable Accommodation**

Head of Household: \_\_\_\_\_

Person requesting a Reasonable Accommodation: \_\_\_\_\_

Address: \_\_\_\_\_ Phone: \_\_\_\_\_

Section 504 of the Rehabilitation Act and the Fair Housing Amendments Act defines a "disability" as a physical or mental impairment which substantially limits one or more of a person's major life activities, a record of having such impairment, or being regarded as having such an impairment.

1. Based on the above definition I consider myself to be an individual with a disability.  
☐ Yes ☐ No
2. As a result of my disability, I am requesting a reasonable accommodation in order to have an equal opportunity to participate in, or benefit from, Division of Housing (DOH).  
☐ Yes ☐ No

As a result of my disability, I am requesting the following accommodation in order to have an equal opportunity to participate in, or benefit from, DOH's housing programs:

3. \_\_\_\_\_  
\_\_\_\_\_
4. As a result of my disability, the above accommodation is necessary because: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_
5. Verification Information: Please provide DOH with the contact information of a knowledgeable professional who can verify the disability and the need for the requested reasonable accommodation:  
Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Address: \_\_\_\_\_  
\_\_\_\_\_  
Phone: \_\_\_\_\_ Fax: \_\_\_\_\_

**Authorization to Release Information:** I authorize the individual/care provider listed above to disclose relevant information to Division of Housing verifying that I have a disability and need the accommodation I have requested. I understand that the information that DOH obtains will be kept confidential and used solely to determine if an accommodation should be provided.

Name of Participant: \_\_\_\_\_

Signature of Participant: \_\_\_\_\_ Date: \_\_\_\_\_

**Please return this form to:**

**Colorado Division of Housing  
1313 Sherman St. Room 320  
Denver, CO 80203**





# AFFIRMATIVE FAIR HOUSING MARKETING GUIDE

*City of Boulder, Housing & Human Services*



**Shelly Conley**  
Compliance & Project Manager  
[conleys@bouldercolorado.gov](mailto:conleys@bouldercolorado.gov)  
303-441-3231



## **I. BACKGROUND**

This Affirmative Fair Housing Marketing Guide is developed to assist Owners/Managers of permanently affordable housing units in developing an Affirmative Fair Housing Marketing Plan (AFHMP) for their City of Boulder supported projects. The City has established procedures to affirmatively market units which have been acquired, rehabilitated, constructed or otherwise assisted through the City of Boulder, Division of Housing. The City is committed to the goals of non-discrimination and equal access. In addition, the City is committed to the goals of increasing the housing opportunities with limited English proficiency, low-income residents and under-represented ethnic and racial groups. These goals will be reached through the implementation of the AFHMP developed and maintained by Owners and Managers of permanently affordable housing. The implementation of this plan should result in a diverse tenant population in each of the permanently affordable housing developments, with a representation of ethnic and racial groups which is consistent with their representation in the City of Boulder.

The Affirmative Fair Housing Marketing Guide demonstrates the commitment of the City's staff, to affirmatively further Fair Housing. Owners/Manager of permanently affordable housing share responsibility with the City in informing the public about the Federal Fair Housing laws, soliciting eligible persons without regard to race, color, national origin, sex, sexual orientation, source of income, religion, familial status, or disability into the affordable housing market and evaluating the effectiveness of these marketing efforts.

Affirmative marketing differs from general marketing activities because it specifically targets potential tenants and home buyers who are least likely to apply for and/or purchase affordable housing. Efforts must be made to make these persons aware of the available affordable housing. This Affirmative Fair Housing Marketing Guide is developed to assist Owners/Managers by summarizing the affirmative marketing procedures required by HUD and the City of Boulder.

This Guide is documented and maintained in the City of Boulder, Division of Housing files, and shall be included by reference in all federally funded project funding agreements and project files. All Owners/Managers of city-supported projects are held to the terms of the Affirmative Fair Housing Marketing Guide by the requirements outlined in applicable agreements executed between the city and Owner/Manager.


## **II. PURPOSE**

In accordance with HUD regulations of the CDBG/HOME Programs and in furtherance of the City's commitment to non-discrimination and equal housing opportunity in all city-supported projects, the City establishes procedures to affirmatively market the permanently affordable housing units acquired, constructed or rehabilitated through city-supported projects.

It is the Affirmative Marketing Policy of the City to assure that organizations, non-profit and for-profit, and local units of government which might not normally apply for use of the CDBG/HOME funds because they are unaware of the availability of said funds:

- be informed of CDBG/HOME and local funding availability
- be encouraged to apply for use of CDBG/HOME and local funding
- have an equal opportunity to apply for use of CDBG/HOME and local funding

It is the Affirmative Marketing Policy of the City to assure that individuals who normally might not



apply for available affordable housing units because they are socially and/or economically disadvantaged:

- to be informed of available housing units;
- be encouraged to apply for available housing units; and
- have an equal opportunity to rent/own their own housing units

The City of Boulder actively promotes fair housing through:


- ongoing funding of fair housing services;
- adoption and implementation of an “Analysis of Impediments to Fair Housing Choice”;
- adoption of a Consolidated Plan for CDBG/HOME programs, with an analysis and strategy for fair housing every five years, and in the Annual Action Plan; and
- annual monitoring of fair housing activities through monitoring of fair housing services and reporting on ongoing activities in its Consolidated Annual Performance and Evaluation Report (CAPER).

The City of Boulder, Division of Housing is responsible for the implementation of the Affirmative Marketing Plan and all owners, developers, Community Housing Development Organizations and other nonprofits must comply with this policy for all CDBG, HOME and city-supported housing developments.

### **III. METHOD TO DISSIMINATE AFHMP REQUIREMENT**

The City will use the following methods to inform the public, potential tenants, potential homeowners, potential and existing for-profit developers, potential and existing non-profit developers, and local units of government about Federal Fair Housing laws and Affirmative Fair Housing Marketing requirements.

- A. The City shall inform the community and Owners/Managers about the Affirmative Fair Housing Marketing Guide through periodic updates at public forums and Fair Housing meetings, as well as training workshops with Owners/Managers of city-supported permanently affordable housing projects.
- B. The City shall provide fair housing information/referrals, case investigation services, tenant/landlord information/referrals and mediation services.
- C. The City will collaborate with the office of Human Rights to reduce discrimination in housing.
- D. The City shall refer tenants and rental property owners to the Human Services Division <https://bouldercolorado.gov/child-youth-family> regarding tenant and landlord rights and responsibilities.
- E. The City will provide information about fair housing, fair housing service providers, fair housing brochures and a copy of the City’s Affirmative Fair Housing Marketing Guide shall be published on the City’s Division of Housing website <https://bouldercolorado.gov/housing/grants-compliance-and-asset-management>.
- F. The City will continue to provide general information and telephone reference numbers to persons contacting the City of Boulder, Division of Housing Office with questions regarding Affirmative Marketing and Federal Fair Housing laws.

- 
- G. The City shall require Owner/Managers of permanently affordable rental housing units to submit an annual report describing how their actions have complied with the City's Affirmative Fair Housing Marketing Guide. ([Appendix A](#))
  - H. The City shall periodically post flyers and brochures which describe fair housing laws and services in open public areas.
  - I. Owners/Managers of permanently affordable housing shall instruct all employees and agents on the policy of nondiscrimination of fair housing both in writing and orally.

#### **IV. CITY'S AFFIRMATIVE MARKETING REQUIREMENTS**

The City will, at least annually, adhere to the following, or similar, Affirmative Fair Housing Marketing policies regarding the announcement of availability of CDBG/HOME funds:

- A. Post a notice of CDBG/HOME funding availability on the City's website.
- B. Establish and maintain a database of potentially qualified for-profit and non-profit developers and direct mail/email invitations to apply for funding.
- C. E-mail notices of available funding to the City's Housing distribution list.

#### **V. CITY'S REQUIRED AFHMP RECORD KEEPING**

In order to verify that the City is following Affirmative Fair Housing Marketing requirements, the following record keeping procedures will be required:

- A. The City will maintain records of how CDBG/HOME funding availability was advertised.
- B. Copies will be maintained of all training materials and meeting agendas where the City's Affirmative Marketing Plan/Policy was discussed.

#### **VI. OWNER/MANAGER AFHMP REQUIREMENTS**

It is the City of Boulder's policy to require that Owners/Managers of permanently affordable housing project develop and maintain an AFHMP ([Appendix B](#)).

- A. Incorporate an Equal Housing Opportunity statement or logo in all advertisements, marketing efforts, correspondence and program materials associated with all city-supported permanently affordable housing acquired, rehabbed or developed.
- B. All marketing of permanently affordable housing will be jurisdiction-wide and all advertising will be placed in sources of wide circulation. All ads must contain an Equal Housing Opportunity statement or logo.
- C. Media sources should include advertisement to a particular audience (e.g., newspapers or radio stations that serve protected classes).
- D. All advertisements, brochures and other written materials should be published and displayed

in at least both English and Spanish, in order to reach non-English speaking audiences. Contact must be made with organizations whose membership or clientele consists primarily of protected classes. Notify the Public Housing Authority or Authorities in the City in which units are located when permanently affordable housing units are available for rent or purchase.

- E. The project Owner/Manager must display the Equal Opportunity logo
- F. The Owner/Manager must maintain a nondiscriminatory hiring policy
- G. A Fair Housing Poster must be prominently placed in all offices in which for-sale or rental activities pertaining to the project takes place.
- H. The Owner/Manager must post Fair Housing Poster on all permanently affordable housing project sites.
- I. The Owner/Manager must submit their Affirmative Marketing Fair Housing Plan to the City for review within 120 days prior to initiating sales or rental marketing activities. The City will review and consider approval of the plan within 30 days of submission.

## **VII. RESPONSIBILITY TO CONDUCT SPECIAL OUTREACH**

- A. Owners/Managers are encouraged to utilize the City's Affirmative Fair Housing Marketing Guide to organize and develop their own AFHMP.
- B. Target outreach through a variety of means to ethnic and racial groups that are underrepresented in the housing development based on their representation in the City.
- C. At a minimum, utilize local churches, places of worship, nonprofit and community organizations that serve the underrepresented group(s) to distribute information about housing openings. Grantee may use the City's outreach list to assist in their outreach.
- D. Provide advertising in the language the group is most familiar with and provide a contact person who can answer questions in the language primarily spoken by the targeted group.
- E. Conduct outreach to applicable homeless, advocacy groups and other organizations identified by the City which serve groups that may need special assistance to apply for housing. (Appendix C)
- F. Owners/Managers are encouraged to post a notice of available housing on their website.

## **VIII. REQUIRED AFFIRMATIVE MARKETING RECORD KEEPING**

In order to verify that Owners/Managers of permanently affordable housing are following their approved AFHMP, the City requires the following record keeping procedures:

- A. The Owner/Manager will maintain records of how vacancies were advertised (copies of advertisements, etc.). Copies of all brochures, leaflets and letters to community contacts shall be maintained in an easily accessible file.

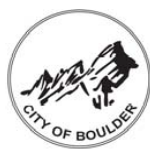
- B.** The Owner/Manager shall have a written policy that outlines how all applications will be received and processed. The Owner/Manager records should show how all completed and filed applications including whether an applicant was accepted or unaccepted and why an applicant was not accepted.
- C.** Maintenance of information on the race, sex, ethnicity, and whether the applicant is disabled for all applicants, home buyers, and tenants. The City will monitor Owners/Managers of permanently affordable housing at least an annual basis.

This information will be gathered when an application is taken for either a tenant or a home buyer and information will be maintained for the most recent five-year period.

## **IX. CITY'S ASSESSMENT OF OWNER/MANAGER'S AFHMP**

The following actions will be taken by the City to evaluate the success of the Owner/Manager's AFHMP:

- A.** The City will assess the results of the Owner/Manager's AFHMP annually with a summary of "good faith efforts" taken by the Owner/Manager.
- B.** The City will compare the information compiled in the manner described under Section V and Section VII above and evaluate the degree to which statutory and policy objectives were met. If the required steps were taken, the City will determine that good faith efforts have, in fact, been made.
- C.** To determine results, the City may examine whether specific groups in the City's service area applied for or became tenants or owners of permanently affordable housing units that were affirmatively marketed. If the City finds that specific groups are represented, particularly Hispanics, African Americans, Asians, American Indians, persons with disabilities, and women, the City will assume that the AFHMP procedures were effective. If one or more groups are not represented within the context of existing neighborhood composition, the City work with the Owner/Manager to determine what changes, if any, might be made to make the affirmative marketing efforts more effective.
- D.** The City will take corrective action if it is determined that an Owner/Manager has failed to carry out affirmative marketing efforts as required. If an Owner/Manager continues to neglect responsibilities made incumbent by the terms of the applicable Agreement, the City will consider taking one or both of the following actions:
  - 1. Declare the Owner/Manager disqualified from any further assistance made available to city-supported permanently affordable housing projects.
  - 2. Notify the Owner/Manager that is in violation of the terms of the applicable Agreement and the City may exercise its right to require immediate repayment of any local or federal funds provided to the permanently affordable housing project.
- E.** The City will not proceed with corrective action without allowing time and effort by staff to counsel the Owner/Manager in accordance with the terms of the applicable Agreement.



## Affirmative Marketing Compliance Report

Property Name: \_\_\_\_\_ Address: \_\_\_\_\_  
Staff Completing Report: \_\_\_\_\_ Phone: \_\_\_\_\_  
# Units: \_\_\_\_\_ # HOME Units: \_\_\_\_\_ # Accessible Units: \_\_\_\_\_

### Section I. Resident Data

| Demographic Characteristics               | Total Number of Residents in 2021 |
|---|-----------------------------------|
| White                                     |                                   |
| Black or African American                 |                                   |
| Asian                                     |                                   |
| American Indian or Alaska Native          |                                   |
| Native Hawaiian or Other Pacific Islander |                                   |
| Hispanic or Latino                        |                                   |
| Female Head of Household                  |                                   |
| Elderly/Senior Head of Household (55+)    |                                   |
| Person with Disabilities                  |                                   |
| Families with Children (under age 18)     |                                   |
| Other ( <i>specify</i> ):                 |                                   |

### Part II. General Compliance

- |   |                              |                             |                             |
|---|------------------------------|-----------------------------|-----------------------------|
| a. Is there an Equal Opportunity Fair Housing Poster prominently displayed in the rental office?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| b. Is the Fair Housing Logo displayed on all applications, program and marketing materials?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| c. Is there a copy of the Owner's Affirmative Fair Housing Marketing Plan (AFHMP) in the office or wherever prospective tenants may apply for rental housing?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| d. Does the Owner/Property Manager regularly review the AFHMP (every five years or when there are significant changes in the demographics of the property or the local market area) to ensure it is current and applicable? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| e. What is the date of the last AFHMP update?   | _____                        |                             |                             |
| f. Does the Owner/Property Manager use the "Affirmative Marketing Outreach List" provided by the city to market the property?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| g. Of the total number of accessible units in the property, how many are occupied by persons with disabilities?   | _____                        |                             |                             |





## City of Boulder Housing & Human Services

### Part III. Tenant Selection Plan

- |  |                              |                             |                             |
|--|------------------------------|-----------------------------|-----------------------------|
| a. Does the Owner/Manager have an approved Tenant Selection Plan on site for applicant and tenant review?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| b. Does the project's Tenant Selection Plan include procedures for taking applications, selecting from the waiting list, and policy for opening, closing and maintaining the waiting list? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| c. Does the Tenant Selection Plan include policies for Fair Housing, Section 504, and assigning accessible units?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| d. Does the Tenant Selection Plan include policies for preferences?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |

### Part IV. Property Management Staff Training

- |   |                              |                             |                             |
|---|------------------------------|-----------------------------|-----------------------------|
| a. Has the Owner/Property Manager provided training to property management staff regarding fair housing laws and the Affirmative Fair Housing Marketing Plan?           | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| b. How often does the Owner/Property Manager provide training to property management staff regarding fair housing laws and the Affirmative Fair Housing Marketing Plan? | <input type="text"/>         |                             |                             |

### Part V. Record-Keeping & Reporting

- |  |                              |                             |                             |
|--|------------------------------|-----------------------------|-----------------------------|
| a. Does the Owner/Property Manager maintain a record of Fair Housing Complaints?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| b. Does the Owner/Property Manager collect and maintain data on race, ethnicity, gender, age, and disability for applicants? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| c. Does the Owner/Property Manager collect race and ethnicity data from applicants and residents?                            | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |

### Part VI. Owner/Property Manager's Demographic Analysis

- |  |                              |                             |                             |
|--|------------------------------|-----------------------------|-----------------------------|
| a. Does any of the demographic data show a low representation of any protected groups in either the properties applicants or residents?          | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| b. What reasons have you identified for these low numbers? <i>(if applicable)</i>  | <input type="text"/>         |                             |                             |
| c. What actions have been taken to correct the reasons for the low numbers? Please provide documentation of action taken. <i>(if applicable)</i> | <input type="text"/>         |                             |                             |
| d. Has the Owner/Property Manager set-up and maintained records to reflect any studies or action taken?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |



# Affirmative Marketing Plan

## I. HOME Final Rule 24 CFR 92.351

In accordance with the City of Boulder's administering federally funded programs and to comply with all applicable Federal Regulations, \_\_\_\_\_ (organization name) shall adopt the affirmative marketing procedures and requirements as specified in the HOME Final Rule 92.351 for \_\_\_\_\_ (project name) located at \_\_\_\_\_ (address).

## II. Policy on Nondiscrimination and Accessibility

With respect to the treatment of applicants, \_\_\_\_\_ (organization name) will not discriminate against any individual or family because of race, color, national origin, religion, gender, disability, familial status or presence of children in a household. Reasonable accommodations will be offered to all disabled persons who request accommodations due to disability at any time during the application, resident selection and rent up process.

## III. Training

- a. \_\_\_\_\_ (organization name) shall provide property management staff with all relevant regulations and Fair Housing provisions. All property management staff shall be required to follow the procedures and policies adopted \_\_\_\_\_ (organization name).
- b. At the request of \_\_\_\_\_ (organization name) the Division of Housing will provide on-site training which includes: marketing, outreach, data collection, reporting, and record keeping. Property management staff shall receive instruction regarding fair housing laws and \_\_\_\_\_ (organization name) Affirmative Marketing Plan.

## IV. Marketing and Outreach

- a. All advertising shall display the Equal Housing Opportunity logo or the phrase "Equal Housing Opportunity."
- b. Consistent with the resident population this Development was designed to serve, the marketing of \_\_\_\_\_ (project name) will ensure equal access to appropriate size units for all persons in any category protected by federal, state, and local laws governing discrimination. There will be no local residency requirements for applicants nor will preference be given to local residents for this Development.

Special marketing outreach consideration will be given to the following underserved populations:

- i. African-Americans
- ii. American Indians
- iii. Hispanics
- iv. Asians and Pacific Islanders
- v. Handicapped and Disabled Persons

- c. Marketing shall include the use of newspapers of general circulation in the City of Boulder. \_\_\_\_\_ (organization name) will place notices in newspapers, specialized publications, and newsletters to reach potential residents. Applications, notices, and all publications will include a Fair Housing and Equal Opportunity Logo, and the Accessibility Logo.
- d. \_\_\_\_\_ (organization name) will contact local civic and community organizations representative of the ethnic and cultural diversity of the area in order to disseminate information about the Development. Groups representing the handicapped and the elderly will also be contacted. Where necessary and in consultation with \_\_\_\_\_ (organization name) will publish its marketing materials in multiple languages in order to better reach potential applicants in the area with language limitations.

To further inform the groups least likely to apply for the available housing, the following local organizations will be contacted with housing information (refer to the Affirmative Marketing Outreach List):

| Name of Organization | Population Served |
|----------------------|-------------------|
|                      |                   |
|                      |                   |
|                      |                   |
|                      |                   |

- e. Other neighborhood-based, nonprofit housing agencies that maintain waiting lists or make referrals for below market rate housing will be contacted.

| Agency Name | Address | Telephone # |
|-------------|---------|-------------|
|             |         |             |
|             |         |             |

## V. Race and Ethnic Data Collection and Reporting

- a. Any family who asks shall receive an application package containing the following: Instruction sheet; Application; Income Summary; and form HUD-27061-H "Race and Ethnic Data Reporting Form." \_\_\_\_\_ (organization name) is required to offer each household member the opportunity to complete the form. Parents or guardians are to complete the form for children under the age of 18. Completed documents for the entire household shall be stapled together and placed in the household's file.

- b. \_\_\_\_\_ (Insert Staff Responsible) will serve as coordinator for the marketing of \_\_\_\_\_ (project name) as well as oversee the admission of residents. \_\_\_\_\_ (Insert Staff Responsible) will keep the \_\_\_\_\_ (organization name) apprised of the occupancy process through annual marketing reports which will include the number of applicants to \_\_\_\_\_ (project name), unit preference, number of actual occupants, ineligible applicants, and cancellations.

## **VI. Compliance Assessment**

- a. \_\_\_\_\_ (organization name) will review the Affirmative Marketing Plan every five years and update as needed to ensure compliance. The advertising sources will be included in the review to determine if past sources should be changed or expanded.
- b. \_\_\_\_\_ (organization name) will annually assess the success of affirmative marketing actions for \_\_\_\_\_ (project name). If the demographic data of the applicants and residents vary by 1% from the jurisdiction's population data, advertising efforts and outreach will be targeted to underrepresented groups in an attempt to balance the applicants and residents with the demographics of the jurisdiction.

## **VII. Record Keeping**

- a. \_\_\_\_\_ (project name) shall establish and maintain an Affirmative Marketing file to hold advertisements, flyers, and other public information documents to demonstrate that the appropriate logo and language have been used. Additionally, \_\_\_\_\_ (project name) shall keep records of its activities in implementing the affirmative marketing plan, including other community outreach efforts and its annual analysis.
- b. \_\_\_\_\_ (project name) shall keep up-to-date records based on census data, applications, and surveys about community residents, applicants, residents of the project, and records about tenant selection or rejection.
- c. \_\_\_\_\_ (organization name) shall provide HUD and HOME staff access to any pertinent books, documents, papers or other records of their HOME-assisted properties, as necessary, for determining compliance with civil rights and nondiscrimination requirements.

\_\_\_\_\_  
Owner/CEO, or Equivalent Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Division of Housing, Asset Manager Signature

\_\_\_\_\_  
Date



**City of Boulder  
Housing & Human Services**

**Affirmative Marketing Outreach List**

**Acorn School for Early Childhood Development**, 303.938.8233, [info@theacornschool.org](mailto:info@theacornschool.org)  
2845 Wilderness Place, Boulder, CO 80301  
Families, All Races  
<http://www.theacornschool.org/>

**BCAP**, 303.444.6121, [generaldelivery@bcap.org](mailto:generaldelivery@bcap.org)  
2118 14th Street, Boulder, CO 80302  
Special Needs Group  
<https://bcap.org/>

**Boulder Asian Pacific Alliance**, 303.499.0108, [Info@bapaweb.org](mailto:Info@bapaweb.org)  
P.O. Box 21406 Boulder CO 80308 US  
Asian, Pacific Islanders  
<http://www.bapaweb.org/>

**Boulder County Care Connect**, 303.443.1933 x 413, [chrisbellus@careconnectbc.org](mailto:chrisbellus@careconnectbc.org)  
6325 Gunpark Drive #F Boulder, CO 80301  
Senior, Elderly Outreach  
<http://www.careconnectbc.org/>

**Boulder Shelter for the Homeless**, 303-442-4646  
4869 Broadway, Boulder, CO 80304  
Homeless Outreach  
<https://bouldershelter.org/>

**Bridge House**, 303.442.8300  
5345 Arapahoe Ave #5, Boulder, CO 80303  
Veterans, Women, Families, Homeless Outreach  
<https://boulderbridgehouse.org/>

**Center for People with Disabilities (CPWD), Boulder**, 303.442.8662, [info@cpwd.org](mailto:info@cpwd.org)  
1675 Range Street, Boulder, CO 80301  
People with Disabilities Outreach  
<http://www.cpwd-ilc.org/boulder>

**El Centro AMISTAD** 303-443-9899 [info@elcentroamistad.org](mailto:info@elcentroamistad.org)  
2222 14<sup>th</sup> Street Boulder, CO. 80302  
Nonprofit organization that supports immigrant rights.  
<https://www.elcentroamistad.org/>

**Emergency Family Assistance Association (EFAA)**, 303.442.3042  
1575 Yarmouth Ave, Boulder, CO 80304  
Families Outreach  
<http://www.efaa.org/>



## City of Boulder Housing & Human Services

**Family Services, City of Boulder**, 303.441.4059, [pelegrinaw@bouldercolorado.gov](mailto:pelegrinaw@bouldercolorado.gov)  
2160 Spruce Street, Boulder, CO 80302  
Families Outreach  
<https://bouldercolorado.gov/family-services>

**Imagine!** *Please note, Imagine! serves exclusively, intellectually and/ or developmentally disabled individuals*  
303.926.6479, [mbarnert@imaginecolorado.org](mailto:mbarnert@imaginecolorado.org)  
1400 Dixon Ave., Lafayette, CO 80026  
Imagine! serves exclusively, intellectually and/ or developmentally disabled individuals  
<https://www.imaginecolorado.org/>

**Immigrant Legal Center**, 303. 444.1522, [laurel@boulderayuda.org](mailto:laurel@boulderayuda.org)  
948 North Street, Suite 8, Boulder, CO 80304  
Hispanic, Latino, All Races Outreach  
<http://boulderayuda.org/ilcbc/>

**Mental Health Partners (MHP)**, 303.443.8500  
1333 Iris Ave, Boulder, CO 80304  
People with Disabilities Outreach  
<http://www.mhpcolorado.org/Home.aspx>

**Native American Rights Fund (NARF)**, 303.447.8760 x 127, Karla Bowman, [kbowman@narf.org](mailto:kbowman@narf.org)  
1506 Broadway, Boulder, CO 80302  
Native American, American Indian Outreach  
<http://www.narf.org/>

**People's Medical Clinic**, 303.650.4460  
2525 13th St, Boulder, CO 80304  
Families Outreach  
<https://clinica.org/locations/peoples/>

**Safehouse Progressive Alliance for Nonviolence (SPAN)**, 303.449.8623, [info@safehousealliance.org](mailto:info@safehousealliance.org)  
835 North Street, Boulder CO, 80304  
Families Outreach  
<http://www.safehousealliance.org/>

**Senior Services, City of Boulder**, 303.441.4439, [maynee@bouldercolorado.gov](mailto:maynee@bouldercolorado.gov)  
909 Arapahoe Avenue, Boulder, CO 80302  
Senior, Elderly Outreach  
<https://bouldercolorado.gov/seniors>

**Via Mobility Services**, 303.447.2848 x 1056, [rdalessandro@viacolorado.org](mailto:rdalessandro@viacolorado.org)  
2855 N. 63rd Street, Boulder, CO 80301  
Seniors, People with Disabilities Outreach  
<https://viacolorado.org/>

**VA Center, Boulder**, 303.440.7306  
4999 Pearl East Circle, Suite 106, Boulder, CO 80301  
Veterans Outreach  
<https://www.va.gov/directory/guide/facility.asp?ID=505>



## **City of Boulder Housing & Human Services**

**YWCA Boulder**, 303.443.0419, [frontdesk@ywcaboulder.org](mailto:frontdesk@ywcaboulder.org)  
2222 14th St, Boulder, CO 80302  
Families Outreach  
<https://www.ywcaboulder.org/>

Note to all applicants/respondents: This form was developed with Nuance, the official HUD software for the creation of HUD forms. HUD has made available instructions for downloading a free installation of a Nuance reader that allows the user to fill-in and save this form in Nuance. Please see <http://portal.hud.gov/hudportal/documents/huddoc?id=nuancereaderinstall.pdf> for the instructions. Using Nuance software is the only means of completing this form.

## Affirmative Fair Housing Marketing Plan (AFHMP) - Multifamily Housing

U.S. Department of Housing  
and Urban Development  
Office of Fair Housing and Equal Opportunity

OMB Approval No. 2529 0013  
(exp.12/31/201 )

|   |  |                  |
|---|--|------------------|
| 1a. Project Name & Address (including City, County, State & Zip Code) | 1b. Project Contract Number              | 1c. No. of Units |
|   | 1d. Census Tract                         |                  |
|   | 1e. Housing/Expanded Housing Market Area |                  |

1f. Managing Agent Name, Address (including City, County, State & Zip Code), Telephone Number & Email Address

1g. Application/Owner/Developer Name, Address (including City, County, State & Zip Code), Telephone Number & Email Address

1h. Entity Responsible for Marketing (check all that apply)

Owner      Agent      Other (specify)

Position, Name (if known), Address ( including City, County, State & Zip Code), Telephone Number & Email Address

1i. To whom should approval and other correspondence concerning this AFHMP be sent? Indicate Name, Address (including City, State & Zip Code), Telephone Number & E-Mail Address.

2a. Affirmative Fair Housing Marketing Plan

Plan Type

Date of the First Approved AFHMP:

Reason(s) for current update:

2b. HUD-Approved Occupancy of the Project (check all that apply)

Elderly

Family

Mixed (Elderly/Disabled)

Disabled

2c. Date of Initial Occupancy

2d. Advertising Start Date

Advertising must begin *at least* 90 days prior to initial or renewed occupancy for new construction and substantial rehabilitation projects.

Date advertising began or will begin

**For existing projects, select below the reason advertising will be used:**

To fill existing unit vacancies

To place applicants on a waiting list (which currently has individuals)

To reopen a closed waiting list (which currently has individuals)

---

**3a. Demographics of Project and Housing Market Area**

Complete and submit Worksheet 1.

---

**3b. Targeted Marketing Activity**

Based on your completed Worksheet 1, indicate which demographic group(s) in the housing market area is/are *least* likely to apply for the housing without special outreach efforts. (check all that apply)

|   |  |                    |                           |
|---|--|--------------------|---------------------------|
| White                                     | American Indian or Alaska Native             | Asian              | Black or African American |
| Native Hawaiian or Other Pacific Islander |  | Hispanic or Latino | Persons with Disabilities |
| Families with Children                    | Other ethnic group, religion, etc. (specify) |                    |                           |

---

**4a. Residency Preference**

Is the owner requesting a residency preference? If yes, complete questions 1 through 5.

If no, proceed to Block 4b.

(1) Type

(2) Is the residency preference area:

The same as the AFHMP housing/expanded housing market area as identified in Block 1e?

The same as the residency preference area of the local PHA in whose jurisdiction the project is located?

(3) What is the geographic area for the residency preference?

(4) What is the reason for having a residency preference?

(5) How do you plan to periodically evaluate your residency preference to ensure that it is in accordance with the non-discrimination and equal opportunity requirements in 24 CFR 5.105(a)?

Complete and submit Worksheet 2 when requesting a residency preference (see also 24 CFR 5.655(c)(1)) for residency preference requirements. The requirements in 24 CFR 5.655(c)(1) will be used by HUD as guidelines for evaluating residency preferences consistent with the applicable HUD program requirements. See also HUD Occupancy Handbook (4350.3) Chapter 4, Section 4.6 for additional guidance on preferences.

---

**4b. Proposed Marketing Activities: Community Contacts**

Complete and submit Worksheet 3 to describe your use of community contacts to market the project to those least likely to apply.

**4c. Proposed Marketing Activities: Methods of Advertising**

Complete and submit Worksheet 4 to describe your proposed methods of advertising that will be used to market to those least likely to apply. Attach copies of advertisements, radio and television scripts, Internet advertisements, websites, and brochures, etc.

---



---

**5a. Fair Housing Poster**

The Fair Housing Poster must be prominently displayed in all offices in which sale or rental activity takes place (24 CFR 200.620(e)). Check below all locations where the Poster will be displayed.

|               |                    |            |                 |
|---------------|--------------------|------------|-----------------|
| Rental Office | Real Estate Office | Model Unit | Other (specify) |
|---------------|--------------------|------------|-----------------|

---

**5b. Affirmative Fair Housing Marketing Plan**

The AFHMP must be available for public inspection at the sales or rental office (24 CFR 200.625). Check below all locations where the AFHMP will be made available.

|               |                    |            |                 |
|---------------|--------------------|------------|-----------------|
| Rental Office | Real Estate Office | Model Unit | Other (specify) |
|---------------|--------------------|------------|-----------------|

---

**5c. Project Site Sign**

Project Site Signs, if any, must display in a conspicuous position the HUD approved Equal Housing Opportunity logo, slogan, or statement (24 CFR 200.620(f)). Check below all locations where the Project Site Sign will be displayed. Please submit photos of Project signs.

|               |                    |            |                     |                 |
|---------------|--------------------|------------|---------------------|-----------------|
| Rental Office | Real Estate Office | Model Unit | Entrance to Project | Other (specify) |
|---------------|--------------------|------------|---------------------|-----------------|

The size of the Project Site Sign will be                      x

The Equal Housing Opportunity logo or slogan or statement will be                      x

---

**6. Evaluation of Marketing Activities**

Explain the evaluation process you will use to determine whether your marketing activities have been successful in attracting individuals least likely to apply, how often you will make this determination, and how you will make decisions about future marketing based on the evaluation process.

**7a. Marketing Staff**

What staff positions are/will be responsible for affirmative marketing?

---

**7b. Staff Training and Assessment: AFHMP**

- (1) Has staff been trained on the AFHMP?
- (2) Has staff been instructed in writing and orally on non discrimination and fair housing policies as required by 24 CFR 200.620(c)?
- (3) If yes, who provides instruction on the AFHMP and Fair Housing Act, and how frequently?
  
- (4) Do you periodically assess staff skills on the use of the AFHMP and the application of the Fair Housing Act?
- (5) If yes, how and how often?

---

**7c. Tenant Selection Training/Staff**

- (1) Has staff been trained on tenant selection in accordance with the project's occupancy policy, including any residency preferences?
  
- (2) What staff positions are/will be responsible for tenant selection?

---

**7d. Staff Instruction/Training:**

Describe AFHM/Fair Housing Act staff training, already provided or to be provided, to whom it was/will be provided, content of training, and the dates of past and anticipated training. Please include copies of any AFHM/Fair Housing staff training materials.

**8. Additional Considerations** Is there anything else you would like to tell us about your AFHMP to help ensure that your program is marketed to those least likely to apply for housing in your project? Please attach additional sheets, as needed.

**9. Review and Update**

By signing this form, the applicant/respondent agrees to implement its AFHMP, and to review and update its AFHMP in accordance with the instructions to item of this form in order to ensure continued compliance with HUD's Affirmative Fair Housing Marketing Regulations (see 24 CFR Part 200, Subpart M). I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate. Warning: HUD will prosecute false claims and statements. Conviction may result in criminal and/or civil penalties. (See 18 U.S.C. 1001, 1010, 1012; 31 U.S.C. 3729, 3802).

Signature of person submitting this Plan & Date of Submission (mm/dd/yyyy)

Name (type or print)

Title & Name of Company

| For HUD-Office of Housing Use Only | For HUD-Office of Fair Housing and Equal Opportunity Use Only |             |
|------------------------------------|---|-------------|
| Reviewing Official:                | Approval  | Disapproval |
| Signature & Date (mm/dd/yyyy)      | Signature & Date (mm/dd/yyyy)                                 |             |
| Name<br>(type<br>or<br>print)      | Name<br>(type<br>or<br>print)                                 |             |
| Title                              | Title   |             |

Public reporting burden for this collection of information is estimated to average six (6) hours per initial response, and four (4) hours for updated plans, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This agency may not collect this information, and you are not required to complete this form, unless it displays a currently valid Office of Management and Budget (OMB) control number.

**Purpose of Form:** All applicants for participation in FHA subsidized and unsubsidized multifamily housing programs with five or more units (see 24 CFR 200.615) must complete this Affirmative Fair Housing Marketing Plan (AFHMP) form as specified in 24 CFR 200.625, and in accordance with the requirements in 24 CFR 200.620. The purpose of this AFHMP is to help applicants offer equal housing opportunities regardless of race, color, national origin, religion, sex, familial status, or disability. The AFHMP helps owners/agents (respondents) effectively market the availability of housing opportunities to individuals of both minority and non-minority groups that are least likely to apply for occupancy. Affirmative fair housing marketing and planning should be part of all new construction, substantial rehabilitation, and existing project marketing and advertising activities.

An AFHM program, as specified in this Plan, shall be in effect for each multifamily project throughout the life of the mortgage (24 CFR 200.620(a)). The AFHMP, once approved by HUD, must be made available for public inspection at the sales or rental offices of the respondent (24 CFR 200.625) and may not be revised without HUD approval. This form contains no questions of a confidential nature.

**Applicability:** The form and worksheets must be completed and submitted by all FHA subsidized and unsubsidized multifamily housing program applicants.

#### **INSTRUCTIONS:**

**Send completed form and worksheets to your local HUD Office, Attention: Director, Office of Housing**

#### **Part 1: Applicant/Respondent and Project**

**Identification.** Blocks 1a, 1b, 1c, 1g, 1h, and 1i are self-explanatory.

Block 1d- Respondents may obtain the Census tract number from the U.S. Census Bureau (<http://factfinder2.census.gov/main.html>) when completing Worksheet One.

Block 1e- Respondents should identify both the housing market area and the expanded housing market area for their multifamily housing projects. Use abbreviations if necessary. A **housing market area** is the area from which a multifamily housing project owner/agent may reasonably expect to draw a substantial number of its tenants. This could be a county or Metropolitan Division. The U.S. Census Bureau provides a range of levels to draw from.

An **expanded housing market area** is a larger geographic area, such as a Metropolitan Division or a Metropolitan Statistical Area, which may provide additional demographic diversity in terms of race, color, national origin, religion, sex, familial status, or disability.

Block 1f- The applicant should complete this block only if a Managing Agent (the agent cannot be the applicant) is implementing the AFHMP.

#### **Part 2: Type of AFHMP**

Block 2a- Respondents should indicate the status of the AFHMP, i.e., initial or updated, as well as the date of the first approved AFHMP. Respondents should also provide the reason (s) for the current update, whether the update is based on the five-year review or due to significant changes in project or local demographics (See instructions for Part 9).

Block 2b- Respondents should identify all groups HUD has approved for occupancy in the subject project, in accordance with the contract, grant, etc.

Block 2c- Respondents should specify the date the project was/will be first occupied.

Block 2d- For new construction and substantial rehabilitation projects, advertising must begin at least 90 days prior to initial occupancy. In the case of existing projects, respondents should indicate whether the advertising will be used to fill existing vacancies, to place individuals on the project's waiting list, or to re-open a closed waiting list. Please indicate how many people are on the waiting list when advertising begins.

### **Part 3 Demographics and Marketing Area.**

"Least likely to apply" means that there is an identifiable presence of a specific demographic group in the housing market area, but members of that group are not likely to apply for the housing without targeted outreach, including marketing materials in other languages for limited English proficient individuals, and alternative formats for persons with disabilities. Reasons for not applying may include, but are not limited to, insufficient information about housing opportunities, language barriers, or transportation impediments.

Block 3a - Using Worksheet 1, the respondent should indicate the demographic composition of the project's residents, current project applicant data, census tract, housing market area, and expanded housing market area. The applicable housing market area and expanded housing market area should be indicated in Block 1e. Compare groups within rows/across columns on Worksheet 1 to identify any under-represented group(s) relative to the surrounding housing market area and expanded housing market area, i.e., those group(s) "least likely to apply" for the housing without targeted outreach and marketing. If there is a particular group or subgroup with members of a protected class that has an identifiable presence in the housing market area, but is not included in Worksheet 1, please specify under "Other."

Respondents should use the most current demographic data from the U.S. census or another official source such as a local government planning office. Please indicate the source of your data in Part of this form.

Block 3b - Using the information from the completed Worksheet 1, respondents should identify the demographic group(s) least likely to apply for the housing without special outreach efforts by checking all that apply.

### **Part 4 - Marketing Program and Residency Preference (if any).**

Block 4a - A residency preference is a preference for admission of persons who reside or work in a specified geographic area (see 24 CFR 5.655(c)(1)(ii)). Respondents should indicate whether a residency preference is being utilized, and if so, respondents should specify if it is new, revised, or continuing. If a respondent wishes to utilize a residency preference, it must state the preference area (and provide a map delineating the precise area) and state the reason for having such a preference. The respondent must ensure that the preference is in accordance with the non-discrimination and equal opportunity requirements in 24 CFR 5.105(a) (see 24 CFR 5.655(c)(1)).

Respondents should use Worksheet 2 to show how the percentage of the eligible population living or working in the residency preference area compares to that of residents of the project, project applicant data, census tract, housing market area, and expanded housing market area. The percentages would be the same as shown on completed Worksheet 1.

Block 4b - Using Worksheet 3, respondents should describe their use of community contacts to help market the project to those least likely to apply. This table should include the name of a contact person, his/her address, telephone number, previous experience working with the target population(s), the approximate date contact was/will be initiated, and the specific role the community contact will play in assisting with affirmative fair housing marketing or outreach.

Block 4c - Using Worksheet 4, respondents should describe their proposed method(s) of advertising to market to those least likely to apply. This table should identify each media option, the reason for choosing this media, and the language of the advertisement. Alternative format(s) that will be used to reach persons with disabilities, and logo(s) that will appear on the various materials (as well as their size) should be described.

**Please attach a copy of the advertising or marketing material.**

### **Part 5 – Availability of the Fair Housing Poster, AFHMP, and Project Site Sign.**

Block 5a - The Fair Housing Poster must be prominently displayed in all offices in which sale or rental activity takes place (24 CFR 200.620(e)). Respondents should indicate all locations where the Fair Housing Poster will be displayed.

Block 5b -The AFHMP must be available for public inspection at the sales or rental office (24 CFR 200.625). Check all of the locations where the AFHMP will be available.

Block 5c -The Project Site Sign must display in a conspicuous position the HUD-approved Equal Housing Opportunity logo, slogan, or statement (24 CFR 200.620(f)). Respondents should indicate where the Project Site Sign will be displayed, as well as the size of the Sign and the size of the logo, slogan, or statement. **Please submit photographs of project site signs.**

## **Part 6 - Evaluation of Marketing Activities.**

Respondents should explain the evaluation process to be used to determine if they have been successful in attracting those individuals identified as least likely to apply. Respondents should also explain how they will make decisions about future marketing activities based on the evaluations.

## **Part 7- Marketing Staff and Training.**

Block 7a -Respondents should identify staff positions that are/will be responsible for affirmative marketing.

Block 7b - Respondents should indicate whether staff has been trained on the AFHMP and Fair Housing Act.

Please indicate who provides the training and how frequently. In addition, respondents should specify whether they periodically assess staff members' skills in using the AFHMP and in applying the Fair Housing Act. They should state how often they assess employee skills and how they conduct the assessment.

Block 7c - Respondents should indicate whether staff has been trained on tenant selection in accordance with the project's occupancy policy, including residency preferences (if any). Respondents should also identify those staff positions that are/will be responsible for tenant selection.

Block 7d - Respondents should include copies of any written materials related to staff training, and identify the dates of past and anticipated training.

## **Part 8 - Additional Considerations.**

Respondents should describe their efforts not previously mentioned that were/are planned to attract those individuals least likely to apply for the subject housing.

## **Part 9 - Review and Update.**

By signing the respondent assumes responsibility for implementing the AFHMP. Respondents must review their AFHMP every five years or when the local Community Development jurisdiction's Consolidated Plan is updated, or when there are significant changes in the demographics of the project or the local housing market area. When reviewing the plan, the respondent should consider the current demographics of the housing market area to determine if there have been demographic changes in the population in terms of race, color, national origin, religion, sex, familial status, or disability. The respondent will then determine if the population least likely to apply for the housing is still the population identified in the AFHMP, whether the advertising and publicity cited in the current AFHMP are still appropriate, or whether advertising sources should be modified or expanded. Even if the demographics of the housing market area have not changed, the respondent should determine if the outreach currently being performed is reaching those it is intended to reach as measured by project occupancy and applicant data. If not, the AFHMP should be updated. The revised AFHMP must be submitted to HUD for approval. HUD may review whether the affirmative marketing is actually being performed in accordance with the AFHMP. If based on their review, respondents determine the AFHMP does not need to be revised, they should maintain a file documenting what was reviewed, what was found as a result of the review, and why no changes were required. HUD may review this documentation.

## **Notification of Intent to Begin Marketing.**

No later than 90 days prior to the initiation of rental marketing activities, the respondent must submit notification of intent to begin marketing. The notification is required by the AFHMP Compliance Regulations (24 CFR 108.15). The Notification is submitted to the Office of Housing in the HUD Office servicing the locality in which the proposed housing will be located. Upon receipt of the Notification of Intent to Begin Marketing from the applicant, the monitoring office will review any previously approved plan and may schedule a pre-occupancy conference. Such conference will be held prior to initiation of sales/rental marketing activities. At this conference, the previously approved AFHMP will be reviewed with the applicant to determine if the plan, and/or its proposed implementation, requires modification prior to initiation of marketing in order to achieve the objectives of the AFHM regulation and the plan.

OMB approval of the AFHMP includes approval of this notification procedure as part of the AFHMP. The burden hours for such notification are included in the total designated for this AFHMP form.

**Worksheet 1: Determining Demographic Groups Least Likely to Apply for Housing Opportunities**  
**(See AFHMP, Block 3b)**

In the respective columns below, indicate the percentage of demographic groups among the project's residents, current project applicant data, census tract, housing market area, and expanded housing market area (See instructions to Block 1e). If you are a new construction or substantial rehabilitation project and do not have residents or project applicant data, only report information for census tract, housing market area, and expanded market area. The purpose of this information is to identify any under-representation of certain demographic groups in terms of race, color, national origin, religion, sex, familial status, or disability. If there is significant under-representation of any demographic group among project residents or current applicants in relation to the housing/expanded housing market area, then targeted outreach and marketing should be directed towards these individuals least likely to apply. Please indicate under-represented groups in Block 3b of the AFHMP. **Please attach maps showing both the housing market area and the expanded housing market area.**

| <b>Demographic Characteristics</b>           | <b>Project's Residents</b> | <b>Project's Applicant Data</b> | <b>Census Tract</b> | <b>Housing Market Area</b> | <b>Expanded Housing Market Area</b> |
|--|----------------------------|---------------------------------|---------------------|----------------------------|-------------------------------------|
| % White                                      |                            |                                 |                     |                            |                                     |
| % Black or African American                  |                            |                                 |                     |                            |                                     |
| % Hispanic or Latino                         |                            |                                 |                     |                            |                                     |
| % Asian                                      |                            |                                 |                     |                            |                                     |
| % American Indian or Alaskan Native          |                            |                                 |                     |                            |                                     |
| % Native Hawaiian or Pacific Islander        |                            |                                 |                     |                            |                                     |
| %Persons with Disabilities                   |                            |                                 |                     |                            |                                     |
| % Families with Children under the age of 18 |                            |                                 |                     |                            |                                     |
| Other (specify)                              |                            |                                 |                     |                            |                                     |

Worksheet 2: Establishing a Residency Preference Area (See AFHMP, Block 4a)

Complete this Worksheet if you wish to continue, revise, or add a residency preference, which is a preference for admission of persons who reside or work in a specified geographic area (see 24 CFR 5.655(c)(1)(ii)). If a residency preference is utilized, the preference must be in accordance with the non-discrimination and equal opportunity requirements contained in 24 CFR 5.105(a). This Worksheet will help show how the percentage of the population in the residency preference area compares to the demographics of the project's residents, applicant data, census tract, housing market area, and expanded housing market area. **Please attach a map clearly delineating the residency preference geographical area.**

| <b>Demographic Characteristics</b>         | <b>Project's Residents</b><br>(as determined in Worksheet 1) | <b>Project's Applicant Data</b><br>(as determined in Worksheet 1) | <b>Census Tract</b><br>(as determined in Worksheet 1) | <b>Housing Market Area</b> (as determined in Worksheet 1) | <b>Expanded Housing Market Area</b><br>(as determined in Worksheet 1) | <b>Residency Preference Area</b><br>(if applicable) |
|--|--|---|---|---|---|---|
| White                                      |  |   |   |   |   |   |
| Black or African American                  |  |   |   |   |   |   |
| Hispanic or Latino                         |  |   |   |   |   |   |
| Asian                                      |  |   |   |   |   |   |
| American Indian or Alaskan Native          |  |   |   |   |   |   |
| Native Hawaiian or Pacific Islander        |  |   |   |   |   |   |
| Persons with Disabilities                  |  |   |   |   |   |   |
| Families with Children under the age of 18 |  |   |   |   |   |   |
| Other (specify)                            |  |   |   |   |   |   |



Worksheet 3: Proposed Marketing Activities –Community Contacts (See AFHMP, Block 4b)

For each targeted marketing population designated as least likely to apply in Block 3b, identify at least one community contact organization you will use to facilitate outreach to the particular population group. This could be a social service agency, religious body, advocacy group, community center, etc. State the names of contact persons, their addresses, their telephone numbers, their previous experience working with the target population, the approximate date contact was/will be initiated, and the specific role they will play in assisting with the affirmative fair housing marketing. Please attach additional pages if necessary.

| Targeted Population(s) | Community Contact(s), including required information noted above. |
|------------------------|---|
|                        |   |
|                        |   |
|                        |   |
|                        |   |
|                        |   |

Worksheet 4: Proposed Marketing Activities – Methods of Advertising (See AFHMP, Block 4c)

Complete the following table by identifying your targeted marketing population(s), as indicated in Block 3b, as well as the methods of advertising that will be used to market to that population. For each targeted population, state the means of advertising that you will use as applicable to that group and the reason for choosing this media. In each block, in addition to specifying the media that will be used (e.g., name of newspaper, television station, website, location of bulletin board, etc.) state any language(s) in which the material will be provided, identify any alternative format(s) to be used (e.g. Braille, large print, etc.), and specify the logo(s) (as well as size) that will appear on the various materials. Attach additional pages, if necessary, for further explanation. Please attach a copy of the advertising or marketing material.

| <b>Targeted Population(s)→<br/>Methods of Advertising ↓</b> | <b>Targeted Population:</b> | <b>Targeted Population:</b> | <b>Targeted Population:</b> |
|---|-----------------------------|-----------------------------|-----------------------------|
| <b>Newspaper(s)</b>   |                             |                             |                             |
| <b>Radio Station(s)</b>                                     |                             |                             |                             |
| <b>TV Station(s)</b>  |                             |                             |                             |
| <b>Electronic Media</b>                                     |                             |                             |                             |
| <b>Bulletin Boards</b>                                      |                             |                             |                             |
| <b>Brochures, Notices, Flyers</b>                           |                             |                             |                             |
| <b>Other (specify)</b>                                      |                             |                             |                             |

## APPENDIX III-F



**EQUAL HOUSING  
OPPORTUNITY**

### **We Do Business in Accordance with the Federal Fair Housing Law**

(The Fair Housing Amendments Act of 1998)

- In the sale or rental of housing or residential lots
- In the provision of real estate brokerage services

***It is illegal to Discriminate Against Any Person  
Because of Race, Color, Religion, Sex,  
Handicap, Familial Status, or National Origin***

- In advertising the sale or rental of housing
- In the appraisal of housing
- In the financing of housing
- Blockbusting is also illegal

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Anyone who feels he or she has been  
discriminated against may file a complaint of  
housing discrimination: 1-800-669-977 (Toll  
Free) 1-800-927-9275 (TTY)

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U.S. Department of Housing and Urban  
Development Assistant Secretary for Fair  
Housing and Equal Opportunity  
Washington, D.C. 20410

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**APPENDIX III-F.1**



**EQUAL HOUSING  
OPPORTUNITY**



**IGUALDAD DE  
OPORTUNIDAD  
EN LA VIVIENDA**

form HUD-934.2A (09/02)



## City of Boulder Tenant Selection Plan Guidelines

The City of Boulder, Department of Housing & Human Services seeks to reduce barriers to accessing housing. To further that goal, all permanently affordable rental housing properties under Covenant with the City of Boulder must adhere to the Tenant Selection Plan Guidelines and have a Tenant Selection Plan (TSP) in place prior to leasing of units. The below TSP Guidelines provide best practices and performance requirements.

For developments that are subject to specific tenant screening requirements because of federal obligations or local laws/ordinances, Owners/Managers should follow those requirements. These guidelines are not intended to be a complete list or to supersede those requirements. Consult with an attorney to determine if your TSP complies with all applicable laws and regulations, program requirements, the Fair Housing Act, the Violence Against Women Act (VAWA), and the City of Boulder, Department of Housing & Human Services policies.

### Policy on Non-Discrimination

With respect to the treatment of applicants, the Owner/Manager must not discriminate against any individual, family or household because of race color, creed, national or ethnic origin or ancestry, religion, sex, sexual preference, gender identity, age, disability, military status, source of income, marital status or familial status, or any other arbitrary basis. No criteria shall be applied, or information considered pertaining to attributes, of behavior that may be imputed by some to a particular group or category. All criteria must be applied equitably.

### Tenant Selection Plan

The Owner/Manager must have a written tenant selection plan that is readable and accessible to applicants. It must be made available to applicants before they apply and/or pay an application fee. The Owner/Manager must provide meaningful access to the information for people with limited English proficiency and people with disabilities. The Owner/Manager must ensure the affordable property and TSP is in compliance with the property's Affirmative Fair Housing Marketing Plan (AFHMP) and City of Boulder AFHMP.

The Tenant Selection Plan should describe the methods and procedures for taking applications and screening applicants for the property. Tenant selection procedures should identify the criteria that will be used to select tenants.

### Tenant Screening Criteria

Tenants should be selected based on objective criteria, related solely to property eligibility requirements, ability to pay the rent and abide by the terms of the lease. These criteria might include household income, rental history, credit history, and/or lack of credit record. Owners/Managers must apply the criteria consistently to all applicants, in accordance with fair housing laws.



- 1. Eligibility Criteria.** The tenant selection plan must provide clear information on eligibility criteria such as income, asset and student restrictions and any program-specific requirements. It must also clearly state the processes and criteria that will be used to evaluate applications. If the affordable property receives funding to serve a specific population, such as individuals eligible for supportive housing or senior housing, the tenant selection plan's evaluation criteria must be structured in a way that will consider the specific barriers faced by these households.
- 2. Selection.** The tenant selection procedures should describe the requirements that affect tenants and tenant selection in terms that are clear and easy to understand. Specifically, the procedures should describe:

  - How vacant units will be filled;
  - Unit occupancy requirements;
  - Nondiscrimination policies and the affirmative marketing procedures, including accessibility requirements;
  - Marketing strategy for accessible units; and
  - Tenant selection records that must be maintained.
- 3. Waiting List.** The Owner/Manager must maintain a written waiting list and must select the tenants in the chronological order of application, to the extent practicable. The tenant selection procedures should be described how the waiting list will be maintained as outlined in Chapter 3 of the Rental Compliance Manual.
- 4. Preferences.** The Tenant selection criteria may give preference in a tenant selection process to persons with special needs, such as the homeless individuals, elderly, and persons with disabilities. However, the Owner/Manager may not give preference to persons with a *specific type* of disability. Permanently affordable housing for persons with disabilities must be equally available to all persons with disabilities regardless of the nature of their disability. Preferences must not violate HUD's anti-discrimination policies. Preferences must be clearly outlined in the Tenant Selection Plan and Affirmative Fair Housing Marketing Plan. Supplemental documentation must be submitted with the AFHMP to provide a justification for applying preferences. The proposed plans must be reviewed and approved by HUD and/or Fair Housing Equal Opportunity Office (FHEO) prior to implementation. A copy of the approved plans must be submitted to the Housing Sr Compliance Manager for review and approval prior to implementation.
- 5. Conflict of Interest.** Criteria should expressly prohibit bias in the selection process including discrimination or favoritism toward friends or relatives, or other situations in which there may be a conflict of interest.
- 6. Rental Assistance Payments.** The Owner/Manager must not exclude or deny an applicant with a certificate or voucher under the Section 8 Tenant Based Rental Assistance, Housing Choice Voucher Program or an applicant participating in a HOME tenant-based rental assistance program because of the status of the prospective tenant as a holder of such certificate, voucher or comparable HOME tenant-based assistance document.



7. **Notice of Denial.** Tenant selection procedures must state that the Owner/Manager will promptly notify an applicant in writing within thirty (30) days from the date of application if they have been rejected and will explain the grounds for the rejection.
8. **Appeals Process.** Owner/Manager must offer an appeals process. The appeals process must allow an opportunity for applicants to provide information of mitigating circumstances or information that would demonstrate their ability to be a successful tenant or correct inaccurate background check results. Owner/Manager must review all information provided to determine if the grounds for denial are a reliable indication of future tenancy performance. The appeals process and timeline must be clearly stated in the TSP. The Owner/Manager must notify the applicant, in writing, of the outcome of the appeal.
9. **Domestic Violence.** Several federal programs, including HOME, Section 8 and the Low-Income Housing Tax Credit (LIHTC) program, are subject to the restrictions outlined in the Violence Against Women Act (VAWA). VAWA provides that an applicant “may not be denied admission...on the basis that the applicant...is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, if the applicant or tenant otherwise qualifies for admission.”<sup>7</sup> Similarly, adverse eligibility factors such as criminal activity or other adverse credit or rental history related to the abuse should not be considered.
10. Owners/Managers not subject to VAWA are still prohibited from discriminating against victims of domestic violence under the federal Fair Housing Act; therefore, policies and practices that target or otherwise discriminate against women because of their status as domestic violence survivors are likely unlawful under federal law. Examples of circumstances that are related to abuse include:
  - Poor credit history resulting from the perpetrator using the victim’s name to open credit card accounts, loans, utilities, and failing to pay unpaid medical bills resulting from the abuse or forcing the victim to work without pay.
  - Poor rental history attributable to the perpetrator’s actions such as property damage, noise complaints, missed or late rent or utilities, or drug activity.
  - Criminal grounds due to the perpetrator forcing the victim to engage in criminal behavior such as sex work, drug use or sale, or crimes committed by the victim to defend themselves or a third party from the abuse.

Owners/Managers are encouraged to include language that clearly explains the protections for victims of domestic violence in their tenant selection plans.

11. **Applicants with Disabilities and Reasonable Accommodations.** The Owner/Manager must not raise barriers for individuals with disabilities, such as imposing requirements that applicants be able to live independently. Additionally, the Owner/Manager must have a written reasonable accommodation policy and process for handling accommodation requests at application. The Owner/Manager’s TSP must state that the reasonable accommodation policy will be made available to applicants upon request.



**12. Supportive Housing.** The TSP must clearly state the intended population for supportive housing units, and if applicable, the referral source for these units. Supportive housing programs are intended to house people who often have poor credit histories, poor rental histories, criminal histories, or other barriers that may prevent them from accessing housing. Such programs are successful in serving the people for whom they are designed only when these issues do not raise insurmountable barriers to accessing housing. To the extent permitted by the rules and regulations related to the type of housing, Owners/Managers are encouraged to adopt lenient and flexible criteria regarding these common barriers when creating a TSP. In addition, and in the course of tenant screening, consideration of mitigating factors either before or during an appeals process must also consider the extent to which supportive services will help alleviate the real or perceived risk of the negative screening factors.

**13. Records Retention.** The City of Boulder encourages records retention as a best practice. Owners/Managers have found it beneficial to track outcomes to help ensure the process is effective for tenant success. To help ensure that tenancy determinations and appeals processes are being conducted in a non-discriminatory manner, the Owner/Manager should retain records regarding applicant denials and appeals in addition to tenant records. Owners/Managers are encouraged to periodically review such records for consistency and to identify areas where their records retention process could be improved.

#### Tenant Selection Plan Checklist

| Tenant Selection Plan Content  | Completed by Owner/Manager                               |
|--|--|
| 1. Does the property have an income maximum listed, expressed as a percent of area median income?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 2. Does the TSP specify how the income limit is available? (website, contacting the on-site office, attachment to TSP)   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 3. Does the property have a minimum income policy listed? <ul style="list-style-type: none"><li>• IF YES: Is the minimum income so restrictive as to create a barrier to housing for an applicant with a federal or state housing voucher/rent assistance?</li><li>• IF YES: Does the minimum income policy either exempt households with rental assistance from the policy itself, or base the minimum income on the tenant's out of pocket rental payment and utility allowance?</li></ul> | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. Does the TSP affirm that reliance on state and federal housing vouchers will not be grounds to deny an application?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 5. Does the TSP state whether the property is intended to house families or the elderly? <ul style="list-style-type: none"><li>• IF ELDERLY: Does the TSP clearly state the age restriction?</li><li>• IF ELDERLY: Does the TSP make clear which federal elderly definition is used?</li></ul>   | <input type="checkbox"/> Yes <input type="checkbox"/> No |





|  |  |
|--|--|
| <ul style="list-style-type: none"> <li>• IF ELDERLY: Is the property's age restriction 62+?</li> <li>• IF ELDERLY: Is the property's age restriction 55+?</li> </ul>   |  |
| 6. Does the TSP outline eligibility requirements outlined in the City of Boulder Income & Asset Policy and Student Policy?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 7. Does the property have an occupancy policy related to household size?<br><ul style="list-style-type: none"> <li>• IF YES: Does the TSP state the minimum and maximum household size by unit size?</li> </ul>  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 8. Are criminal criteria described with enough specificity that an applicant can reasonably self-determine whether they meet the established standard for approval?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 9. Are Landlord reference criteria described with enough specificity that an applicant can reasonably self-determine whether they meet the established standard for approval?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 10. In the situation where a negative landlord reference is due to unpaid rent or money owed, does the criteria state that this will not be held against applicants participating in programs or receiving assistance which provides the landlord with the ability to recover economic losses?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 11. Does the TSP list all local, state, or federal preferences the property is subject to?<br><ul style="list-style-type: none"> <li>• IF YES, does the TSP describe the preferences and how they impact selection from the property waiting list?</li> <li>• IF YES, does the TSP describe the documentation required to establish preference eligibility?</li> </ul> | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 12. Does the TSP specify how pre-applications and applications are taken?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 13. Does the TSP clearly state alternative methods for accepting applications?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 14. Does the property charge an application fee?<br><ul style="list-style-type: none"> <li>• IF YES: Does the TSP disclose the amount of the fee?</li> <li>• What is the amount of the application fee? _____</li> <li>• Does the application fee exceed \$35?</li> </ul>  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 15. Does the property charge other charges and fees?<br><ul style="list-style-type: none"> <li>• IF YES: Does the TSP disclose the type and amount of all fees?</li> </ul>   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 16. Does the TSP specify the number of waiting lists used to select a tenant household for the property?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 17. Does the TSP specify how applicants are selected from each waiting list – first come, first serve or other?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 18. Does the TSP specify how preferences impact selection from the waiting list(s)?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 19. Does the TSP specify how the waiting list is updated to maintain fairness and accuracy, and disclose the circumstances under which an applicant is removed from the waitlist?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 20. Does the TSP specify the methods of advertising used to announce opening and closing of the waiting list?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 21. Does the TSP specify the policies on opening and closing the waiting list?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |



|  |  |
|--|--|
| 22. Does the property have multiple levels of income and rent targeting?<br><ul style="list-style-type: none"> <li>• IF YES: Does the TSP specify how applicants are selected for the various rent levels?</li> <li>• IF YES: Does the TSP specify the policy for assigning lower rent levelsto in-place tenants versus waiting listed applicants as they become available at the property?</li> </ul>   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 23. Does the TSP describe the process for notifying applicants of acceptance?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 24. Does the TSP describe what the applicant needs to do and in what timeframe to secure the unit once accepted?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 25. Does the TSP describe the period the offered unit will be held before moving to the next applicant?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 26. Does the TSP describe the process and timeline for notifying applicants of rejection, including the method of notification (which must include a written form of notification, appeal rights and the process and requirements for filing an appeal)?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 27. Does the TSP state that communications include the specific reason for the rejection?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 28. Does the TSP state that rejection is based solely on the written criteria specified in the Tenant Selection Criteria?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 29. Does the TSP state that if rejection is based on information received from a third party, contact information is provided so the rejected applicant can investigate and challenge the adverse information?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 30. Does the TSP explain that written denial/rejection of application notification shall include clear specification of appeal rights, process and deadlines? The deadline must be no less than 8 business days from the date of the denial notification letter.   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 31. Does the TSP explain that written denial/rejection of application notification shall include the right to a Reasonable Accommodation by an applicant with a disability?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 32. Does the TSP have a nondiscrimination statement that lists federal and state protected classes (race, color, national origin, religion, sex, familial status, disability)?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 33. Does the TSP explain intent to comply with all applicable federal regulations related to fair housing? This includes the Fair Housing Act, the 1988 Fair Housing Amendments Act, Title VI of the Civil Rights Act of 1964, and the Violence Against Women Act (VAWA).  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 34. Does the property receive federal funding (HOME, HUD, CDBG)?<br><ul style="list-style-type: none"> <li>• IF YES: Does the TSP explain intent to comply with Section 504 of the Rehabilitation Act of 1973?</li> <li>• IF YES: Does the TSP explain that the landlord may be obligated to provide Oral Language Services (i.e. Interpretation) and Written Language Services (i.e. Translation)?</li> <li>• <b>IF YES: Is the accessibility logo on the TSP?</b></li> </ul> | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 35. Does the TSP describe the process and timeline for a disabled applicant to request a reasonable accommodation/modification?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |



|  |  |
|--|--|
| 36. Does the TSP describe the timeline for management to respond to a request for Reasonable Accommodation or Reasonable Modification?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 37. Does the TSP explain that if a Reasonable Accommodation request is submitted, the unit will be held until the request determination is finalized and communicated in writing to the applicant?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 38. Does the TSP explain that in the event of a denial of a request for Reasonable Accommodation, the applicant will be afforded 8 business days to challenge the decision before the unit can be rented to another qualified applicant?                                   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 39. Does the property have a transfer policy listed?<br>• IF YES: Is the transfer policy described?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 40. Whether or not the property has a transfer policy, does the TSP include the procedures for selecting between applicants on the waiting list and current tenants who need a unit transfer?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 41. Are all reasons for unit transfer (family size, change in family composition, medical reason, need for accessible unit, need for reasonable accommodation, households residing in an accessible unit that do not need the accessibility features) included in the TSP? | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 42. Does the property charge transfer fees? (Transfer fee may not be charged)  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 43. Does the property have a pet policy?<br>• IF YES: Does the TSP disclose the pet policy?<br>• IF YES: Does the pet policy include an exception for service and assistance animals?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 44. Does the property have a smoking policy listed?<br>• IF YES: Does the TSP disclose the smoking policy?   | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 45. Does the property have any mandatory policies, community standards or programs that an applicant needs to be aware of before applying to the property?<br>• IF YES: Does the TSP disclose the policies?  | <input type="checkbox"/> Yes <input type="checkbox"/> No |

## **APPENDIX III=G.1**

### **Sample TENANT SELECTION PLAN**

The property is (is not) limited to specific family types, such as those who are elderly or disabled. However, the owner shall make vacant units in an elderly project generally available to otherwise eligible families who apply for housing, without regard to the preferences if there are an insufficient number of families for whom elderly preference has been given to fill all the vacant units.

Assistance in subsidized housing is restricted to U.S. citizens or nationals and non-citizens who have eligible immigration status as determined by HUD. All family members, regardless of age, must declare their citizenship or immigration status. Non-citizen applicants will be required to submit evidence of eligible immigration status at the time of application. Applicants who hold a non-citizen student visa are ineligible for assistance, as are any non-citizen family members living with the student.

Applicants must disclose and provide documentation of Social Security Numbers (SSN) for all family members at least six years of age and older. If a SSN has not been assigned to a particular family member, the applicant must sign a certification. If an applicant does not have the required documentation, the applicant may submit the SSN and certify that the number is accurate. However, the applicant cannot become a participant in the program unless they submit the required SSN documentation. Documentation must be provided within 60 days from the date on which the applicant certified that the documentation was not available.

The apartment unit must be the family's sole residence and under no circumstance may any tenant benefit from more than one subsidy.

All family members who are 18 years of age or older will be required to sign consent and verification forms. All information reported by the family is subject to verification.

Applicants must agree to pay the rent required by the program under which they will receive assistance.

### **INCOME ELIGIBILITY REQUIREMENTS**

HUD establishes and publishes income limits annually based on family size for each county in the United States based on the median income of the geographic area. Income limits for this property are listed below:

- Low-income limit 80% of median income
- Very low-income limit 50% of median income
- Extremely low-income limit 30% of median income

Owners must make at least 40 percent of the assisted units that become available each year (project's fiscal year) available for leasing to families whose income do not exceed 30 percent of the area median income (extremely low-income) at the time of admission. If the owner actively marketed at least 40 percent of the annually available units to extremely low-income families but was unable to fill all of the units with families meeting the requirement, the owner is permitted to

rent to other eligible families after a reasonable marketing period has expired.

## **OCCUPANCY STANDARDS**

| <b>Unit Size</b> | <b>Minimum Occupants</b> | <b>Maximum Occupants</b> |
|------------------|--------------------------|--------------------------|
| 0                | 1                        | 1                        |
| 1                | 1                        | 2                        |
| 2                | 2                        | 4                        |
| 3                | 3                        | 6                        |

A single person cannot occupy a unit with two or more bedrooms unless one of the following applies:

- A person with a disability who needs the larger unit as a reasonable accommodation.
- A displaced person when no appropriately sized unit is available.
- An elderly person who has a verifiable need for a larger unit.
- A remaining family member of a resident family when no appropriately sized unit is available.

A smaller unit size may be assigned upon request; only if occupancy of the smaller unit will not cause serious overcrowding and will not conflict with local codes.

A larger unit size may be assigned upon request if one of the following conditions exists:

- No eligible family in need of the larger unit is available to move into the unit within 60 days, the property has the proper size unit for the family but it is not currently available, and the family agrees in writing to move at its own expense when a proper size unit becomes available.
- The family needs a larger unit as a reasonable accommodation for a family member who is a person with a disability.
- If a family, based on the number of members, would qualify for more than one unit size, the owner must allow the family to choose which unit size they prefer.

## **PROTECTIONS**

The Landlord may not consider incidents of domestic violence, dating violence or stalking as serious or repeated violations of the lease or other “good cause” for termination of assistance, tenancy or occupancy rights of the victim of abuse.

The Landlord may not consider criminal activity directly relating to abuse, engaged in by a member of a tenant’s household or any guest or other person under the tenant’s control, cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant’s family is the victim or threatened victim of that abuse.

The Landlord may request in writing that the victim, or a family member on the victim’s behalf, certify that the individual is a victim of abuse and that the Certification of Domestic Violence,

Dating Violence or Stalking, Form HUD-91066, or other documentation as noted on the certification form, be completed and submitted within 14 business days, or an agreed upon extension date, to receive protection under the VAWA. Failure to provide the certification or other supporting documentation within the specified timeframe may result in eviction.

## **APPLICANT SCREENING CRITERIA**

All applicants age 18 or older will be screened for suitability prior to residency. Screening criteria will be applied consistently to all applicants, consideration of extenuating circumstances will be considered in the screening process.

### **Credit History:**

Priority will be given to current credit activity over older activity. All rent and utilities must be paid in full. Poor credit history is grounds for rejection; however a lack of credit history is not.

### **Rental History:**

Past record of destruction, consistent late or unpaid rental obligations, police activity or poor housekeeping habits resulting in health or safety hazards is grounds for rejection. Lack of rental history is not grounds for rejection.

### **Criminal History:**

Applicants will be rejected if any of the following apply: *(Note: The same criteria regarding criminal history applies to live-in aides also.)*

- Any household member has been evicted from Federally-assisted housing for drug-related criminal activity, for three years from the date of eviction. If the evicted household member who engaged in drug-related criminal activity has successfully completed a supervised drug rehabilitation program or circumstances leading to the eviction no longer exist (e.g., the household member no longer resides with the applicant household) the Owner may, but is not required to, admit the household.
- Any household member is currently engaging in illegal drug use.
- Any member of the household is subject to a lifetime registration requirement or is currently registered under a state sex offender registration program. During the admissions screening process, the Owner must perform the necessary criminal history background checks in the state where the housing is located and in other states where the household members are known to have resided.
- The Owner determines that there is reasonable cause to believe that a household member's illegal use (or a pattern of illegal use) of a drug or abuse (or pattern of abuse) of alcohol may interfere with the health, safety, or right to peaceful enjoyment of the premises by other residents. (Screening standards must be based on behavior, not the condition of alcoholism.)
- Any member of the applicant's household has been convicted of the manufacture of methamphetamine on the premises of federally subsidized housing (lifetime).
- Violent criminal activity.

- Any criminal activity that would threaten the health, safety, or right to peaceful enjoyment of the premises by other residents, the owner or any employee who is involved in the housing operations.
- Unlawfully obtaining government assistance.

## **NOTIFICATION OF APPLICANT REJECTION**

If an applicant is denied admission to the property they will receive a written notice stating the reason (s) for the rejection. The applicant has the right to respond in writing or request a meeting to dispute the rejection within 14 days of the notice. Persons with disabilities have the right to request reasonable accommodations to participate in the informal hearing process. If admission is denied because criminal background screening indicates the applicant provided false information; the entity making the determination must provide the subject of the record and the applicant a copy of the information the action is based upon. The subject of the record, and the applicant have the opportunity to dispute the accuracy and relevance of the information obtained from any law enforcement agency.

**Declaration of Citizenship**

INSTRUCTIONS: Complete this Declaration for each member of the household.

LAST NAME \_\_\_\_\_

FIRST NAME \_\_\_\_\_

RELATIONSHIP TO HEAD OF HOUSEHOLD \_\_\_\_\_ SEX \_\_\_\_\_ DATE OF BIRTH \_\_\_\_\_

SOCIAL SECURITY NO. \_\_\_\_\_ ALIEN REGISTRATION NO. \_\_\_\_\_

ADMISSION NUMBER \_\_\_\_\_ if applicable (this is an 11-digit number found on DHS Form I-94, *Departure Record*)

NATIONALITY \_\_\_\_\_ (Enter the foreign nation or country to which you owe legal allegiance. This is normally but not always the country of birth.)

SAVE VERIFICATION NO. \_\_\_\_\_  
(to be entered by owner if and when received)

INSTRUCTIONS: Complete the Declaration below by printing or by typing the person's first name, middle initial, and last name in the space provided. Then review the blocks shown below and complete either block number 1, 2, or 3:

**DECLARATION**

I, \_\_\_\_\_ hereby declare, under penalty of perjury, that I am \_\_\_\_\_  
(print or type first name, middle initial, last name):

\_\_\_\_\_ 1. A citizen or national of the United States.

Sign and date below and return to the name and address specified in the attached notification letter. If this block is checked on behalf of a child, the adult who will reside in the assisted unit and who is responsible for the child should sign and date below.

\_\_\_\_\_  
Signature Date

Check here if adult signed for a child: \_\_\_\_\_



- 
- \_\_\_\_\_ 2. A noncitizen with eligible immigration status as evidenced by one of the documents listed below:

**NOTE:** If you checked this block and you are 62 years of age or older, you need only submit a proof of age document together with this format, and sign below:

If you checked this block and you are less than 62 years of age, you should submit the following documents:

- a. Verification Consent Format (\*\*see Sample Verification Consent Form in Exhibit 3-6\*\*).

AND

- b. One of the following documents:

- (1) Form I-551, *Alien Registration Receipt Card* (for permanent resident aliens).
- (2) Form I-94, *Arrival-Departure Record*, with one of the following annotations:
  - (a) "Admitted as Refugee Pursuant to section 207";
  - (b) "Section 208" or "Asylum";
  - (c) "Section 243(h)" or "Deportation stayed by Attorney General"; or
  - (d) "Paroled Pursuant to Sec. 212(d)(5) of the INA."
- (3) If Form I-94, *Arrival-Departure Record*, is not annotated, it must be accompanied by one of the following documents:
  - (a) A final court decision granting asylum (but only if no appeal is taken);
  - (b) A letter from an DHS asylum officer granting asylum (if application was filed on or after October 1, 1990) or from an DHS district director granting asylum (if application was filed before October 1, 1990);
  - (c) A court decision granting withholding or deportation; or
  - (d) A letter from an DHS asylum officer granting withholding of deportation (if application was filed on or after October 1, 1990).
- (4) Form I-688, *Temporary Resident Card*, which must be annotated "Section 245A" or "Section 210."
- (5) Form I-688B, *Employment Authorization Card*, which must be annotated "Provision of Law 274a.12(11)" or "Provision of Law 274a.12."

- (6) A receipt issued by the DHS indicating that an application for issuance of a replacement document in one of the above-listed categories has been made and that the applicant's entitlement to the document has been verified.
- (7) Form I-151 Alien Registration Receipt Card.

If this block is checked, sign and date below and submit the documentation required above with this declaration and a verification consent format to the name and address specified in the attached notification. If this block is checked on behalf of a child, the adult who will reside in the assisted unit and who is responsible for the child should sign and date below.

If for any reason, the documents shown in subparagraph 2.b. above are not currently available, complete the Request for Extension block below.

\_\_\_\_\_  
Signature Date

Check here if adult signed for a child: \_\_\_\_\_

|   |                       |
|---|-----------------------|
| <b>REQUEST FOR EXTENSION</b>  |                       |
| <p>I hereby certify that I am a noncitizen with eligible immigration status, as noted in block 2 above, but the evidence needed to support my claim is temporarily unavailable. Therefore, I am requesting additional time to obtain the necessary evidence. I further certify that diligent and prompt efforts will be undertaken to obtain this evidence.</p> |                       |
| <p>_____<br/>Signature</p>  | <p>_____<br/>Date</p> |
| <p>Check if adult signed for a child: _____</p>   |                       |

\_\_\_\_\_ 3. I am not contending eligible immigration status and I understand that I am not eligible for financial assistance.

If you checked this block, no further information is required, and the person named above is not eligible for assistance. Sign and date below and forward this format to the name and address specified in the attached notification. If this block is checked on behalf of a child, the adult who is responsible for the child should sign and date below.

\_\_\_\_\_  
Signature Date

Check here if adult signed for a child: \_\_\_\_\_

# APPENDIX III-I

## Race and Ethnic Data Reporting Form

U.S. Department of Housing  
and Urban Development  
Office of Housing

OMB Approval No. 2502-0204  
(Exp. 5/31/2011)

Name of Property Project No. Address of Property

Name of Owner/Managing Agent Type of Assistance or Program Title:

Name of Head of Household Name of Household Member

Date (mm/dd/yyyy): \_\_\_\_\_

| Ethnic Categories*                        | Select One  |
|---|-------------|
| Hispanic or Latino                        |             |
| Not-Hispanic or Latino                    |             |
| Racial Categories*                        | One or More |
| American Indian or Alaska Native          |             |
| Asian                                     |             |
| Black or African American                 |             |
| Native Hawaiian or Other Pacific Islander |             |
| White                                     |             |
|   |             |

**\*Definitions of these categories may be found on the reverse side.**

**There is no penalty for persons who do not complete the form.**

Signature

Date

**Public reporting burden** for this collection is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required to obtain benefits and voluntary. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is authorized by the U.S. Housing Act of 1937 as amended, the Housing and Urban Rural Recovery Act of 1983 and Housing and Community Development Technical Amendments of 1984. This information is needed to be in compliance with OMB-mandated changes to Ethnicity and Race categories for recording the 50059 Data Requirements to HUD. Owners/agents must offer the opportunity to the head and co-head of each household to "self certify" during the application interview or lease signing. In-place tenants must complete the format as part of their next interim or annual re-certification. This process will allow the owner/agent to collect the needed information on all members of the household. Completed documents should be stapled together for each household and placed in the household's file. Parents or guardians are to complete the self-certification for children under the age of 18. Once system development funds are provided and the appropriate system upgrades have been implemented, owners/agents will be required to report the race and ethnicity data electronically to the TRACS (Tenant Rental Assistance Certification System). This information is considered non-sensitive and does not require any special protection.

## Instructions for the Race and Ethnic Data Reporting (Form HUD-27061-H)

### A. General Instructions:

This form is to be completed by individuals wishing to be served (applicants) and those that are currently served (tenants) in housing assisted by the Department of Housing and Urban Development.

Owner and agents are required to offer the applicant/tenant the option to complete the form. The form is to be completed at initial application or at lease signing. In-place tenants must also be offered the opportunity to complete the form as part of the next interim or annual recertification. Once the form is completed it need not be completed again unless the head of household or household composition changes. There is no penalty for persons who do not complete the form. However, the owner or agent may place a note in the tenant file stating the applicant/tenant refused to complete the form. **Parents or guardians are to complete the form for children under the age of 18.**

The Office of Housing has been given permission to use this form for gathering race and ethnic data in assisted housing programs. Completed documents for the entire household should be stapled together and placed in the household's file.

1. The two ethnic categories you should choose from are defined below. You should check one of the two categories.

1. **Hispanic or Latino.** A person of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race. The term "Spanish origin" can be used in addition to "Hispanic" or "Latino."
2. **Not Hispanic or Latino.** A person not of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin, regardless of race.

2. The five racial categories to choose from are defined below: You may mark one or more.

1. **American Indian or Alaska Native.** A person having origins in any of the original peoples of North and South America (including Central America), and who maintains tribal affiliation or community attachment.
2. **Asian.** A person having origins in any of the original peoples of the Far East, Southeast Asia, or the Indian subcontinent including, for example, Cambodia, China, India, Japan, Korea, Malaysia, Pakistan, the Philippine Islands, Thailand, and Vietnam.
3. **Black or African American.** A person having origins in any of the black racial groups of Africa. Terms such as "Haitian" or "Negro" can be used in addition to "Black" or "African American."
4. **Native Hawaiian or Other Pacific Islander.** A person having origins in any of the original peoples of Hawaii, Guam, Samoa, or other Pacific Islands.
5. **White.** A person having origins in any of the original peoples of Europe, the Middle East or North Africa.

**Formulario para Reportar  
Data sobre Raza y Etnia****Departamento de Vivienda  
y Desarrollo Urbano de EEUU**  
Oficina de ViviendaOMB Aprobado No. 2502-0204  
(Exp. 5/31/2011)

---

**Nombre de la propiedad** **No. del Proyecto** **Dirección de la propiedad**

---

**Nombre del dueño/Agente Manejador** **Nombre del programa o tipo de asistencia**

---

**Nombre del jefe de familia** **Nombre de la persona llenando la hoja****Fecha (mm/dd/aaaa):** \_\_\_\_\_

| <b>Categorías Étnicas*</b>                 | <b>Escoja una</b> |
|--|-------------------|
| Hispano o Latino                           |                   |
| No-Hispano o Latino                        |                   |
| <b>Categorías de Raza*</b>                 | <b>Una o más</b>  |
| Amerindio o Nativo de Alaska               |                   |
| Asiático                                   |                   |
| Negro o Afroamericano                      |                   |
| Nativo Hawaiano u otro Isleño del Pacifico |                   |
| Blanco                                     |                   |
|  |                   |

**\*Para definiciones de las categorías mire al dorso.****No habrá penalidad si usted no completa este formulario.**

---

**Firma**

---

**Fecha**

**Public reporting burden** for this collection is estimated to average 10 minutes per response, including the time for reviewing instructions, searching existing data sources, gathering and maintaining the data needed, and completing and reviewing the collection of information. This information is required to obtain benefits and voluntary. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number.

This information is authorized by the U.S. Housing Act of 1937 as amended, the Housing and Urban Rural Recovery Act of 1983 and Housing and Community Development Technical Amendments of 1984. This information is needed to be in compliance with OMB-mandated changes to Ethnicity and Race categories for recording the 50059 Data Requirements to HUD. Owners/agents must offer the opportunity to the head and co-head of each household to "self certify" during the application interview or lease signing. In-place tenants must complete the format as part of their next interim or annual re-certification. This process will allow the owner/agent to collect the needed information on all members of the household. Completed documents should be stapled together for each household and placed in the household's file. Parents or guardians are to complete the self-certification for children under the age of 18. Once system development funds are provided and the appropriate system upgrades have been implemented, owners/agents will be required to report the race and ethnicity data electronically to the TRACS (Tenant Rental Assistance Certification System). This information is considered non-sensitive and does not require any special protection.

## Instrucciones para informar los datos de raza y grupo étnico (Formulario HUD-27061-H)

### A. Instrucciones generales:

Este formulario debe ser completado por las personas que desean arrendar (solicitantes) y las personas que ya arriendan (arrendatarios) viviendas subvencionadas por el Departamento de Viviendas y Desarrollo Urbano.

Se exige a los propietarios y corredores de bienes raíces que ofrezcan al solicitante/arrendatario la opción de completar el formulario. Se debe completar el formulario al inicio de la solicitud o al momento de firmar el arrendamiento. Los arrendatarios ya ubicados también deben recibir la oportunidad de completar el formulario como parte de la siguiente recertificación pasajera o anual. Una vez que se haya completado, no necesita completarse nuevamente a menos que cambie el jefe de familia o la composición de la familia. No existe sanción para las personas que no completen el formulario. Sin embargo, el propietario o corredor puede colocar una nota en el expediente del arrendatario manifestando que el solicitante/arrendador se rehúso a completar el formulario. **Los padres de familia o tutores deben completar el formulario para los hijos menores de 18 años.**

La Oficina de Vivienda ha recibido autorización para utilizar este formulario para recopilar los datos de raza y grupo étnico en los programas de vivienda subvencionados. Los documentos completados de toda la familia deben presentarse juntos y colocarse en el expediente de la familia.

1. Se definen debajo las dos categorías étnicas entre las que debe elegir: Debe marcar una de las dos categorías.
  3. **Hispano o latino.** Una persona que sea de Cuba, México, Puerto Rico, Sudamérica y Centroamérica, o de otra cultura u origen español, sin considerar la raza. El término “origen español” puede usarse además de “hispano” o “latino”.
  4. **No hispano ni latino.** Una persona que no sea de Cuba, México, Puerto Rico, Sudamérica y Centroamérica, ni de otra cultura u origen hispano, sin considerar la raza.
2. Se definen debajo las cinco categorías raciales entre las que debe elegir: **Debe marcar todas las opciones pertinentes.**
  4. **Indio americano o nativo de Alaska.** Una persona con orígenes en cualquiera de los pueblos oriundos de Norteamérica y Sudamérica (incluyendo Centroamérica), y que mantiene afiliación tribal o adherencia comunal.
  5. **Asiático.** Una persona con orígenes en cualquiera de los pueblos oriundos del Lejano Oriente, Sudeste de Asia o el subcontinente indio, incluyendo, por ejemplo a Camboya, China, India, Japón, Corea, Malasia, Pakistán, las Islas Filipinas, Tailandia y Vietnam.
  6. **Negro o afroamericano.** Una persona con orígenes en cualquiera de los grupos raciales negros de África. El término “haitiano” puede utilizarse además de “negro” o “africano”.
  7. **Nativo de Hawai u otra isla del Pacífico.** Una persona con orígenes en cualquiera de los pueblos oriundos de Hawai, Guam, Samoa u otras islas del Pacífico.
  6. **Blanco.** Una persona con orígenes en cualquiera de los pueblos oriundos de Europa, Medio Oriente o Norte de África.

## APPENDIX III-I.1

## Supplemental Demographic Form

Owners/managers of permanently affordable rental housing are required to offer the applicant/tenant the option to complete the form. The form is to be completed at initial application or at lease signing. There is no penalty for persons who do not complete the form. You will not be discriminated against on the basis of this information, or on whether or not you choose to furnish it. If you do not wish to furnish this information, please check the box below.

☐ Resident/Applicant: I do not wish to provide information regarding ethnicity, race, and other household composition.

Please initial:

HH #:                      #1                      #2                      #3                      #4                      #5                      #6                      #7

enter both ethnicity, race and disability codes for each household member (see below for codes)

| hh mbr # | last name | first name | mi | race code | ethnicity code | disability code |
|----------|-----------|------------|----|-----------|----------------|-----------------|
| 1        |           |            |    |           |                |                 |
| 2        |           |            |    |           |                |                 |
| 3        |           |            |    |           |                |                 |
| 4        |           |            |    |           |                |                 |
| 5        |           |            |    |           |                |                 |
| 6        |           |            |    |           |                |                 |
| 7        |           |            |    |           |                |                 |

| race code |                                  |
|-----------|----------------------------------|
| 1         | African American/Black           |
| 2         | American Indian/Alaskan Native   |
| 3         | Asian                            |
| 4         | Asian Indian                     |
| 5         | Asian Other                      |
| 6         | Chinese                          |
| 7         | Filipino                         |
| 8         | Guamanian/Chamarro               |
| 9         | Japanese                         |
| 10        | Korean                           |
| 11        | Native Hawaiian                  |
| 12        | Native Hawaiian/Pacific Islander |
| 13        | Pacific Islander Other           |
| 14        | Samoan                           |
| 15        | Vietnamese                       |
| 16        | White                            |
| 17        | Other                            |
| 18        | Refused                          |
| 19        | Missing                          |
| 20        | Tenant declined to respond       |

| ethnicity codes |                            |
|-----------------|----------------------------|
| 1               | N/A                        |
| 2               | Hispanic                   |
| 3               | Non-Hispanic               |
| 4               | Hispanic or Latino         |
| 5               | Not Hispanic or Latino     |
| 6               | Tenant declined to respond |
| 7               | Missing                    |

| disability codes |                            |
|------------------|----------------------------|
| 1                | Yes                        |
| 2                | No                         |
| 3                | Tenant declined to respond |
| 4                | Missing                    |

**DEMOGRAPHICS INFORMATION FORM**  
**(To be completed by residents)**

The information on this form will be provided to the City of Boulder Department of Housing & Human Services as part of the annual tenant report. All applicants and residents must also be given the opportunity to self-identify the race and ethnicity for all members of the household. Completion of these forms is voluntary and is not a condition of occupancy.

Date: \_\_\_\_\_

Unit Number: \_\_\_\_\_

☐ I do not wish to provide this information

Head of Household Type:

- |   |   |
|---|---|
| <input type="checkbox"/> Single                                 | <input type="checkbox"/> Single Parent Nonbinary Head of Household    |
| <input type="checkbox"/> Married                                | <input type="checkbox"/> Single Parent Gender Fluid Head of Household |
| <input type="checkbox"/> Single Parent Male Head of Household   | <input type="checkbox"/> Disabled                                     |
| <input type="checkbox"/> Single Parent Female Head of Household | <input type="checkbox"/> Senior/Elderly 55 +)                         |

Does anyone in the household have a disability which requires either a modification of living quarters or any other kind of supportive service assistance? ☐ Yes ☐ No

Indicate the primary source of household income from the following list:

- |  |  |  |                                       |
|--|--|--|---------------------------------------|
| <input type="checkbox"/> Alimony         | <input type="checkbox"/> Child Support | <input type="checkbox"/> Military Pay    | <input type="checkbox"/> Unemployment |
| <input type="checkbox"/> Other           | <input type="checkbox"/> Pension       | <input type="checkbox"/> Wages           | <input type="checkbox"/> Unemployed   |
| <input type="checkbox"/> SSDI/Disability | <input type="checkbox"/> TANF          | <input type="checkbox"/> Social Security | <input type="checkbox"/> Refused      |

Indicate the occupation of the head of household: (check one)

- |  |  |                                       |                                    |
|--|--|---------------------------------------|------------------------------------|
| <input type="checkbox"/> Service         | <input type="checkbox"/> Self-Employed | <input type="checkbox"/> Other        | <input type="checkbox"/> Education |
| <input type="checkbox"/> Management      | <input type="checkbox"/> Unemployed    | <input type="checkbox"/> Disabled     | <input type="checkbox"/> Medical   |
| <input type="checkbox"/> Technical/Trade | <input type="checkbox"/> Retired       | <input type="checkbox"/> Professional | <input type="checkbox"/> Refused   |

Indicate the primary ethnicity: ☐ Hispanic ☐ Non-Hispanic

Indicate the primary racial identity:

- |   |                                    |   |
|---|------------------------------------|---|
| <input type="checkbox"/> American Indian/Alaska Native    | <input type="checkbox"/> Asian     | <input type="checkbox"/> Black/African American |
| <input type="checkbox"/> Native Hawaiian/Pacific Islander | <input type="checkbox"/> Caucasian | <input type="checkbox"/> Other                  |
| <input type="checkbox"/> Refused                          |                                    |   |

\_\_\_\_\_  
Resident Signature

\_\_\_\_\_  
Date





## APPENDIX IV-A

# City of Boulder Policies

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## STUDENT POLICY

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### **PURPOSE**

The City of Boulder supports the creation and preservation of affordable housing that serves extremely low, very low, low and moderate-income households within the City of Boulder. The Program focuses its efforts at the lower end of the income spectrum, targeting the following populations:

- Households with children;
- Households with working members who earn a low or moderate wage;
- Non-student Households; and
- Special population groups including disabled, homeless, and elderly.

The City of Boulder Student Policy (Student Policy) prohibits the use of the Program to create or preserve dormitories or other student housing. The city's Student Policy was designed in consideration of the restrictions on student participation as detailed in the Section 8 Housing Choice Voucher (24 CFR 5.612), the LIHTC Full Time Student Rule (IRC Sec. 42(i)(3)(D), IRC §141(c)(4), IRC §170(b)(1)(A)(ii), Treasury Regulation §1.151-3(b)) and the 2013 HOME Final Rule (24 CFR 5.612).

### **POLICY**

The Student Policy excludes certain students from occupying a city supported permanently affordable rental housing unit. A city supported permanently affordable rental housing unit is defined as a unit created or preserved using City of Boulder subsidy(ies), resulting from City of Boulder regulatory requirements (e. g., annexation, Inclusionary Housing), and/or maintains any city restrictions.

A student is defined as an individual 18 years of age or older who is enrolled in an institution of higher education during the calendar year. It is the city's intention that permanently affordable rental housing units' support residents working towards self-sufficiency and through life transitions. Students that meet one or more of the following exception criteria may be determined eligible for occupancy upon submission of a Student Exception Request ([Exhibit A](#)) and required supporting documentation. Please note that households occupying HOME designated units are not eligible for exceptions 7 through 9 as outlined below. A final determination of eligibility is at the city's sole discretion.

1. The student is 24 years of age and older, or
2. The student is a veteran of the U.S. military, or
3. The student is a person with disabilities, or
4. The student has a dependent child(ren), or
5. The student is living with a parent who is determined to be eligible.
6. The student is married, or
7. The student receives assistance under Title IV of the Social Security Act, also known as Temporary Assistance to Needy Families (TANF).
8. The student is enrolled in a job training program receiving assistance under the Workforce Investment Act (formerly known as the Job Training Partnership Act) or under a similar federal, state, or local program.

9. The student was previously under the care and placement responsibility of the State agency responsible for administering a plan under title IV of the Social Security Act (i.e., Foster Care).

### **REVIEW PROCESS & DETERMINATION OF ELIGIBILITY**

An Exception Request must be completed by all household members 18 years of age and older that are enrolled in an institution of higher education prior to lease-up or upon lease renewal, as applicable. Student eligibility is determined on an individual basis, regardless of full-time, part-time enrollment or employment status or household composition. Once a student exception has been approved, no further review is required.

All students enrolled in an institution of higher education **must** submit a Student Exception Request and supplemental documentation which supports eligibility for exception to Property Management staff for their review to make a determination of eligibility. All Student Exception Requests and supplemental documentation must be maintained in the tenant file and made available to compliance staff upon request for monitoring purposes.

### **INTERPRETATION AND APPLICATION**

Questions regarding the interpretation and application of this policy should be directed to the Asset Program Manager.

### **EXCEPTIONS/CHANGES**

This policy supersedes all previous policies covering the same or similar topics. Any exceptions to this policy may only be granted by the Director of Housing and Human Services or the City Manager. This policy may be reviewed and changed at any time.

EFFECTIVE DATE: 1/1/2019

**APPENDIX IV-B**  
**Student Exception Request**

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|                                   |                      |
|-----------------------------------|----------------------|
| Property Name: _____              | Unit #: _____        |
| Applicant/Resident Name: _____    | Date of Birth: _____ |
| Name of College/University: _____ |                      |

Pursuant to the City of Boulder's Student Policy, a Student Exception Request must be completed by all students 18 years of age or older enrolled in an institution of higher education prior to lease-up and annually upon lease renewal. Student eligibility is determined on an individual basis, regardless of full-time, part-time enrollment/employment status or household composition. All Exception Requests and required supplemental documentation must be submitted to the Property Management staff prior to lease up and annually upon lease renewal, to make a determination of eligibility. Please note that households occupying HOME designated units are not eligible for the last three exceptions outlined below.

Students enrolled in an institution of higher education must meet one or more of the following exception criteria. Please select the following exception criteria that best describes your status:

- ☐ I am 24 years of age or older
- ☐ I am a veteran in the U.S. military
- ☐ I am a person with a disability.
- ☐ I have a dependent child(ren)
- ☐ I am living with a parent who is determined to be eligible
- ☐ I am married
- ☐ I receive assistance under Title IV of the Social Security Act, also known as Temporary Assistance to Needy Families (TANF).
- ☐ I am enrolled in a job training program receiving assistance under the Workforce Investment Act (formerly known as the Job Training Partnership Act) or under a similar federal, state, or local program.
- ☐ I was previously under the care and placement responsibility of the State agency responsible for administering a plan under title IV of the Social Security Act (i.e., Foster Care).

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### Signatures

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Under penalty of perjury, I certify that the information presented in this form is true and accurate to the best of my knowledge. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading, or incomplete information may result in the termination of a lease agreement.

---

Applicant/Resident Signature

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Date

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**Office Use Only:**

Review Date: \_\_\_\_\_ PM Staff Initials: \_\_\_\_\_ ☐ Approved ☐ Denied

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## APPENDIX IV-C

# City of Boulder Policies

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## INCOME & ASSET POLICY

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### I. PURPOSE

The City of Boulder supports the creation and preservation of permanently affordable rental housing units that serve extremely low, very low, low- and moderate-income households within the City of Boulder. The city strives to provide housing opportunities to meet full spectrum of affordable housing needs and targets the following populations:

- Households with children;
- Households with working members who earn a low or moderate wage;
- Non-student Households; and
- Special population groups including: disabled, homeless, and elderly.

City supported permanently affordable rental housing opportunities have specific income and asset limit requirements that define eligible occupants. These requirements are identified in Funding Agreements, Covenants and the Rental Compliance Manual which are required for each project supported through city participation.

### II. INCOME POLICY

#### A. Definition of Annual Income

The city has adopted the Section 8 Part 5 definition of annual income ([Appendix A](#)). Annual income means all amounts, anticipated to be received during the next 12-month period by all members of the household eighteen years of age and older. Annual income includes amounts derived from assets to which any member of the household has access. See ([Appendix B](#)) for a list of Annual Income Inclusions and Exclusions.

#### B. Maximum Income Limit

At the time of initial occupancy, the combined annual household income may not exceed the Area Median Income limit based on household size for each permanently affordable rental housing unit as outlined in the executed Funding Agreement and Low-Income Rental Housing Covenant recorded on the property. However, after initial occupancy a person or household whose income increases above the Area Median Income Limit as referenced above may be allowed to renew their lease, provided that the combined household income does not exceed 140% of 60% AMI for each permanently affordable rental housing unit.

#### C. Method of Verification & Recertification

The Owners/Manager must verify the combined household annual income and assets at the time of application and annually upon lease renewal.

##### i. Third-Party Verification

Owners/Managers must conduct third-party income and asset certification prior to the first year of occupancy and every 6th year of the placed in-service date or HOME Period of Affordability date, as applicable.



# City of Boulder Policies

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## INCOME & ASSET POLICY

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- The verifiable income of all household members 18 years of age and older must be included.
- The determination must be based on income that is anticipated in the next twelve months.
- The owner/manager must examine income *source documents* to verify the accuracy of the income information reported on the application.

Please refer to the Rental Compliance Manual for a list of acceptable third-party source documentation.

### ii. Self-Certification

Upon annual recertification during intervening years, Owners/Managers may accept self-certification of income and assets from tenants.

#### Example:

| PIS Year | 1                     | 2                     | 3         | 4         | 5         | 6                     | 7         |
|----------|-----------------------|-----------------------|-----------|-----------|-----------|-----------------------|-----------|
| LIHTC    | 3 <sup>rd</sup> party | 3 <sup>rd</sup> party | Self-Cert | Self-Cert | Self-Cert | 3 <sup>rd</sup> party | Self-Cert |
| HOME     | 3 <sup>rd</sup> party | Self-Cert             | Self-Cert | Self-Cert | Self-Cert | 3 <sup>rd</sup> party | Self-Cert |

**NOTE:** LIHTC requires 3<sup>rd</sup> party certification in year two. HOME does not have this requirement. Alignment of 3<sup>rd</sup> party certification in the 6<sup>th</sup> year for both LIHTC & HOME is a strategic decision to further simplify the process so that after the initial period of affordability all tenant files will be on the same 6-year cycle.

### III. ASSET POLICY

This Policy defines an asset as cash or non-cash items that can be readily converted to cash, including retirement accounts, pension funds, life insurance payout, taxable interest, checking, savings, stocks, bonds, and other forms of capital investment. Annual income includes amounts derived from assets to which household members have access.

#### A. Exclusions

Assets excluded from assessment include cars, personal belongings, and personal life insurance policies. Please see ([Appendix C](#)) for a list of asset inclusions and exclusions.

#### B. Verification of Assets & Calculation of Annual Income

All assets must be verified regardless of the type or amount of the asset. Note that when assets are included in the calculation of annual income, it is the imputed income earned from the asset, not the value of the asset that is counted.



# City of Boulder Policies

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## INCOME & ASSET POLICY

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### C. Liquid Asset Limit

Households with liquid assets of more than \$55,000 at the time of initial application or annual recertification of income are not eligible to occupy or renew their lease for a permanently affordable rental housing unit. A **Liquid Asset** is defined as cash on hand or any asset that can be readily converted to cash. Retirement accounts, IRA, pension, 401K and 403B are not considered liquid assets until they are cashed out.

### D. Restrictions on Ownership of Residential Property

Households with ownership interest in a residential property in which they can legally reside are ineligible to occupy or renew their lease of a permanently affordable rental housing unit under Covenant with the city.

### E. Exceptions to Asset Policy

The Asset Policy provides an exception to the liquid asset limit for elderly and disabled persons. Federal laws define an elderly person as an individual that is 55 years of age or older. A disabled person is defined as a person who has a physical or mental impairment that substantially limits one or more major life activities, has a record of such impairment; or is regarded as having such an impairment. An exception to the policy may also be considered for households with ownership interest in residential property in which they cannot legally reside.

### F. Exception Request Review Process

An elderly and/or disabled person seeking an exception to this policy must submit the Asset Policy Exception Request ([Appendix D](#)) and supplemental documentation to the Property Manager for review to make a final determination of eligibility prior to initial occupancy and/or lease renewal.

## IV. NON-RENEWAL OF LEASE

Any household whose has been determined ineligible per the terms outlined in this policy upon annual recertification, is no longer eligible to renew their lease for the permanently affordable rental housing unit.

## V. INTERPRETATION & APPLICATION

Questions regarding the interpretation and application of this policy should be directed to the Asset Program Manager.

## VI. POLICY CHANGES

This policy supersedes all previous policies covering the same or similar topics. Any exceptions to this policy may only be granted by the Deputy Director of Housing, City Manager or their designee. This policy may be reviewed and updated at any time.

EFFECTIVE DATE: 1/1/2019

## APPENDIX IV-C.1

### **Definition of Annual Income 24 CFR, Part 5, Subpart F (Section 5.609)**

§ 5.609 Annual Income.

(a) *Annual income* means all amounts, monetary or not, which:

(1) Go to, or on behalf of, the family head or spouse (even if temporarily absent) or to any other family member; or

(2) Are anticipated to be received from a source outside the family during the 12-month period following admission or annual reexamination effective date; and

(3) Which are not specifically excluded in paragraph (c) of this section.

(4) Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access.

(b) Annual income includes, but is not limited to:

(1) The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services;

(2) The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family;

(3) Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in paragraph (b)(2) of this section. Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD;

(4) The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except as provided in paragraph (c)(14) of this section);

(5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay (except as provided in paragraph (c)(3) of this section);

(6) *Welfare assistance payments.*

(i) Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income only to the extent such payments:

(A) Qualify as assistance under the TANF program definition at 45 CFR 260.31; and

(B) Are not otherwise excluded under paragraph (c) of this section.

(ii) If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:

(A) The amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; plus

(B) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is ratably reduced from the standard of need by applying a percentage, the amount calculated under this paragraph shall be the amount resulting from one application of the percentage.

(7) Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling;

(8) All regular pay, special pay and allowances of a member of the Armed Forces (except as provided in paragraph (c)(7) of this section).

(9) For section 8 programs only and as provided in 24 CFR 5.612, any financial assistance, in excess of amounts received for tuition, that an individual receives under the Higher Education Act of 1965 (20 U.S.C. 1001 *et seq.* ), from private sources, or from an institution of higher education (as defined under the Higher Education Act of 1965 (20 U.S.C. 1002)), shall be considered income to that individual, except that financial assistance described in this paragraph is not considered annual income for persons over the age of 23 with dependent children. For purposes of this paragraph, "financial assistance" does not include loan proceeds for the purpose of determining income.

(c) Annual income does not include the following:

(1) Income from employment of children (including foster children) under the age of 18 years;

(2) Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone);

(3) Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains and settlement for personal or property losses (except as provided in paragraph (b)(5) of this section);



- (4) Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
- (5) Income of a live-in aide, as defined in 24 CFR § 5.403;
- (6) Subject to paragraph (b)(9) of this section, the full amount of student financial assistance paid directly to the student or to the educational institution;
- (7) The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
- (8)
  - (i) Amounts received under training programs funded by HUD;
  - (ii) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS);
  - (iii) Amounts received by a participant in other publicly assisted programs which are specifically for or in reimbursement of out-of-pocket expenses incurred (special equipment, clothing, transportation, child care, etc.) and which are made solely to allow participation in a specific program;
  - (iv) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time;
  - (v) Incremental earnings and benefits resulting to any family member from participation in qualifying State or local employment training programs (including training programs not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program;
- (9) Temporary, nonrecurring or sporadic income (including gifts);
- (10) Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
- (11) Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
- (12) Adoption assistance payments in excess of \$480 per adopted child;
- (13) [Reserved]

(14) Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.

(15) Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;

(16) Amounts paid by a State agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home; or

(17) Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the *FEDERAL REGISTER* and distributed to PHAs and housing owners identifying the benefits that qualify for this exclusion. Updates will be published and distributed when necessary. [Federally Mandated Exclusions listed below in **Attachment G.1**]

## **Attachment C.2**

### **Federally Mandated Exclusions from Annual Income**

Following is the list of benefits that currently qualify for this income exclusion. The list includes those relevant exclusions that may be applicable to the IHBG program.

1. The value of the allotment provided to an eligible household under the Food Stamp Act of 1977 (7 U.S.C. 2017(b))
2. Payments to Volunteers under the Domestic Volunteer Service Act of 1973 (42 U.S.C. 5044(f)(1), 5058)
3. Certain payments received under the Alaska Native Claims Settlement Act (43 U.S.C. 1626(c))
4. Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes (25 U.S.C. 459e)
5. Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program (42 U.S.C. 8624(f))
6. Income derived from the disposition of funds to the Grand River Band of Ottawa Indians (Pub. L. 94-540, section 6)
7. The first \$2000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U.S. Claims Court, the interests of individual Indians in trust or restricted lands, including the first \$2000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands (25 U.S.C. 1407)

*Please note the recipient may need to examine certain per capita shares to determine whether the proceeds are covered by this provision, such as bingo and gambling proceeds. Although some gaming funds are called "per capita payments", the National Indian Gaming Commission's General Counsel and the Solicitor's office of the Department of the Interior confirmed that the proceeds of gaming operations regulated by the Commission are not funds that are held in trust by the Secretary for the benefit of an Indian tribe, therefore, they do not qualify as per capita payments within the meaning of the Per Capita Distribution Act.*

*Also, if a tribal member receives the Form 1099-Misc, Miscellaneous Income, from the tribe for reporting Indian gaming profits, this payment does not qualify for this provision. These gaming profits are income that must be included as annual income as defined by HUD's Section 8 Program, the Census, and the IRS. Further, the tribal member must report this miscellaneous income on the "other income" line of the Federal Income tax 1040 Form;*

8. Amounts of scholarships funded under title IV of the Higher Education Act of 1965 (20 U.S.C. 1070), including awards under federal work-study programs or under the Bureau of Indian Affairs student assistance programs (20 U.S.C. 1087uu).
9. Payments received from programs funded under title V of the Older Americans Act of 1965 (42 U.S.C. 3056g)
10. Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund (Pub. L. 101–201) or any other fund established pursuant to the settlement in *In Re Agent Orange Liability Litigation*, M.D.L. No. 381 (E.D.N.Y.)
11. Payments received under the Maine Indian Claims Settlement Act of 1980 (Pub. L. 96–420, 25 U.S.C. 1721)
12. The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990 (42 U.S.C. 9858q)
13. Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation (Pub. L. 95–433)
14. Allowances, earnings and payments to AmeriCorps participants under the National and Community Service Act of 1990 (42 U.S.C. 12637(d))
15. Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act (42 U.S.C. 10602(c))
16. Allowances, earnings and payments to individuals participating in programs under the Workforce Investment Act of 1998 (29 U.S.C. 2931(a)(2))
17. Any amount received under the Richard B. Russell School Lunch Act (42 U.S.C. 1760(e)) and the Child Nutrition Act of 1966 (42 U.S.C. 1780(b)), including reduced-price lunches and food under the Special Supplemental Food Program for Women, Infants, and Children (WIC)
18. Payments, funds, or distributions authorized, established, or directed by the Seneca Nation Settlement Act of 1990 (25 U.S.C. 1774f(b))
19. Payments from any deferred Department of Veterans Affairs disability benefits that are received in a lump sum amount or in prospective monthly amounts as provided by an amendment to the definition of annual income in the U.S. Housing Act of 1937 (42 U.S.C. 1437A) by section 2608 of the Housing and Economic Recovery Act of 2008 (Pub. L. 110–289). This exclusion will apply when an IHBG recipient adopts the Section 8 definition of annual income

20. A lump sum or a periodic payment received by an individual Indian pursuant to the Class Action Settlement Agreement in the case entitled *Elouise Cobell et al. v. Ken Salazar et al.*, 816 F. Supp. 2d 10 (Oct. 5, 2011 D.D.C.), as provided in the Claims Resolution Act of 2010 (Pub. L. 111–291). This exclusion will apply for one year from the time that payment is received.
21. Major disaster and emergency assistance received by individuals and families under the Robert T. Stafford Disaster Relief and Emergency Assistance Act (Pub. L. 93–288, as amended) comparable disaster assistance provided by States, local governments, and disaster assistance organizations shall not be considered as income or a resource when determining eligibility for or benefit levels under federally funded income assistance or resource-tested benefit programs (42 U.S.C. 5155(d)).

## APPENDIX IV-C.2

### ASSET INCLUSIONS & EXCLUSIONS

| Inclusions:   | Exclusions:   |
|---|---|
| <ol style="list-style-type: none"><li>1. Cash held in savings accounts, checking accounts, safe deposit boxes, homes, etc. For savings accounts, use the current balance. For checking accounts, use the average 6-month balance. Assets held in foreign countries are considered assets.</li><li>2. Cash value of revocable trusts available to the applicant.</li><li>3. Equity in rental property or other capital investments. Equity is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and all reasonable costs (e.g., broker fees) that would be incurred in selling the asset. Under HOME, equity in the family's primary residence is not considered in the calculation of assets for owner-occupied rehabilitation projects.</li><li>4. Cash value of stocks, bonds, Treasury bills, certificates of deposit, mutual funds, and money market accounts.</li><li>5. Individual retirement, 401(K), and pension funds (withdrawn or cashed out even though withdrawal would result in a penalty).</li><li>6. Cash value of life insurance policies available to the individual before death (e.g., surrender value of a whole life or universal life policy).</li><li>7. Lump sum or one-time receipts, such as inheritances, capital gains, lottery winnings, victim's restitution, insurance settlements and other amounts not intended as periodic payments.</li><li>8. Mortgages or deeds of trust held by an applicant.</li></ol> | <ol style="list-style-type: none"><li>1. Necessary personal property, except as noted in number 8 of Inclusions, such as clothing, furniture, cars, and vehicles specially equipped for persons with disabilities.</li><li>2. Interest in Indian trust lands.</li><li>3. Assets not effectively owned by the applicant. That is, when assets are held in an individual's name, but the assets and any income they earn accrue to the benefit of someone else who is not a member of the household and that other person is responsible for income taxes incurred on income generated by the asset.</li><li>4. Equity in cooperatives in which the family lives.</li><li>5. Assets not accessible to and that provide no income for the applicant.</li></ol> |

## Asset Policy Exception Request

|                                |                      |
|--------------------------------|----------------------|
| Property Name: _____           | Unit # _____         |
| Applicant/Resident Name: _____ | Date of Birth: _____ |

Pursuant to the City of Boulder's Income & Asset Policy, an Asset Policy Exception Request must be completed for all persons/households seeking an exception to the city's \$55,000 liquid asset limit and/or restriction on ownership of residential property. All Exception Requests and required supplemental documentation must be submitted to the Property Management staff prior to lease up and annually upon lease renewal, to make a determination of eligibility.

Please select at least **one** of the following exception criteria that best describes your status:

- ☐ I am an elderly person as defined in the Income & Asset Policy
- ☐ I am a disabled person as defined in the Income & Asset Policy
- ☐ I currently have ownership interest in residential property in which I **cannot** legally reside. (Please provide details below)

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### Signature & Certification

Under penalty of perjury, I certify that the information presented in this form is true and accurate to the best of my knowledge. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading, or incomplete information may result in the termination of a lease agreement.

\_\_\_\_\_  
Applicant/Resident Signature

\_\_\_\_\_  
Date

### Office Use Only:

Review Date: \_\_\_\_\_ PM Staff Initials: \_\_\_\_\_ ☐ Approved ☐ Denied

# Asset Policy Exception Request

|                                |                      |
|--------------------------------|----------------------|
| Property Name: _____           | Unit # _____         |
| Applicant/Resident Name: _____ | Date of Birth: _____ |

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Applicant/Resident Signature

\_\_\_\_\_  
Date

### Office Use Only:

Review Date: \_\_\_\_\_ PM Staff Initials: \_\_\_\_\_ ☐ Approved ☐ Denied



# **Technical Guide for Determining Income and Allowances for the HOME Program**

***Third Edition***

**January 2005**

U.S. Department of Housing and Urban Development  
Community Planning and Development  
Office of Affordable Housing Programs  
HOME Model Series

Prepared for the Office of Affordable Housing Programs by ICF Consulting, Inc.

## Preface

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*The HOME Investment Partnerships (HOME) Program is a flexible and versatile funding resource for affordable housing. A fundamental component of using HOME funds effectively is ensuring that they are targeted to households that are low- and very low-income.*

*The HOME Program requires that participating jurisdictions (PJs) use one of three definitions of annual income in order to determine the income eligibility of applicants to their programs. PJs can choose from these options:*

- *Annual income as used in HUD programs like Section 8 and defined in 24 CFR 5.609,*
- *Annual income as reported on the Census long form for the most recent decennial census, and*
- *Adjusted gross income as defined by the Internal Revenue Service (IRS) Form 1040 series for individual Federal annual income tax reporting purposes.*

*This guide will be useful for most PJs, since all PJs must verify the income eligibility of every HOME program participant. Using this guide provides an opportunity for a PJ to review and understand the differences in each of the three income definitions and to determine which definition(s) is most appropriate for each of the HOME activities the PJ undertakes. In addition, some PJs may be familiar with the process of determining income eligibility for one or two of the three allowable income definitions. As a result of staff turnover, or other circumstances, other PJs may need to develop expertise in understanding all of the possible definitions. Regardless of the PJ's experience level, PJs will find that there are certain rules unique to each of the three definitions, but in general the rules are understandable and relatively easy to work with.*

*This self-study guide provides explanations of each of the three definitions of income, and describes what sources of income must be included or excluded when conducting income verification. In addition to a description of these basic requirements, the guide provides exercises and case studies to enable readers to test their understanding of the key concepts. This HOME model program guide is a companion to other guides published by the Office of Affordable Housing Programs of the U.S. Department of Housing and Urban Development. These guides are available through the HOME Program's Model Program Guides website at: <http://www.hud.gov/offices/cpd/affordablehousing/library/modelguides/index.cfm>.*

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**Chapter Five – Calculating Assistance Amounts**

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Appendix D: Sample Format for Computing IRS Form 1040 Adjusted Gross Income

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Appendix F: Sample Format for Computing Total Tenant Payment and PJ Subsidy –  
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Appendix G: Sample Format for Computing Total Tenant Payment and PJ Subsidy –  
Rental Certificate Method

Appendix H: Sample Verification Forms for Determining Annual (Gross) Income

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Appendix J: Sample Annual Recertification of Income Forms

The HOME Investment Partnerships (HOME) Program has historically required that participating jurisdictions (PJs) use the Section 8 program definition of annual (also referred to as gross) income to measure the eligibility of applicants to their HOME programs. However, with the publication of the HOME Final Rule, effective October 16, 1996, PJs were given the flexibility to choose one of three definitions of annual income -- annual income as defined in 24 CFR 5.609,<sup>1</sup> annual income as reported on the Census long form for the most recent decennial census, and adjusted gross income<sup>2</sup> as defined for purposes of reporting under Internal Revenue Service (IRS) Form 1040 series for individual Federal annual income tax purposes.

This change in the HOME regulations is consistent with a similar change to the Community Development Block Grant (CDBG) regulations, which went into effect December 11, 1995. The change in the HOME regulations was intended to ease administration for PJs when projects are funded by multiple sources, including CDBG.

In several specific circumstances, PJs are required to adjust the income of households participating in the HOME Program. Chapter Four details these circumstances and the process of adjusting household income using the rules at 24 CFR 5.611. When PJs are required to use adjusted income, they must use the HUD rules at 24 CFR 5.611 *regardless of the definition of annual income originally used* to qualify the household for participation in the HOME Program. Throughout this guide, the term “annual income” will be used to refer to annual income as calculated using one of the three definitions allowed under the HOME Program, unless otherwise specified. The term “Part 5 annual income” will be used to refer to annual income as defined at

24 CFR 5.609. This was formerly called the “Section 8” definition of income. Further, “adjusted income” will be used to refer to adjusted income calculated according to the rules at 24 CFR 5.611.

### Income-Related Program Requirements

Exhibit 1.1 summarizes the uses of the income definitions under the HOME Program.

Household income must be calculated for a number of different uses under the HOME Program, including:

- **Eligibility.** To receive HOME assistance, households must have incomes at or below 80 percent of the area median household income, adjusted for household size, and determined annually by HUD. This is commonly referred to as “the Section 8 Low-Income Limit.” To determine whether a household is eligible, a PJ must determine its annual income using one of the three allowable income definitions and comparing that income to the Section 8 Low-Income Limit. For HOME rental projects and tenant based rental assistance (TBRA) programs, income eligibility must be re-established annually (refer to Chapter 2).
- **Targeting of Funds.** Income determinations are also necessary to comply with HOME targeting requirements. For each annual HOME allocation a PJ receives, ninety percent of the occupants of HOME-funded rental housing units and households assisted with TBRA must have annual incomes at or below 60 percent of the area median income.
- **Occupancy of Rental Projects.** In addition to the program targeting requirements, at least 20 percent of the

HOME-assisted units in rental projects with five or more HOME-assisted units must be occupied by households with incomes at or below 50 percent of the area median income.

- **Subsidy Amounts.** For HOME-funded TBRA programs, annual income is used to determine eligibility and adjusted income is used to determine the amount of subsidy an eligible household can receive.
- **Displacement Activities.** Income calculations are also used to determine assistance to families who may be displaced as a result of HOME-funded activities. Exhibit 1.1 provides additional detail on these calculations.

### Using this Guide

This guide has been organized to help the reader absorb income rules one at a time. Within each chapter, examples and exercises provide the opportunity to think about the practical applications of the rules.

- **Chapter Two.** This chapter reviews the general requirements that relate to determining and calculating income. These rules apply regardless of the definition of annual income used by the PJ.
- **Chapter Three.** Chapter Three provides detailed information on how to calculate income using each of the three allowable income definitions. This chapter also discusses and illustrates the differences between the three definitions.
- **Chapter Four.** This chapter discusses the circumstances under which PJs must adjust annual household income and describes how to do so.
- **Chapter Five.** Chapter Five provides detailed guidance on calculating assistance amounts in HOME TBRA programs and when conducting displacement activities.

A number of appendices follow Chapter Five, including a glossary of terms and sample forms.

### Additional Resources

In addition to this guide, there are several other HUD resources PJs can use as reference material:

- **HOME Program Regulations.** The HOME Program regulations can be found at 24 CFR Part 92.
- **General HUD Program Requirements found at 24 CFR Part 5.** The requirements pertaining to annual and adjusted income for HUD programs are found in this regulation. These regulations are updated periodically, with notification provided through the Federal Register.<sup>3</sup> Agencies are given 60 days from the date of publication to implement changes.
- **HUD Handbook 4350.3.** This handbook, entitled “Occupancy Requirements of Subsidized Multifamily Housing Programs,” applies to many of HUD’s multifamily housing programs, including Section 8 and Section 236. The HOME Program does not require the use of this handbook, but many PJs will find the information in it, particularly Chapter 5, helpful in understanding and clarifying the Part 5 income rules and requirements. The handbook is updated whenever changes are made to the regulations.

The HOME Program statute, regulations, notices, and waivers can be obtained through the HOME Program page of the HUD web site. This site is located at [www.hud.gov/offices/cpd/affordablehousing/programs/home/index.cfm](http://www.hud.gov/offices/cpd/affordablehousing/programs/home/index.cfm). Federal regulations, HUD handbooks, and notices can be obtained through HUD offices or on the Internet at [www.hud.gov](http://www.hud.gov) and [www.hudclips.org](http://www.hudclips.org).

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## Chapter Two

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### General Requirements

While PJs have the option of choosing one of three definitions of annual (gross) income to determine income eligibility of applicants to their HOME Program activities, certain rules and requirements apply regardless of the definition used. These overarching requirements include how to determine whose income to count, anticipate and verify income, and compare income to HUD income limits. This chapter reviews these requirements.

#### Determining Whose Income to Count

The HOME Program regulations require that income of all family members be included in the determination of income.

The Part 5 definition of annual income provides specific guidance pertaining to whose income in a household must be included in that calculation. Chapter Three reviews this in detail.

#### Anticipating Income

The HOME regulations at 24 CFR 92.203(d)(1) require that, for the purpose of determining eligibility for HOME assistance, a PJ must project a household's income in the future. To do so, a "snapshot" of the household's current circumstances is used to project future income. In general, a PJ should assume that today's circumstances will continue for the next 12 months, unless there is verifiable evidence to the contrary. For example, if a head of household is currently working for \$7.00 per hour, 40 hours per week, the PJ should assume that this family member will continue to do so for the next year. Thus, estimated earnings will be \$7.00 per hour multiplied by 2,080 hours, or \$14,560 per year.

This method should be used even when it is not clear that the type of income received currently will continue in the coming year. For example, assume a family member has been receiving unemployment benefits of

\$100 per month for 16 weeks at the time of income certification. It is unlikely that the family member will continue on unemployment for another 52 weeks. However, because it is not known whether or when the family member will find employment, the PJ should use the current circumstances to anticipate annual (gross) income. Income would therefore be calculated as follows: \$100 per week x 52 weeks, or \$5,200.

The exception to this rule is when documentation is provided that current circumstances are about to change. For example, an employer might report that an employee currently makes \$7.50 an hour, but a negotiated union contract will increase this amount to \$8.25 an hour eight weeks from the date of assistance. In such cases, income can be calculated based on the information provided. In this example, the calculation would be as follows:

- $\$7.50/\text{hour} \times 40 \text{ hours/week} \times 8 \text{ weeks} = \$2,400$
- $\$8.25/\text{hour} \times 40 \text{ hours/week} \times 44 \text{ weeks} = \$14,520$
- $\$2,400 + \$14,520 = \$16,920.$

#### Verifying Income

The HOME regulations at 24 CFR 92.203(a) require that PJs determine income eligibility of HOME applicants by examining source documents (such as wage statements or interest statements) as evidence of annual income.

PJs may develop their own verification procedures provided that they collect source documentation and that this documentation is sufficient for HUD to monitor program compliance. (Sample verification forms are provided in Appendix H.)

PJs may use two of the three verification procedures provided to public housing agencies (PHAs) for the Section 8 Program

as a basis for developing their procedures. These forms of verification are third party verification and review of documents. (The third method provided to PHAs, applicant certification, does not provide adequate source documentation for the HOME Program.)

### ***Third-Party Verification***

Under this form of verification, a third party (e.g., employer, Social Security Administration, or public assistance agency) is contacted to provide information to verify income. Although written requests and responses are generally preferred, conversations with a third party are acceptable if documented through a memorandum to the file that notes the contact person, information conveyed, and date of call. In addition, a PJ may obtain third party written verification by facsimile, email, or Internet. The PJ must make adequate effort to ensure the sender is a valid third-party source.

To conduct third-party verifications, a PJ must obtain a written release from the household that authorizes the third party to release required information. (See Appendix H for a sample release form, “HOME Program Eligibility Release Form.”)

Third-party verifications are helpful because they provide independent verification of information and permit the PJ to determine if any changes to current circumstances are anticipated. Some third-party providers may, however, be unwilling or unable to provide the needed information in a timely manner.

Some third-party providers (such as banks) may charge a fee to provide the information. In such cases, the PJ should attempt to find suitable documentation without the third-party verification – for example, bank statements or a savings passbook. If suitable documentation is not available, costs associated with third party verifications are eligible administrative or project expenses under the HOME Program; however, low-income

beneficiaries must not be required to pay for verifications as a condition of receiving assistance.

### ***Review of Documents***

Documents provided by the applicant (e.g., pay stubs, tax returns, etc.) may be most appropriate for certain types of income and can be used as an alternative to third party verifications. (Note, however, that if a copy of a tax return is needed, IRS Form 4506 “Request for Copy of Tax Form” must be completed and signed.) Copies of documents should be retained in project files.

Although easier to obtain than third-party verifications, a review of documents provided by the applicant often does not provide all necessary information. For instance, an employed applicant’s pay stubs may not provide sufficient information about the average number of hours worked, overtime, tips, and bonuses. In this case, the PJ may also need to contact the employer to accurately project annual income.

### ***Assessing Information***

PJs must assess all the facts underlying the income information collected. Below are some of the considerations PJs must take into account.

**Pay period.** The PJ should determine the basis on which employees are paid (hourly, weekly or monthly, and with or without overtime). An employee who gets paid “twice a month” may actually be paid either twice a month (24 times a year) or every two weeks (26 times a year).

An annual salary is counted as annual income regardless of the payment schedule. For example, if a teacher’s annual salary is \$30,000, this is the annual income regardless of whether the teacher is paid over a nine- or 12-month period.

**Variations in pay.** For applicants whose jobs provide steady employment (e.g., 40 hours a week, 50 weeks a year), it can be assumed that there will only be slight



variations in the amount of earnings reflected in monthly or bi-weekly pay stubs. In such cases, three consecutive month's worth of income documentation is an appropriate amount upon which to base a projection of income over the following 12-month period.

For those whose annual employment is less stable or does not conform to a twelve-month schedule (e.g., seasonal laborers, construction workers, teachers), PJs should examine income documentation that covers the entire previous twelve-month period. Such workers can experience substantial variations in earned income over the course of a year. As such, an examination of three month's worth of income documentation may not provide an accurate basis upon which to project the applicant's income over the following 12 months.

**Sources of earned income.** In addition to hourly earnings, PJs must account for all earned income. In addition to the base salary, this will include annual cost of living adjustments (COLAs), bonuses, raises, and overtime pay. In the case of overtime, it is important to clarify whether overtime is sporadic or a predictable component of an employee's income. If it is determined that an applicant has earned and will continue to earn overtime pay on a regular basis, PJs should calculate the average amount of overtime pay earned by the applicant over the pay period the PJ is using to calculate income eligibility (3 months or 12 months). This average amount is then to be added to the total amount of projected earned income over the following 12-month period. Exhibit 2.1 provides a step-by-step explanation of the standard methodology for projecting annual income.

### **Comparing Annual Income to Published Income Limits**

Once household and income information has been established and verified, a PJ must compare the information to the appropriate HUD income limits to determine if the household is eligible for participation in the HOME Program.

To determine eligibility, PJs must use a copy of the most recent HUD income limits, adjusted for family size and by geographic area (county or metropolitan area). The income limits are updated annually and are available through HUD offices or on the Internet at

[www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/income/index.cfm](http://www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/income/index.cfm).

Exhibit 2.2 provides a sample income limits table.

### ***Determining Household Size***

The income limits are adjusted by household<sup>7</sup> size; therefore, one of the first steps in determining eligibility is to determine the size of the applicant household.

Some households may include persons who are not considered as family members for the purposes of determining household size and income eligibility, including:

- Foster children;
- Foster adults;
- Live-in aides; and
- Children of live-in aides.

These persons should not be counted as household members when determining household size, and their income, if any, is not included when calculating annual income.

A child who is subject to a shared-custody agreement in which the child resides with the household at least 50 percent of the time can be counted in the household.

### ***Comparing Household Income to the HUD Limits***

To compare a household's annual income information to the HUD income limits, follow these steps:

1. Find the geographic area in which the PJ is located on the HUD income limit chart.
2. Find the column that corresponds to the number of persons in the household (i.e., family size).

3. Compare the verified income of the household with the income limit for that household size.

Using the sample income limits chart in Exhibit 2.2, consider the following example:

*Mr. and Mrs. Jackson have three children that permanently reside with them. It has been determined by the PJ staff that the Jackson's have an annual household income of \$48,500. Based on the income limits, the Jackson family must have an income of less than \$59,250 in order to participate in the HOME Program. Since the Jackson's income of \$48,500 is less than the Low-Income Limit of \$59,250, they are eligible for HOME assistance.*

### Timing of Income Certifications

All households that receive HOME assistance must be income-eligible at the time assistance is provided. Generally, the HOME Program permits income verification dated no earlier than six months prior to receipt of assistance. Households must qualify as low-income at the time of occupancy or at the time HOME funds are invested, whichever is later.

A preliminary determination of eligibility should, however, be made much earlier in the process. Application processing is labor intensive. Early screening for income eligibility can eliminate excessive work in processing an ineligible applicant. For example, when considering an application from a developer to rehabilitate an existing rental project, it is important for a PJ to know whether the current tenants will continue to be eligible once HOME funds are invested in the project.

Establishing a deadline for formal eligibility determinations is a challenging part of the planning process. The formal determination of income eligibility must be made shortly before a household receives assistance. Because eligibility determination involves verification of income, waiting too long can delay a project. Conducting income certifications too early in the process,

however, might mean that certifications become outdated and must be redone.

### Income Certifications for Lease-Purchase or Contract-to-Purchase Housing

PJs have some flexibility when certifying the income of homebuyers in lease-purchase or contract-to-purchase programs. Homebuyers are required to qualify as low-income:

- In the case of a contract to purchase existing housing, at the time of purchase;
- In the case of a lease-purchase agreement for existing housing or for housing to be constructed, at the time the agreement is signed; or
- In the case of a contract to purchase housing to be constructed, at the time the contract is signed.

### Income Recertification for Rental Housing

In addition to initial certifications at the time of eligibility determinations, tenants receiving TBRA or occupying HOME-assisted rental units must have their incomes recertified annually. Because new income certifications should be effective on each tenant's "anniversary date" (one year from the start of assistance or last recertification date), the income certification process should begin 60 to 90 days prior to that time.

For rental housing projects, the PJ must use one of the following three methods for recertifying tenant incomes:

- **Review of source documents.** This involves a review of source documentation, such as that done for a household's initial eligibility determination.
- **Statement and certification from the family.** This is a written statement from the family indicating family size and annual income. This must include a certification from the family that

information is complete and accurate, and must indicate that source documents will be provided upon request. A sample certification is provided in Appendix J.

- **Statement from another government program.** This is a written statement from the administrator of another government program under which the family receives benefits, and that examines the annual (gross) income of the family each year. The statement must indicate the family size, or provide the current income limit for the program and a statement that the family's income does not exceed that limit. A sample of this type of certification is found in Appendix J.

If the PJ chooses to allow rental project owners to accept the written statement from the family or other governmental entity at income recertification, it must require owners to review full source documentation every sixth year of the affordability period. For a rental project with a 20-year affordability period, for example, source documentation must be used to certify all tenants' income at initial lease-up, and in years six, 12 and 18 of the affordability period. In the other years, the family or government program statement may be accepted without further verification of income.

**Exhibit 2.1 – Step-by-Step Methodology for Projecting Annual Income**

| Steps   | Instructions  |
|---|---|
| <b>Step 1:</b> Collect appropriate income documentation.                                      | Appropriate documentation includes pay stubs, third-party verification, bank statements (checking and/or savings), or certified copies of tax returns. (These can be acquired by submitting an IRS Form 4506, "Request for Copy of Tax Form.")  |
| <b>Step 2:</b> Calculate the applicant household's projected income based upon documentation. | This calculation must include hourly wage figures, overtime figures, bonuses, anticipated raises, COLAs, or other anticipated changes in income. Other specific inclusions must also be reflected in the calculation, depending upon which definition of annual income the PJ has elected to use for its program. Specific instructions for each of the three definitions of income under HOME are provided later in this guide.  |
| <b>Step 3:</b> Compare the amount of projected income against current HOME income limits.     | Once the PJ has calculated the household's income, based on its selected definition, it must compare the household's final projected figure to annual HOME income limits, which are adjusted according to household size. These limits are posted online at: <a href="http://www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/income/index/cfm">www.hud.gov/offices/cpd/affordablehousing/programs/home/limits/income/index/cfm</a> . This information is also available through the CPD office of your state or local HUD Field Office. Households whose projected annual income is less than the current HOME income limits are eligible for HOME assistance. |

**Exhibit 2.2 – Sample Income Limits Schedule (FY 2004)**  
Area: Baltimore, MD

|                                     | Adjusted Income Limits |             |             |             |             |             |             |             |
|-------------------------------------|------------------------|-------------|-------------|-------------|-------------|-------------|-------------|-------------|
|                                     | 1<br>Person            | 2<br>Person | 3<br>Person | 4<br>Person | 5<br>Person | 6<br>Person | 7<br>Person | 8<br>Person |
| <b>30% Limits</b>                   | \$14,400               | \$16,450    | \$18,500    | \$20,600    | \$22,250    | \$23,850    | \$25,500    | \$27,150    |
| <b>Very Low-Income (50% Limits)</b> | \$24,000               | \$27,450    | \$30,850    | \$34,300    | \$37,050    | \$39,800    | \$42,550    | \$45,300    |
| <b>60% Limits</b>                   | \$28,800               | \$32,940    | \$37,020    | \$41,160    | \$44,460    | \$47,760    | \$51,060    | \$54,360    |
| <b>Low-Income (80% Limits)</b>      | \$38,400               | \$43,900    | \$49,400    | \$54,900    | \$59,250    | \$63,650    | \$68,050    | \$72,450    |

*Last Modified: January 2005*

## Chapter Three

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### Calculating Annual (Gross) Income

As discussed in Chapter One, the HOME Program gives PJs the flexibility to choose one of three definitions of annual income to determine whether households are eligible for participation in the HOME Program. The three definitions are:

1. Annual income as defined in 24 CFR Part 5 (Part 5 annual income);
2. Annual income as reported under the Census long form for the most recent decennial census; and
3. Adjusted gross income as defined for purposes of reporting under Internal Revenue Service (IRS) Form 1040 series for individual Federal annual income tax purposes.

PJs may use different definitions of income for each of the different HOME activities it administers. For example, a PJ may decide to use the Part 5 definition of income for its rental projects and TBRA program, and use the Census long form definition within its homebuyer and owner-occupied rehabilitation programs. However, PJs must ensure that applicants to their HOME-funded programs and activities are treated equitably. For this reason, the same income definition must be used within a particular program or activity. For example, if a PJ decides to use the Part 5 definition of annual income for its homebuyer program, it must use this definition for all applicants to the homebuyer program. It may not use the Census definition for one applicant and the Part 5 definition for another applicant.

Chapter Two discussed how and when income information must be verified. This chapter provides detailed guidance about calculating annual (gross) income using each of the three allowable definitions.

#### Definition 1: Annual Income as Defined in 24 CFR Part 5

The annual income definition found at 24 CFR Part 5 is used by a variety of Federal programs including Section 8, public housing and the Low-Income Housing Tax Credit Program. Annual income is used to determine program eligibility and, in some programs, the level of assistance the household will receive. This definition was formerly commonly referred to as the Section 8 definition.

The Part 5 definition of annual income is the *gross amount of income of all adult household members* that is *anticipated to be received* during the coming 12-month period. Each of the italicized phrases in this definition is key to understanding the requirements for calculating annual income:

- **Gross amount.** For those types of income counted, gross amounts (before any deductions have been taken) are used;
- **Income of all adult household members.** The Part 5 definition of annual income contains income “inclusions” – types of income to be counted – and “exclusions” – types of income that are not considered (for example, income of minors); and
- **Anticipated to be received.** The Part 5 annual income is used to determine eligibility and the amount of Federal assistance a family can receive. A PJ must, therefore, use a household’s expected ability to pay, rather than past earnings, when estimating housing assistance needs.

### Whose Income to Count

Knowing whose income to count is as important as knowing which income to count. Under the Part 5 definition of annual income, special consideration is given to income earned by the following groups of people:

- **Minors.** Earned income of minors, including foster children (age 18 and under) is not counted. However, unearned income attributable to a minor (e.g., child support, TANF payments and other benefits paid on behalf of a minor) is included;
- **Live-in aides.** If a household includes a paid live-in aide (whether paid by the family or a social service program), the income of the live-in aide, regardless of the source, is not counted. Except under unusual circumstances, a related person does not qualify as a live-in aide.
- **Persons with Disabilities.** During the annual recertification of a family's income, PJs are required to exclude from annual income certain increases in the income of a disabled member of qualified families residing in HOME-assisted housing or receiving HOME tenant-based rental assistance. 24 CFR 5.617(a) outlines the eligible increases in income. These exclusions from annual income are of limited duration. The full amount of increase to a qualified family's annual income is excluded for the cumulative 12-month period beginning on the date the disabled family member is first employed or the family first experiences an increase in annual income attributable to the employment. During the second cumulative 12-month period, the PJ is required to exclude from annual income 50 percent of any increase in income. The disallowance of increased income of an individual family member who is a person with disabilities is limited to a lifetime 48-month period.
- **Temporarily absent family members.** The income of temporarily absent family members is counted in the Part 5 definition of annual income – regardless of the amount the absent member contributes to the household. For example, a construction worker employed at a temporary job on the other side of the state earns \$600 per week. He keeps \$200 per week for expenses and sends \$400 per week home to his family. The entire amount (\$600 per week) is counted in the family's income;
- **Adult students living away from home.** If the adult student is counted as a member of the household in determining the household size (to compare against the HUD income limits), the first \$480 of the student's income must be counted in the family's income. Note, however, that the \$480 limit does not apply to a student who is the head of household or spouse (their full income must be counted); and
- **Permanently absent family members.** If a family member is permanently absent from the household (e.g., a spouse who is in a nursing home), the head of household has the choice of either counting that person as a member of the household, and including income attributable to that person as household income, or specifying that the person is no longer a member of the household.

### Types of Income to Count

Exhibits 3.1 and 3.2 provide a comprehensive list of income that is included and excluded from calculations of annual income under Part 5. This list comes directly from the Federal regulations at 24 CFR 5.609. HUD updates this list when changes are made by Congress. Program administrators generally are expected to implement changes within 60 days of publication in the *Federal Register*.

In general, income exclusions fall into the following categories:

- Benefits that should not be counted as income;
- Income of certain household members that should not be counted, including earned income of minors and income attributable to foster children and live-in aides; and
- Amounts that are counted as assets rather than income, such as lump-sum lottery winnings.

### ***Welfare Rent as Income***

Welfare assistance is counted as income. Most PJs will use the actual gross amount of welfare assistance the household receives. In certain “as-paid” localities, however, a special calculation is required. In an as-paid jurisdiction, welfare assistance for housing costs is established separately from the rest of the welfare assistance and may be adjusted based on the actual cost of the family’s housing.

PJs in as-paid jurisdictions must count as income the amount of general assistance a family receives plus the maximum amount of housing assistance the family *could* receive (rather than the amount the household is actually receiving).

### **Sample Format for Computing Part 5 Annual Income**

Exhibit 3.3 shows a sample format for computing annual income using the Part 5 annual income definition.

Exhibits 3.4 through 3.7 provide examples and exercises that demonstrate how the Part 5 annual income definition is applied to individual family circumstances. Answers to the exercises are provided in each exhibit. These exhibits do not include income from assets, which is addressed below. Examples and exercises concerning asset calculation follow that discussion.

### **Treatment of Assets**

Some assistance programs require that families “spend down” assets before they

can participate. There is no asset limitation for participation in the HOME Program. Income from assets is, however, recognized as part of annual income under the Part 5 definition. To comply with the Part 5 rules regarding assets, PJs must know: (1) what to include as assets, (2) how to compute the market and cash value of those assets, and (3) how to determine the income from the asset to be included in annual income.

### ***What to Include as an Asset***

In general terms, an asset is a cash or non-cash item that can be converted to cash. Exhibit 3.8 summarizes items that are and are not to be considered assets. (Note: it is the income earned – e.g., interest on a savings account – not the value of the asset – that is counted in annual income.)

Exhibits 3.9 through 3.11 provide examples and exercises that demonstrate how income from assets is calculated. Market Value and Cash Value Assets have both a market value and a cash value. The market value of an asset is simply its dollar value on the open market. For example, the market value of a share of stock is the price quoted on the stock exchange on a particular day. A property’s market value is the amount it would sell for on the open market. This may be determined by comparing the property with similar, recently sold properties.

An asset’s cash value is the market value less reasonable expenses required to convert the asset to cash, including:

- **Penalties or fees for converting financial holdings.** Any penalties, fees, or transaction charges levied when an asset is converted to cash are deducted from the market value to determine its cash value (e.g., penalties charged for premature withdrawal of a certificate of deposit, the transaction fee for converting mutual funds to cash or broker fees for converting stocks to cash); and/or
- **Costs for selling real property.** Settlement costs, real estate transaction fees, payment of mortgages/liens

against the property and any legal fees associated with the sale of real property are deducted from the market value to determine equity in real estate.

Under the rules of Part 5, only the cash value (rather than the market value) of an item is counted as an asset. If more than one person owns an asset, PJs must prorate the asset according to the applicant's percentage of ownership. If no percentage is specified or provided by state or local law, PJs must prorate the asset evenly among all owners. If an asset is not effectively owned by an individual, it is not counted as an asset.

### ***Actual Income from Assets***

Assets can generate income, and for the purpose of determining an applicant's income, the actual income generated by the asset (e.g., interest on a savings or checking account) is what counts, not the value of the asset. The income is counted, even if the household elects not to receive it. For example, if an applicant elects to reinvest the interest or dividends from an asset, it is still counted as income.

As with other types of income, the income included in annual income calculation is the income that is anticipated to be received from the asset during the coming 12 months. Several methods may be used to approximate the anticipated income from the asset. For example, to obtain the anticipated interest on a savings account, the current account balance can be multiplied by the current interest rate applicable to the account. Alternatively, if the value of the account is not anticipated to change in the near future and the interest rate has been stable, a copy of the IRS 1099 form showing past interest earned can be used.

Many PJs are surprised to learn that checking account balances (as well as savings account balances) are considered an asset. This rule is not intended to count monthly income as an asset, but rather, is recognition that some households keep

assets in their checking accounts. To avoid counting monthly income as an asset, PJs should use the average monthly balance over a six-month period as the cash value of the checking account.

### **Two Unique Rules**

For most assets, calculating cash value and the income from the assets is straightforward. Special rules have, however, been established to address two circumstances – situations in which the assets produce little or no income, and assets that are disposed of for less than fair market value.

#### ***When an Asset Produces Little or No Income***

This rule assumes that a household with assets has an increased payment ability, even if its assets do not currently produce income. (For example, a household that owns land that is not rented or otherwise used to produce income.) Rather than require the household to dispose of the property, the rule requires that an "imputed" income be calculated based on a Passbook Rate that is applied to the cash value of all assets.

This rule only applies if the total cash value of **all** assets is more than \$5,000. The following examples illustrate how imputed income from assets calculation is applied.

**Example 1:** The Cayhill family has \$6,000 (average balance over six months) in a non-interest-bearing checking account. The PJ would include in annual income an amount based on the current Passbook Rate. The calculation would be:  $\$6,000 \times .02 = \$120$ .

**Example 2:** The Shaw family has \$3,000 (average balance over six months) in a non-interest-bearing checking account and \$5,500 in an interest-bearing savings account. The family reports and the PJ verifies \$150 interest on the savings account. The PJ would count the greater of the actual income from assets or the imputed income based on the Passbook Rate, as shown below:



|                                  |       |
|----------------------------------|-------|
| Imputed income (\$8,500 x .02) = | \$170 |
| Actual income                    | \$150 |
| Included in annual income        | \$170 |

**Note:** Currently, each Field Office establishes the passbook savings rate to be used by the PHAs within its jurisdiction. A Field Office determines the rate based on the average interest rate received on passbook savings accounts at several banks in the local area (24 CFR 5.609 and Form HUD-50058 Family Report Instruction Booklet,<sup>8</sup> p. 22). Although the new Public Housing Occupancy Guidebook,<sup>9</sup> page 122, footnote 35, states that "Consistent with the Multi-family Housing Program, PHAs will use a standard 2% passbook rate," the current method described above will remain in effect until superceded by PIH Notice. Check with your state or regional HUD Field Office for the applicable Passbook Rate for your community.

**Example 3:** The Smiths have \$600 (average balance over six months) in a non-interest-bearing checking account. No income from assets would be counted because the family has no actual income from assets and the total amount of all assets is less than \$5,000.

***When Assets are Disposed of at Less than Fair Market Value***

Applicants who dispose of assets for less than fair market value (i.e., value on the open market in an "arm's length transaction") have, in essence, voluntarily reduced their ability to afford housing. The Part 5 rules require, therefore, that any asset disposed of for less than fair market value during the two years preceding the income determination be counted as if the household still owned the asset.

The amount to be included as an asset is the difference between the cash value of the asset and the amount that was actually received (if any) in the disposition of the asset. Consider the following examples.

**Example 1:** Mr. Jones cashed in stock to give a granddaughter funds for college in August 2004. The stock had a market value of \$4,500 and a broker fee of \$500 was charged for the transaction.

|                             |            |
|-----------------------------|------------|
| Market value                | \$4,500    |
| Less broker's fee           | <u>500</u> |
| Cash value to be considered | \$4,000    |

The \$4,000 in assets would be counted for any income determination conducted until August 2006 (looking forward two years from the time of disposal).

If Mr. Jones has no other assets, no income from assets would be included in annual income because the cash value of the asset is less than \$5,000. If other assets brought total assets to more than \$5,000, however, the imputed income calculation described previously would be required.

**Example 2:** Mrs. Dutch "sold" a piece of property to a family member for \$30,000 on July 1, 2004. The home was valued at \$75,000 and had no loans against it.

|                             |               |
|-----------------------------|---------------|
| Market value                | \$75,000      |
| Less settlement costs       | 3,000         |
| Less sales price            | <u>30,000</u> |
| Cash value to be considered | \$42,000      |

The \$42,000 would be counted as an asset for any income determination conducted until July 1, 2006.

The \$42,000 would be combined with the cash value of other assets (if any), and an imputed income calculation would be required.

Each applicant must certify whether an asset has been disposed of for less than fair market value. Assets disposed of for less than fair market value as a result of foreclosure or bankruptcy are not included in this calculation. In the case of a disposition as part of a separation or divorce settlement, the disposition will not be considered to be less than fair market value if the applicant receives (or received) important consideration not measurable in dollar terms.

**Definition 2: Census Long Form Annual Income**

Every ten years, the U.S. Bureau of the Census conducts a complete enumeration of all residents in the United States. This process involves gathering extensive information about people and where they live through the use of a detailed questionnaire, referred to as the Long Form. An entire section of the Long Form includes questions concerning household income. PJs may choose to use this definition of “annual income” when determining the eligibility of applicants to its HOME programs.

**Types of Income to be Counted**

Exhibit 3.12 lists what is and is not included in the annual income definition as set forth in the Long Form used in the 2000 census.

The list of income inclusions for the Census Long Form definition is very similar to the list of income inclusions under the Part 5 definition of annual income. However, Part 5 includes the income of minors and adults over the age of 18 whereas the Census Long Form definition includes the income of minors and adults over the age of 15.

***Treatment of Assets***

The primary difference between the Part 5 and Census Long Form definitions of annual income is in the treatment of assets. The asset calculation required when using the Part 5 definition is not necessary for the Long Form calculation of annual income. This is not to say that income from certain kinds of assets is not included in the Census Long Form definition of income. While the asset calculation is unique to the Part 5 definition, income generated by assets is still considered when calculating income under the Census (and IRS) definition of income.

As shown in Exhibit 3.12, the following types of income from assets are included in the Census Long Form definition of annual income:

- Interest;

- Dividends;
- Profit from royalties or real estate; and
- Income from payments from an estate or trust fund.

Income from some types of assets, however, is not included in the income calculation. Examples include:

- Withdrawals of savings;
- Capital gains (or losses) from the sale of homes, stock, and other property;
- Insurance settlements; and
- Assets disposed of for less than fair market value within two years prior to the income determination.

The treatment of assets is an important distinction PJs must consider when determining which definition of annual income to use.

**Sample Format for Computing Census Long Form Annual Income**

Exhibit 3.13 is a sample format for calculating annual income based on the Census Long Form definition. It is very similar to the sample format for Part 5 annual income except that the asset calculation information is not included.

Exhibit 3.14 provides an example of the Census Long Form annual income calculation.

**Definition 3: IRS Form 1040 Adjusted Gross Income**

Citizens of the United States and resident aliens, except those with gross incomes below a certain level, are required to file an income tax return with the Department of the Treasury’s Internal Revenue Service (IRS) each year. The tax return is officially referred to as IRS Form 1040. The definition of adjusted gross income for the HOME Program is based on this form, also commonly referred to as “the long form.” The definition set forth in the short form, known as the 1040EZ (known as “the short form”), may not be used to determine applicant eligibility.

IRS Form 1040 requires reporting of certain kinds of income, as the Part 5 and Census Long Form definitions of income discussed in this guide require, which are added together to constitute what is referred to as gross income. However, unlike the other two definitions of income, another step is required. From the gross income figure, certain deductions are taken to arrive at an adjusted gross income number. This is the figure that is used to determine an applicant's eligibility for participation in the HOME Program.

The term "adjusted gross income" as used when referring to the IRS Form 1040 definition of income should not be confused with adjusted income, which is calculated in accordance with the regulations at 24 CFR Part 5 and used to determine subsidy and payment levels. (Refer to Chapter 4).

**Note:** The HOME and CDBG Programs use the IRS definition of annual income in different ways:

- CDBG does not require use of the long form.
- CDBG allows tax returns as proof of income.
- Documentation for CDBG income qualification can be up to 12 months old.

### Calculating Adjusted Gross Income

PJs must determine if an applicant household has any of the types of income included in the Form 1040 definition of income and what amount, if any, must be included when calculating gross income.

Exhibit 3.15 lists the types of income that are to be included in the calculation.

Once the gross income figure is obtained, applicable deductions must be subtracted to arrive at the household's adjusted gross income. The deductions are:

- IRA deductions,
- Medical savings account deductions,
- Moving expenses,

- One-half of self-employment taxes,
- Self-employed health insurance deductions,
- KEOGH and self-employed SEP and SIMPLE plans,
- Penalties on early withdrawal of savings, and
- Paid alimony.

To determine if a household may take any of these deductions and in what amount, the IRS Form 1040 instructions should be followed.

If the household has a Form 1040 that was submitted to the IRS for income tax purposes and the form is less than six months old, PJs may use the form to determine eligibility. Using the actual tax return has several implications. First, PJs must ensure that IRS Form 4506 "Request for Copy of Tax Form" is completed and signed. Secondly, PJs are required to determine if any of the circumstances as reported on the form have changed or will change in the upcoming 12 months and to make such adjustments. For example, if the applicant received a raise at his/her job since the tax return was submitted, the applicant's current income should be used to determine eligibility. Finally, PJs must ensure that everyone in the household is represented through the use of the tax return. For example, if a husband and wife file a joint return, but their adult son that resides with them files a separate return, the tax return of the husband and wife would not be sufficient for determining income.

### Treatment of Assets

The primary difference between the Part 5 and IRS Form 1040 definitions of annual income is treatment of assets. The asset calculation required when using the Part 5 definition is not necessary for the IRS Form 1040 calculation of adjusted gross income. This is not to say that income from certain kinds of assets is not included in the IRS Form 1040 definition of income. While the asset calculation is unique to the Part 5

definition, income from certain assets must still be carefully considered when calculating income under the IRS (and Census) definition of annual income.

As shown in Exhibit 3.15, the following types of income from assets are included in the IRS Form 1040 definition of annual income:

- Taxable Interest;
- Dividends;
- Prizes, awards; and
- Gambling, lottery or raffle winnings.

Some types of assets, however, are not included in the income calculation. Examples include life insurance proceeds and inherited money or property.

The treatment of assets is an important distinction PJs must consider when determining which definition of annual income to use.

### **Sample Format for Computing IRS Form 1040 Adjusted Gross Income**

Exhibit 3.16 is a sample format for computing IRS Form 1040 adjusted gross income. Exhibit 3.17 provides an example of how to calculate income using the IRS definition.

### **Comparison of the Three Definitions of Annual Income**

As the exhibits on the following pages demonstrate, the definition of annual income that a PJ selects can affect the eligibility of certain households, depending on their particular financial circumstances. When deciding which definition(s) to use, the PJ may want to consider how it will use each definition, staff familiarity with any of the definitions, the types of income inclusions and exclusions for each definition, and the calculation of assets.

### **Using the Definitions**

PJs must select one of the three definitions of income for each of their HOME-funded activities and apply that definition to all program applicants of each activity. For example, a PJ can choose to use the Part 5 definition of annual income for its homeownership program. If it does, it must apply this definition to all applicants to that program. It may not use the IRS Form 1040 definition of adjusted gross income for one household just because they do not qualify using the Part 5 definition of annual income. The PJ may, however, choose to use the IRS Form 1040 definition for all applicants to its homeowner rehabilitation program.

### **Familiarity and Consistency**

While the HUD definition of income found in 24 CFR Part 5 may appear cumbersome on the surface, it has been used for many years in various HUD programs like Section 8 and public housing. Early on in the HOME Program, it was the only definition of annual income PJs were permitted to use. In addition, the HUD Part 5 definition of income is used in the Low Income Housing Tax Credit Program. This program is often used in combination with HOME Program funding in rental housing projects.

For these reasons, most PJs have experience with this definition, and many have developed administrative procedures and forms based on these rules and requirements. This existing expertise should be considered when making a decision about which definition to use.

### **Asset Calculation**

The Part 5 definition of annual income requires the special computations concerning assets. The Census Long Form and IRS Form 1040 definitions do not require such calculations; however, income from certain kinds of assets may be included under these definitions.

### Income Inclusions and Exclusions

There are some differences between the three definitions of income that can result in different income calculations. Some of the differences are illustrated in the following case studies (Exhibits 3.18 and 3.19). The three most significant differences between the three definitions are:

1. Child support payments are not included in the IRS Form 1040 definition of income.
2. The IRS Form 1040 definition allows the deduction of alimony payments.
3. Inheritances and insurance settlements are included in the Part 5 asset calculation, but not included in the Census or IRS definitions of income.

**Exhibit 3.1 – 24 CFR Part 5 Annual Income Inclusions**

|  |  |
|--|--|
| <p>1. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, and other compensation for personal services.</p> <p>2. The net income from the operation of a business or profession. Expenditures for business expansion or amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation of assets used in a business or profession may be deducted, based on straight-line depreciation, as provided in Internal Revenue Service regulations. Any withdrawal of cash or assets from the operation of a business or profession will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested in the operation by the family.</p> <p>3. Interest, dividends, and other net income of any kind from real or personal property. Expenditures for amortization of capital indebtedness shall not be used as deductions in determining net income. An allowance for depreciation is permitted only as authorized in number 2 (above). Any withdrawal of cash or assets from an investment will be included in income, except to the extent the withdrawal is reimbursement of cash or assets invested by the family. Where the family has net family assets in excess of \$5,000, annual income shall include the greater of the actual income derived from all net family assets or a percentage of the value of such assets based on the current passbook savings rate, as determined by HUD.</p> <p>4. The full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits, and other similar types of periodic receipts, including a lump-sum amount or prospective monthly amounts for the delayed start of a periodic amount (except for certain exclusions, listed in Exhibit 3.2, number 14).</p> | <p>5. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay (except for certain exclusions, as listed in Exhibit 3.2, number 3).</p> <p>6. Welfare Assistance. Welfare assistance payments made under the Temporary Assistance for Needy Families (TANF) program are included in annual income:</p> <ul style="list-style-type: none"><li>• Qualify as assistance under the TANF program definition at 45 CFR 260.31; and</li><li>• Are otherwise excluded from the calculation of annual income per 24 CFR 5.609(c).</li></ul> <p>If the welfare assistance payment includes an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance income to be included as income shall consist of:</p> <ul style="list-style-type: none"><li>• the amount of the allowance or grant exclusive of the amount specifically designated for shelter or utilities; <b>plus</b></li><li>• the maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities. If the family's welfare assistance is reduced from the standard of need by applying a percentage, the amount calculated under 24 CFR 5.609 shall be the amount resulting from one application of the percentage.</li></ul> <p>7. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing in the dwelling.</p> <p>8. All regular pay, special pay, and allowances of a member of the Armed Forces (except as provided in number 8 of Income Exclusions).</p> |
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***Last Modified: January 2005***

**Exhibit 3.2 – 24 CFR Part 5 Annual Income Exclusions**

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|--|---|
| <ol style="list-style-type: none"> <li>1. Income from employment of children (including foster children) under the age of 18 years.</li> <li>2. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone).</li> <li>3. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses (except as provided in Exhibit 3.1, number 5 of Income Inclusions).</li> <li>4. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.</li> <li>5. Income of a live-in aide (as defined in 24 CFR 5.403).</li> <li>6. Certain increases in income of a disabled member of qualified families residing in HOME-assisted housing or receiving HOME tenant-based rental assistance (24 CFR 5.671(a)).</li> <li>7. The full amount of student financial assistance paid directly to the student or to the educational institution.</li> <li>8. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.</li> <li>9. (a) Amounts received under training programs funded by HUD.<br/>(b) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).<br/>(c) Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) and which are made solely to allow participation in a specific program.<br/>(d) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn</li> </ol> | <p>maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time.</p> <p>(e) Incremental earnings and benefits resulting to any family member from participation in qualifying state or local employment training programs (including training not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program.</p> <ol style="list-style-type: none"> <li>10. Temporary, nonrecurring, or sporadic income (including gifts).</li> <li>11. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.</li> <li>12. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household or spouse).</li> <li>13. Adoption assistance payments in excess of \$480 per adopted child.</li> <li>14. Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.</li> <li>15. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.</li> <li>16. Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.</li> <li>17. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to housing owners identifying the benefits that qualify for this exclusion.</li> </ol> |
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|  |   |
|--|---|
| <p>Updates will be published and distributed when necessary. The following is a list of income sources that qualify for that exclusion:</p> <ul style="list-style-type: none"><li>• The value of the allotment provided to an eligible household under the Food Stamp Act of 1977;</li><li>• Payments to volunteers under the Domestic Volunteer Service Act of 1973 (employment through AmeriCorps, VISTA, Retired Senior Volunteer Program, Foster Grandparents Program, youthful offender incarceration alternatives, senior companions);</li><li>• Payments received under the Alaskan Native Claims Settlement Act;</li><li>• Income derived from the disposition of funds to the Grand River Band of Ottawa Indians;</li><li>• Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes;</li><li>• Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program;</li><li>• Payments received under the Maine Indian Claims Settlement Act of 1980 ( 25 U.S.C. 1721);</li><li>• The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U.S. Claims Court and the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands;</li><li>• Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs;</li><li>• Payments received from programs funded under Title V of the Older Americans Act of 1985 (Green Thumb, Senior Aides, Older American Community Service Employment Program);</li></ul> | <ul style="list-style-type: none"><li>• Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the <u>In Re Agent Orange</u> product liability litigation, M.D.L. No. 381 (E.D.N.Y.);</li><li>• Earned income tax credit refund payments received on or after January 1, 1991, including advanced earned income credit payments;</li><li>• The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990;</li><li>• Payments received under programs funded in whole or in part under the Job Training Partnership Act (employment and training programs for Native Americans and migrant and seasonal farm workers, Job Corps, veterans employment programs, state job training programs and career intern programs, AmeriCorps);</li><li>• Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation;</li><li>• Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990;</li><li>• Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran;</li><li>• Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act; and</li><li>• Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998.</li></ul> |
|--|---|

***Last Modified: January 2005***



**Exhibit 3.3 – Sample Format for Computing Part 5 Annual Income**

|   |                   |                              |                           |
|---|-------------------|------------------------------|---------------------------|
| 1. Name:  |                   | 2. Identification No.:       |                           |
| <b>ASSETS</b>   |                   |                              |                           |
| Family Member   | Asset Description | Current Cash Value of Assets | Actual Income from Assets |
|   |                   |                              |                           |
|   |                   |                              |                           |
|   |                   |                              |                           |
|   |                   |                              |                           |
|   |                   |                              |                           |
| 3. Net Cash Value of Assets.....  |                   | 3.                           |                           |
| 4. Total Actual Income from Assets.....   |                   | 4.                           |                           |
| 5. If line 3 is greater than \$5,000, multiply line by ____ (Passbook Rate) and enter results here; otherwise, leave blank. |                   | 5.                           |                           |
| <b>ANTICIPATED ANNUAL INCOME</b>  |                   |                              |                           |
| Family Members  | a. Wages/Salaries | b. Benefits/Pensions         | c. Public Assistance      |
|   |                   |                              |                           |
|   |                   |                              |                           |
|   |                   |                              |                           |
|   |                   |                              |                           |
| 6. Totals   | a.                | b.                           | c.                        |
| 7. Enter total of items from 6a. through 6e. This is <i>Annual Income</i> .....   | 7.                |                              |                           |

X  
Signature \_\_\_\_\_

For Office Use Only

\$ \_\_\_\_\_ Income Limit  
\$ \_\_\_\_\_ Income Limit of Household

**Exhibit 3.4 – Calculating Part 5 Annual Income – Example**

| Family Members   | Position in Family | Age | Income Sources   |
|--|--------------------|-----|--|
| George Jefferson   | Head               | 53  | Works full-time at \$7.25/hour; also receives \$400/month from the government as a result of a settlement in the Agent Orange product liability litigation.        |
| Eloise Jefferson   | Spouse             | 48  | Works 18 hours/week at a bank at \$7.50/hour; also receives \$50/month from her mother to help with expenses.  |
| Lionel Jefferson   | Son                | 19  | Full-time student at City College where he has a part-time, 15-hour/week job in the student bookstore at \$6.00/hour for the 46 weeks when classes are in session. |
| Under the HOME Program, the Income Limit for a family of three in the jurisdiction is \$23,900. Are the Jefferson's eligible for HOME assistance? Assume for this example that the Jefferson's have no assets. |                    |     |  |

| ANTICIPATED ANNUAL INCOME   |                    |                       |                      |                 |  |
|---|--------------------|-----------------------|----------------------|-----------------|--|
| Family Members  | a. Wages/ Salaries | b. Benefits/ Pensions | c. Public Assistance | d. Other Income | e. Asset Income                                    |
| George  | \$15,080           |                       |                      |                 | Enter the greater of lines 4 or 5 from above in e. |
| Eloise  | \$7,020            |                       |                      | \$600           |  |
| Lionel  | \$480              |                       |                      |                 |  |
|   |                    |                       |                      |                 |  |
| 6. Totals   | a. \$22,580        | b.                    | c.                   | d. \$600        | e. N/A   |
| 7. Enter total of items from 6a. through 6e. This is <i>Annual Income</i> ..... |                    |                       |                      |                 | 7. \$23,180  |

This family is eligible for assistance because its total income of \$23,180 is below the Low-Income Limit.

**Explanation**

- George George's earning from work count as income, but his income from the Agent Orange Settlement Fund (\$4,800/year) does not. Thus, George's income is \$7.25/hour x 40 hours/week x 52 weeks/year, or \$15,080.
- Eloise Eloise's income from wages of \$7.50/hour x 18 hours/week x 52 weeks, or \$7,020. In addition, her regular gift income of \$50/month or \$600/year counts as income. (The gift income is counted as "other income.")
- Lionel Because Lionel is a full-time student and is not the head of household or spouse, only the first \$480 of his earnings count toward the family income.

**Exhibit 3.5 – Calculating Part 5 Annual Income – Exercise**

| Family Members  | Position in Family | Age | Income Sources   |
|---|--------------------|-----|--|
| Blanche Deverou   | Head               | 55  | Works 6 hours/night, 4 nights/week at \$5.00/hour as a waitress; also earns an average of \$55/night in tips.  |
| Rose Nylen  | Friend             | 58  | Earns \$6.50/hour as a full-time aide in a hospital; employer reports that her wages will increase to \$6.75/hour, 7 weeks from the effective date of this calculation.                  |
| Dorothy Spornac   | Friend             | 61  | Earns \$60/day as a substitute teacher, and works an average of 3 days/week for the 40 weeks school is in session (she made \$7,200 last year); also receives \$40/month in Food Stamps. |
| Under the HOME Program, the Income Limit for a household of three is \$38,500. Assuming that these are the only sources of income, does the household qualify for assistance? |                    |     |  |

Complete the following table to calculate annual income (as defined in 24 CFR Part 5) for the household. Answers are found on the following page.

| ANTICIPATED ANNUAL INCOME   |                    |                       |                      |                 |  |
|---|--------------------|-----------------------|----------------------|-----------------|--|
| Family Members  | a. Wages/ Salaries | b. Benefits/ Pensions | c. Public Assistance | d. Other Income | e. Asset Income                                    |
| Blanche   |                    |                       |                      |                 | Enter the greater of lines 4 or 5 from above in e. |
| Rose  |                    |                       |                      |                 |  |
| Dorothy   |                    |                       |                      |                 |  |
|   |                    |                       |                      |                 |  |
| 6. Totals   | a.                 | b.                    | c.                   | d.              | e. N/A   |
| 7. Enter total of items from 6a. through 6e. This is <i>Annual Income</i> ..... |                    |                       |                      |                 | 7.   |

Exhibit 3.5 – Calculating Part 5 Annual Income – Exercise (continued)

ANSWERS

| ANTICIPATED ANNUAL INCOME   |                    |                       |                      |                 |  |
|---|--------------------|-----------------------|----------------------|-----------------|--|
| Family Members  | a. Wages/ Salaries | b. Benefits/ Pensions | c. Public Assistance | d. Other Income | e. Asset Income                                    |
| Blanche   | \$17,680           |                       |                      |                 | Enter the greater of lines 4 or 5 from above in e. |
| Rose  | \$13,980           |                       |                      |                 |  |
| Dorothy   | \$7,200            |                       |                      |                 |  |
|   |                    |                       |                      |                 |  |
|   |                    |                       |                      |                 |  |
| 6. Totals   | a. \$38,860        | b.                    | c.                   | d.              | e. N/A   |
| 7. Enter total of items from 6a. through 6e. This is <i>Annual Income</i> ..... |                    |                       |                      |                 | 7. \$38,860  |

The household is not eligible for assistance. Its income exceeds the Low-Income Limit by \$360.

**Explanation**

- Blanche Blanche's income must include both wages and tips. (The tips are included as wage/salary income.) Her wage income is \$6,240 annually (\$5.00/hour x 6 hours/night x 4 nights/week x 52 weeks/year) and her tip income is \$11,440 annually (\$55/night x 4 nights/week x 52 weeks/year).
- Rose Rose's wage income must be calculated in two steps. For the first 6 weeks of the year, she earns \$6.50/hour. Her income at this wage is \$6.50/hour x 40 hours/week x 6 weeks = \$1,560. For the next 46 weeks, her wage will be \$6.75/hour. Her income at this wage is \$6.75/hour x 40 hours/week x 46 weeks = \$12,420.
- Dorothy Dorothy made \$7,200 last year, and there is no reason to expect that she will work more or less often in the coming year. Her income is, therefore, estimated at \$7,200. Per the Income Exclusions (see Exhibit 3.2), the income she receives from Food Stamps is excluded from this calculation.

**Exhibit 3.6 – Calculating Part 5 Annual Income – Example**

| Family Members  | Position in Family | Age | Income Sources  |
|---|--------------------|-----|---|
| Murphy Brown  | Head               | 38  | Earns \$550 semi-monthly as a manager in the housewares department of the local Kmart, and receives \$100/month in child support.   |
| Eldon Bernakey  | Boyfriend          | 36  | Earns \$250/week as a part-time painting instructor at the local school for the 40 weeks/year when school is in session; attends evening classes at the Art Institute, which he pays with a State Student Incentive Grant of \$3,500; and pays \$50/month in child support for his twins – when he can. |
| Avery Brown   | Son                | 3   | No income.  |
| Under the HOME Program, the Income Limit for a family of three in the jurisdiction is \$25,700. Is this household eligible for HOME assistance? |                    |     |   |

| ANTICIPATED ANNUAL INCOME   |                   |                      |                      |                 |  |
|---|-------------------|----------------------|----------------------|-----------------|--|
| Family Members  | a. Wages/Salaries | b. Benefits/Pensions | c. Public Assistance | d. Other Income | e. Asset Income                                    |
| Murphy  | \$13,200          |                      |                      | \$1,200         | Enter the greater of lines 4 or 5 from above in e. |
| Eldon   | \$10,000          |                      |                      |                 |  |
|   |                   |                      |                      |                 |  |
|   |                   |                      |                      |                 |  |
| 6. Totals   | a. \$23,200       | b.                   | c.                   | d. \$1,200      | e. N/A   |
| 7. Enter total of items from 6a. through 6e. This is <i>Annual Income</i> ..... |                   |                      |                      |                 | 7. \$24,400  |

This family is eligible for assistance. Its total income is \$24,400, which is below the Low- Income Limit.

**Explanation**

**Murphy** Murphy's annual wage income is \$550 semi-monthly x 24 periods/year, or \$13,200. In addition, she receives \$100/month x 12 months = \$1,200/year. This is other income.

**Eldon** Eldon's wage income is based on 40 weeks of work: \$250/week x 40 weeks/year, or \$10,000 annually. His scholarship does not count as income. The child support Eldon pays cannot be deducted from his income.

**Exhibit 3.7 – Calculating Part 5 Annual Income – Exercise**

| Family Members   | Position in Family | Age | Income Sources  |
|--|--------------------|-----|---|
| Ricky Ricardo  | Head               | 80  | Receives gross Social Security in the amount of \$625/month; receives a pension from the local musicians' union in the amount of \$25 every quarter (3 months).   |
| Lucy Ricardo   | Spouse             | 79  | Receives gross Social Security in the amount of \$120/month; grossed \$4,200 for giving voice lessons last year, but paid business expenses of \$1,250 from this income for equipment and sound proofing. |
| Ricky Ricardo II   | Child              | 45  | Earns \$330/week as an interpreter for a local nonprofit organization.  |
| If the Low-Income Limit for a household of three is \$30,000 and the Ricardo's have no other source of income, do they qualify for assistance? |                    |     |   |

Complete the following table to calculate annual income (as defined in 24 CFR Part 5) for the household. Answers are found on the following page.

| ANTICIPATED ANNUAL INCOME   |    |    |    |                 |  |
|---|----|----|----|-----------------|--|
|   |    |    |    | d. Other Income | e. Asset Income                                    |
| Ricky   |    |    |    |                 | Enter the greater of lines 4 or 5 from above in e. |
| Lucy  |    |    |    |                 |  |
| Ricky II  |    |    |    |                 |  |
|   |    |    |    |                 |  |
| 6. Totals   | a. | b. | c. | d.              | e. N/A   |
| 7. Enter total of items from 6a. through 6e. This is <i>Annual Income</i> ..... |    |    |    |                 | 7.   |

**Exhibit 3.7 – Calculating Part 5 Annual Income – Exercise (continued)**

**ANSWERS**

| ANTICIPATED ANNUAL INCOME   |                    |                       |                      |                 |  |
|---|--------------------|-----------------------|----------------------|-----------------|--|
| Family Members  | a. Wages/ Salaries | b. Benefits/ Pensions | c. Public Assistance | d. Other Income | e. Asset Income                                    |
| Ricky   |                    | \$7,600               |                      |                 | Enter the greater of lines 4 or 5 from above in e. |
| Lucy  |                    | \$1,440               |                      | \$2,950         |  |
| Ricky II  | \$17,160           |                       |                      |                 |  |
|   |                    |                       |                      |                 |  |
| 6. Totals   | a. \$17,160        | b. \$9,040            | c.                   | d. \$2,950      | e. N/A   |
| 7. Enter total of items from 6a. through 6e. This is <i>Annual Income</i> ..... |                    |                       |                      |                 | 7. \$29,150  |

The household is eligible for assistance.

**Explanation**

- Ricky Ricky's entire income is comprised of pensions and benefits. It equals \$625/month x 12 months/year (\$7,500) plus \$25/quarter x 4 quarters/year (\$100), or \$7,600.
- Lucy Lucy's benefits income is \$120/month x 12 months/year, or \$1,440. Her net income from her business was \$4,200 - \$1,250, or \$2,950. (Her equipment and soundproofing expense is an allowable deduction because the business funds were reinvested in the business and did not represent expansion. Refer to Exhibit 3.1)
- Ricky II Ricky II's income is wage income. The calculation is \$330/week x 52 weeks/year = \$17,160.

**Exhibit 3.8 – Part 5 Annual Income Net Family Asset Inclusions and Exclusions**

| Inclusions   | Exclusions  |
|--|---|
| <ol style="list-style-type: none"> <li>1. Cash held in savings accounts, checking accounts, safe deposit boxes, homes, etc. For savings accounts, use the current balance. For checking accounts, use the average 6-month balance. Assets held in foreign countries are considered assets.</li> <li>2. Cash value of revocable trusts available to the applicant.</li> <li>3. Equity in rental property or other capital investments. Equity is the estimated current market value of the asset less the unpaid balance on all loans secured by the asset and all reasonable costs (e.g., broker fees) that would be incurred in selling the asset. Under HOME, equity in the family's primary residence is not considered in the calculation of assets for owner-occupied rehabilitation projects.</li> <li>4. Cash value of stocks, bonds, Treasury bills, certificates of deposit, mutual funds, and money market accounts.</li> <li>5. Individual retirement, 401(K), and Keogh accounts (even though withdrawal would result in a penalty).</li> <li>6. Retirement and pension funds.</li> <li>7. Cash value of life insurance policies available to the individual before death (e.g., surrender value of a whole life or universal life policy).</li> <li>8. Personal property held as an investment such as gems, jewelry, coin collections, antique cars, etc.</li> <li>9. Lump sum or one-time receipts, such as inheritances, capital gains, lottery winnings, victim's restitution, insurance settlements and other amounts not intended as periodic payments.</li> <li>10. Mortgages or deeds of trust held by an applicant.</li> </ol> | <ol style="list-style-type: none"> <li>1. Necessary personal property, except as noted in number 8 of Inclusions, such as clothing, furniture, cars, and vehicles specially equipped for persons with disabilities.</li> <li>2. Interest in Indian trust lands.</li> <li>3. Assets not effectively owned by the applicant. That is, when assets are held in an individual's name, but the assets and any income they earn accrue to the benefit of someone else who is not a member of the household and that other person is responsible for income taxes incurred on income generated by the asset.</li> <li>4. Equity in cooperatives in which the family lives.</li> <li>5. Assets not accessible to and that provide no income for the applicant.</li> <li>6. Term life insurance policies (i.e., where there is no cash value).</li> <li>7. Assets that are part of an active business. "Business" does not include rental of properties that are held as an investment and not a main occupation.</li> </ol> |

***Last Modified: January 2005***



**Exhibit 3.9 – Calculating Asset Income Under Part 5 – Example**

| Family Members               | Assets           | Asset Value   |
|------------------------------|------------------|---|
| Juan Herrera                 | Checking account | \$870 average 6-month balance with an interest rate of 2.7%.  |
|                              | Inheritance      | Received an inheritance of \$30,000 that he used to buy a new car for \$12,000; pay off his \$3,000 credit card bill; and open a mutual fund account (which has no associated account costs) to invest the remaining \$15,000 at an annual interest rate of 5.3%. |
| The HUD Passbook Rate is 2%. |                  |   |

| ASSETS   |                   |                              |                           |
|--|-------------------|------------------------------|---------------------------|
| Family Member  | Asset Description | Current Cash Value of Assets | Actual Income from Assets |
| Juan Herrera   | Checking account  | \$870                        | \$23                      |
| Same   | Mutual fund       | \$15,000                     | \$795                     |
| 3. Net Cash Value of Assets .....  |                   | 3. \$15,870                  |                           |
| 4. Total Actual Income from Assets .....   |                   |                              | 4. \$818                  |
| 5. If line 3 is greater than \$5,000, multiply line by <u>2%</u> (Passbook Rate) and enter results here; otherwise, leave blank. |                   |                              | 5. \$317                  |

The asset income to be used in the annual income calculation is \$818 since the actual income generated by the assets is greater than the imputed income.

**Explanation**

Checking account      The income from the checking account is calculated based on the 6-month balance and the interest rate ( $\$870 \times .027 = \$23$ ).

Inheritance            A car owned for personal use is not considered an asset. However, the mutual fund is an asset.  $\$15,000 \times .053 = \$795$ .

Because the total cash value of the assets exceeds \$5,000, the HUD Passbook Rate must be used to calculate the imputed income from all assets combined. In this case,  $\$15,870 \times .02 = \$317$ . The actual income earned (\$818) is greater, however, so that amount must be used in the calculation of annual income for this family.

**Exhibit 3.10 – Calculating Asset Income (under Part 5) – Exercise**

| Family Members           | Position in Family | Age | Family Assets    | Asset Value  |
|--------------------------|--------------------|-----|------------------|--|
| Archie Bunker            | Head               | 72  | Checking account | \$595 average 6-month balance in a non-interest-bearing account. |
| Edith Bunker             | Spouse             | 73  | Savings account  | \$2,695 at 3.1%  |
| HUD Passbook rate is 2%. |                    |     |                  |  |

Calculate the Bunkers' asset income by completing the following chart. Answers are provided below.

| ASSETS        |  |                              |                           |
|---------------|--|------------------------------|---------------------------|
| Family Member | Asset Description  | Current Cash Value of Assets | Actual Income from Assets |
|               |  |                              |                           |
|               |  |                              |                           |
|               |  |                              |                           |
|               |  |                              |                           |
| 3.            | Net Cash Value of Assets.....  | 3.                           |                           |
| 4.            | Total Actual Income from Assets.....   |                              | 4.                        |
| 5.            | If line 3 is greater than \$5,000, multiply line by ____ (Passbook Rate) and enter results here; otherwise, leave blank. |                              | 5.                        |

Asset Income to be used in annual income calculation: \$\_\_\_\_\_

**ANSWERS**

| ASSETS        |  |                              |                           |
|---------------|--|------------------------------|---------------------------|
| Family Member | Asset Description  | Current Cash Value of Assets | Actual Income from Assets |
| Archie Bunker | Checking Account   | \$595                        | \$0                       |
| Edith Bunker  | Savings Account  | \$2,695                      | \$84                      |
|               |  |                              |                           |
|               |  |                              |                           |
| 3.            | Net Cash Value of Assets.....  | 3. \$3,290                   |                           |
| 4.            | Total Actual Income from Assets.....   |                              | 4. \$84                   |
| 5.            | If line 3 is greater than \$5,000, multiply line by ____ (Passbook Rate) and enter results here; otherwise, leave blank. |                              | 5. \$0                    |

The Bunkers' income from assets is \$84.

**Explanation**

Use the actual income in this case, because the cash value of the Bunker's total assets is less than \$5,000. The imputed income is only calculated for assets when the total cash value of all assets exceeds \$5,000.

**Exhibit 3.11 – Calculating Asset Income Under Part 5 – Exercise**

| Family Members           | Position in Family | Age | Family Assets   | Asset Value   |
|--------------------------|--------------------|-----|-----------------|---|
| Fred Mertz               | Head               | 85  | Rental property | Small rental property that grosses \$6,500/year (expenses to keep up the property are \$3,400/year). The property has a fair market value of \$69,000, but they have a mortgage on the property in the amount of \$35,000. The average closing cost in a real estate transaction is 8% in the area. |
| Ethel Mertz              | Spouse             | 81  | Savings account | Savings of \$5,000 that earned \$179 in interest during the past year.  |
|                          |                    |     | Stock           | 100 shares of stock in "Why Buy it, Inc.," with a face value of \$4.25 per share, that have not shown a dividend in years. The cost to sell the stock would be about \$76.  |
| HUD Passbook rate is 2%. |                    |     |                 |   |

Calculate the Mertz's asset income by completing the following chart. Answers are provided on the following page.

| ASSETS |  |                              |                           |
|--------|--|------------------------------|---------------------------|
|        |  | Current Cash Value of Assets | Actual Income from Assets |
|        |  |                              |                           |
|        |  |                              |                           |
|        |  |                              |                           |
|        |  |                              |                           |
| 3.     | Net Cash Value of Assets.....  | 3.                           |                           |
| 4.     | Total Actual Income from Assets.....   |                              | 4.                        |
| 5.     | If line 3 is greater than \$5,000, multiply line by ____ (Passbook Rate) and enter results here; otherwise, leave blank. |                              | 5.                        |

Asset Income to be used in annual income calculation: \$\_\_\_\_\_

Exhibit 3.11 – Calculating Asset Income – Exercise (continued)

ANSWERS

| ASSETS   |                   |                              |                           |
|--|-------------------|------------------------------|---------------------------|
| Family Member  | Asset Description | Current Cash Value of Assets | Actual Income from Assets |
| Fred Mertz   | Rental Property   | \$28,480                     | \$3,100                   |
| Ethel Mertz  | Savings Account   | \$5,000                      | \$179                     |
| Same   | Stock             | \$349                        |                           |
|  |                   |                              |                           |
| 3. Net Cash Value of Assets.....   |                   | 3. 33,829                    |                           |
| 4. Total Actual Income from Assets.....  |                   |                              | 4. \$3,279                |
| 5. If line 3 is greater than \$5,000, multiply line by <u>2%</u> (Passbook Rate) and enter results here; otherwise, leave blank. |                   |                              | 5. \$677                  |

The asset income to be used in the annual income calculation is \$3,279, since the actual income from assets is greater than the imputed income.

**Explanation**

Apartment Building      The cash value of the property is:

|                                   |              |
|-----------------------------------|--------------|
| Market value                      | \$69,000     |
| Less mortgage                     | 35,000       |
| Less sales costs (\$69,000 X .08) | <u>5,520</u> |
| Cash value                        | \$28,480     |

The income earned is the net income (\$6,500 – \$3,400) of \$3,100.

Savings Account      The information is provided.

Stock      The cash value of the stock is the sales proceeds (100 shares x \$4.25/share = \$425) less the cost to sell (\$76). It generates no dividend income.

Because the total cash value of the assets exceeds \$5,000, calculate the imputed income by multiplying the cash value by the HUD Passbook Rate (\$33,829 x .02 = \$677). This is less than the actual income earned of \$3,279.

**Exhibit 3.12 – Census Long Form Annual Income Inclusions and Exclusions**

| Inclusions   | Exclusions  |
|--|---|
| <ol style="list-style-type: none"> <li>1. Wages, salary, commissions, bonuses and tips from all jobs before deductions for taxes, bonds, dues, or other items. (For minors over the age of 15 and adults.)</li> <li>2. Self-employment net income (after business expenses) from own non-farm business or farm business, including proprietorship and partnership.</li> <li>3. Any of the following: <ul style="list-style-type: none"> <li>• Interest received or credited to checking and savings accounts, money market funds, certificates of deposit, mutual funds, individual retirement accounts (IRAs), 401(K) plans, KEOGH retirement plans, and government bonds.</li> <li>• Dividends received, credited, or reinvested from ownership of stocks or mutual funds.</li> <li>• Profit (or loss) from royalties or rental of land, buildings or real estate, or roomers or boarders. (Income received from self-employed persons whose primary source of income is renting properties or from royalties should be included in number 2, above.)</li> <li>• Income from regular payments from an estate and or trust fund.</li> </ul> </li> <li>4. Social security or railroad retirement (before Medicare deductions).</li> <li>5. Supplemental Security Income (SSI).</li> <li>6. Any public assistance or welfare payments from the state or local welfare office.</li> <li>7. Retirement, survivor, or disability pensions from companies and unions; Federal, state and local governments; and the U.S. military. Includes regular income from annuities, IRAs, 401(K)s, or KEOGH retirement plans.</li> <li>8. Other sources of income received regularly, including Veterans Administration (VA) payments, unemployment compensation, child support or alimony, and all other regular payments (e.g., Armed Forces transfer payments, assistance from private charities, and regular contributions from persons not living in the household).</li> </ol> | <ol style="list-style-type: none"> <li>1. In-kind pay such as food, free rent, etc.</li> <li>2. Profit (or loss) of incorporated businesses owned by the applicant.</li> <li>3. Profit (or loss) of incorporated farm businesses owned by the applicant and amounts from land rented for cash.</li> <li>4. Any of the following: <ul style="list-style-type: none"> <li>• Refunds or rebates of any kind.</li> <li>• Withdrawals from savings of any kind.</li> <li>• Capital gains (or losses) from the sale of homes, shares of stock, etc.</li> <li>• Inheritances or insurance settlements.</li> <li>• Any type of loan.</li> </ul> </li> <li>5. Assistance to pay for heating or cooling costs.</li> </ol> |

***Last Modified: January 2005***

| Exhibit 3.13 – Sample Format for Computing Census Long Form Annual Income |                    |                    |                        |                       |                      |                 |
|---|--------------------|--------------------|------------------------|-----------------------|----------------------|-----------------|
| Name:   |                    |                    |                        | Identification No.:   |                      |                 |
| ANTICIPATED ANNUAL INCOME   |                    |                    |                        |                       |                      |                 |
| Family Member   | a. Wages/ Salaries | b. Business Income | c. Interest/ Dividends | d. Benefits/ Pensions | e. Public Assistance | f. Other Income |
|   |                    |                    |                        |                       |                      |                 |
|   |                    |                    |                        |                       |                      |                 |
|   |                    |                    |                        |                       |                      |                 |
|   |                    |                    |                        |                       |                      |                 |
|   |                    |                    |                        |                       |                      |                 |
|   |                    |                    |                        |                       |                      |                 |
|   |                    |                    |                        |                       |                      |                 |
|   |                    |                    |                        |                       |                      |                 |
|   |                    |                    |                        |                       |                      |                 |
|   |                    |                    |                        |                       |                      |                 |
|   |                    |                    |                        |                       |                      |                 |
|   |                    |                    |                        |                       |                      |                 |
|   |                    |                    |                        |                       |                      |                 |
|   |                    |                    |                        |                       |                      |                 |
|   |                    |                    |                        |                       |                      |                 |
|   |                    |                    |                        |                       |                      |                 |
| 1. Totals   | a.                 | b.                 | c.                     | d.                    | e.                   | f.              |
| 2. Enter total of items from 1a. through 1f. This is Annual Income.....   |                    |                    |                        |                       |                      | 2.              |

### Exhibit 3.14 – Calculating Census Long Form Annual Income – Example

| Family Members   | Position in Family | Age | Income Sources  |
|------------------|--------------------|-----|---|
| Adrian Marshall  | Head               | 43  | Earns \$400/week as an airline employee.  |
| Penny Marshall   | Spouse             | 42  | Earns \$16,000/year as an administrative assistant with an insurance company.   |
| Shirley Marshall | Child              | 19  | Earns \$7.00/hour working in a retail store at the mall. Works an average of 24 hours/week. Full-time student at the local community college. |

#### Their Assets

The Marshall's non-interest-bearing checking account has an average 6-month balance of \$700.

Penny Marshall has a savings account with a \$2,500 balance. The account earned interest of \$72 last year.

The Marshall's recently received an insurance settlement of \$20,000.

If the Low-Income Limit for a household of three is \$40,500, do the Marshall's qualify for assistance?

|  |                           |                           |                               |                              |                             |                        |
|--|---------------------------|---------------------------|-------------------------------|------------------------------|-----------------------------|------------------------|
| Name: <b>Adrian and Penny Marshall</b>                                   |                           |                           | Identification No.:           |                              |                             |                        |
| ANTICIPATED ANNUAL INCOME  |                           |                           |                               |                              |                             |                        |
| <b>Family Member</b>   | <b>a. Wages/ Salaries</b> | <b>b. Business Income</b> | <b>c. Interest/ Dividends</b> | <b>d. Benefits/ Pensions</b> | <b>e. Public Assistance</b> | <b>f. Other Income</b> |
| Adrian   | \$20,800                  |                           |                               |                              |                             |                        |
| Penny  | \$16,000                  |                           | \$72                          |                              |                             |                        |
| Shirley  | \$ 8,736                  |                           |                               |                              |                             |                        |
|  |                           |                           |                               |                              |                             |                        |
|  |                           |                           |                               |                              |                             |                        |
| 1. Totals  | a. \$45,536               | b.                        | c. \$72                       | d.                           | e.                          | f.                     |
| 2. Enter total of items from 1a. through 1f. This is Annual Income ..... |                           |                           |                               |                              |                             | 2. \$45,608            |

The Marshall's are not eligible for assistance because their income of \$45,608 is above the low -income limit of \$40,500.

#### Explanation

Adrian Adrian's income is \$400/week x 52 weeks/year, or \$20,800.

Penny Penny's income is \$16,000/year and she received \$72 in interest on the savings account.

Shirley Shirley earns \$7.00/hour x 24 hours/week x 52 weeks/year, or \$8,736. Note: Even though Shirley is a full-time student, her full income is included in the Census Long Form definition of income.

The insurance settlement is excluded under the Census Long Form definition of annual income. The checking account is not included because it earns no interest.

**Exhibit 3.15 – IRS From 1040 Adjusted Gross Income Inclusions and Exclusions**

| Inclusions  | Exclusions  |
|---|---|
| 1. Wages, salaries, tips, etc.  | 1. Child support.   |
| 2. Taxable interest.  | 2. Money or property that was inherited, willed or given as a gift. |
| 3. Dividends.   | 3. Life insurance proceeds received as a result of someone's death. |
| 4. Taxable refunds, credits or offsets of state and local income taxes. There are some exceptions – refer to Form 1040 instructions.  |   |
| 5. Alimony (or separate maintenance payments) received.   |   |
| 6. Business income (or loss).   |   |
| 7. Capital gain (or loss). There are some exceptions – refer to Form 1040 instructions.   |   |
| 8. Other gains (or losses) (i.e., assets used in a trade or business that were exchanged or sold).  |   |
| 9. Taxable amount of individual retirement account (IRA) distributions. (Includes simplified employee pension [SEP] and savings incentive match plan for employees [SIMPLE] IRA.)   |   |
| 10. Taxable amount of pension and annuity payments.   |   |
| 11. Rental real estate, royalties, partnerships, S corporations, trusts, etc.   |   |
| 12. Farm income (or loss).  |   |
| 13. Unemployment compensation payments.   |   |
| 14. Taxable amount of Social Security benefits.   |   |
| 15. Other income, including prizes and awards; gambling, lottery or raffle winnings; jury duty fees; Alaska Permanent fund dividends; reimbursements for amounts deducted in previous years; income from the rental of property if not in the business of renting such property; and income from an activity not engaged in for profit. |   |

***Last Modified: January 2005***



**Exhibit 3.16<sup>1</sup> – Sample Format for Computing IRS 1040 Series Adjusted Gross Income**

|  |               |                     |    |    |                       |
|--|---------------|---------------------|----|----|-----------------------|
| Name:  |               | Identification No.: |    |    |                       |
|  | Family Member |                     |    |    | Subtotal<br>(add a-d) |
|  | a.            | b.                  | c. | d. | e.                    |
| 1. Wages, salaries, tips   |               |                     |    |    |                       |
| 2. Taxable interest  |               |                     |    |    |                       |
| 3. Dividend income   |               |                     |    |    |                       |
| 4. Taxable refunds/<br>credits/offsets of state/<br>local income taxes               |               |                     |    |    |                       |
| 5. Alimony received  |               |                     |    |    |                       |
| 6. Business income (or loss)   |               |                     |    |    |                       |
| 7. Capital gain (or loss)  |               |                     |    |    |                       |
| 8. Other gains (or losses)   |               |                     |    |    |                       |
| 9. Taxable amount of IRA<br>distributions  |               |                     |    |    |                       |
| 10. Taxable amount of<br>pensions and annuities                                      |               |                     |    |    |                       |
| 11. Rental real estate,<br>royalties, partnerships,<br>trusts, etc.                  |               |                     |    |    |                       |
| 12. Farm income (or loss)  |               |                     |    |    |                       |
| 13. Unemployment<br>compensation   |               |                     |    |    |                       |
| 14. Taxable amount of Social<br>Security benefits                                    |               |                     |    |    |                       |
| 15. Other income   |               |                     |    |    |                       |
| <b>16. Subtotal (lines 1-15)</b>   |               |                     |    |    |                       |
| 17. IRA deduction  |               |                     |    |    |                       |
| 18. Medical savings account<br>deduction   |               |                     |    |    |                       |
| 19. Moving expenses  |               |                     |    |    |                       |
| 20. One-half of self-<br>employment tax  |               |                     |    |    |                       |
| 21. Self-employed health<br>insurance deduction                                      |               |                     |    |    |                       |
| 22. Keogh and self-employed<br>SEP and SIMPLE plans                                  |               |                     |    |    |                       |
| 23. Penalty on early<br>withdrawal of savings  |               |                     |    |    |                       |
| 24. Paid alimony   |               |                     |    |    |                       |
| <b>25. Subtotal (lines 17-24)</b>  |               |                     |    |    |                       |
| 26. Subtract line 25 from line<br>16. This is <i>Adjusted<br/>Gross Income</i> ..... |               |                     |    |    |                       |

<sup>1</sup> Note to users: The income inclusions and exclusions allowed under the IRS 1040 definition of income are subject to change from tax year to tax year. This worksheet is a general representation of the IRS Form 1040, and as such cannot reflect all updated inclusions and exclusions each tax year. The user is advised to consult the IRS Web site for the most current version of this form at [www.irs.gov](http://www.irs.gov).

**Exhibit 3.17 – Calculating IRS Long Form Annual (Gross) Income – Example**

| Family Members   | Position in Family | Age | Income Sources   |
|------------------|--------------------|-----|--|
| Bernard Williams | Head               | 35  | Bernard owns a contracting business. The net income from the business is \$32,000.     |
| Amy Moynihan     | Girlfriend         | 32  | Amy receives alimony of \$200/month and child support of \$350/month for her two sons. |
| Gary Moynihan    | Son                | 10  | None   |
| Charles Moynihan | Son                | 7   | None   |

**Their Assets**

Bernard's checking account has an average six month balance of \$1,725. He earned interest of \$100 last year.

Amy has a savings account with a \$500 balance. This account earned \$17 in interest last year.

Under the HOME Program, the Income Limit for a household of 4 is \$42,000. Does the household qualify for assistance?

| Name: <b>Bernard Williams and Amy Moynihan</b>                         |               | Identification No.: |    |    |                       |
|--|---------------|---------------------|----|----|-----------------------|
|  | Family Member |                     |    |    | Subtotal<br>(add a-d) |
|  | a.            | b.                  | c. | d. |                       |
| 1. Wages, salaries, tips   |               |                     |    |    |                       |
| 2. Taxable interest  | \$100         | \$17                |    |    | \$117                 |
| 3. Dividend income   |               |                     |    |    |                       |
| 4. Taxable refunds/<br>credits/offsets of state/<br>local income taxes |               |                     |    |    |                       |
| 5. Alimony received  |               | \$2,400             |    |    | \$2,400               |
| 6. Business income (or loss)   | \$32,000      |                     |    |    | \$32,000              |
| 7. Capital gain (or loss)  |               |                     |    |    |                       |
| 8. Other gains (or losses)   |               |                     |    |    |                       |
| 9. Taxable amount of IRA<br>distributions                              |               |                     |    |    |                       |
| 10. Taxable amount of<br>pensions and annuities                        |               |                     |    |    |                       |
| 11. Rental real estate,<br>royalties, partnerships,<br>trusts, etc.    |               |                     |    |    |                       |
| 12. Farm income (or loss)  |               |                     |    |    |                       |
| 13. Unemployment<br>compensation                                       |               |                     |    |    |                       |
| 14. Taxable amount of Social<br>Security benefits                      |               |                     |    |    |                       |
| 15. Other income   |               |                     |    |    |                       |
| <b>16. Subtotal (lines 1-15)</b>                                       |               |                     |    |    | <b>\$34,517</b>       |
| 17. IRA deduction  |               |                     |    |    |                       |
| 18. Medical savings account<br>deduction                               |               |                     |    |    |                       |
| 19. Moving expenses  |               |                     |    |    |                       |
| 20. One-half of self-<br>employment tax                                |               |                     |    |    |                       |

### Chapter Three – Calculating Annual (Gross) Income

|   | Family Member |    |    |    | Subtotal<br>(add a-d) |
|---|---------------|----|----|----|-----------------------|
|   | a.            | b. | c. | d. | e.                    |
| 21. Self-employed health insurance deduction                                  |               |    |    |    |                       |
| 22. Keogh and self-employed SEP and SIMPLE plans                              |               |    |    |    |                       |
| 23. Penalty on early withdrawal of savings                                    |               |    |    |    |                       |
| 24. Paid alimony  |               |    |    |    |                       |
| <b>25. Subtotal (lines 17-24)</b>   |               |    |    |    | <b>\$34,517</b>       |
| 26. Subtract line 25 from line 16. This is <i>Adjusted Gross Income</i> ..... |               |    |    |    | <b>\$34,517</b>       |

The household is eligible for HOME assistance. Their annual income of \$34,517 is less than the Low-Income Limit of \$42,000.

#### Explanation

**Bernard** Bernard's business income of \$32,000 is included. Interest income of \$100 is included as interest.

**Amy** Alimony of \$200/month x 12 = \$2,400 is included. The child support is not included as income under the IRS definition of adjusted gross income. The \$17 in interest income is included as income.

**Exhibit 3.18 – Calculating Annual Income Using the Three Allowable Definitions – Example**

| Family Members | Position in Family | Age | Income Sources   |
|----------------|--------------------|-----|--|
| Daniel Ming    | Head               | 39  | Daniel Ming works full-time at a local manufacturing plant at a rate of \$11.00/hour.  |
| Anabel Ming    | Spouse             | 37  | Anabel Ming operates an in-home day care business for a small number of neighborhood children. Her net income from this business is \$12,000 per year. |
| Marsha Ming    | Daughter           | 13  | None   |

**Assets**

- The Ming's non-interest-bearing checking account has a \$950 average 6-month balance.
- The Mings have a savings account with a current balance of \$5,000. The account carries an annual interest rate of 3%.
- The Mings also have certificates of deposit totaling \$5,000. The applicable interest rate is 5%.
- The Mings plan to use the savings account and redeem the certificates of deposit in order to pay the downpayment on the home they purchase.

**Additional Information**

- Daniel Ming pays \$200 per month in alimony to his ex-wife.

Under the HOME Program, the Income Limit for a family of three in the jurisdiction is \$34,500. Are the Mings eligible for HOME assistance under each of three definitions of income?

The following pages show the income calculations for the Mings using each of the three allowable definitions of income.

**Sample Format for Computing Part 5 Annual Income**

| 1. Name: <b>Daniel and Anabel Ming</b>   |                         | 2. Identification            |                           |                 |  |
|--|-------------------------|------------------------------|---------------------------|-----------------|--|
| <b>ASSETS</b>  |                         |                              |                           |                 |  |
| Family Member  | Asset Description       | Current Cash Value of Assets | Actual Income from Assets |                 |  |
| Daniel & Anabel  | Checking account        | \$950                        | \$0                       |                 |  |
| Daniel & Anabel  | Savings                 | \$5,000                      | \$150                     |                 |  |
| Daniel & Anabel  | Certificates of deposit | \$5,000                      | \$250                     |                 |  |
|  |                         |                              |                           |                 |  |
| 3. Net Cash Value of Assets.....   |                         | 3. \$10,950                  |                           |                 |  |
| 4. Total Actual Income from Assets.....  |                         |                              | 4. \$400                  |                 |  |
| 5. If line 3 is greater than \$5,000, multiply line by .02 (Passbook Rate) and enter results here; otherwise, leave blank. |                         |                              | 5. \$219                  |                 |  |
| <b>ANTICIPATED ANNUAL INCOME</b>   |                         |                              |                           |                 |  |
| Family Members   | a. Wages/ Salaries      | b. Benefits/ Pensions        | c. Public Assistance      | d. Other Income | e. Asset Income                                    |
| Daniel   | \$22,880                |                              |                           |                 | Enter the greater of lines 4 or 5 from above in e. |
| Anabel   |                         |                              |                           | \$12,000        |  |
|  |                         |                              |                           |                 |  |
|  |                         |                              |                           |                 |  |
| 6. Totals  | a. \$22,880             | b.                           | c.                        | d. \$12,000     | e. \$400   |
| 7. Enter total of items from 6a. through 6e. This is Annual Income .....   |                         |                              |                           |                 | 7. \$35,280  |

**Sample Format for Computing Census Long Form Annual Income**

|  |                           |                           |                               |                              |                             |                        |
|--|---------------------------|---------------------------|-------------------------------|------------------------------|-----------------------------|------------------------|
| Name: <b>Daniel and Anabel Ming</b>                                      |                           |                           |                               | Identification No.:          |                             |                        |
| <b>ANTICIPATED ANNUAL INCOME</b>   |                           |                           |                               |                              |                             |                        |
| <b>Family Member</b>   | <b>a. Wages/ Salaries</b> | <b>b. Business Income</b> | <b>c. Interest/ Dividends</b> | <b>d. Benefits/ Pensions</b> | <b>e. Public Assistance</b> | <b>f. Other Income</b> |
| Daniel   | \$22,880                  |                           | \$400                         |                              |                             |                        |
| Anabel   | \$12,000                  |                           |                               |                              |                             |                        |
|  |                           |                           |                               |                              |                             |                        |
|  |                           |                           |                               |                              |                             |                        |
| 1. Totals  | a. \$34,880               | b.                        | c. \$400                      | d.                           | e.                          | f.                     |
| 2. Enter total of items from 1a. through 1f. This is Annual Income ..... |                           |                           |                               |                              |                             | 2. \$35,280            |

Sample Format for Computing IRS 1040 Series Adjusted Gross Income

|  |                  |                  |    |                     |                       |
|--|------------------|------------------|----|---------------------|-----------------------|
| Name: <b>Daniel and Anabel Ming</b>  |                  |                  |    | Identification No.: |                       |
|  | Family Member    |                  |    |                     | Subtotal<br>(add a-d) |
|  | a. <b>Daniel</b> | b. <b>Anabel</b> | c. | d.                  | e.                    |
| 1. Wages, salaries, tips   | \$22,880         |                  |    |                     | \$22,880              |
| 2. Taxable interest  | \$400            |                  |    |                     | \$400                 |
| 3. Dividend income   |                  |                  |    |                     |                       |
| 4. Taxable refunds/<br>credits/offsets of state/<br>local income taxes               |                  |                  |    |                     |                       |
| 5. Alimony received  |                  |                  |    |                     |                       |
| 6. Business income (or loss)   |                  | \$12,000         |    |                     | \$12,000              |
| 7. Capital gain (or loss)  |                  |                  |    |                     |                       |
| 8. Other gains (or losses)   |                  |                  |    |                     |                       |
| 9. Taxable amount of IRA<br>distributions  |                  |                  |    |                     |                       |
| 10. Taxable amount of<br>pensions and annuities                                      |                  |                  |    |                     |                       |
| 11. Rental real estate,<br>royalties, partnerships,<br>trusts, etc.                  |                  |                  |    |                     |                       |
| 12. Farm income (or loss)  |                  |                  |    |                     |                       |
| 13. Unemployment<br>compensation   |                  |                  |    |                     |                       |
| 14. Taxable amount of Social<br>Security benefits                                    |                  |                  |    |                     |                       |
| 15. Other income   |                  |                  |    |                     |                       |
| <b>16. Subtotal (lines 1-15)</b>   |                  |                  |    |                     | <b>\$35,280</b>       |
| 17. IRA deduction  |                  |                  |    |                     |                       |
| 18. Medical savings account<br>deduction   |                  |                  |    |                     |                       |
| 19. Moving expenses  |                  |                  |    |                     |                       |
| 20. One-half of self-<br>employment tax  |                  |                  |    |                     |                       |
| 21. Self-employed health<br>insurance deduction                                      |                  |                  |    |                     |                       |
| 22. Keogh and self-employed<br>SEP and SIMPLE plans                                  |                  |                  |    |                     |                       |
| 23. Penalty on early<br>withdrawal of savings  |                  |                  |    |                     |                       |
| 24. Paid alimony   | \$2,400          |                  |    |                     | \$2,400               |
| <b>25. Subtotal (lines 17-24)</b>  |                  |                  |    |                     | <b>\$2,400</b>        |
| 26. Subtract line 25 from line<br>16. This is <i>Adjusted<br/>Gross Income</i> ..... |                  |                  |    |                     | <b>\$32,880</b>       |

**Exhibit 3.18 – Calculating Annual Income Using the Three Allowable Definitions – Example**

| <b>Section 8 Annual Income</b>   |                 |
|--|-----------------|
| 1. Gross amount of wages, salaries, overtime pay, commissions, fees, tips and bonuses.   | \$22,880        |
| 2. Net income from operation of a business or profession.  | 12,000          |
| 3. Interest, dividends, and other net income from real or personal property. Requires asset calculation.   | 400             |
| 4. Full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits. |                 |
| 5. Payments in lieu of earnings (unemployment, disability compensation, worker's compensation and severance pay).  |                 |
| 6. Welfare or other need based payments to families or individuals.  |                 |
| 7. Periodic and determinable allowances (alimony, child support payments, regular contributions or gifts).   |                 |
| 8. Regular pay, special pay and allowances of a member of the Armed Forces.  |                 |
| <b>Total</b>   | <b>\$35,280</b> |
| <b>Census Long Form Annual Income</b>  |                 |
| 1. Gross amount of wages, salaries, commissions, bonuses or tips from all jobs.  | \$22,880        |
| 2. Net income from self-employment from non-farm business, including proprietorship and partnership.   | 12,000          |
| 3. Net income from farm self-employment, including earnings as sharecropper or tenant farmer.  | 400             |
| 4. Interest, dividends, net rental income, royalty income or income from estates or trusts.  |                 |
| 5. Social security or railroad retirement.   |                 |
| 6. Supplemental Security Income (SSI), Temporary Assistance to Needy Families (TANF) or other public assistance or public welfare payments.                |                 |
| 7. Retirement, survivor or disability pensions.  |                 |
| 8. Any other sources of income received regularly, including Veterans' (VA) payments, unemployment compensation, child support or alimony.                 |                 |
| <b>Total</b>   | <b>\$35,280</b> |
| <b>IRS 1040 Adjusted Gross Income</b>  |                 |
| 1. Wages, salaries, tips, etc.   | \$22,880        |
| 2. Taxable interest.   | 400             |
| 3. Dividend income.  |                 |
| 4. Taxable refunds, credits, or offsets of state and local income taxes.   |                 |
| 5. Alimony received.   |                 |
| 6. Business income (or loss).  | 12,000          |
| 7. Capital gain (or loss).   |                 |
| 8. Other gains (or losses)   |                 |
| 9. Taxable amount of individual retirement account (IRA) distributions.  |                 |
| 10. Taxable amount of pensions and annuities.  |                 |
| 11. Rental real estate, royalties, partnerships, S corporations, trust, etc.   |                 |
| 12. Farm income (or loss).   |                 |
| 13. Unemployment compensation.   |                 |
| 14. Taxable amount of Social Security benefits.  |                 |
| 15. Other income.  |                 |
| <b>Subtotal A (Add 1–15)</b>   | <b>\$35,280</b> |

| <b>IRS 1040 Adjusted Gross Income</b>                           |                 |
|---|-----------------|
| <b>Subtractions</b>   |                 |
| 16. IRA deduction (head of household and spouse).               |                 |
| 17. Medical savings account deduction.                          |                 |
| 18. Moving expenses.  |                 |
| 19. One-half of self-employment tax.                            |                 |
| 20. Self-employed health insurance deduction.                   |                 |
| 21. Keogh and self-employed SEP and SIMPLE plans.               |                 |
| 22. Penalty on early withdrawal of savings.                     |                 |
| 23. Paid alimony.   | 2,400           |
| <i>Subtotal B (Add 16 – 23)</i>                                 | 2,400           |
| Subtract subtotal B from subtotal A. This is the <b>Total</b> : | <b>\$32,880</b> |

**Explanation**

The Mings are not eligible for HOME assistance using the Part 5 and Census Long Form definitions of annual income. Using these two definitions, the Mings income is \$35,280, which exceeds the Low-Income Limit for a family of three of \$34,500.

The Mings are eligible, however, using the IRS 1040 Form definition of adjusted gross income. Using the IRS definition, which allows for the subtraction of alimony paid, the Mings have an income of \$ 32,880. This is below the Low-Income Limit for a family of three of \$34,500.



**Exhibit 3.19 – Calculating Annual Income Using the Three Allowable Definitions – Example**

| Family Members   | Position in Family | Age | Income Sources  |
|------------------|--------------------|-----|---|
| Samantha Johnson | Head               | 36  | Samantha earns a salary of \$30,000 per year as an administrative assistant. Samantha receives \$500 per month as child support for her sons Eric and Andrew. |
| Barbara Johnson  | Mother             | 66  | Barbara receives a pension check of \$200 per month and Social Security of \$600 per month.   |
| Eric Johnson     | Son                | 12  | None  |
| Andrew Johnson   | Son                | 14  | None  |

**Their Assets**

- Samantha has a savings account with a \$2,500 balance. The annual interest rate is 3.5%.
- Barbara's sister Helen recently passed away and left her home to Barbara. The home is valued at \$50,000 and has a mortgage balance of \$8,000. The average cost of settlement and real estate transfers equals 8% of the value of the property.

**Additional Information**

- Barbara does not plan to sell the house she inherited in the near future because she wants to allow her other sister Martha and her husband to live in the home (rent-free).

Under the HOME Program, the Income Limit for a family of four in the jurisdiction is \$45,000. Is the Johnson family eligible for HOME assistance under each of three definitions of income?

**Sample Format for Computing Part 5 Annual Income**

| 1. Name: <b>Samantha Johnson</b>   |                   | 2. Identification            |                           |                 |  |
|--|-------------------|------------------------------|---------------------------|-----------------|--|
| <b>ASSETS</b>  |                   |                              |                           |                 |  |
| Family Member  | Asset Description | Current Cash Value of Assets | Actual Income from Assets |                 |  |
| Samantha   | Savings Account   | \$2,500                      | \$88                      |                 |  |
| Barbara  | House             | \$38,000                     | \$0                       |                 |  |
|  |                   |                              |                           |                 |  |
|  |                   |                              |                           |                 |  |
|  |                   |                              |                           |                 |  |
| 3. Net Cash Value of Assets.....   |                   | 3. \$40,500                  |                           |                 |  |
| 4. Total Actual Income from Assets.....  |                   | 4. \$88                      |                           |                 |  |
| 5. If line 3 is greater than \$5,000, multiply line by .02 (Passbook Rate) and enter results here; otherwise, leave blank. |                   | 5. \$810                     |                           |                 |  |
| <b>ANTICIPATED ANNUAL INCOME</b>   |                   |                              |                           |                 |  |
| Family Members   | a. Wages/Salaries | b. Benefits/Pensions         | c. Public Assistance      | d. Other Income | e. Asset Income                                    |
| Samantha   | \$30,000          |                              |                           | \$6,000         | Enter the greater of lines 4 or 5 from above in e. |
| Barbara  |                   | \$9,600                      |                           |                 |  |
|  |                   |                              |                           |                 |  |
|  |                   |                              |                           |                 |  |
| 6. Totals  | a. \$30,000       | b. \$9,600                   | c.                        | d. \$6,000      | e. \$810   |
| 7. Enter total of items from 6a. through 6e. This is Annual Income .....   |                   |                              |                           |                 | 7. \$46,410  |

**Sample Format for Computing Census Long Form Annual Income**

|   |                       |                       |                           |                          |                         |                    |
|---|-----------------------|-----------------------|---------------------------|--------------------------|-------------------------|--------------------|
| Name: <b>Samantha Johnson</b>   |                       |                       |                           | Identification No.:      |                         |                    |
| <b>ANTICIPATED ANNUAL INCOME</b>  |                       |                       |                           |                          |                         |                    |
| Family Member   | a. Wages/<br>Salaries | b. Business<br>Income | c. Interest/<br>Dividends | d. Benefits/<br>Pensions | e. Public<br>Assistance | f. Other<br>Income |
| Samantha  | \$30,000              |                       | \$88                      |                          |                         | \$6,000            |
| Barbara   |                       |                       |                           | \$9,600                  |                         |                    |
|   |                       |                       |                           |                          |                         |                    |
|   |                       |                       |                           |                          |                         |                    |
| 1. Totals   | a. \$30,000           | b.                    | c. \$88                   | d. \$9,600               | e.                      | f. \$6,000         |
| 2. Enter total of items from 1a. through 1f. This is <i>Annual Income</i> ..... |                       |                       |                           |                          |                         | 2. \$45,688        |

Sample Format for Computing IRS 1040 Series Adjusted Gross Income

|  |                    |                   |    |                     |                       |
|--|--------------------|-------------------|----|---------------------|-----------------------|
| Name: <b>Samantha Johnson</b>  |                    |                   |    | Identification No.: |                       |
|  | Family Member      |                   |    |                     | Subtotal<br>(add a-d) |
|  | a. <b>Samantha</b> | b. <b>Barbara</b> | c. | d.                  | e.                    |
| 1. Wages, salaries, tips   | \$30,000           |                   |    |                     | \$30,000              |
| 2. Taxable interest  | \$88               |                   |    |                     | \$88                  |
| 3. Dividend income   |                    |                   |    |                     |                       |
| 4. Taxable refunds/<br>credits/offsets of state/<br>local income taxes               |                    |                   |    |                     |                       |
| 5. Alimony received  |                    |                   |    |                     |                       |
| 6. Business income (or<br>loss)  |                    |                   |    |                     |                       |
| 7. Capital gain (or loss)  |                    |                   |    |                     |                       |
| 8. Other gains (or losses)   |                    |                   |    |                     |                       |
| 9. Taxable amount of IRA<br>distributions  |                    |                   |    |                     |                       |
| 10. Taxable amount of<br>pensions and annuities                                      |                    | \$2,400           |    |                     | \$2,400               |
| 11. Rental real estate,<br>royalties, partnerships,<br>trusts, etc.                  |                    |                   |    |                     |                       |
| 12. Farm income (or loss)  |                    |                   |    |                     |                       |
| 13. Unemployment<br>compensation   |                    |                   |    |                     |                       |
| 14. Taxable amount of<br>Social Security benefits                                    |                    | \$7,200           |    |                     | \$7,200               |
| 15. Other income   |                    |                   |    |                     |                       |
| <b>16. Subtotal (lines 1-15)</b>   |                    |                   |    |                     | <b>\$39,688</b>       |
| 17. IRA deduction  |                    |                   |    |                     |                       |
| 18. Medical savings account<br>deduction   |                    |                   |    |                     |                       |
| 19. Moving expenses  |                    |                   |    |                     |                       |
| 20. One-half of self-<br>employment tax  |                    |                   |    |                     |                       |
| 21. Self-employed health<br>insurance deduction                                      |                    |                   |    |                     |                       |
| 22. Keogh and self-<br>employed SEP and<br>SIMPLE plans                              |                    |                   |    |                     |                       |
| 23. Penalty on early<br>withdrawal of savings  |                    |                   |    |                     |                       |
| 24. Paid alimony   |                    |                   |    |                     |                       |
| <b>25. Subtotal (lines 17-24)</b>  |                    |                   |    |                     | <b>\$0</b>            |
| 26. Subtract line 25 from line<br>16. This is <i>Adjusted<br/>Gross Income</i> ..... |                    |                   |    |                     | <b>\$39,688</b>       |

**Exhibit 3.19 – Calculating Annual Income Using the Three Allowable Definitions – Example**

| <b>Section 8 Annual Income</b>   |                 |
|--|-----------------|
| 1. Gross amount of wages, salaries, overtime pay, commissions, fees, tips and bonuses.   | \$30,000        |
| 2. Net income from operation of a business or profession.  |                 |
| 3. Interest, dividends, and other net income from real or personal property. Requires asset calculation.   | 810             |
| 4. Full amount of periodic amounts received from Social Security, annuities, insurance policies, retirement funds, pensions, disability or death benefits. | 9,600           |
| 5. Payments in lieu of earnings (unemployment, disability compensation, worker's compensation and severance pay).  |                 |
| 6. Welfare or other need based payments to families or individuals.  |                 |
| 7. Periodic and determinable allowances (alimony, child support payments, regular contributions or gifts).   | 6,000           |
| 8. Regular pay, special pay and allowances of a member of the Armed Forces.  |                 |
| <b>Total</b>   | <b>\$46,410</b> |
| <b>Census Long Form Annual Income</b>  |                 |
| 1. Gross amount of wages, salaries, commissions, bonuses or tips from all jobs.  | \$30,000        |
| 2. Net income from self-employment from non-farm business, including proprietorship and partnership.   |                 |
| 3. Net income from farm self-employment, including earnings as sharecropper or tenant farmer.  |                 |
| 4. Interest, dividends, net rental income, royalty income or income from estates or trusts.  | 88              |
| 5. Social security or railroad retirement.   | 7,200           |
| 6. Supplemental Security Income (SSI), Temporary Assistance to Needy Families (TANF) or other public assistance or public welfare payments.                |                 |
| 7. Retirement, survivor or disability pensions.  | 2,400           |
| 8. Any other sources of income received regularly, including Veterans' (VA) payments, unemployment compensation, child support or alimony.                 | 6,000           |
| <b>Total</b>   | <b>\$45,688</b> |
| <b>IRS 1040 Adjusted Gross Income</b>  |                 |
| 1. Wages, salaries, tips, etc.   | \$30,000        |
| 2. Taxable interest.   | 88              |
| 3. Dividend income.  |                 |
| 4. Taxable refunds, credits, or offsets of state and local income taxes.   |                 |
| 5. Alimony received.   |                 |
| 6. Business income (or loss).  |                 |
| 7. Capital gain (or loss).   |                 |
| 8. Other gains (or losses)   |                 |
| 9. Taxable amount of individual retirement account (IRA) distributions.  | 2,400           |
| 10. Taxable amount of pensions and annuities.  |                 |
| 11. Rental real estate, royalties, partnerships, S corporations, trust, etc.   |                 |
| 12. Farm income (or loss).   |                 |
| 13. Unemployment compensation.   |                 |
| 14. Taxable amount of Social Security benefits.  | 7,200           |
| 15. Other income.  |                 |
| <b>Subtotal A (Add 1–15)</b>   | <b>\$39,688</b> |

### Chapter Three – Calculating Annual (Gross) Income

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| IRS 1040 Adjusted Gross Income                                  |                 |
|---|-----------------|
| <b>Subtractions</b>   |                 |
| 16. IRA deduction (head of household and spouse).               |                 |
| 17. Medical savings account deduction.                          |                 |
| 18. Moving expenses.  |                 |
| 19. One-half of self-employment tax.                            |                 |
| 20. Self-employed health insurance deduction.                   |                 |
| 21. Keogh and self-employed SEP and SIMPLE plans.               |                 |
| 22. Penalty on early withdrawal of savings.                     |                 |
| 23. Paid alimony.   |                 |
| <i>Subtotal B (Add 16 – 23)</i>                                 | 0               |
| Subtract subtotal B from subtotal A. This is the <b>Total</b> : | <b>\$39,688</b> |

#### Explanation

The Johnson family is not eligible for HOME assistance using the Part 5 definition of income. Using this definition, the Johnson's income is \$46,410, above the Low-Income Limit for a family of four of \$45,000.

Using the Census Long Form definitions of annual income, the Johnson's are also not eligible. Under this definition, the Johnson's income is \$46,688, over the Low-Income Limit of \$45,000.

The Johnson family is eligible using the IRS 1040 Form definition of adjusted gross income. Using the IRS definition, which does not include child support as income, the Johnson family has an income of \$39,688. This is below the Low-Income Limit of \$45,000.



## Chapter Four

### Calculating Adjusted Income

Annual (gross) income is needed to determine whether a household is income eligible for participation in many Federal assistance programs. In contrast, adjusted income as defined in 24 CFR 5.611 is used to determine total tenant payment (TTP), which is a measure of a household's ability to pay housing costs. Under the HOME Program, adjusted income is needed for calculating:

- The subsidy and tenant's share of rent under a HOME-funded tenant based rental assistance (TBRA) program. This calculation is done when the tenant first receives assistance and whenever the tenant's income is recertified;
- The rent for a tenant in a HOME-assisted rental unit whose rent must be adjusted because the household income increases above 80 percent of the area median; and
- The household's eligibility for, and amount of, assistance to be provided under the Uniform Relocation Act (URA) or Section 104(d) relocation and tenant assistance requirements.

Adjusted income is not needed for HOME-funded owner-occupied rehabilitation or homebuyer programs.

Typically under HOME rental housing programs, the rent each family pays is based on "high" and "low" HOME rents established for each unit in the project. The family's rent is established for the unit they will occupy, not its ability to pay.

HOME Program rules do permit PJs to design a program in which rents are based on the household's ability to pay, however. When a PJ elects this option, it must use adjusted income in its rent calculation.

The deductions (also called allowances) of 24 CFR 5.611 must be applied whenever adjusted income is required (as outlined

previously) *regardless of the definition of annual income used by the PJ to determine initial eligibility.*

This chapter describes how to calculate and document adjusted income.

#### How is Adjusted Income Calculated?

Adjusted income is derived by subtracting any of five deductions (or allowances) that apply to the household from the household's annual (gross) income. The household's eligibility for deductions depends, in part, on the type of household that it is. Not all households are eligible for all deductions. Exhibit 4.1 summarizes these deductions by household type.

#### Exhibit 4.1 Allowable Deductions

| Type of Deduction Permitted    | Type of Household   |                             |
|--------------------------------|---------------------|-----------------------------|
|                                | Elderly or Disabled | Non-Elderly or Non-Disabled |
| Elderly or disabled household  | •                   |                             |
| Dependent                      | •                   | •                           |
| Child care                     | •                   | •                           |
| Medical expenses               | •                   |                             |
| Disability assistance expenses | •                   | •                           |

In order to determine which deductions a family is eligible for, PJs must determine what type of household it represents.

#### Types of Households

As noted in Exhibit 4.1, a household's eligibility for adjustments to annual income depends in part on whether the household qualifies as an "elderly" household, a "disabled" household, or a "family" (non-elderly) household.

An elderly household is any household in which the head, spouse, or sole member is 62 years of age or older; two or more persons who are at least 62 years of age live together; or one or more persons who are at least 62 years of age live with one or more live-in aides.

Each of the following are considered elderly households:

- Alice Smith (65 years of age) and her husband Joe (60);
- Juan Azul (69) and Rosa Ramirez (63) who live together;
- Jane Green (92); and
- Thomas Miller (74) and his live-in aide.

A disabled household is one in which the head, spouse, or sole member is a person with disabilities. Two or more persons with disabilities living together and one or more persons with disabilities living with one or more live-in aides also qualify as disabled households.

The following are considered disabled households:

- Carlos Blanco (25 and disabled);
- Fred Jones (42) and his wife Suzanne (41 and disabled); and
- Daniel Jackson (35 and disabled) and his housemate Charlie Andrews (38 and disabled) and their live-in aide.

Certain households may, however, include elderly or disabled family members and still not qualify as an elderly or disabled household. For example, neither of the following households qualify as an elderly or disabled household:

- Bob and Carol Jackson (50 and 49, respectively) who have taken in Bob's mother (age 70) to live with them. Because Bob's mother is not the household head or spouse, this is not an elderly household; and
- Ted and Alexis Cooper (both age 35) have a son (age 14) who is disabled. Because the son is not the household

head or spouse, this household is not a disabled household.

Some household compositions will require clarification as to whether they are elderly or disabled households. Compare the following examples:

- Don and Alice Brown (45 and 46, respectively) have recently taken Don's mother (75) into their home because her apartment building is being converted to condominiums. In this situation, Don and Alice are the head of household and spouse, so the household is not an elderly household; but
- Rita Smith (75) has recently taken in her son Don and his wife Alice (45 and 46, respectively) into her home because their apartment building is being converted to condominiums. In this situation, Rita is the head of the household, so the household is an elderly household.

In cases such as these, PJs must clarify the family type with the family before making a judgement about the type of household.

Exhibit 3.1 of Chapter Three identified persons whose incomes are not counted in the Part 5 definition of annual income. For the purposes of adjusting income, these same persons are not considered family members—even if they live in the same household—and cannot qualify a family for deductions or allowances. These include live-in aides, children of live-in aides, and foster children.

For example, if a live-in aide must pay \$50 per week for child care in order to work for a family, the family itself cannot consider this child care cost when determining whether it is eligible for a child care deduction because the live-in aide is not considered a family member. (See the discussion on child care, below.)

### **Elderly or Disabled Household Deduction**

A household that meets the definition of an elderly or disabled household is entitled to a



deduction of \$400 *per household*. It is essential to understand the distinction between elderly/disabled households and non-elderly/non-disabled households in order to apply the allowances correctly. Complete the following chart to assess your understanding of these issues.

Which of the following households qualify for an elderly or disabled household deduction of \$400? (Note: the age of the family member is shown in parentheses.)

| Household Characteristics          | Yes | No |
|------------------------------------|-----|----|
| 1. Head (59), spouse (63)          |     |    |
| 2. Head (40), disabled spouse (39) |     |    |
| 3. Head (59), disabled son (16)    |     |    |
| 4. Head (59), disabled son (32)    |     |    |
| 5. Head (40), father (63)          |     |    |
| 6. Disabled head of household (51) |     |    |

The answers can be found in Exhibit 4.2 at the end of this chapter.

### **Dependent Deduction**

When calculating adjusted income, PJs must deduct \$480 from annual income for *each* household dependent. HUD's definition of dependent is different from the Internal Revenue Service (IRS) definition. HUD defines as dependent any household member who is not the head, co-head, or spouse, but is:

- Under the age of 18 years; or
- Disabled (of any age); or
- A full-time student (of any age).

The household member must qualify for the deduction at the time the income certification is made. For example, a household member is 17 years of age at the time, but will turn 18 six months later. Because the member is dependent at the time of certification, the family receives the \$480 deduction. The PJ is not required to recertify the family six months later when the member turns 18. When the household's income is recertified the

following year, however, the family loses the \$480 deduction (unless the 18-year-old family member is a full-time student).

A household may request a re-examination of income if its status changes (e.g., the family has a baby or adopts a child), and it now qualifies for more deductions.

### **Child Care Expenses Deduction**

Reasonable child care expenses for the care of a child age 12 or under may be deducted from annual income if the child care (1) enables an adult family member to seek employment actively, be gainfully employed, or further his/her education; and (2) expenses are not reimbursed. The child care expenses must be reasonable.

To document that the anticipated child care expenses can be deducted, the household must:

- Identify the child(ren) who will be cared for;
- Identify the family member who is enabled to work, look for work, or go to school because of the child care;
- Demonstrate that no other adult household member is available to care for the child;
- Identify the child care provider; and
- Provide documentation of costs.

If a deduction for child care expenses is requested, the allowable expenses cannot exceed the income generated by that household member during the period the care is provided. The PJ should look at the family's actual circumstances to determine which family member is enabled to work. In general, the person with the lowest income (i.e., the person who would quit work to take care of the children if no child care were available) is considered the family member enabled to work.

If a deduction for child care expenses is requested to enable a family member to seek work, the family must provide evidence that the household member is looking for work.

If a deduction for child care expenses is requested to enable a family member to go to school, the household must provide documentation that the household member is enrolled in a vocational program or degree-granting institution. The household member need not be a full-time student.

### **Medical Expenses Deduction**

Elderly or disabled households (as defined previously) that have no disability assistance expenses (see below) may claim as a deduction medical expenses that are in excess of three percent of annual income. Medical expenses that may be considered include all medical expenses anticipated to be incurred during the coming year that are not covered by insurance. Medical expenses can include such items as:

- Services of a physician or other health care professional;
- Services of a hospital or other health care facility;
- Medical insurance premiums;
- Prescription and nonprescription medicines;
- Dental expenses;
- Eyeglasses and eye examinations;
- Medical or health products or apparatus (e.g., hearing aids or batteries);
- Live-in or periodic medical care assistance (e.g., visiting nurses or care attendants); and
- Periodic payments on accumulated medical bills.

The medical expenses allowance is the amount by which total medical expenses exceed three percent of annual income. For example, the Smith family has anticipated annual income of \$25,000 and anticipated medical expenses of \$3,000 (not covered by insurance). The calculation for the medical expense deduction would be:

|                            |            |
|----------------------------|------------|
| Total medical expenses     | \$3,000    |
| Less 3% of annual income   | <u>750</u> |
| Allowable medical expenses | \$2,250    |

One of the most challenging aspects of determining allowable medical expenses is “anticipating” a household’s medical expenses for the coming year. Some anticipated expenses can be documented (such as Medicare and other medical insurance premiums, the cost of ongoing prescriptions, and payment agreements for accumulated medical bills). Whenever possible, the PJ should request such documentation.

Using the previous year’s medical expenses is not always appropriate. The family may have had medical expenses last year that will not be repeated this year (e.g., major surgery) or the family may have new medical problems that were not reflected in last year’s costs (e.g., a family member has recently been diagnosed with a medical disorder). Even so, the experience from the previous year can provide a useful basis for anticipating future expenses. PJs can use last year’s history to help the family to anticipate costs, particularly in a household where a family member has regular medical or prescription needs. For example, if all household members went to the dentist twice during the previous year, it is appropriate to assume they will do so in the coming year. For “general” medical expenses (e.g., prescription and nonprescription medicines) using the previous year’s expenses is acceptable unless the family can provide documentation that higher expenses can be anticipated.

Allowable medical expenses are established at the time of income certification. Under a HOME-funded TBRA program, the household may request a re-examination of medical expenses if a major illness or emergency would significantly affect the anticipated amount.

Although medical expenses are permitted only for elderly or disabled households, once a household qualifies as an elderly or disabled household, the medical expenses of all household members are considered. For example, if a household includes the

head (grandmother, age 65), her daughter (age 35) and her granddaughter (age 12), the medical expenses of all three family members would be considered.

### HUD Notice PIH-2004-11

HUD issued Notice PIH-2004-11, “Income Calculation Regarding Medicare Prescription Drug Cards and Transitional Assistance,” on July 15, 2004. While the Notice addresses the calculation of annual household income under certain HUD programs, including certain Section 8 activities, the Notice and the Medicare Prescription Drug Card program **do not affect** the calculation of annual income under the Part 5 definition, and thus does not affect the calculation of annual or adjusted income for the purposes of HOME eligibility. The Medicare Modernization Act authorizing this benefit amended the Social Security Act to require that benefits provided under this program “not be treated as benefits or otherwise taken into account in determining an individual’s eligibility for, or amount of benefits under, any other Federal program.” Benefits provided under the Medicare Prescription Drug Benefit program must be excluded from the calculation of annual income of tenants residing in HUD’s public housing and assisted housing program units.

### Disability Assistance Expenses Deduction

Disability assistance expenses can also be deducted from annual income to the extent that they exceed three percent of annual income. The purpose of this deduction is to recognize expenses for the care of a disabled person that enable the disabled person or some other family member to work. Disability assistance expenses may include the cost of a care attendant and/or auxiliary apparatus that enables a household member, including the disabled member, to work. Consider the following examples:

- Jane and John Doe have a disabled 17-year-old son (John, Jr.). If a care

attendant takes care of John, Jr., Jane can go to work. The cost of the care attendant would be an eligible disability assistance expense.

- Samuel Brown, age 35, uses a wheelchair. The wheelchair and a specially adapted automobile enable John to go to work. The cost of his wheelchair and the adaptations to his automobile are eligible disability assistance expenses.

Expenses can be considered only if they enable a household member to work. Consider the following example:

- Samuel Brown, age 35, uses a wheelchair and a specially adapted automobile. His income comes from a disability pension. The costs of the wheelchair and the adaptations to the automobile are not eligible disability assistance expenses because no family member is enabled to work. Samuel’s disability does, however, qualify him as a disabled head of household. Thus, he is entitled to medical expenses. The wheelchair (but not the adaptations to the automobile) could qualify as a medical expense.

Expenses may be deducted only if: (1) they are reasonable; (2) they are not reimbursed from another source, such as insurance; (3) they do not exceed the amount of income generated by the person enabled to work; and (4) they are in excess of three percent of annual income.

### When Both Medical and Disability Assistance Expenses Apply

As noted above, both medical expenses and disability assistance expenses are limited to those in excess of three percent of annual income. For families who qualify for both types of expenses, the allowable amount is the amount by which the *combined* expenses exceed three percent of annual income. Because disability assistance expenses are also capped by the amount of income earned, a special calculation is required.

The PJ first calculates the allowable disability assistance expenses and then adds to that the allowable medical expenses. The form in Exhibit 4.3 is designed to help perform this calculation.

### **Sample Format for Calculating Adjusted Income**

As for annual income, any information used to determine the household's eligibility for participation in the program or the amount of a deduction or allowance must be documented in a way that allows HUD to monitor the PJ's determination. Exhibit 4.3 provides a sample format for calculating adjusted income. Exhibits 4.4 through 4.6 provide examples and exercises on calculating adjusted income.

### **Exhibit 4.2 – Answers to Exercise on page 55**

Which of the following households qualify for an elderly or disabled household deduction of \$400?

| <b>Household Characteristics</b>   | <b>Yes</b>  | <b>No</b> |
|------------------------------------|---|-----------|
| 1. Head (59), spouse (63)          | •   |           |
| 2. Head (40), disabled spouse (39) | •   |           |
| 3. Head (59), disabled son (16)    |   | •         |
| 4. Head (59), disabled son (32)    | Maybe; the head and son could be living as co-heads, in which case the household would be a disabled household.   |           |
| 5. Head (40), father (63)          | Maybe; the head and father could be living as co-heads, in which case the household would be an elderly household. If the father were the head of household, the household would be an elderly household. |           |
| 6. Disabled head of household (51) | •   |           |

**Exhibit 4.3 – Sample Format for Calculating Part 5 Adjusted Income**

|  |    |
|--|----|
| 1. Enter Annual Income.  | 1. |
| 2. Enter the number of family members (excluding head or spouse) under 18, disabled, or full-time students.  | 2. |
| 3. Multiply line 2 by \$480.   | 3. |
| 4. If a family member is enabled to work or further their education as a result of child care expenses, enter the <u>unreimbursed</u> annual child care expenses (reasonable child care expenses for children age 12 and under). | 4. |
| 5. If the family member was enabled to <u>work</u> as a result of the child care expenses, enter that family member's annual <u>employment income</u> .  | 5. |
| 6. If an amount is reported in Line 5, enter the lesser of Lines 4 or 5. Otherwise, enter the amount in Line 4.  | 6. |
| 7. If the household qualifies as an elderly and/or disabled household, enter \$400.  | 7. |
| 8. Add Lines 3, 6, and 7.  | 8. |
| 9. <i>If this household has no unreimbursed disability assistance or medical expenses</i> , subtract Line 8 from Line 1. This is <b>Adjusted Income</b> for this household <i>without</i> these expenses.                        | 9. |

\*\*\*\*\*

**FILL IN LINES 10 THROUGH 20 IF THE FAMILY HAS  
UNREIMBURSED DISABILITY ASSISTANCE OR  
MEDICAL EXPENSES**

\*\*\*\*\*

|  |      |
|--|------|
| 10. Enter <u>unreimbursed</u> annual disability assistance expenses.   | 10.  |
| 11. Enter the annual <u>earned income</u> of the family member enabled to work as a result of unreimbursed disability assistance expenses.   | 11.  |
| 12. Enter the lesser of Lines 10 or 11.  | 12.  |
| 13. Enter <u>unreimbursed</u> annual medical expenses.   | 13.  |
| 14. Add Lines 12 and 13.   | 14.  |
| 15. Multiply Line 1 by 0.03.   | 15.  |
| 16. Subtract Line 15 from Line 12. If negative, enter 0.   | 16.  |
| 17. Subtract Line 15 from Line 13. If negative, enter 0.   | 17.  |
| 18. Subtract Line 15 from Line 14. If negative, enter 0.   | 18.  |
| 19a. If the household reported <u>only</u> unreimbursed disability expenses but <u>no</u> unreimbursed medical expenses, add Lines 8 and 16. | 19a. |
| 19b. If the household reported <u>only</u> unreimbursed medical expenses but <u>no</u> unreimbursed disability expenses, add Lines 8 and 17. | 19b. |
| 19c. If the household reported <u>both</u> unreimbursed disability expenses and unreimbursed medical expenses, add Lines 8 and 18.           | 19c. |
| 20. Subtract either Line 19a, 19b, or 19c from Line 1. This is <b>Adjusted Income</b> for this household <i>with</i> these expenses.         | 20.  |

Exhibit 4.4 – Calculating Part 5 Adjusted Income – Example

| Family Member   | Position in Family | Age | Income                       | Expenses  |
|-----------------|--------------------|-----|------------------------------|---|
| Pearl Henderson | Head               | 76  | \$13,500                     | Prescription medication – \$75/month;<br>Medicare deduction – \$38.50/month |
| Marshall Jones  | Grandson           | 19  | No income; full-time student | Visits to physician – \$120/year  |

|  |          |             |
|--|----------|-------------|
| 1. Enter Annual Income.  |          | 1. \$13,500 |
| 2. Enter the number of family members (excluding head or spouse) under 18, disabled, or full-time students.  | 2. 1     |             |
| 3. Multiply line 2 by \$480. This is the dependent deduction.  |          | 3. \$480    |
| 4. If a family member is enabled to work or further their education as a result of child care expenses, enter the <u>unreimbursed</u> annual child care expenses (reasonable child care expenses for children age 12 and under).     | 4. N/A   |             |
| 5. If the family member was enabled to <u>work</u> as a result of the child care expenses, enter that family member's annual <u>employment income</u> .  | 5. N/A   |             |
| 6. If an amount is reported in Line 5, enter the lesser of Lines 4 or 5. Otherwise, enter the amount in Line 4.  |          | 6. \$0.00   |
| 7. If the household qualifies as an elderly and/or disabled household, enter \$400. This is the elderly/disabled household deduction. Otherwise, enter 0.  |          | 7. \$400    |
| 8. Add Lines 3, 6, and 7.  | 8. \$880 |             |
| 9. <i>If the household has no unreimbursed disability assistance or medical expenses</i> , subtract Line 8 from Line 1. This is <b>Adjusted Income</b> for a household <i>without</i> these expenses. Otherwise, proceed to line 10. |          | 9.          |

\*\*\*\*\* **FILL IN LINES 10 THROUGH 20 IF THE FAMILY HAS UNREIMBURSED DISABILITY ASSISTANCE OR MEDICAL EXPENSES** \*\*\*\*\*

**Exhibit 4.4 (continued)**

|  |              |              |
|--|--------------|--------------|
| 10. Enter <u>unreimbursed</u> annual disability assistance expenses.   | 10. N/A      |              |
| 11. Enter the annual <u>earned income</u> of the family member enabled to work as a result of unreimbursed disability assistance expenses.   | 11. N/A      |              |
| 12. Enter the lesser of Lines 10 or 11.  | 12. N/A      |              |
| 13. Enter <u>unreimbursed</u> annual medical expenses.   | 13. \$1,482  |              |
| 14. Add Lines 12 and 13.   | 14. \$1,482  |              |
| 15. Multiply Line 1 by 0.03.   | 15. \$405    |              |
| 16. Subtract Line 15 from Line 12. If negative, enter 0.   |              | 16. \$0.00   |
| 17. Subtract Line 15 from Line 13. If negative, enter 0.   |              | 17. \$1,077  |
| 18. Subtract Line 15 from Line 14. If negative, enter 0.   |              | 18. \$1,077  |
| 19a. If the household reported <u>only</u> unreimbursed disability expenses but <u>no</u> unreimbursed medical expenses, add Lines 8 and 16. | 19a. 0       |              |
| 19b. If the household reported <u>only</u> unreimbursed medical expenses but <u>no</u> unreimbursed disability expenses, add Lines 8 and 17. | 19b. \$1,957 |              |
| 19c. If the household reported <u>both</u> unreimbursed disability expenses <u>and</u> unreimbursed medical expenses, add Lines 8 and 18.    | 19c. 0       |              |
| 20. Subtract either Line 19a, 19b, or 19c from Line 1. This is <b>Adjusted Income</b> for this household <i>with</i> these expenses.         |              | 20. \$11,543 |

**Explanation**

|               |  |
|---------------|--|
| Line 2        | Marshall is a full-time student, so the household qualifies for one \$480 deduction.   |
| Line 4        | There are no children under age 12.  |
| Lines 5-9     | The household qualifies as an elderly household and does have annual unreimbursed medical expenses.  |
| Lines 10-14   | The household does not have any annual unreimbursed disability assistance expenses (Lines 10-12), but does have annual unreimbursed medical expenses $[(\$75/\text{month} \times 12 \text{ months/year}) + (\$38.50/\text{month} \times 12 \text{ months/year}) + (\$120/\text{year}) = \$1,482]$ . This amount is entered in Line 13. |
| Line 15       | The household can only deduct those unreimbursed medical and disability assistance expenses that exceed 3 percent of annual household income.  |
| Lines 16-18   | The household deducts 3 percent of its annual income from the total amount of annual unreimbursed medical expenses (Line 17).  |
| Lines 19a-19c | The household adds its medical expenses deduction (Line 17) to the other deductions (dependent deduction, elderly household deduction) that are summed in Line 8, and enters this total in Line 19b (households reporting medical expenses, but no disability assistance expenses).  |
| Line 20       | The amount entered in Line 19b (\$1,957) is subtracted from the household's annual income figure in Line 1 (\$13,500), giving it an adjusted income of \$11,543.   |

Exhibit 4.5 – Calculating Part 5 Adjusted Income – Example

| Family Member   | Position in Family | Age | Income    | Expenses                             |
|-----------------|--------------------|-----|-----------|--------------------------------------|
| Clark Griswald  | Head               | 40  | \$27,900  | Prescription medication – \$75/month |
| Rusty Griswald  | Son                | 13  | No income | Child care – \$50/week               |
| Audrey Griswald | Daughter           | 11  | No income | Child care – \$50/week               |

|  |             |             |
|--|-------------|-------------|
| 1. Enter Annual Income.  |             | 1. \$27,900 |
| 2. Enter the number of family members (excluding head or spouse) under 18, disabled, or full-time students.  | 2. 2        |             |
| 3. Multiply line 2 by \$480. This is the dependent deduction.  |             | 3. \$960    |
| 4. If a family member is enabled to work or further their education as a result of child care expenses, enter the <u>unreimbursed</u> annual child care expenses (reasonable child care expenses for children age 12 and under).     | 4. \$2,600  |             |
| 5. If the family member was enabled to <u>work</u> as a result of the child care expenses, enter that family member's annual <u>employment income</u> .  | 5. \$27,900 |             |
| 6. If an amount is reported in Line 5, enter the lesser of Lines 4 or 5. Otherwise, enter the amount in Line 4.  |             | 6. \$2,600  |
| 7. If the household qualifies as an elderly and/or disabled household, enter \$400. This is the elderly/disabled household deduction. Otherwise, enter 0.  |             | 7. 0        |
| 8. Add Lines 3, 6, and 7.  | 8. \$3,560  |             |
| 9. <i>If the household has no unreimbursed disability assistance or medical expenses</i> , subtract Line 8 from Line 1. This is <b>Adjusted Income</b> for a household <i>without</i> these expenses. Otherwise, proceed to line 10. |             | 9. \$24,340 |

\*\*\*\*\*

**FILL IN LINES 10 THROUGH 20 IF THE FAMILY HAS  
UNREIMBURSED DISABILITY ASSISTANCE OR  
MEDICAL EXPENSES**

\*\*\*\*\*



**Exhibit 4.5 (continued)**

|  |          |         |
|--|----------|---------|
| 10. Enter <u>unreimbursed</u> annual disability assistance expenses.   | 10. N/A  |         |
| 11. Enter the annual <u>earned income</u> of the family member enabled to work as a result of unreimbursed disability assistance expenses.   | 11. N/A  |         |
| 12. Enter the lesser of Lines 10 or 11.  | 12. N/A  |         |
| 13. Enter <u>unreimbursed</u> annual medical expenses.   | 13. N/A  |         |
| 14. Add Lines 12 and 13.   | 14. N/A  |         |
| 15. Multiply Line 1 by 0.03.   | 15. N/A  |         |
| 16. Subtract Line 15 from Line 12. If negative, enter 0.   |          | 16. N/A |
| 17. Subtract Line 15 from Line 13. If negative, enter 0.   |          | 17. N/A |
| 18. Subtract Line 15 from Line 14. If negative, enter 0.   |          | 18. N/A |
| 19a. If the household reported <u>only</u> unreimbursed disability expenses but <u>no</u> unreimbursed medical expenses, add Lines 8 and 16. | 19a. N/A |         |
| 19b. If the household reported <u>only</u> unreimbursed medical expenses but <u>no</u> unreimbursed disability expenses, add Lines 8 and 17. | 19b. N/A |         |
| 19c. If the household reported <u>both</u> unreimbursed disability expenses <u>and</u> unreimbursed medical expenses, add Lines 8 and 18.    | 19c. N/A |         |
| 20. Subtract either Line 19a, 19b, or 19c from Line 1. This is <b>Adjusted Income</b> for this household <i>with</i> these expenses.         |          | 20. N/A |

**Explanation**

|             |   |
|-------------|---|
| Line 2      | There are two children in the family under the age of 18.   |
| Lines 4-6   | Although the family has child care expenses for both children, only Audrey's expenses are eligible for the child care deduction because only she is under the age of 12. Audrey's child care expenses are less than Clark's annual income, and are reported as the household's child care expense deduction (Line 6). |
| Line 7      | The household does not qualify for either the elderly or disabled household deduction of \$400.   |
| Lines 8-9   | The household's eligible deductions are subtracted from Clark's annual income. This is the household's adjusted income (\$24,340).  |
| Lines 10-20 | There are no further calculations or adjustments to be made to the Griswald's annual income.  |

**Exhibit 4.6 – Calculating Part 5 Adjusted Income – Exercise**

Instructions: Based on the information about the Taylor household below, complete the worksheet to determine its adjusted income figure.

| Family Member | Position in Family        | Age | Income                                   | Expenses  |
|---------------|---------------------------|-----|--|---|
| Jill Taylor   | Head                      | 36  | \$22,984                                 | Health insurance – \$230/month; Prescription medication – \$75/month for Jill and Randy; Visits to the physician for Randy and Brad – \$370/year. |
| Tim Taylor    | Spouse; full-time student | 36  | \$3,500; plus \$2,500 from a school loan |   |
| Randy Taylor  | Son – disabled            | 15  | None                                     | Attendant care, which frees Tim to work – \$50/week   |
| Brad Taylor   | Son                       | 11  | None                                     | Child care – \$25/week  |

|  |    |
|--|----|
| 1. Enter Annual Income.  | 1. |
| 2. Enter the number of family members (excluding head or spouse) under 18, disabled, or full-time students.  | 2. |
| 3. Multiply line 2 by \$480. This is the dependent deduction.  | 3. |
| 4. If a family member is enabled to work or further their education as a result of child care expenses, enter the <u>unreimbursed</u> annual child care expenses (reasonable child care expenses for children age 12 and under).     | 4. |
| 5. If the family member was enabled to <u>work</u> as a result of the child care expenses, enter that family member's annual <u>employment income</u> .  | 5. |
| 6. If an amount is reported in Line 5, enter the lesser of Lines 4 or 5. Otherwise, enter the amount in Line 4.  | 6. |
| 7. If the household qualifies as an elderly and/or disabled household, enter \$400. This is the elderly/disabled household deduction. Otherwise, enter 0.  | 7. |
| 8. Add Lines 3, 6, and 7.  | 8. |
| 9. <i>If the household has no unreimbursed disability assistance or medical expenses</i> , subtract Line 8 from Line 1. This is <b>Adjusted Income</b> for a household <i>without</i> these expenses. Otherwise, proceed to line 10. | 9. |

\*\*\*\*\* **FILL IN LINES 10 THROUGH 20 IF THE FAMILY HAS UNREIMBURSED DISABILITY ASSISTANCE OR MEDICAL EXPENSES** \*\*\*\*\*

**Exhibit 4.6 (continued)**

|  |      |     |
|--|------|-----|
| 10. Enter <u>unreimbursed</u> annual disability assistance expenses.   | 10.  |     |
| 11. Enter the annual <u>earned income</u> of the family member enabled to work as a result of unreimbursed disability assistance expenses.   | 11.  |     |
| 12. Enter the lesser of Lines 10 or 11.  | 12.  |     |
| 13. Enter <u>unreimbursed</u> annual medical expenses.   | 13.  |     |
| 14. Add Lines 12 and 13.   | 14.  |     |
| 15. Multiply Line 1 by 0.03.   | 15.  |     |
| 16. Subtract Line 15 from Line 12. If negative, enter 0.   |      | 16. |
| 17. Subtract Line 15 from Line 13. If negative, enter 0.   |      | 17. |
| 18. Subtract Line 15 from Line 14. If negative, enter 0.   |      | 18. |
| 19a. If the household reported <u>only</u> unreimbursed disability expenses but <u>no</u> unreimbursed medical expenses, add Lines 8 and 16. | 19a  |     |
| 19b. If the household reported <u>only</u> unreimbursed medical expenses but <u>no</u> unreimbursed disability expenses, add Lines 8 and 17. | 19b. |     |
| 19c. If the household reported <u>both</u> unreimbursed disability expenses <u>and</u> unreimbursed medical expenses, add Lines 8 and 18.    | 19c. |     |
| 20. Subtract either Line 19a, 19b, or 19c from Line 1. This is <b>Adjusted Income</b> for this household <i>with</i> these expenses.         |      | 20. |

## ANSWERS

|  |              |
|--|--------------|
| 1. Enter Annual Income.  | 1. \$26, 484 |
| 2. Enter the number of family members (excluding head or spouse) under 18, disabled, or full-time students.  | 2. 2         |
| 3. Multiply line 2 by \$480. This is the dependent deduction.  | 3. \$960     |
| 4. If a family member is enabled to work or further their education as a result of child care expenses, enter the <u>unreimbursed</u> annual child care expenses (reasonable child care expenses for children age 12 and under).     | 4. \$1,300   |
| 5. If the family member was enabled to <u>work</u> as a result of the child care expenses, enter that family member's annual <u>employment income</u> .  | 5. \$3,500   |
| 6. If an amount is reported in Line 5, enter the lesser of Lines 4 or 5. Otherwise, enter the amount in Line 4.  | 6. \$1,300   |
| 7. If the household qualifies as an elderly and/or disabled household, enter \$400. This is the elderly/disabled household deduction. Otherwise, enter 0.  | 7. 0         |
| 8. Add Lines 3, 6, and 7.  | 8. \$2,260   |
| 9. <i>If the household has no unreimbursed disability assistance or medical expenses</i> , subtract Line 8 from Line 1. This is <b>Adjusted Income</b> for a household <i>without</i> these expenses. Otherwise, proceed to Line 10. | 9.           |

\*\*\*\*\*

## FILL IN LINES 10 THROUGH 20 IF THE FAMILY HAS UNREIMBURSED DISABILITY ASSISTANCE OR MEDICAL EXPENSES

\*\*\*\*\*

|  |              |
|--|--------------|
| 10. Enter <u>unreimbursed</u> annual disability assistance expenses.   | 10. \$2,600  |
| 11. Enter the annual <u>earned income</u> of the family member enabled to work as a result of unreimbursed disability assistance expenses.   | 11. \$3,500  |
| 12. Enter the lesser of Lines 10 or 11.  | 12. \$2,600  |
| 13. Enter <u>unreimbursed</u> annual medical expenses.   | 13. N/A      |
| 14. Add Lines 12 and 13.   | 14. \$2,600  |
| 15. Multiply Line 1 by 0.03.   | 15. \$795    |
| 16. Subtract Line 15 from Line 12. If negative, enter 0.   | 16. \$1,805  |
| 17. Subtract Line 15 from Line 13. If negative, enter 0.   | 17. 0        |
| 18. Subtract Line 15 from Line 14. If negative, enter 0.   | 18. \$1,805  |
| 19a. If the household reported <u>only</u> unreimbursed disability expenses but <u>no</u> unreimbursed medical expenses, add Lines 8 and 16. | 19a. \$4,065 |
| 19b. If the household reported <u>only</u> unreimbursed medical expenses but <u>no</u> unreimbursed disability expenses, add Lines 8 and 17. | 19b. 0       |
| 19c. If the household reported <u>both</u> unreimbursed disability expenses <u>and</u> unreimbursed medical expenses, add Lines 8 and 18.    | 19c. 0       |
| 20. Subtract either Line 19a, 19b, or 19c from Line 1. This is <b>Adjusted Income</b> for this household <i>with</i> these expenses.         | 20. \$22,419 |

## Chapter Four – Calculating Adjusted Income

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### Explanation

|             |   |
|-------------|---|
| Line 1      | Include Jill's annual income of \$22,984 plus Tim's income of \$3,500. Do not include Tim's student loan of \$2,500.  |
| Line 2      | There are two children in the family under the age of 18. Although Tim is a full-time student, he is not eligible for a \$480 deduction because he is the head of household or spouse.  |
| Lines 4-6   | Brad is the only child under age 12. Include his child care costs of \$25/week X 52 weeks/year = \$1,300. Brad's child care services allow Tim to work. The lesser of Tim's annual earned income and Brad's child care expenses is \$1,300. This is the household's child care deduction. |
| Line 7      | Although Randy is disabled, this does not qualify the household as "disabled" under the Part 5 definition. The Taylors do not qualify for the \$400 deduction for disabled and/or elderly households.   |
| Lines 10-12 | The attendant care for Randy allows Tim to work and go to school. Randy's attendant expenses (\$1,300) are less than Tim's annual income (\$3,500), and are entered as the amount of unreimbursed annual disability services costs.   |
| Line 13.    | The Taylor household does not qualify as an elderly or disabled household, therefore none of Jill's medical expenses exceeding 3 percent of household income can be deducted.   |
| Lines 15-16 | Three percent of the household's annual income is \$795. This amount is subtracted from the annual cost of Randy's disability assistance, and entered as the household's disability deduction.  |
| Line 19a    | The Taylor household's combined dependent, child care and disability assistance deductions sum to \$4,065.  |
| Line 20     | The figure from Line 19a (\$4,065) is subtracted from Line 1 to determine the household's adjusted income (\$22,419).   |



## Chapter Five

### Calculating Assistance Amounts

This chapter describes how HOME Program definitions of income (found at 24 CFR Part 92.203) are used to calculate tenant payments and PJ subsidies under a HOME-funded tenant based rental assistance (TBRA) program and to comply with anti-displacement and tenant assistance requirements under the Uniform Relocation Act (URA) and Section 104(d) relocation requirements.

Detailed guidance on HOME TBRA programs is provided in a companion guide, *Tenant Based Rental Assistance: A HOME Program Model*. This model program guide is available online at the HOME Program Model Program Guide website at <http://www.hud.gov/offices/cpd/affordablehousing/library/modelguides/index.cfm>.

In summary, the PJ must establish a rent standard for each unit size (by number of bedrooms) that is: (1) not greater than the HUD-published Existing Housing Fair Market Rent (FMR) or the HUD-approved Area Exception Rent; or (2) determined locally based on local market conditions.

#### Tenant and PJ Payments for HOME TBRA Programs

Under the HOME regulations pertaining to TBRA, PJs have some discretion in the amount of rental subsidy they provide to, or on behalf of, a tenant. The subsidy can be no greater than the difference between a PJ-established payment standard and 30 percent of the household's adjusted monthly income. The PJ must also establish a minimum tenant contribution.

PJs can use either the Section 8 Rental Certificate or Rental Voucher Program as a model to determine the PJ subsidy, or they can establish their own methodology, in conformance with regulatory requirements.

#### Rental Certificate Model

A PJ that chooses to use the Rental Certificate Program as a model assumes a fixed tenant payment—the tenant's share of housing costs (Total Tenant Payment [TTP]) is calculated by formula. The public housing agency (PHA) then pays the difference between the tenant's share and the approved rent for the unit.

The formula for computing TTP under the Certificate Program requires a tenant to pay the greatest of:

- 30 percent of its household's monthly adjusted income;
- 10 percent of its household's monthly annual (gross) income; or
- Welfare rent (applies only to welfare recipients in as-paid localities).

Exhibit 5.1 demonstrates this method.

#### Rental Voucher Model

The Rental Voucher Program assumes a fixed PHA payment—the maximum PHA subsidy is calculated and the tenant pays the difference between the PHA subsidy and the approved rent for the unit.

Using the Rental Voucher method, the PJ first establishes rent standards by unit size for the program as a whole. Details on establishing the payment standard are provided in the TBRA model program guide, *Tenant-Based Rental Assistance: A HOME Program Model*. The PJ generally pays the difference between its rent standard and 30 percent of the tenant's monthly adjusted income. A minimum tenant payment of 10 percent of monthly annual (gross) income is required, however. Exhibit 5.2 demonstrates this method.

### **Income Calculations for Antidisplacement Activities**

A household that must move because it can no longer afford housing costs after completion of a Federally-funded activity is considered displaced. For instance, displacement might occur if rents are raised after Community Development Block Grant (CDBG) or HOME funds are used to rehabilitate a rental project.

For the CDBG and HOME Programs, to avoid displacement, any increased rents that are the result of the CDBG or HOME activity cannot exceed the following:

- For low-income households (those with incomes at or below 80 percent of the area median, as established by HUD), the household's TTP as calculated for the Certificate Program—the greatest of 30 percent of monthly adjusted income, 10 percent of monthly gross income, or the Welfare rent; or
- For households above the low-income limit, 30 percent of monthly gross income.

### **Replacement Housing Payments to Displaced Households**

Among other assistance, displaced renter households are entitled to replacement housing payments. In concept, the replacement housing payments are intended to make up the difference between the family's old base monthly rent and the amount the family *must pay* for housing at its new location. The formula for determining how much the family should receive varies depending on the family's length of occupancy, its income and

whether it is covered by Section 104(d) or the Uniform Relocation Act [URA]. (See HUD Handbook 1378 for a complete discussion of this topic.)

Under the URA (for both low-income households and those above the low-income limit) the household's base monthly rent is the lesser of:

- Rent and utilities the tenant paid at the displacement unit (old residence); or
- 30 percent of monthly gross income ( $[\text{annual income} / 12 \text{ months}] \times .30$ ); or
- Welfare rent (applies only to welfare recipients in as-paid localities).

The PJ must make up the difference between this ability to pay (household's base monthly rent) and the household's actual housing costs at the replacement unit (new residence) or a comparable rent established by the PJ if the new rent is higher than the old. Exhibit 5.3 provides an example of a URA replacement housing payment calculation.

A similar calculation is made under Section 104(d). Ability to pay under Section 104(d) is, however, based on the Section 8 Total Tenant Payment formula—the greatest of 30 percent of monthly adjusted income, 10 percent of gross monthly income, or welfare rent.

### **Sample Format for Calculating Total Tenant Payments**

Exhibits 5.4 and 5.5 provide sample formats for calculating TTP using both the Rental Certificate and Rental Voucher models. Examples of these calculations are included in Exhibits 5.6 and 5.7.



**Exhibit 5.1 – Sample Calculation of Tenant and PJ Payments Using the Rental Certificate Method**

|   |              |  |              |
|---|--------------|--|--------------|
| The Cleavers have been issued a 2-bedroom HOME TBRA coupon. Their Part 5 annual and adjusted incomes are \$22,500 and \$18,300, respectively. They find an apartment that rents for \$725 per month, including utilities. |              |  |              |
| The Cleavers must pay the greater of:   |              | The PJ must pay the difference between the tenant's share and the approved rent. |              |
| 30% of monthly adjusted income<br>(\$18,300/12 months) x .30  | <b>\$458</b> | Approved rent for the unit:  | \$725        |
| Or  |              | Less total tenant payment (TTP)  | <u>\$458</u> |
| 10% of monthly gross income<br>(\$22,500/12 months) x .10   | <b>\$188</b> | PJ's share of the rent   | <b>\$267</b> |

**Exhibit 5.2 – Sample Calculation of Tenant and PJ Payments Using the Rental Voucher Method**

|   |              |                         |              |
|---|--------------|-------------------------|--------------|
| The Cleavers have been issued a 2-bedroom HOME TBRA coupon. Their Part 5 annual and adjusted incomes are \$22,500 and \$18,300, respectively. As in Exhibit 5.1, their monthly adjusted income and monthly gross income are \$458 and \$188, respectively. They find an apartment that rents for \$800 per month, including utilities. The PJ's Rent Standard is \$775. |              |                         |              |
| The maximum PJ subsidy is:  |              | The Cleavers' share is: |              |
| Rent standard   | \$775        | Approved rent           | \$800        |
| Less 30% of monthly adjusted income   | <u>\$458</u> | Less maximum PJ subsidy | <u>\$317</u> |
| Maximum PJ subsidy  | <b>\$317</b> | Cleaver's payment       | <b>\$483</b> |
| In this example, the Cleavers will pay more than 30% of their adjusted monthly income for housing because they selected a unit that rents for more than the standard. Had the Cleavers found a very inexpensive unit, the requirement that the family pay at least 10% of monthly gross income might apply.   |              |                         |              |
| Approved rent   | \$500        |                         |              |
| Less maximum PJ subsidy   | <u>\$317</u> |                         |              |
| Calculated tenant share   | <b>\$183</b> |                         |              |
| The Cleavers, however, must pay at least 10% of gross monthly income (((\$22,500/12 months) x .10 = \$188). The PJ's contribution would be reduced by \$5.  |              |                         |              |

**Exhibit 5.3 – Sample URA Replacement Housing Payment Calculation**

The Simpson family is being displaced from a HOME rental project because their household size is too large for any unit in the project after its rehabilitation. The family's current rent (including utilities) is \$475 per month. The PJ identifies a unit that is suitable to the family's size and otherwise comparable to the unit they will be leaving. The rent for the comparable unit is \$500. The Simpson family elected to move to another unit that rents for \$520. This is not a welfare as-paid jurisdiction. The Simpson's annual income is \$15,000/year.

The replacement payment would be calculated as follows:

|   |                |
|---|----------------|
| 1. Determine the family's ability to pay as the lesser of:                                |                |
| 30% of gross monthly income (( $\$15,000/12$ months) x .30)                               | <b>\$ 375</b>  |
| Or  |                |
| Family's rent and utilities at displacement unit  | <b>\$ 475</b>  |
| 2. Determine the new housing costs to be considered as the lesser of:                     |                |
| PJ-determined comparable unit   | <b>\$ 500</b>  |
| Family's rent and utilities at replacement unit   | <b>\$ 520</b>  |
| 3. Provide the family with the difference between these two amounts for a 42-month period |                |
| New housing costs to be considered  | <b>\$ 500</b>  |
| Less family's ability to pay  | <b>\$ 375</b>  |
|   | <b>\$ 125</b>  |
| Months  | <b>x 42</b>    |
| Replacement housing payment   | <b>\$5,250</b> |

**Exhibit 5.4 – Sample Format for Computing Total Tenant Payment and PJ Subsidy -- Rental Voucher Model**

(This form is designed to continue from the Sample Format for Computing Part 5 Adjusted Income, presented in Chapter 4.)

|     |   |     |
|-----|---|-----|
| 15. | Rent Standard   | 15. |
| 16. | 30% of Monthly Adjusted Income ((line 14 ÷ 12) x 0.30).       | 16. |
| 17. | Maximum Subsidy (line 15 minus line 16).                      | 17. |
| 18. | Rent Charged by Owner. <sup>2</sup>                           | 18. |
| 19. | Utility Allowance — if any.                                   | 19. |
| 20. | Gross Rent for the Unit (line 18 plus line 19).               | 20. |
| 21. | Gross Rent minus Maximum Subsidy (line 20 minus line 17).     | 21. |
| 22. | 10% of Monthly Gross Income (line 1 ÷ 12) x 0.10).            | 22. |
| 23. | Total Family Contribution (higher of line 21 or line 22).     | 23. |
| 24. | Gross Rent minus Family Contribution (line 20 minus line 23). | 24. |
| 25. | Total Voucher Subsidy (lower of line 17 or line 24).          | 25. |
| 26. | PJ Payment to Owner (lower of line 18 or line 25).            | 26. |
| 27. | Family Rent to Owner (line 18 minus line 26).                 | 27. |
| 28. | Utility Reimbursement — if any (line 25 minus line 26).       | 28. |

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<sup>2</sup> If this is a Section 236 or Department of Agriculture Rural Development Section 515 project, enter the lower of the project's market Rent or line 22, *but* never less than the project's Basic Rent.

**Exhibit 5.5 – Sample Format for Computing Total Tenant Payment and PJ Subsidy -- Rental Certificate Model<sup>3</sup>**

(This form is designed to continue from the Sample Format for Computing Part 5 Adjusted Income, presented in Chapter 4.)

|     |   |     |
|-----|---|-----|
| 15. | 30% of Monthly Adjusted Income (line 14 ÷ 12) x 0.30).  | 15. |
| 16. | 10% of Gross Monthly Income (line 1 ÷ 12) x 0.30).  | 16. |
| 17. | Welfare rent (if applicable).   | 17. |
| 18. | TOTAL TENANT PAYMENT (greater of lines 15, 16 or 17).   | 18. |
| 19. | Contract Rent to Owners.  | 19. |
| 20. | Utility Allowance.  | 20. |
| 21. | Gross Rent (line 19 plus line 20).  | 21. |
| 22. | Tenant Rent (line 18 minus line 20)<br>If line 20 is greater than line 18, enter zero, and enter the<br><i>difference</i> in line 23. | 22. |
| 23. | Utility Reimbursement to Tenant (line 20 minus line 18 only<br>if line 20 is greater than line 18).                                   | 23. |
| 24. | PJ Payment to Owner (line 19 minus line 22).  | 24. |

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<sup>3</sup> Must be used for calculation of TTP when required for anti-displacement activities.

**Exhibit 5.6 – Calculating PJ Subsidy -- Exercise**

The Petrillos family - Salvador (head of household), age 75, Sophia (spouse), age 77, and their son Phil, age 38 and handicapped- want to leave their house and move to an apartment that costs \$625 per month (utilities included). They will need HOME tenant based rental assistance (TBRA) to afford the apartment. When they applied for assistance, they had not found a buyer for their home.

The PJ's rent standard is \$600.

**Income Sources**

- Salvador receives a pension check of \$350/month and gross social security of \$625/month.
- Sophia receives a pension check of \$375/month. She works as a Retired Senior Volunteer and has averaged 20/hours week during the past year at \$6.50 an hour.
- Phil receives gross social security of \$305/month.

**Their Assets**

- The Petrillos own a home with a market value of \$50,000. The outstanding balance on the mortgage is \$10,000. The average cost of settlement and real estate transfers is five percent.
- The Petrillos' checking account has a \$1,525 average six-month balance. The actual yearly interest income on this account is \$58.
- The Petrillos' savings account holds \$2,500 with an annual interest rate of three percent.
- The Petrillos have a certificate of deposit worth \$10,000 with an annual interest rate of 4.2 percent.
- Last month, the Petrillos sold all their stock and gave the proceeds to their daughter Dorothy. Their net proceeds from the sale of the stock was \$1,850.

The HUD Passbook Rate is two percent.

**Their Expenses**

- Doctor and medication expenses for Salvador and Phil total \$1,390 per year.
- Medical insurance for the household equals \$2,300 per year.

Attendant care for Phil works costs \$50/week. This care enables Sophia to work.

Using the above information and the following format, calculate the Petrillos' annual and adjusted income using the Part 5 definitions. How much will the subsidy be?

Sample Format for Calculating Part 5 Annual Income

|  |                           |                                     |                                  |
|--|---------------------------|-------------------------------------|----------------------------------|
| 1. Name  |                           | 2. Identification No.:              |                                  |
| <b>ASSETS</b>  |                           |                                     |                                  |
| <b>Family Member</b>   | <b>Asset Description</b>  | <b>Current Cash Value of Assets</b> | <b>Actual Income from Assets</b> |
|  |                           |                                     |                                  |
|  |                           |                                     |                                  |
|  |                           |                                     |                                  |
|  |                           |                                     |                                  |
|  |                           |                                     |                                  |
| 3. Net Cash Value of Assets.....   |                           | 3.                                  |                                  |
| 4. Total Actual Income from Assets.....  |                           | 4.                                  |                                  |
| 5. If line 3 is greater than \$5,000, multiply line by ____ (Passbook Rate) and enter results here; otherwise, leave blank |                           | 5.                                  |                                  |
| <b>ANTICIPATED ANNUAL INCOME</b>   |                           |                                     |                                  |
| <b>Family Members</b>  | <b>a. Wages/ Salaries</b> | <b>b. Benefits/ Pensions</b>        | <b>c. Public Assistance</b>      |
|  |                           |                                     |                                  |
|  |                           |                                     |                                  |
|  |                           |                                     |                                  |
|  |                           |                                     |                                  |
| 6. Totals  | a.                        | b.                                  | c.                               |
| 7. Enter total of items from 6a. through 6e. This is <i>Annual Income</i> .  |                           |                                     | 7.                               |

Sample Format for Calculating Adjusted Income

|   |   |     |     |
|---|---|-----|-----|
| 1.  | Annual Income.  | 1.  |     |
| 2.  | Number of family members (excluding head or spouse) under 18, disabled, or full-time students.  | 2.  |     |
| 3.  | Multiply line 2 by \$480.   |     | 3.  |
| 4.  | Child care deduction (reasonable child care expenses for children age 12 and under).<br>[If family has disability assistance expenses or qualifies as an elderly family, proceed to line 5; otherwise, skip to line 13.]  |     | 4.  |
| 5.  | Enter disability assistance expenses.   | 5.  |     |
| 6.  | Multiply line 1 by 0.03.  | 6.  |     |
| 7.  | Subtract line 6 from line 5. If negative, enter 0.  | 7.  |     |
| 8.  | Enter amount earned by family member enabled to work as a result of disability assistance expenses.   | 8.  |     |
| 9.  | Enter the lesser of lines 7 or 8. This is the disability assistance allowance.  |     | 9.  |
| ***FILL IN LINES 10 THROUGH 12 FOR ELDERLY FAMILIES ONLY*** |   |     |     |
| 10.   | Enter total medical expenses.   | 10. |     |
| 11.   | Allowable medical expenses: <ul style="list-style-type: none"> <li>• If the household reported no expenses in line 5, enter line 10 minus line 6.</li> <li>• If the household reported expenses in line 5, but line 7 is zero, enter line 10 minus (line 6 minus 5).</li> <li>• If the household reported expenses in line 7 and line 7 is greater than zero, enter line 10.</li> </ul> |     | 11. |
| 12.   | Enter \$400.  |     | 12. |
| 13.   | Add lines 3, 4, 9, 11, and 12.  |     | 13. |
| 14.   | Subtract line 13 from line 1. This is <b>Adjusted Income</b> .  |     | 14. |

**Sample Format for Computing Total Tenant Payment and PJ Subsidy  
Rental Voucher Model**

(This form is designed to continue from the Sample Format for Computing Part 5 Adjusted Income, presented in Chapter 4.)

|     |   |                |
|-----|---|----------------|
| 15. | Rent Standard   | <div>15.</div> |
| 16. | 30% of Monthly Adjusted Income ((line 14 ÷ 12) x 0.30).       | <div>16.</div> |
| 17. | Maximum Subsidy (line 15 minus line 16).                      | <div>17.</div> |
| 18. | Rent Charged by Owner. <sup>4</sup>                           | <div>18.</div> |
| 19. | Utility Allowance — if any.                                   | <div>19.</div> |
| 20. | Gross Rent for the Unit (line 18 plus line 19).               | <div>20.</div> |
| 21. | Gross Rent minus Maximum Subsidy (line 20 minus line 17).     | <div>21.</div> |
| 22. | 10% of Monthly Gross Income (line 1 ÷ 12) x 0.10).            | <div>22.</div> |
| 23. | Total Family Contribution (higher of line 21 or line 22).     | <div>23.</div> |
| 24. | Gross Rent minus Family Contribution (line 20 minus line 23). | <div>24.</div> |
| 25. | Total Voucher Subsidy (lower of line 17 or line 24).          | <div>25.</div> |
| 26. | PJ Payment to Owner (lower of line 18 or line 25).            | <div>26.</div> |
| 27. | Family Rent to Owner (line 18 minus line 26).                 | <div>27.</div> |
| 28. | Utility Reimbursement — if any (line 25 minus line 26).       | <div>28.</div> |

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<sup>4</sup> If this is a Section 236 or Department of Agriculture Rural Development Section 515 project, enter the lower of the project's market Rent or line 22, *but* never less than the project's Basic Rent.



**Sample Format for Computing Total Tenant Payment and PJ Subsidy  
Rental Certificate Model<sup>5</sup>**

(This form is designed to continue from the Sample Format for Computing Part 5 Adjusted Income, presented in Chapter 4.)

|     |  |     |
|-----|--|-----|
| 15. | 30% of Monthly Adjusted Income (line 14 ÷ 12) x 0.30).   | 15. |
| 16. | 10% of Gross Monthly Income (line 1 ÷ 12) x 0.10).   | 16. |
| 17. | Welfare rent (if applicable).  | 17. |
| 18. | TOTAL TENANT PAYMENT (greater of lines 15, 16 or 17).  | 18. |
| 19. | Contract Rent to Owners.   | 19. |
| 20. | Utility Allowance.   | 20. |
| 21. | Gross Rent (line 19 plus line 20).   | 21. |
| 22. | Tenant Rent (line 18 minus line 20).<br>If line 20 is greater than line 18, enter zero, and enter the<br><i>difference</i> in line 23. | 22. |
| 23. | Utility Reimbursement to Tenant (line 20 minus line 18 only<br>if line 20 is greater than line 18).                                    | 23. |
| 24. | PJ Payment to Owner (line 19 minus line 22).   | 24. |

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<sup>5</sup> Must be used for calculation of TTP when required for anti-displacement activities.

Sample Format for Calculating Part 5 Annual Income

| 1. Name <i>Salvador and Sophia Petrillo</i>   |                         | 2. Identification No.:       |                           |                 |  |
|---|-------------------------|------------------------------|---------------------------|-----------------|--|
| <b>ASSETS</b>   |                         |                              |                           |                 |  |
| Family Member   | Asset Description       | Current Cash Value of Assets | Actual Income from Assets |                 |  |
| Salvador & Sophia   | Home                    | \$37,500                     | \$ 0                      |                 |  |
| Salvador & Sophia   | Checking Account        | \$1,525                      | \$ 58                     |                 |  |
| Salvador & Sophia   | Savings Account         | \$2,500                      | \$ 75                     |                 |  |
| Salvador & Sophia   | Certificates of Deposit | \$10,000                     | \$420                     |                 |  |
| Salvador & Sophia   | Stock                   | \$1,850                      | \$ 0                      |                 |  |
| 3. Net Cash Value of Assets.....  |                         | 3. \$53,375                  |                           |                 |  |
| 4. Total Actual Income from Assets.....   |                         | 4. \$ 553                    |                           |                 |  |
| 5. If line 3 is greater than \$5,000, multiply line by .02 (Passbook Rate) and enter results here; otherwise, leave blank |                         | 5. \$1,068                   |                           |                 |  |
| <b>ANTICIPATED ANNUAL INCOME</b>  |                         |                              |                           |                 |  |
| Family Members  | a. Wages/Salaries       | b. Benefits/Pensions         | c. Public Assistance      | d. Other Income | e. Asset Income                                    |
| Salvador  |                         | \$11,700                     |                           |                 | Enter the greater of lines 4 or 5 from above in e. |
| Sophia  |                         | \$ 4,500                     |                           |                 |  |
| Phil  |                         | \$ 3,660                     |                           |                 |  |
|   |                         |                              |                           |                 |  |
| 6. Totals   | a.                      | b. \$19,860                  | c.                        | d.              | e. \$ 1,068  |
| 7. Enter total of items from 6a. through 6e.<br>This is <i>Annual Income</i> .  |                         |                              |                           |                 | 7. 20,928  |

Sample Format for Calculating Adjusted Income

|   |             |            |
|---|-------------|------------|
| 1. Annual Income.   | 1. \$20,928 |            |
| 2. Number of family members (excluding head or spouse) under 18, disabled, or full-time students.   | 2. 1        |            |
| 3. Multiply line 2 by \$480.  |             | 3. 480     |
| 4. Child care deduction (reasonable child care expenses for children age 12 and under).<br>[If family has disability assistance expenses or qualifies as an elderly family, proceed to line 5; otherwise, skip to line 13.]   |             | 4. N/A     |
| 5. Enter disability assistance expenses.  | 5. 2,600    |            |
| 6. Multiply line 1 by 0.03.   | 6. 628      |            |
| 7. Subtract line 6 from line 5. If negative, enter 0.   | 7. 1,972    |            |
| 8. Enter amount earned by family member enabled to work as a result of disability assistance expenses.  | 8. 6,760    |            |
| 9. Enter the lesser of lines 7 or 8. This is the disability assistance allowance.   |             | 9. 1,972   |
| ***FILL IN LINES 10 THROUGH 12 FOR ELDERLY FAMILIES ONLY***   |             |            |
| 10. Enter total medical expenses.   | 10. 3,690   |            |
| 11. Allowable medical expenses:   |             |            |
| <ul style="list-style-type: none"> <li>If the household reported no expenses in line 5, enter line 10 minus line 6.</li> <li>If the household reported expenses in line 5, but line 7 is zero, enter line 10 minus (line 6 minus 5).</li> <li>If the household reported expenses in line 7 and line 7 is greater than zero, enter line 10.</li> </ul> |             | 11. 3,690  |
| 12. Enter \$400.  |             | 12. 400    |
| 13. Add lines 3, 4, 9, 11, and 12.  |             | 13. 6,542  |
| 14. Subtract line 13 from line 1. This is <b>Adjusted Income</b> .  |             | 14. 14,386 |

**Sample Format for Computing Total Tenant Payment and PJ Subsidy  
Rental Voucher Model**

|     |   |     |     |
|-----|---|-----|-----|
| 15. | Rent Standard   | 15. | 600 |
| 16. | 30% of Monthly Adjusted Income ((line 14 ÷ 12) x 0.30).       | 16. | 360 |
| 17. | Maximum Subsidy (line 15 minus line 16).                      | 17. | 240 |
| 18. | Rent Charged by Owner. <sup>6</sup>                           | 18. | 625 |
| 19. | Utility Allowance — if any.                                   | 19. | 0   |
| 20. | Gross Rent for the Unit (line 18 plus line 19).               | 20. | 625 |
| 21. | Gross Rent minus Maximum Subsidy (line 20 minus line 17).     | 21. | 385 |
| 22. | 10% of Monthly Gross Income (line 1 ÷ 12) x 0.10).            | 22. | 174 |
| 23. | Total Family Contribution (higher of line 21 or line 22).     | 23. | 385 |
| 24. | Gross Rent minus Family Contribution (line 20 minus line 23). | 24. | 240 |
| 25. | Total Voucher Subsidy (lower of line 17 or line 24).          | 25. | 240 |
| 26. | PJ Payment to Owner (lower of line 18 or line 25).            | 26. | 240 |
| 27. | Family Rent to Owner (line 18 minus line 26).                 | 27. | 385 |
| 28. | Utility Reimbursement — if any (line 25 minus line 26).       | 28. | 0   |

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<sup>6</sup> If this is a Section 236 or Department of Agriculture Rural Development Section 515 project, enter the lower of the project's market Rent or line 22, *but* never less than the project's Basic Rent.

**Sample Format for Computing Total Tenant Payment and PJ Subsidy  
Rental Certificate Model<sup>7</sup>**

|     |  |     |      |
|-----|--|-----|------|
| 15. | 30% of Monthly Adjusted Income (line 14 ÷ 12) x 0.30).   | 15. | 360  |
| 16. | 10% of Gross Monthly Income (line 1 ÷ 12) x 0.30).   | 16. | 174  |
| 17. | Welfare rent (if applicable).  | 17. | N/A  |
| 18. | TOTAL TENANT PAYMENT (greater of lines 15, 16 or 17).  | 18. | 360  |
| 19. | Contract Rent to Owners  | 19. | 625* |
| 20. | Utility Allowance.   | 20. | 0    |
| 21. | Gross Rent (line 19 plus line 20).   | 21. | 625  |
| 22. | Tenant Rent (line 18 minus line 20). If line 20 is greater than line 18, enter zero, and enter the <i>difference</i> in line 23. | 22. | 360  |
| 23. | Utility Reimbursement to Tenant (line 20 minus line 18 only if line 20 is greater than line 18).                                 | 23. | 0    |
| 24. | PJ Payment to Owner (line 19 minus line 22).   | 24. | 265  |

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<sup>7</sup> Must be used for calculation of TTP when required for anti-displacement activities.

### Explanation

#### Assets

|                         |  |
|-------------------------|--|
| HOME:                   | For HOME TBRA, the cash value of the home is counted as an asset when determining imputed asset income. The net market worth is \$50,000, less \$10,000 for the second mortgage and \$2,500 ( $\$50,000 \times 5\%$ ) for the sales expenses, or \$37,500. |
| Checking Account:       | The actual income from this account was \$58.  |
| Savings Account:        | \$2,500 in this account times an annual interest rate of 3% (.03) = \$75.  |
| Certificate of Deposit: | \$10,000 mature certificate of deposit times an interest rate of 4.2% (.042) = \$420.  |
| Stock:                  | Because the asset was sold less than two years ago, it must be included in this total.   |

The HUD Passbook Rate is 2%. The actual income, from the accounts and the certificate, is \$553. The imputed income is the total asset value times the Passbook Rate, or \$1,068. Because \$1,068 is larger than the actual amount earned, it must be used.

#### Income

|           |  |
|-----------|--|
| Salvador: | His pension check of \$350/month and gross Social Security of \$625/month come to \$11,700 annually. This is all benefit/pension income.             |
| Sophia:   | Her pension check of \$375/month comes to \$4,500 annually. Her wages for Retired Senior Volunteer are not counted as income (refer to Exhibit 3.2). |
| Phil:     | His gross Social Security payment of \$305/month comes to \$3,660 annually.  |

#### Adjustments

|           |   |
|-----------|---|
| Line 2:   | Phil is disabled and is therefore eligible for a \$480 deduction.   |
| Line 4:   | There are no children in the family.  |
| Line 5:   | Phil's attendant costs \$50/week. $\$50/\text{week} \times 52 \text{ weeks/year} = \$2,600$ .   |
| Line 7:   | The eligible amount of disabled assistance expense deduction is the portion that is in excess of 3% of the household's annual income.   |
| Line 8-9: | The maximum allowable disability assistance expense deduction is the amount that was earned because of the expenditure. In this case, this is Sophia's income of \$6,760. The disability allowance (line 9) is the lesser of this maximum amount or the portion of the disabled assistance expense that is in excess of 3% of the household total income. |
| Line 10:  | This is an elderly household (head or spouse over 62 years).  |
| Line 11:  | Because the 3% of annual income has already been deducted from the disability assistance expense, the medical expense can be deducted in full.  |
| Line 12:  | Allowance for elderly households.   |

## Endnotes

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<sup>1</sup> The rules concerning Section 8 annual income were previously found at 24 CFR Part 813; however, Part 813 was removed from the Federal regulations on October 18, 1996. At the same time, 24 CFR Part 5 was published. Subpart F of Part 5 consolidated the requirements pertaining to income for many of HUD's programs, including Section 8.

<sup>2</sup> While the IRS uses the term adjusted gross income, it is considered annual income for the purposes of the HOME Program. Under the HOME Program, the term "adjusted income" is used only in reference to the process of subtracting certain deductions from annual income to determine subsidy or payment level in accordance with 24 CFR 5.611.

<sup>3</sup> [http://www.archives.gov/federal\\_register/index.html](http://www.archives.gov/federal_register/index.html)

<sup>4</sup> Throughout this guide, unless specified otherwise, "annual income" refers to annual income as calculated using one of the three definitions allowed under the HOME Program.

<sup>5</sup> "Adjusted income" is calculated using annual income (as calculated using one of the three allowable definitions of annual income) and subtracting adjustments defined at 24 CFR 5.611.

<sup>6</sup> "Part 5 annual income" refers to the annual income calculation defined at 24 CFR 5.609. It was formerly commonly known as "Section 8 annual income" and was previously the only definition of annual income allowed under the HOME Program.

<sup>7</sup> For the purposes of this discussion, the terms household and family are interchangeable.

<sup>8</sup> [http://www.hud.gov/offices/pih/systems/pic/50058/pubs/ib/ib\\_final\\_0601.pdf](http://www.hud.gov/offices/pih/systems/pic/50058/pubs/ib/ib_final_0601.pdf)

<sup>9</sup> <http://www.hud.gov/offices/pih/programs/ph/rhiip/phguidebooknew.pdf>

## Appendices

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|             |  |
|-------------|--|
| Appendix A: | Glossary of Terms  |
| Appendix B: | Sample Format for Computing Part 5 Annual Income   |
| Appendix C: | Sample Format for Computing Census Long Form Annual Income                                 |
| Appendix D: | Sample Format for Computing IRS Form 1040 Series Adjusted Gross Income                     |
| Appendix E: | Sample Format for Computing Part 5 Adjusted Income   |
| Appendix F: | Sample Format for Computing Total Tenant Payment and PJ Subsidy – Rental Voucher Model     |
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| Appendix H: | Sample Verification Forms for Determining Annual (Gross) Income                            |
| Appendix I: | Sample Verification Forms for Determining Part 5 Adjusted Income                           |
| Appendix J: | Sample Annual Recertification of Income Forms (for Rental Housing Projects)                |





# Appendix A

## Glossary of Terms

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|  |   |
|--|---|
| <b>Adjusted Income</b>                                   | The HOME Program uses three definitions of annual (gross) income. Adjusted income is annual (gross) income reduced by deductions (or allowances) for dependents, elderly households, medical expenses, disability assistance expenses, and child care. Adjusted income is used only under certain circumstances.  |
| <b>Affordability</b>                                     | As used in this guide, affordability refers to the requirements of the HOME Program that relate to the cost of housing both at initial occupancy and over established timeframes, as prescribed in the HOME regulations. Affordability requirements vary depending on the nature of the HOME-assisted activity (i.e., homeownership or rental housing).   |
| <b>Annual (Gross) Income</b>                             | The HOME Program allows the use of three income definitions for the purpose of determining applicant eligibility -- annual income as defined in 24 CFR 5.609, annual income as reported under the Census Long Form for the most recent decennial Census, and adjusted gross income as defined for purposes of reporting under Internal Revenue Service (IRS) Form 1040 series for individual Federal annual income tax purposes. The definitions are collectively referred to as annual (gross) income, and are also used in the Community Development Block Grant Program. |
| <b>Community Development Block Grant (CDBG)</b>          | Federal funding that allows communities to carry out flexible, locally designed comprehensive community development activities in accordance with Title I, Housing and Community Development Act of 1974 and its implementing regulations at 24 CFR Part 570.   |
| <b>Community Housing Development Organization (CHDO)</b> | A private, nonprofit organization that meets a series of qualifications prescribed in the HOME regulations. CHDOs must receive at least 15 percent of a participating jurisdiction's annual allocation of HOME funds. CHDOs may own, develop, or sponsor HOME-financed housing.   |
| <b>Consolidated Plan</b>                                 | A plan of up to five years in length that describes a community's needs, resources, priorities, and proposed activities to be undertaken with certain HUD funding, including funding under the HOME Program. The Consolidated Plan is updated annually.   |

|   |   |
|---|---|
| <b>HOME-Assisted Units</b>                            | Units within a HOME project where HOME funds are used and rent, occupancy, and/or long-term affordability restrictions apply.   |
| <b>HOME Funds</b>                                     | All appropriations for the HOME Program, plus all repayments and interest or other return on the investment of these funds.   |
| <b>HOME Investment Trust Fund</b>                     | The term given to the two accounts — one at the Federal level and one at the local level — that “hold” the participating jurisdiction’s HOME funds. The Federal HOME Investment Trust Account is the U.S. Treasury account for each participating jurisdiction. The local HOME Investment Trust Fund account includes repayments of HOME funds, matching contributions, and payment of interest or other returns on investment.   |
| <b>HOME Investment Partnerships Program (HOME)</b>    | The HOME Program is a formula-based allocation program intended to support state and local affordable housing programs. The goal of the program is to increase the supply of affordable rental and ownership housing through acquisition, construction, reconstruction, and moderate or substantial rehabilitation activities. The program was authorized by Title II of the National Affordable Housing Act of 1990. Its implementing regulations are found at 24 CFR Part 92. |
| <b>HUD</b>  | U.S. Department of Housing and Urban Development.   |
| <b>Low-Income Family</b>                              | Family whose annual (gross) income does not exceed 80 percent of the median family income for the area (adjusted for family size), as determined by HUD. HUD may establish, on an exception basis, income ceilings higher or lower than 80 percent of median income for an area.  |
| <b>National Affordable Housing Act of 1990 (NAHA)</b> | Enacted by Congress to authorize the HOME Investment Partnerships Program, the National Homeownership Trust program, and programs to amend and extend certain laws relating to housing, community, and neighborhood preservation and related programs.  |
| <b>New Construction</b>                               | The creation of new dwelling units. Any project that includes the creation of additional dwelling units outside the existing walls of a structure is also considered new construction.  |
| <b>Participating Jurisdiction (PJ)</b>                | The term given to any state, local government, or consortium of local governments that HUD has designated to administer a HOME Program. HUD designation as a PJ occurs if a state, local government, or consortium meets the funding thresholds, notifies HUD that it intends to participate in the program, and obtains approval by HUD of a Consolidated Plan.  |

|   |  |
|---|--|
| <b>Project</b>                              | One or more buildings on a single site or multiple sites that are under common ownership, management, and financing and are to be assisted with HOME funds as a single undertaking.  |
| <b>Section 8 Existing Rental Assistance</b> | A Federal program that provides rental assistance to low-income families who are unable to afford market rents. Assistance may be in the form of vouchers or certificates. Implementing regulations can be found at 24 CFR Part 982.   |
| <b>State Recipient</b>                      | Any unit of local government designated by a state to receive HOME funds. The state PJ is responsible for ensuring that HOME funds allocated to state recipients are used in accordance with the HOME regulations and other applicable laws.   |
| <b>Subrecipient</b>                         | A public agency or nonprofit organization selected by a participating jurisdiction to <i>administer</i> all or a portion of the participating jurisdiction's HOME Program. A public agency or nonprofit organization that receives HOME funds solely as a developer or owner of housing is not a subrecipient. |
| <b>Targeting</b>                            | Requirements of the HOME Program relating to the income or other characteristics of households that may occupy HOME-assisted units.  |
| <b>Total Development Cost (TDC)</b>         | The sum of all costs for site acquisition, relocation, demolition, construction and equipment, interest and carrying charges.  |
| <b>Very Low-Income Family</b>               | Family whose annual (gross) income does not exceed 50 percent of the median income for the area (adjusted for family size), as determined by HUD. HUD may establish income ceilings higher or lower than 50 percent of median income for an area on an exception basis.  |



## Appendix B

### Sample Format for Calculating Part 5 Annual Income

|   |                           |                                     |                                  |                        |  |
|---|---------------------------|-------------------------------------|----------------------------------|------------------------|--|
| 1. Name   |                           | 2. Identification No.:              |                                  |                        |  |
| <b>ASSETS</b>   |                           |                                     |                                  |                        |  |
| <b>Family Member</b>  | <b>Asset Description</b>  | <b>Current Cash Value of Assets</b> | <b>Actual Income from Assets</b> |                        |  |
|   |                           |                                     |                                  |                        |  |
|   |                           |                                     |                                  |                        |  |
|   |                           |                                     |                                  |                        |  |
|   |                           |                                     |                                  |                        |  |
|   |                           |                                     |                                  |                        |  |
|   |                           |                                     |                                  |                        |  |
|   |                           |                                     |                                  |                        |  |
|   |                           |                                     |                                  |                        |  |
| 3. Net Cash Value of Assets .....   |                           | 3.                                  |                                  |                        |  |
| 4. Total Actual Income from Assets .....  |                           | 4.                                  |                                  |                        |  |
| 5. If line 3 is greater than \$5,000, multiply line by _____ (Passbook Rate) and enter results here; otherwise, leave blank |                           | 5.                                  |                                  |                        |  |
| <b>ANTICIPATED ANNUAL INCOME</b>  |                           |                                     |                                  |                        |  |
| <b>Family Members</b>   | <b>a. Wages/ Salaries</b> | <b>b. Benefits/ Pensions</b>        | <b>c. Public Assistance</b>      | <b>d. Other Income</b> | <b>e. Asset Income</b>                             |
|   |                           |                                     |                                  |                        | Enter the greater of lines 4 or 5 from above in e. |
|   |                           |                                     |                                  |                        |  |
|   |                           |                                     |                                  |                        |  |
|   |                           |                                     |                                  |                        |  |
|   |                           |                                     |                                  |                        |  |
|   |                           |                                     |                                  |                        |  |
|   |                           |                                     |                                  |                        |  |
| 6. Totals   | a.                        | b.                                  | c.                               | d.                     | e.   |
| 7. Enter total of items from 6a. through 6e. This is <i>Annual Income</i> .....   |                           |                                     |                                  |                        | 7.   |

  X    
Signature

-----  
For Office Use Only

\_\_\_\_\_ Income Limit  
\_\_\_\_\_ Income Limit of Household



## Appendix C

### Sample Format for Computing Census Long Form Annual Income

---

| Name:  |                       |                       |                           | Identification No.:      |                         |                    |
|--|-----------------------|-----------------------|---------------------------|--------------------------|-------------------------|--------------------|
| <b>ANTICIPATED ANNUAL INCOME</b>   |                       |                       |                           |                          |                         |                    |
| Family Member  | a. Wages/<br>Salaries | b. Business<br>Income | c. Interest/<br>Dividends | d. Benefits/<br>Pensions | e. Public<br>Assistance | f. Other<br>Income |
|  |                       |                       |                           |                          |                         |                    |
|  |                       |                       |                           |                          |                         |                    |
|  |                       |                       |                           |                          |                         |                    |
|  |                       |                       |                           |                          |                         |                    |
|  |                       |                       |                           |                          |                         |                    |
|  |                       |                       |                           |                          |                         |                    |
|  |                       |                       |                           |                          |                         |                    |
| 1. Totals  | a.                    | b.                    | c.                        | d.                       | e.                      | f.                 |
| 2. Enter total of items from 1a. through 1f.<br>This is <i>Annual Income</i> ..... |                       |                       |                           |                          |                         | 2.                 |

  X  \_\_\_\_\_

Signature

-----

For Office Use Only

\_\_\_\_\_ Income Limit

\_\_\_\_\_ Income Limit of Household





## Appendix D

### Sample Format for Computing IRS 1040 Series Adjusted Gross Income

| Name:  |               | Identification No.: |    |    |                       |
|--|---------------|---------------------|----|----|-----------------------|
|  | Family Member |                     |    |    | Subtotal<br>(add a-d) |
|  | a.            | b.                  | c. | d. | e.                    |
| 1. Wages, salaries, tips   |               |                     |    |    |                       |
| 2. Taxable interest  |               |                     |    |    |                       |
| 3. Dividend income   |               |                     |    |    |                       |
| 4. Taxable refunds/<br>credits/offsets of state/<br>local income taxes |               |                     |    |    |                       |
| 5. Alimony received  |               |                     |    |    |                       |
| 6. Business income (or loss)   |               |                     |    |    |                       |
| 7. Capital gain (or loss)  |               |                     |    |    |                       |
| 8. Other gains (or losses)   |               |                     |    |    |                       |
| 9. Taxable amount of IRA<br>distributions                              |               |                     |    |    |                       |
| 10. Taxable amount of<br>pensions and annuities                        |               |                     |    |    |                       |
| 11. Rental real estate,<br>royalties, partnerships,<br>trusts, etc.    |               |                     |    |    |                       |
| 12. Farm income (or loss)  |               |                     |    |    |                       |
| 13. Unemployment<br>compensation                                       |               |                     |    |    |                       |
| 14. Taxable amount of Social<br>Security benefits                      |               |                     |    |    |                       |
| 15. Other income   |               |                     |    |    |                       |
| <b>16. Subtotal (lines 1-15)</b>                                       |               |                     |    |    |                       |

|   | Family Member |    |    |    | Subtotal<br>(add a-d) |
|---|---------------|----|----|----|-----------------------|
|   | a.            | b. | c. | d. | e.                    |
| 17. IRA deduction   |               |    |    |    |                       |
| 18. Medical savings account deduction   |               |    |    |    |                       |
| 19. Moving expenses   |               |    |    |    |                       |
| 20. One-half of self-employment tax   |               |    |    |    |                       |
| 21. Self-employed health insurance deduction                                  |               |    |    |    |                       |
| 22. Keogh and self-employed SEP and SIMPLE plans                              |               |    |    |    |                       |
| 23. Penalty on early withdrawal of savings                                    |               |    |    |    |                       |
| 24. Paid alimony  |               |    |    |    |                       |
| <b>25. Subtotal (lines 17-24)</b>   |               |    |    |    |                       |
| 26. Subtract line 25 from line 16. This is <i>Adjusted Gross Income</i> ..... |               |    |    |    |                       |

X \_\_\_\_\_

Signature

-----

For Office Use Only

\_\_\_\_\_ Income Limit

\_\_\_\_\_ Income Limit of Household

## Appendix E

### Sample Format for Computing Part 5 Adjusted Income

---

|   |     |     |
|---|-----|-----|
| 1. Annual Income.   | 1.  |     |
| 2. Number of family members (excluding head or spouse) under 18, disabled, or full-time students.   | 2.  |     |
| 3. Multiply line 2 by \$480.  |     | 3.  |
| 4. Child care deduction (reasonable child care expenses for children age 12 and under).<br>[If family has disability assistance expenses or qualifies as an elderly family, proceed to line 5; otherwise, skip to line 13.] |     | 4.  |
| 5. Enter disability assistance expenses.  | 5.  |     |
| 6. Multiply line 1 by 0.03.   | 6.  |     |
| 7. Subtract line 6 from line 5. If negative, enter 0.   | 7.  |     |
| 8. Enter amount earned by family member enabled to work as a result of disability assistance expenses.  | 8.  |     |
| 9. Enter the lesser of lines 7 or 8. This is the disability assistance allowance.   |     | 9.  |
| ***FILL IN LINES 10 THROUGH 12 FOR ELDERLY FAMILIES ONLY***   |     |     |
| 10. Enter total medical expenses.   | 10. |     |
| 11. Allowable medical expenses:   |     |     |
| • If the household reported no expenses in line 5, enter line 10 minus line 6.  |     |     |
| • If the household reported expenses in line 5, but line 7 is zero, enter line 10 minus (line 6 minus 5).   |     |     |
| • If the household reported expenses in line 7 and line 7 is greater than zero, enter line 10.  |     | 11. |
| 12. Enter \$400.  |     | 12. |
| 13. Add lines 3, 4, 9, 11, and 12.  |     | 13. |
| 14. Subtract line 13 from line 1. This is <b>Adjusted Income</b> .  |     | 14. |



**Appendix F**

**Sample Format for Computing  
Total Tenant Payment and PJ Subsidy**

**Rental Voucher Model**

---

(This form is designed to continue from the Sample Format for Computing Part 5 Adjusted Income, presented in Chapter 4.)

|   |                                  |
|---|----------------------------------|
| 15. Rent Standard   | <input type="text" value="15."/> |
| 16. 30% of Monthly Adjusted Income ((line 14 ÷ 12) x 0.30).       | <input type="text" value="16."/> |
| 17. Maximum Subsidy (line 15 minus line 16).                      | <input type="text" value="17."/> |
| 18. Rent Charged by Owner. <sup>1</sup>                           | <input type="text" value="18."/> |
| 19. Utility Allowance — if any.                                   | <input type="text" value="19."/> |
| 20. Gross Rent for the Unit (line 18 plus line 19).               | <input type="text" value="20."/> |
| 21. Gross Rent minus Maximum Subsidy (line 20 minus line 17).     | <input type="text" value="21."/> |
| 22. 10% of Monthly Gross Income (line 1 ÷ 12) x 0.10).            | <input type="text" value="22."/> |
| 23. Total Family Contribution (higher of line 21 or line 22).     | <input type="text" value="23."/> |
| 24. Gross Rent minus Family Contribution (line 20 minus line 23). | <input type="text" value="24."/> |
| 25. Total Voucher Subsidy (lower of line 17 or line 24).          | <input type="text" value="25."/> |
| 26. PJ Payment to Owner (lower of line 18 or line 25).            | <input type="text" value="26."/> |
| 27. Family Rent to Owner (line 18 minus line 26).                 | <input type="text" value="27."/> |
| 28. Utility Reimbursement — if any (line 25 minus line 26).       | <input type="text" value="28."/> |

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<sup>1</sup> If this is a Section 236 or Department of Agriculture Rural Development Section 515 project, enter the lower of the project's market Rent or line 22, *but* never less than the project's Basic Rent.



**Appendix G**

**Sample Format for Computing  
Total Tenant Payment and PJ Subsidy**

**Rental Certificate Model<sup>2</sup>**

---

(This form is designed to continue from the Sample Format for Computing Part 5 Adjusted Income, presented in Chapter 4.)

|     |  |     |
|-----|--|-----|
| 15. | 30% of Monthly Adjusted Income (line 14 ÷ 12) x 0.30).   | 15. |
| 16. | 10% of Gross Monthly Income (line 1 ÷ 12) x 0.30).   | 16. |
| 17. | Welfare rent (if applicable).  | 17. |
| 18. | TOTAL TENANT PAYMENT (greater of lines 15, 16 or 17).  | 18. |
| 19. | Contract Rent to Owners.   | 19. |
| 20. | Utility Allowance.   | 20. |
| 21. | Gross Rent (line 19 plus line 20).   | 21. |
| 22. | Tenant Rent (line 18 minus line 20)<br>If line 20 is greater than line 18, enter zero, and enter the <i>difference</i> in line 23. | 22. |
| 23. | Utility Reimbursement to Tenant (line 20 minus line 18 only if line 20 is greater than line 18).                                   | 23. |
| 24. | PJ Payment to Owner (line 19 minus line 22).   | 24. |

---

<sup>2</sup> Must be used for calculation of TTP when required for anti-displacement activities.





## Appendix H

### Sample Verification Forms for Determining Annual (Gross) Income

---

|  |     |
|--|-----|
| HOME Program Eligibility Release Form_____             | 106 |
| Verification of Employment _____                       | 107 |
| Verification of Income from Business_____              | 108 |
| Verification of Social Security Benefits _____         | 109 |
| Verification of Pension and Annuities _____            | 110 |
| Verification of Veterans Administration Benefits _____ | 111 |
| Verification of Unemployment Benefits _____            | 112 |
| Verification of Public Assistance Income _____         | 113 |
| Verification of Child Support Payments _____           | 114 |
| Verification of Alimony or Separation Payments _____   | 115 |
| Verification of Recurring Cash Contributions _____     | 116 |
| Verification of Income from Military Service _____     | 117 |
| Verification of Assets on Deposit _____                | 118 |
| Verification of Assets Disposed _____                  | 119 |
| Record of Oral Verification _____                      | 120 |



## HOME Program Eligibility Release Form

Organization requesting release of information (PJ name, address, telephone, and date)

**Purpose:** Your signature on this HOME Program Eligibility Release Form, and the signatures of each member of your household who is 18 years of age or older, authorizes the above-named organization to obtain information from a third party relative to your eligibility and continued participation in the:

HOME TBRA Program

HOME Homebuyer Program

HOME Rental Rehabilitation Program

HOME Homeowner Rehabilitation Program

**Privacy Act Notice Statement:** The Department of Housing and Urban Development (HUD) is requiring the collection of the information derived from this form to determine an applicant's eligibility in a HOME Program and the amount of assistance necessary using HOME funds. This information will be used to establish level of benefit on the HOME Program; to protect the Government's financial interest; and to verify the accuracy of the information furnished. It may be released to appropriate Federal, state, and local agencies when relevant to civil, criminal, or regulatory investigators, and to prosecutors. Failure to provide any information may result in a delay or rejection of your eligibility approval. The Department is authorized to ask for this information by the National Affordable Housing Act of 1990.

**Instructions:** Each adult member of the household must sign a HOME Program Eligibility Release Form prior to the receipt of benefit and on an annual basis to establish continued eligibility. Additional signatures must be obtained from new adult members whenever they join the household or whenever members of the household become 18 years of age.

**NOTE:** THIS GENERAL CONSENT MAY NOT BE USED TO REQUEST A COPY OF A TAX RETURN. IF A COPY OF A TAX RETURN IS NEEDED, IRS FORM 4506, "REQUEST FOR COPY OF TAX FORM" MUST BE PREPARED AND SIGNED SEPARATELY.

**Information Covered:** Inquiries may be made about items initialed by applicant/tenant.

|  | Verification Required | Initials |
|--|-----------------------|----------|
| Income (all sources)   |                       |          |
| Assets (all sources)   |                       |          |
| Child Care Expense   |                       |          |
| Handicap Assistance Expense (if applicable)  |                       |          |
| Medical Expense (if applicable)  |                       |          |
| Other (list)<br>_____<br>_____   |                       |          |
| Dependent Deduction<br>____ Full-Time Student<br>____ Handicap/Disabled Family Member<br>____ Minor Children |                       |          |

**Authorization:** I authorize the above-named HOME Participating Jurisdiction and HUD to obtain information about me and my household that is pertinent to eligibility for participation in the HOME Program.

I acknowledge that:

- (1) A photocopy of this form is as valid as the original.
- (2) I have the right to review the file and the information received using this form (with a person of my choosing to accompany me).
- (3) I have the right to copy information from this file and to request correction of information I believe inaccurate.
- (4) All adult household members will sign this form and cooperate with the owner in this process.

Head of Household—Signature, Printed Name, and Date: Family Member HEAD

Other Adult Member of the Household—Signature, Printed Name, and Date: Family Member #3

Other Adult Member of the Household—Signature, Printed Name, and Date: Family Member #2

Other Adult Member of the Household—Signature, Printed Name, and Date: Family Member #4

## VERIFICATION OF: Employment

|   |  |
|---|--|
| <p>(Name of HOME Participating Jurisdiction) _____</p> <p><b>AUTHORIZATION:</b> Federal Regulations require us to verify Employment Income of all members of the household applying for participation in the HOME Program which we operate and to re-examine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.</p> <p>Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.</p> | <p>Employed since: _____ Occupation: _____</p> <p>Salary: _____</p> <p>Effective date of last increase: _____</p> <p>Base pay rate: \$_____/Hour; or \$_____/Week; or \$_____/Month</p> <p>Average hours/week at base pay rate: _____ Hours</p> <p>No. Weeks ____, or No. Weeks ____ worked per year</p> <p>Overtime pay rate: \$_____/Hour</p> <p>Expected weekly average number of hours overtime to be worked during next 12 months _____</p> <p>Any other compensation not included above (specify for commissions, bonuses, tips, etc.): _____</p> <p>For: _____ \$_____ per _____</p> <p>Is pay received for vacation? ____ If yes, no. of days/yr. ____</p> <p>Total base pay earnings for past 12 mos. \$_____</p> <p>Total overtime earnings for past 12 mos. \$_____</p> <p>Probability and expected date of any pay increase: _____</p> <p>Does the employee have access to a retirement account? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>If Yes, what amount can they get access to: \$_____</p> |
| <p><b>RELEASE:</b> I hereby authorize the release of the requested information.</p> <p>_____</p> <p>(Signature of Applicant)</p> <p>Date: _____</p> <p>or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.</p>   | <p>Signature of _____ or Authorized Representative _____</p> <p>Title: _____</p> <p>Date: _____</p> <p>Telephone: _____</p>  |
| <p><b>WARNING:</b> Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</p>  |  |

### VERIFICATION OF: Income from Business

|   |   |
|---|---|
| <p>(Name of HOME Participating Jurisdiction)</p> <p><b>AUTHORIZATION:</b> Federal Regulations require us to verify Business Income of all members of the household applying for participation in the HOME Program which we operate and to re-examine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.</p> <p>Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.</p> | <p>Based on business transacted from _____ to _____</p> <p>1. Gross Income \$ _____</p> <p>2. Expenses</p> <p>(a) Interest on loans \$ _____</p> <p>(b) Cost of goods/materials \$ _____</p> <p>(c) Rent \$ _____</p> <p>(d) Utilities \$ _____</p> <p>(e) Wages/salaries \$ _____</p> <p>(f) Employee contributions \$ _____</p> <p>(g) Federal Withholding Tax \$ _____</p> <p>(h) State Withholding Tax \$ _____</p> <p>(i) FICA \$ _____</p> <p>(j) Sales tax \$ _____</p> <p>(k) Other: \$ _____</p> <p>_____ \$ _____</p> <p>_____ \$ _____</p> <p>_____ \$ _____</p> <p>(l) Straight line depreciation \$ _____</p> <p>Total Expenses \$ _____</p> <p>3. Net Income \$ _____</p> |
| <p><b>RELEASE:</b> I hereby authorize the release of the requested information.</p> <p>_____</p> <p>(Signature of Applicant)</p> <p>Date: _____</p> <p>Or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.</p>   | <p>Signature of _____ or Authorized Representative _____</p> <p>Title: _____</p> <p>Date: _____</p> <p>Telephone: _____</p>   |
| <p><b>WARNING:</b> Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</p>  |   |

## VERIFICATION OF: Social Security Benefits

|  |   |
|--|---|
| <p>(Name of HOME Participating Jurisdiction)</p> <p><b>AUTHORIZATION:</b> Federal Regulations require us to verify Social Security Benefit Income of all members of the household applying for participation in the HOME Program which we operate and to re-examine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.</p> <p>Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.</p> | <p><b>Social Security Data</b></p> <p>_____ Date of birth</p> <p>_____ Gross monthly Social Security Benefit amount, type of benefit</p> <p>_____ Gross monthly Supplemental Security Income payment amount (including state supplement), type of benefit</p> |
| <p><b>RELEASE:</b> I hereby authorize the release of the requested information.</p> <p>_____</p> <p>(Signature of Applicant)</p> <p>Date: _____</p> <p>Or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.</p>  | <p>Signature of _____ or Authorized Representative _____</p> <p>Title: _____</p> <p>Date: _____</p> <p>Telephone: _____</p>   |
| <p><b>WARNING:</b> Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</p>   |   |

## VERIFICATION OF: Pension and Annuities

|  |   |
|--|---|
| <p>(Name of HOME Participating Jurisdiction)</p> <p><b>AUTHORIZATION:</b> Federal Regulations require us to verify Pension and Annuities Income of all members of the household applying for participation in the HOME Program which we operate and to re-examine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.</p> <p>Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.</p> | <p>Current monthly gross amount of pension or annuity \$ _____</p> <p>Deductions from gross for medical insurance premiums \$ _____</p> <p>Date of initial award _____</p> <p>Effective date of current amount _____</p> <p>Contributions to company retirement/pension fund \$ _____</p> <p>Amount received in a lump sum \$ _____</p> |
| <p><b>RELEASE:</b> I hereby authorize the release of the requested information.</p> <p>_____</p> <p>(Signature of Applicant)</p> <p>Date: _____</p> <p>Or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.</p>  | <p>Signature of _____ or Authorized Representative _____</p> <p>Title: _____</p> <p>Date: _____</p> <p>Telephone: _____</p>   |
| <p><b>WARNING:</b> Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</p>   |   |



## VERIFICATION OF: Veterans Administration Benefits

|   |   |
|---|---|
| <p>(Name of HOME Participating Jurisdiction) _____</p> <p><b>AUTHORIZATION:</b> Federal Regulations require us to verify Veterans Administration Benefits Income of all members of the household applying for participation in the HOME Program which we operate and to re-examine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.</p> <p>Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.</p> | <p>Name of Veteran: _____</p> <p>Address: _____</p> <p>Claim No.: _____</p> <p>Date of Birth: _____</p> <p>Service Dates: _____ to _____</p> <p>Benefits Paid to: _____</p> <p>1. Current Benefit Amount           \$ _____</p> <p>2. Original Start Date               _____</p> <p>3. This amount will increase/<br/>decrease to (circle one)           \$ _____</p> <p>    Date Change Takes Effect       _____</p> <p>4. Benefits are for:</p> <p>    <input type="checkbox"/> GI Bill Training</p> <p>    <input type="checkbox"/> Insurance</p> <p>    <input type="checkbox"/> Service Connected Compensation<br/>        Disability (%) _____</p> <p>    <input type="checkbox"/> Nonservice Pension Death</p> <p>    <input type="checkbox"/> Service Connected Compensation Death</p> <p>    <input type="checkbox"/> Other _____</p> |
| <p><b>RELEASE:</b> I hereby authorize the release of the requested information.</p> <p>_____</p> <p>(Signature of Applicant)</p> <p>Date: _____</p> <p>Or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.</p>   | <p>Signature of _____ or<br/>Authorized Representative _____</p> <p>Title: _____</p> <p>Date: _____</p> <p>Telephone: _____</p>   |
| <p><b>WARNING:</b> Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</p>  |   |

## VERIFICATION OF: Unemployment Benefits

|  |   |
|--|---|
| <p>(Name of HOME Participating Jurisdiction)</p> <p><b>AUTHORIZATION:</b> Federal Regulations require us to verify Unemployment Benefits Income of all members of the household applying for participation in the HOME Program which we operate and to re-examine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.</p> <p>Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.</p> | <p><b>Benefits</b></p> <p>1. Are benefits being paid now? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>2. If yes, what is Gross Weekly Payment? \$ _____</p> <p>3. Date of Initial Payment _____</p> <p>4. Duration of Benefits _____ weeks</p> <p>Is claimant eligible for future benefits? <input type="checkbox"/> Yes <input type="checkbox"/> No</p> <p>5. If yes, how many weeks? _____ weeks</p> <p>6. If no, what is the termination date of benefits? _____</p> |
| <p><b>RELEASE:</b> I hereby authorize the release of the requested information.</p> <p>_____</p> <p>(Signature of Applicant)</p> <p>Date: _____</p> <p>Or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.</p>  | <p>Signature of _____ or Authorized Representative _____</p> <p>Title: _____</p> <p>Date: _____</p> <p>Telephone: _____</p>   |
| <p><b>WARNING:</b> Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</p>   |   |

**VERIFICATION OF: Public Assistance Income**

| <p>(Name of HOME Participating Jurisdiction)</p> <p><b>AUTHORIZATION:</b> Federal Regulations require us to verify Public Assistance Income of all members of the household applying for participation in the HOME Program which we operate and to re-examine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.</p> <p>Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.</p> | <table border="0"> <thead> <tr> <th>Public Assistance Data</th> <th>Rate per Month</th> </tr> </thead> <tbody> <tr> <td>Number in family: _____</td> <td></td> </tr> <tr> <td>Aid to Families with Dependent Children</td> <td>\$ _____</td> </tr> <tr> <td>General Assistance</td> <td>\$ _____</td> </tr> <tr> <td>Does this amount include court-awarded support payments? <input type="checkbox"/> Yes <input type="checkbox"/> No</td> <td></td> </tr> <tr> <td>Amount specifically designated for shelter and utilities</td> <td>\$ _____</td> </tr> <tr> <td>Other assistance—type: _____</td> <td>\$ _____</td> </tr> <tr> <td>Total Monthly Grant</td> <td>\$ _____</td> </tr> <tr> <td>Other income—Sources: _____</td> <td>\$ _____</td> </tr> <tr> <td>Maximum allowance for rent and utilities (as-paid states)</td> <td>\$ _____</td> </tr> <tr> <td>Amount of public assistance received during past 12 months</td> <td>\$ _____</td> </tr> </tbody> </table> | Public Assistance Data | Rate per Month | Number in family: _____ |  | Aid to Families with Dependent Children | \$ _____ | General Assistance | \$ _____ | Does this amount include court-awarded support payments? <input type="checkbox"/> Yes <input type="checkbox"/> No |  | Amount specifically designated for shelter and utilities | \$ _____ | Other assistance—type: _____ | \$ _____ | Total Monthly Grant | \$ _____ | Other income—Sources: _____ | \$ _____ | Maximum allowance for rent and utilities (as-paid states) | \$ _____ | Amount of public assistance received during past 12 months | \$ _____ |
|--|--|------------------------|----------------|-------------------------|--|---|----------|--------------------|----------|---|--|--|----------|------------------------------|----------|---------------------|----------|-----------------------------|----------|---|----------|--|----------|
| Public Assistance Data   | Rate per Month   |                        |                |                         |  |   |          |                    |          |   |  |  |          |                              |          |                     |          |                             |          |   |          |  |          |
| Number in family: _____  |  |                        |                |                         |  |   |          |                    |          |   |  |  |          |                              |          |                     |          |                             |          |   |          |  |          |
| Aid to Families with Dependent Children  | \$ _____   |                        |                |                         |  |   |          |                    |          |   |  |  |          |                              |          |                     |          |                             |          |   |          |  |          |
| General Assistance   | \$ _____   |                        |                |                         |  |   |          |                    |          |   |  |  |          |                              |          |                     |          |                             |          |   |          |  |          |
| Does this amount include court-awarded support payments? <input type="checkbox"/> Yes <input type="checkbox"/> No  |  |                        |                |                         |  |   |          |                    |          |   |  |  |          |                              |          |                     |          |                             |          |   |          |  |          |
| Amount specifically designated for shelter and utilities   | \$ _____   |                        |                |                         |  |   |          |                    |          |   |  |  |          |                              |          |                     |          |                             |          |   |          |  |          |
| Other assistance—type: _____   | \$ _____   |                        |                |                         |  |   |          |                    |          |   |  |  |          |                              |          |                     |          |                             |          |   |          |  |          |
| Total Monthly Grant  | \$ _____   |                        |                |                         |  |   |          |                    |          |   |  |  |          |                              |          |                     |          |                             |          |   |          |  |          |
| Other income—Sources: _____  | \$ _____   |                        |                |                         |  |   |          |                    |          |   |  |  |          |                              |          |                     |          |                             |          |   |          |  |          |
| Maximum allowance for rent and utilities (as-paid states)  | \$ _____   |                        |                |                         |  |   |          |                    |          |   |  |  |          |                              |          |                     |          |                             |          |   |          |  |          |
| Amount of public assistance received during past 12 months   | \$ _____   |                        |                |                         |  |   |          |                    |          |   |  |  |          |                              |          |                     |          |                             |          |   |          |  |          |
| <p><b>RELEASE:</b> I hereby authorize the release of the requested information.</p> <p>_____</p> <p>(Signature of Applicant)</p> <p>Date: _____</p> <p>Or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.</p>  | <p>Signature of _____ or Authorized Representative _____</p> <p>Title: _____</p> <p>Date: _____</p> <p>Telephone: _____</p>  |                        |                |                         |  |   |          |                    |          |   |  |  |          |                              |          |                     |          |                             |          |   |          |  |          |
| <p><b>WARNING:</b> Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</p>   |  |                        |                |                         |  |   |          |                    |          |   |  |  |          |                              |          |                     |          |                             |          |   |          |  |          |

## VERIFICATION OF: Child Support Payments

|   |   |
|---|---|
| <p>(Name of HOME Participating Jurisdiction)</p> <p><b>AUTHORIZATION:</b> Federal Regulations require us to verify Child Support Payments made to all members of the household applying for participation in the HOME Program which we operate and to re-examine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.</p> <p>Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.</p> | <p>Name of Person Paying Child Support: _____</p> <p>Address of Person Paying Child Support: _____</p> <p>Support is for <input type="checkbox"/> his <input type="checkbox"/> her children.</p> <p>Name(s) of children being supported: _____</p> <p>Amount of support: \$_____ <input type="checkbox"/> Week <input type="checkbox"/> Month <input type="checkbox"/> Year</p> |
| <p><b>RELEASE:</b> I hereby authorize the release of the requested information.</p> <p>_____<br/>(Signature of Applicant)</p> <p>Date: _____</p> <p>Or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.</p>  | <p>Signature of _____<br/>or Authorized Representative</p> <p>Title: _____</p> <p>Date: _____</p> <p>Telephone: _____</p>   |
| <p><b>WARNING:</b> Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</p>  |   |

### VERIFICATION OF: Alimony or Separation Payments

|  |  |
|--|--|
| <p>(Name of HOME Participating Jurisdiction)</p> <p><b>AUTHORIZATION:</b> Federal Regulations require us to verify Alimony and Separation Payments made to all members of the household applying for participation in the HOME Program which we operate and to re-examine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.</p> <p>Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.</p> | <p>Name of Person Paying Alimony or Separation Payments:</p> <p>Address of Person Paying Alimony or Separation Payments:</p> <p>Name of person being supported:</p> <p>Amount of support:</p> <p>\$ _____ <input type="checkbox"/> Week <input type="checkbox"/> Month <input type="checkbox"/> Year</p> |
| <p><b>RELEASE:</b> I hereby authorize the release of the requested information.</p> <p>(Signature of Applicant)</p> <p>Date: _____</p> <p>Or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.</p>   | <p>Signature of _____<br/>or Authorized Representative</p> <p>Title: _____</p> <p>Date: _____</p> <p>Telephone: _____</p>  |
| <p><b>WARNING:</b> Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</p>   |  |

## VERIFICATION OF: Recurring Cash Contributions

|   |   |
|---|---|
| <p>(Name of HOME Participating Jurisdiction)</p> <p><b>AUTHORIZATION:</b> Federal Regulations require us to verify Recurring Cash Contributions made to all members of the household applying for participation in the HOME Program which we operate and to re-examine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.</p> <p>Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.</p> | <p>Purpose of Cash Contribution:</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>_____</p> <p>Amounts anticipated to be received during the next 12 months:</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> <p>Date: _____ \$ _____</p> |
| <p><b>RELEASE:</b> I hereby authorize the release of the requested information.</p> <p>_____</p> <p>(Signature of Applicant)</p> <p>Date: _____</p> <p>Or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.</p>   | <p>Signature of _____</p> <p>or Authorized Representative</p> <p>_____</p> <p>Title: _____</p> <p>Date: _____</p> <p>Telephone: _____</p>   |
| <p><b>WARNING:</b> Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</p>  |   |

## VERIFICATION OF: Income from Military Service

|   |   |
|---|---|
| <p>(Name of HOME Participating Jurisdiction)</p> <p><b>AUTHORIZATION:</b> Federal Regulations require us to verify Military Service Income of all members of the household applying for participation in the HOME Program which we operate and to re-examine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.</p> <p>Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.</p> | <p>Years _____ and Months _____ of service for pay purposes.</p> <p><b>Income:</b></p> <p>Base and Longevity Pay \$ _____</p> <p>Proficiency Pay \$ _____</p> <p>Sea and Foreign Duty Pay \$ _____</p> <p>Hazardous Duty Pay \$ _____</p> <p>Subsistence Allowance \$ _____</p> <p>Quarters Allowance (include only amount contributed by the Government) \$ _____</p> <p>Number of dependents claimed _____</p> <p>Imminent Danger Pay \$ _____</p> <p>Other (explain): _____</p> <p>_____</p> <p>_____</p> <p>_____</p> |
| <p><b>RELEASE:</b> I hereby authorize the release of the requested information.</p> <p>_____</p> <p>(Signature of Applicant)</p> <p>Date: _____</p> <p>Or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.</p>   | <p>Signature of _____</p> <p>or Authorized Representative</p> <p>_____</p> <p>Title: _____</p> <p>Date: _____</p> <p>Telephone: _____</p>   |
| <p><b>WARNING:</b> Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</p>  |   |

## VERIFICATION OF: Assets on Deposit

|   |  |   |   |   |
|---|--|---|---|---|
| <p>(Name of HOME Participating Jurisdiction)</p> <p><b>AUTHORIZATION:</b> Federal Regulations require us to verify Assets on Deposit of all members of the household applying for participation in the HOME Program which we operate and to re-examine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.</p> <p>Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.</p> | Checking Account No.<br>_____<br>_____   | Average Monthly Balance for Last 6 Months<br>_____<br>_____ | Current Interest rate<br>_____<br>_____ |   |
|   | Savings Account No.<br>_____<br>_____  | Current Balance<br>_____<br>_____                           | Current Interest Rate<br>_____<br>_____ | Current Interest Rate<br>_____<br>_____ |
|   | Certificate of Deposit Account No.<br>_____<br>_____   | Amount<br>_____<br>_____                                    | Withdrawal Penalty<br>_____<br>_____    |   |
| <b>Retirement Savings (IRA, Keogh, 401(k))</b>  | Account No.<br>_____<br>_____  | Amount<br>_____<br>_____                                    | Withdrawal Penalty<br>_____<br>_____    | Current Interest Rate<br>_____<br>_____ |
| <b>Money Market Funds</b>   | Money Market Funds<br>_____<br>_____   | Amount (Average 6-month Balance)<br>_____<br>_____          | Interest Rate<br>_____<br>_____         |   |
| <p><b>RELEASE:</b> I hereby authorize the release of the requested information.</p> <p>_____</p> <p>(Signature of Applicant)</p> <p>Date: _____</p> <p>Or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.</p>   | <p>Signature of _____ or<br/>Authorized Representative</p> <p>_____</p> <p>Title: _____</p> <p>Date: _____</p> <p>Telephone: _____</p> |   |   |   |
| <p><b>WARNING:</b> Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</p>  |  |   |   |   |



## VERIFICATION OF ASSETS DISPOSED

I/We certify that during the 2-year (24-month) period preceding the effective date of my certification or recertification of eligibility for program participation, I/we \_\_\_\_\_ have \_\_\_\_\_ have not disposed of more than \$1,000 in asset(s) for less than fair market value.

If asset(s) were disposed of for less than fair market value, describe:

| Asset | Date of Disposition |
|-------|---------------------|
| 1.    |                     |
| 2.    |                     |
| 3.    |                     |

Amount received for asset(s) disposed of:

1. \_\_\_\_\_
2. \_\_\_\_\_
3. \_\_\_\_\_

\_\_\_\_\_  
Signature of Applicant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Signature of Spouse

\_\_\_\_\_  
Date

## RECORD OF ORAL VERIFICATION

### APPLICANT INFORMATION

Re: \_\_\_\_\_

Address: \_\_\_\_\_

\_\_\_\_\_

Date Received: \_\_\_\_\_

---

### INFORMATION VERIFIED

Item Verified: \_\_\_\_\_

Person Contacted: \_\_\_\_\_

Representing: \_\_\_\_\_

---

### INFORMATION SUPPLIED

\_\_\_\_\_  
Signature of Person Receiving Verification

\_\_\_\_\_  
Date and Time



## **Appendix I**

### **Sample Verification Forms for Determining Part 5 Adjusted Income**

---

|  |     |
|--|-----|
| Verification of Full-Time Student Status_____              | 124 |
| Verification of Medical Expenses_____                      | 125 |
| Verification of Transportation to Medical Treatment _____  | 126 |
| Verification of Prescription/Nonprescription Expense _____ | 127 |
| Verification of Child Care/Dependent Care _____            | 128 |



## VERIFICATION OF: Full-Time Student Status

|  |  |
|--|--|
| <p>(Name of HOME Participating Jurisdiction)</p> <p><b>AUTHORIZATION:</b> Federal Regulations require us to verify Full-Time Student Status of all members of the household applying for participation in the HOME Program which we operate and to re-examine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.</p> <p>Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.</p> | <p>Name of Full-Time Student: _____</p> <p>Name of institution: _____</p> <p>Address of institution: _____</p> <p>Check applicable box:</p> <p>Referenced individual <input type="checkbox"/> is <input type="checkbox"/> is not a full-time student in good standing at this institution.</p> <p>Years remaining to complete Degree or Program: _____</p> |
| <p><b>RELEASE:</b> I hereby authorize the release of the requested information.</p> <p>_____<br/>(Signature of Applicant)</p> <p>Date: _____</p> <p>Or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.</p>   | <p>Signature of _____<br/>or Authorized Representative</p> <p>_____<br/>Title: _____</p> <p>Date: _____</p> <p>Telephone: _____</p>  |
| <p><b>WARNING:</b> Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</p>   |  |

## VERIFICATION OF: Medical Expenses

|  |  |
|--|--|
| <p>(Name of HOME Participating Jurisdiction)</p> <p><b>AUTHORIZATION:</b> Federal Regulations require us to verify Medical Expenses of all members of the household applying for participation in the HOME Program which we operate and to re-examine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.</p> <p>Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.</p> | <p>This is to certify that _____ anticipates \$_____ in medical expenses over the next 12 months.</p>                                  |
| <p><b>RELEASE:</b> I hereby authorize the release of the requested information.</p> <p>_____</p> <p>(Signature of Applicant)</p> <p>Date: _____</p> <p>Or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.</p>  | <p>Signature of _____<br/>or Authorized Representative</p> <p>_____</p> <p>Title: _____</p> <p>Date: _____</p> <p>Telephone: _____</p> |
| <p><b>WARNING:</b> Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</p>   |  |

## VERIFICATION OF: Transportation to Medical Treatment

|   |  |
|---|--|
| <p>(Name of HOME Participating Jurisdiction)</p> <p><b>AUTHORIZATION:</b> Federal Regulations require us to verify expenses for Transportation to Medical Treatment for all members of the household applying for participation in the HOME Program which we operate and to re-examine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.</p> <p>Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.</p> | <p>Number of Trips to Medical Treatment (yearly) _____</p> <p>Cost per Trip \$_____</p> <p>Total Expense for Transportation to Medical Treatment \$_____</p> <p>or _____ miles traveled per year at a cost of _____ cents per mile for a total cost of \$_____</p> |
| <p><b>RELEASE:</b> I hereby authorize the release of the requested information.</p> <p>_____</p> <p>(Signature of Applicant)</p> <p>Date: _____</p> <p>Or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.</p>   | <p>Signature of _____<br/>or Authorized Representative</p> <p>_____</p> <p>Title: _____</p> <p>Date: _____</p> <p>Telephone: _____</p>   |
| <p><b>WARNING:</b> Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</p>  |  |



## VERIFICATION OF: Prescription/Nonprescription Expense

|   |  |
|---|--|
| <p>(Name of HOME Participating Jurisdiction)</p> <p><b>AUTHORIZATION:</b> Federal Regulations require us to verify Prescription and Nonprescription Expenses of all members of the household applying for participation in the HOME Program which we operate and to re-examine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.</p> <p>Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.</p> | <p>Prescription expenses for the months from _____ to _____.</p> <p>Average yearly cost for prescription medications that are not covered by Medicare or other insurance      \$ _____</p> <p>Average yearly cost for nonprescription drug items used for medical reasons (aspirin, pain relief medications taken by mouth or applied to the skin, antacids, etc.)      \$ _____</p> |
| <p><b>RELEASE:</b> I hereby authorize the release of the requested information.</p> <p>_____</p> <p>(Signature of Applicant)</p> <p>Date: _____</p> <p>Or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.</p>   | <p>Signature of _____<br/>or Authorized Representative</p> <p>_____</p> <p>Title: _____</p> <p>Date: _____</p> <p>Telephone: _____</p>   |
| <p><b>WARNING:</b> Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</p>  |  |

**VERIFICATION OF: Child Care/Dependent Care**

|   |   |
|---|---|
| <p>(Name of HOME Participating Jurisdiction)</p><br><br><p><b>AUTHORIZATION:</b> Federal Regulations require us to verify Child Care/Dependent Care Expenses of all members of the household applying for participation in the HOME Program which we operate and to re-examine this income periodically. We ask your cooperation in supplying this information. This information will be used only to determine the eligibility status and level of benefit of the household.</p> <p>Your prompt return of the requested information will be appreciated. A self-addressed return envelope is enclosed.</p> | <p>Child Care/Dependent Care is performed on the following days for the hours indicated for the following person(s): _____</p> <p><input type="checkbox"/> M      Hours: From ____ AM to ____ AM<br/>                                ____ PM to ____ PM</p> <p><input type="checkbox"/> T      Hours: From ____ AM to ____ AM<br/>                                ____ PM to ____ PM</p> <p><input type="checkbox"/> W      Hours: From ____ AM to ____ AM<br/>                                ____ PM to ____ PM</p> <p><input type="checkbox"/> Th     Hours: From ____ AM to ____ AM<br/>                                ____ PM to ____ PM</p> <p><input type="checkbox"/> F      Hours: From ____ AM to ____ AM<br/>                                ____ PM to ____ PM</p> <p><input type="checkbox"/> Sat    Hours: From ____ AM to ____ AM<br/>                                ____ PM to ____ PM</p> <p><input type="checkbox"/> Sun    Hours: From ____ AM to ____ AM<br/>                                ____ PM to ____ PM</p> <p>Total hours per week: _____, per month: _____</p> <p>Amount received for care from the family:<br/>\$_____ <input type="checkbox"/> per week; <input type="checkbox"/> per month</p> <p>Amount received for care from others (if any)<br/>\$_____ <input type="checkbox"/> per week; <input type="checkbox"/> per month</p> <p>Estimated cost of care for the next 12 months<br/>(include full-time summer care of school children, if applicable) \$_____</p> |
| <p><b>RELEASE:</b> I hereby authorize the release of the requested information.<br/>_____<br/>(Signature of Applicant)</p> <p>Date: _____</p> <p>Or a copy of the executed "HOME Program Eligibility Release Form," which authorizes the release of the information requested, is attached.</p>   | <p>Signature of _____ or Authorized Representative _____</p> <p>Title: _____</p> <p>Date: _____</p> <p>Telephone: _____</p>   |
| <p><b>WARNING:</b> Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</p>  |   |



## **Appendix J**

### **Sample Annual Recertification of Income Forms (for Rental Housing Projects)**

---

|  |     |
|--|-----|
| Recertification of Annual Income by Tenant Family_____       | 132 |
| Recertification of Annual Income by Government Programs_____ | 133 |



## **Recertification of Annual Income by Tenant Family**

---

### Household Information

Household name: \_\_\_\_\_

Household size (total number in household): \_\_\_\_\_

Household members (list): \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### Income Information

Annual (gross) income (total of all household members): \$ \_\_\_\_\_

I/we certify that this information is complete and accurate. I/we agree to provide, upon request, documentation on all income sources to (Name of PJ and/or Property Owner/Manager).

Signature of \_\_\_\_\_

or Authorized Representative \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Telephone: \_\_\_\_\_

|  |
|--|
| <p><b>WARNING:</b> Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.</p> |
|--|

## **Recertification of Annual Income by Government Programs**

The purpose of this form is to certify that \_\_\_\_\_ (name of household) residing at \_\_\_\_\_ (address) receives benefits under \_\_\_\_\_ (name of government program). As such, the annual income of this household has been examined and determined to be below \$\_\_\_\_\_ (income limit for the program for a family of \_\_\_\_ [household size]).

---

**Certified by:**

Signature of Authorized Representative \_\_\_\_\_

Name (Print) \_\_\_\_\_

Title \_\_\_\_\_

Agency \_\_\_\_\_

Date \_\_\_\_\_

**WARNING:**

Title 18, Section 1001 of the U.S. Code states that a person is guilty of a felony for knowingly and willingly making false or fraudulent statements to any department of the United States Government.

# CPD Income Eligibility Calculator User Manual

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Version 4.0

3/8/2016



## Document History

| Release No. | Date      | Revision Description  |
|-------------|-----------|---|
| 1.0         | 11/1/12   | Initial Creation  |
| 1.1         | 12/7/12   | Inserted language about unearned income of minors and full-time students; inserted language about adult members of household; updated screenshots |
| 1.2         | 3/28/13   | Inserted language about addressing grantee requirements   |
| 1.3         | 3/10/14   | Removed purge date  |
| 2.0         | 8/12/2014 | Updated document to reflect HUD Exchange website rebranding   |
| 3.0         | 1/26/2016 | Provided clarification on 30% income limit and minor edits throughout   |
| 4.0         | 3/8/2016  | Added the Emergency Solutions Grants Program (ESG)  |
| 4.1         | 3/29/2016 | Minor updates   |

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# Introduction

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The CPD Income Eligibility Calculator User Manual presents information on using the CPD Income Eligibility Calculator. It contains useful background information, glossary of terms, instructions, and links to additional resources.

The User Manual is organized as follows:

[Section 1: Overview](#)

[Section 2: Using the Calculator](#)

[Section 3: Terms and Definitions](#)

[Section 4: Income Determination Resources](#)

# Section 1: Overview

---

## 1.1 INCOME CALCULATOR INTRODUCTION

### 1.1.1 What is the CPD Income Eligibility Calculator?

The CPD Income Eligibility Calculator is an interactive tool that makes determining the income eligibility and assistance amounts for beneficiaries of CPD programs as easy as 1-2-3. Simply enter the requested data and this Calculator will work behind the scenes to generate a summary of results for each beneficiary. You should then print out the summary and include it as part of the beneficiary's file.

The Calculator currently performs income eligibility and assistance amount calculations (as applicable) for the following HUD CPD programs:

- Brownfield Economic Development Initiative (BEDI)
- Community Development Block Grant Program (CDBG)
- CDBG Disaster Recovery Assistance (CDBG-DR)
- Emergency Solutions Grants Program (ESG)
- HOME Investment Partnerships Program (HOME)
- Housing Opportunities for Persons with AIDS (HOPWA)
- Neighborhood Stabilization Program (NSP)
- Section 108 Loan Guarantee Program
- Self-Help Homeownership Opportunity (SHOP)

The CPD Income Eligibility Calculator is a tool designed to assist CPD grantees in their responsibility to accurately calculate and appropriately document their income determinations of CPD program beneficiaries. It is not, and does not provide, online training regarding the rules for determining income (such as whose income to account, etc.) Refer to [Section 4: Income Determination Resources](#) for links to a number of resources that are available about the rules for determining income.

The Calculator is a tool to help a grantee calculate income, but it does not *verify* income. The Calculator should not replace the documentation collected by the grantee. The grantee must maintain all documentation and if using the Calculator, it is helpful to print out and maintain the summary documents generated in the Calculator for Annual Income, and as applicable Adjusted Income and Tenant Payments. Record retention will depend upon the CPD program so grantees should be aware of the length of time records must be kept as well as their own state or local laws related to record retention and privacy.

The Calculator is designed to calculate eligibility based on the amount of income that is entered for the beneficiary. Grantees may have specific requirements written into their policies and procedures that are not included or accounted for in the Income Eligibility Calculator (for example, minimum tenant contribution). Therefore, grantees should always review the final calculations produced from this tool and apply their own grantee's requirements if they are more restrictive. If this is the case, a note should be included in the beneficiary's file noting this change.

### 1.1.2 HUD Disclaimer

HUD makes no warranties or representations whatsoever regarding the quality, content, completeness, accuracy, or timeliness of the information and data contained in the CPD Income Eligibility Calculator. Please read through the terms and conditions of use, including the [liability and privacy policy](#).

### 1.1.3 Policy Questions

If you have policy questions about income eligibility and determination, please contact HUD.

- For BEDI, CDBG, CDBG Disaster Recovery Assistance, HOME, and Section 108, contact your local [HUD Field Office](#).
- For ESG, HOPWA, and NSP, submit your question via [HUD Exchange Ask A Question](#) and receive answers directly via email.
- For SHOP, contact HUD's Office of Affordable Housing Programs.

### 1.1.4 Technical Issues

If you have technical difficulties using the Income Eligibility Calculator, please contact [info@hudexchange.info](mailto:info@hudexchange.info).

## Section 2: Using the Calculator

### 2.1 REGISTER/LOG IN

**Go to:** <https://www.hudexchange.info/incomecalculator>

#### 2.1.1 Request an Account

To access the Income Eligibility Calculator, you must create an account and log in to the Calculator each time. Your account will give you access to calculations you have created in the past and allow you to create and save new ones.

**Step 1:** Click on **Register Now** at the right side of the screen.

**Step 2:** Carefully fill in all fields

- Note that all fields are required
- Be sure to create a username and password you will remember

**Step 3:** Click the **Create Account** button. Once you submit your registration information, you will be logged in.

#### 2.1.2 Log In

To log in, simply:

**Step 1:** Enter your username and password.

**Step 2:** Click on **Log In**.

#### 2.1.3 Forget Username or Password

If you forgot your username or password, please use the following instructions:

**Step 1:** Enter your email address in the **Forget Username and Password** box on the Income Eligibility Calculator [Sign In](#) page.

**Step 2:** Click on **Get Password**.

**Step 3:** You will receive an email at the address you entered containing your username and new password.

**Step 4:** Follow the log in instructions in the email to access the Calculator.

#### 2.1.3 Change Password

To change your password, please use the following instructions:

**Step 1:** Click on your user name in the upper right of the screen, then click "My Account." Note: you must be logged into the Income Eligibility Calculator in order to change your password.

**Step 2:** On the My Account page, click "Change password" and carefully enter a new password into the fields.

**Step 3:** Click on **Submit**.

## 2.2 START A NEW CALCULATION

Prior to starting a new calculation, you should have the following items available:

- A printer (or, a writing instrument and a piece of blank paper);
- Any previous income determinations completed for the beneficiary; and
- Documentation of income for all members of the beneficiary's family or household.

Allow yourself at least 15 minutes to complete each applicant's calculation summary. Some calculations may take longer depending upon the experience of the user, the number of household members, the speed of the internet connection, and other factors.

**Go to:** <https://www.hudexchange.info/incomecalculator>

### 2.2.1 Select a Program

Before getting started, it is best to know the mix of programs that may be funding an activity. You should then identify which CPD program has the most restrictive income determination requirements, and follow that program's path within the Income Eligibility Calculator.

From the Income Calculator Dashboard, select the applicable program.

**CPD Income Eligibility Calculator Dashboard** [User Manual](#) [Help](#)

**Important Note:** The calculator is a tool designed to help a user calculate income in accordance with an allowable definition, but it does not verify income. The calculator does not replace the documentation that must be collected and retained by the user. The user must maintain all necessary documentation, which, when using the calculator, will include saving and retaining the summary documents generated by the calculator. The Dashboard feature is designed to allow you to more easily update a beneficiary's income in the future – however it is not a repository for all previous years' income calculations completed in the past. Users must be sure to save and retain summary documents at the time of creation. Record retention requirements depend upon the CPD program; users should be aware of the length of time records must be kept as well as their own state or local laws related to record retention and privacy.

The FY2015 income limits are in effect for all programs within the CPD Income Calculator. The 30 percent income limits for the CDBG, HOME, ESG, and HOPWA programs have been calculated based on the definition of Extremely Low-Income Family (ELI) as described in Consolidated Submission for CPD Programs section of 24 CFR part 91.5. Therefore, the ELI Limit is calculated as 30 percent of area median income and may not be the same as the Section 8 ELI Limit for your jurisdiction. The Section 8 Limit is calculated based on the definition of ELI as described in The 2014 Consolidated Appropriations Act, (Section 238 on page 128 Stat 635) which defines ELI as very low-income families whose incomes do not exceed the higher of the Federal poverty level or 30% of area median income.

Select a program and start a new calculation

**CDBG Calculations**

Show  entries Search:

| Beneficiary ID | No. of Members | Location           | Calculation Type | Calculation Date | Status      | Eligibility Status | Delete                   |
|----------------|----------------|--------------------|------------------|------------------|-------------|--------------------|--------------------------|
| 51             | 6              | Fort Wayne, IN MSA | Annual           |                  | In Progress |                    | <input type="checkbox"/> |
| 67             | 2              | Anderson, IN MSA   | Annual           |                  | In Progress |                    | <input type="checkbox"/> |
| HH5            | 2              | Duluth, MN-WI MSA  | Annual           |                  | In Progress | Eligible           | <input type="checkbox"/> |

### 2.2.2 Select a Beneficiary ID

The Income Calculator asks for a "Beneficiary ID" instead of a "Last Name" to help protect the privacy of applicants to CPD programs. The Beneficiary ID you enter should be unique, will be included on the Calculator screens and printouts, and will be the key data element necessary to later find, complete, and/or edit the income determination performed for that beneficiary within the Calculator.

***DO NOT use any personal information to create a Beneficiary ID, including but not limited to names, social security numbers, or addresses.***

Each user is responsible for designing their own method for creating Beneficiary IDs, as well as maintaining and adequately protecting their own auditable records which associate each Beneficiary ID with the individual, family, or household whose income was determined (as appropriate and/or required under the rules of each CPD program.) Printouts from the Calculator for all programs except HOPWA will include both the Beneficiary ID and a blank space in which the Last Name of the associated individual, family, or household can be written or otherwise inserted.

**IMPORTANT NOTE: Once you create a Beneficiary ID for an individual, family, or household, you cannot edit that Beneficiary ID. If you need to change that Beneficiary ID, you must create a new calculation.**

### 2.2.2 Select Member IDs

The Income Calculator asks for "Member IDs" instead of "First Names" to help protect the privacy of applicants to CPD programs. Each Member ID you enter should be unique to an individual within the family or household associated with this Beneficiary ID. Printouts from the Calculator for all programs except HOPWA will include the Member IDs entered, along with a blank space in which the First Name of the associated individual can be written or otherwise inserted.

***DO NOT use any personal information to create Member ID(s), including but not limited to names, social security numbers, or addresses.***

Each user is responsible for designing their own method for creating Member IDs, as well as maintaining and adequately protecting their own auditable records which connect Member IDs to the associated individuals within the family or household whose income was determined (as appropriate and/or required under the rules of each CPD program.)

The Income Calculator provides capability for up to 12 members per family or household.

**Note:** Simply leave all checkboxes blank if the member is over the age of 18 years old and does not meet any of the criteria listed on the Beneficiary Member table.

*Example: A 26-year old sibling of the head of household who is living in the household who is also non-disabled and is not a full-time student.*

**IMPORTANT NOTE: Once you select the number of members, you cannot change the number of members for that Beneficiary. If you need to change the number of members, you must create a new calculation.**

## 2.3 ANNUAL INCOME CALCULATION

Prior to calculating income, you should know which CPD program you are using as well as the activity (and for CDBG, NSP, etc. the national objective), or for ESG which component. Each CPD program calculates income a little differently and the rules surrounding the calculation differ depending upon the activity or component. This section is provided in the order of the income calculator, not specifically on the order of how you conduct income eligibility.

### 2.3.1 Income Limits

The 30 percent income limits used for the CDBG, ESG, HOME, and HOPWA programs have been calculated based on the definition of Extremely Low-Income Family (ELI) as described in Consolidated Submission for CPD Programs section of [24 CFR part 91.5](#). Therefore, the ELI Limit is calculated as 30 percent of area median income and may not be the same as the Section 8 ELI Limit for your jurisdiction. The Section 8 Limit is calculated based on the definition of ELI as described in [The 2014 Consolidated Appropriations Act](#), (Section 238 on page 128 Stat 635) which defines ELI as very low-income families whose incomes do not exceed the higher of the Federal poverty level or 30% of area median income.

The remaining income limits (50%, 60%, 80% and for NSP, 120%) are based upon the HUD [income limits](#) are published annually by HUD and are imported into the CPD Income Eligibility Calculator.

For each calculation, the user selects the geographic area (county or metropolitan area), the number of members in the beneficiary household, and the applicable income limit (30%, 50%, 60%, 80%, 120%). The Calculator then applies the



resulting annual income limit to the income determination being performed. Users should print the Income Limit page that is displayed by the Calculator for their files.

The screenshot displays the HUD Income Eligibility Calculator interface. On the left is a sidebar menu with the following items: Dashboard, ANNUAL INCOME (expanded), Beneficiary ID, Beneficiary Location (selected), Income Determination Method, Beneficiary Income, Summary, ADJUSTED INCOME (expanded), Dependents, Childcare Expenses, Disability Expenses, Medical Expenses, Summary, TBRA, and Approved Rent/ Utility. The main content area shows the 'Beneficiary Location' step. It includes a 'Beneficiary ID: Bun2' label with a 'Print' icon. Instructions state: 'Please select the location and income limit information applicable to this household. If you are unsure of which income limit to use, the following website provides information on geographic areas: <https://www.hudexchange.info/manage-a-program/home-income-limits/>.' There are two dropdown menus: 'State' (set to 'District of Columbia') and 'Area' (set to 'Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area'). Below these, it shows 'Applicable 2015 Income Limit for household size in area' as '30%'. A note states: 'The 2015 30% Income Limit for a 2-member household in Washington-Arlington-Alexandria, DC-VA-MD HUD Metro FMR Area (CBSA: METRO47900M47900) is \$26,200. (Completed on December 30, 2015.)' At the bottom, there is a prompt 'Please print this page for your files.' and two buttons: '< Previous' and 'Continue >'. A 'Print' icon is also visible in the top right corner of the main content area.

For 10 metropolitan statistical areas (MSAs), at the 80% income limit, they have the option to use either the HUD published 80% income limit or what is called an “uncapped income limit” based upon an exception the Secretary of HUD is authorized to provide under the Quality and Work Responsibility Act of 1998. The MSAs affected by this law are the following:

- Orange County, CA PMSA;
- San Francisco, CA PMSA;
- San Jose, CA PMSA;
- Danbury, CT PMSA;
- Stamford-Norwalk, CT PMSA;
- Washington, DC-MD-VA-WV PMSA;
- Bergen-Passaic, NJ PMSA;
- Middlesex-Somerset-Hunterdon, NJ PMSA;
- Nassau-Suffolk, NY PMSA; and
- Westchester County, NY

This law only covers HOME and CDBG programs and the uncapped limits are not provided in the Calculator as they are only an option for the grantee and not required. For further information, please check with your HUD Field Office and see the following website: <http://www.hud.gov/offices/cpd/systems/census/lowmod/uncapped.cfm>.

### 2.3.2 Self Certification of Annual Income by Beneficiary for Programs that Allow This Method

In some cases, activities may choose to use a verifiable self-certification to document the income of beneficiaries in lieu of a full income calculation or for recertification (see section 2.3.3). A verifiable self-certification is based on a Self-Certification of Annual Income by Beneficiary form in which the beneficiary states and signs-off on their income at the time of assistance.

The Self Certification of Annual Income by Beneficiary is a written statement from the beneficiary documenting the definition used to determine Annual (Gross) Income, the number of beneficiary members in the family or household (as applicable based on the activity), and the relevant characteristics of each member for the purposes of income determination. To complete the form, the user selects the definition of income used, fills in the blank fields, and checks

only the boxes that apply to each member. Adult beneficiary members must then sign the form to certify that the information is complete and accurate, and that source documentation will be provided upon request. The form includes space for up to 12 members of a beneficiary. Users should print the Self Certification of Annual Income by Beneficiary form and include the completed form in their beneficiary files. For HOPWA, users must not enter or write any personal information on the printout of the form including but not limited to names, social security numbers, or addresses.

***Using a self-certification approach to income documentation can put the activity at possible risk if a beneficiary is later audited and determined to be over the applicable income limit.***

The following terms are used in the Self-Certification of Annual Income by Beneficiary form. Each of these terms is defined in the Terms & Definitions section.

- Definition of Income: [HUD 24 CFR Part 5](#); [IRS 1040](#); [American Community Survey](#)
- [Beneficiary ID](#)
- [Member IDs](#)
- [Head of Household](#)
- [Co-Head of Household](#)
- Persons with [disabilities](#)
- [Fulltime student](#)
- [Annual gross income](#)

The user must be aware of when and how to use the calculator to determine the Annual Income of households versus persons within a family. The term “household” is used throughout the ESG, HOME, NSP, and HOPWA, and SHOP portions of the calculator as it is the appropriate term and unit of analysis for income determinations being performed for these housing programs, while persons within a family or family may be the appropriate unit of analysis and term for public services, public facilities or job activities under the CDBG, CDBG Disaster Recovery, Section 108, and BEDI programs. See the terms and definitions for further information.

### 2.3.3 Recertifications & Re-evaluations

Depending upon the CPD program, recertifications and/or re-evaluations of a household’s annual income is required.

#### Annual Income Recertification for certain HOME, HOPWA Programs

During an annual income recertification of a family residing in HOME- or HOPWA- assisted rental housing, or receiving HOME [tenant-based rental assistance](#) (TBRA) or HOPWA rental assistance, it is necessary to manually exclude from annual income certain increases in the income of a disabled family member. These exclusions apply to annual income increases resulting from the following:

- Employment of a family member who is a person with disabilities and who was previously unemployed for one or more years prior to employment;
- Increased earnings by a family member who is a person with disabilities during participation in any economic self-sufficiency or other job training program; or
- New employment or increased earnings of a family member who is a person with disabilities, during or within six months after receiving assistance, benefits or services under any state program for families funded under Part A of Title IV of the Social Security Act, as determined by the responsible entity in consultation with the local agencies administering [Temporary Assistance for Needy Families](#) (TANF) and Welfare-to-Work (WTW) programs. The TANF program is not limited to monthly income maintenance, but also includes such benefits and services as one-time payments, wage subsidies and transportation assistance--provided that the total amount over a six-month period is at least \$500.

These exclusions from annual income are of limited duration. The full amount of increase to a qualified family’s annual income is excluded for the cumulative 12-month period beginning on the date the disabled family member is first employed or the family first experiences an increase in annual income attributable to the employment. During the second cumulative 12-month period, the grantee, or project sponsor is required to exclude from annual income 50

percent of any increase in income. The disallowance of increased income of an individual family member who is a person with disabilities is limited to a lifetime 48-month period.

### **Annual Income Recertifications by Government Programs**

In some cases, activities may choose to use a verifiable recertification from a government program administrator to document the income of beneficiaries. A verifiable recertification is based on a Recertification of Annual Income by Government Programs form in which a government program administrator states and signs-off on the income of the beneficiary at the time of assistance.

The Recertification of Annual Income by Government Programs is a written statement from the administrator of another government program under which the beneficiary receives benefits, and that examines the annual (gross) income of the beneficiary each year. To complete the statement, the administrator must fill in all of the blank fields, confirm that the information about the members of the beneficiary family or household (as applicable based on the activity) matches the program's records, and sign the form. The form includes space for up to 12 members of a household. Users should print the Recertification of Annual Income by Government Programs form and include the completed form in your beneficiary files. For HOPWA, users must not enter or write any personal information on the printout of the form including but not limited to names, social security numbers, or addresses.

***Using a government administrator recertification approach to income documentation can put the activity at possible risk if a beneficiary is later audited and determined to be over the applicable income limit.***

The following terms are used in the Self-Certification of Annual Income by Government Programs form. Each of these terms is defined in the Terms & Definitions section.

- [Beneficiary ID](#)
- [Member IDs](#)
- [Annual gross income](#)

### **Re-Evaluations of Income Eligibility for the ESG Program**

Under the Emergency Solutions Grants Program (ESG), income eligibility is re-evaluated every three months for homeless prevention and no less than annually for rapid-rehousing assistance. To remain eligible for assistance at re-evaluation, the household must have an annual income that does not exceed 30% of median family income for the area, as determined by HUD.

## **2.3.4 Income Definitions**

### **Part 5 Annual Income**

Under the Part 5 definition, income sources are either included or excluded as part of Annual Income. The following are typical sources of income:

- [Wages/Salaries](#)
- [Benefits/Pensions](#)
- [Public Assistance](#)
- [Other Income](#)

#### *Unearned Income of Minors*

Unearned income that is attributable to a minor (e.g., child support, SSI, TANF payments and other benefits paid on behalf of a minor) is actually part of the relevant adult member's annual income and should be added to that member's income as appropriate. When entering such amounts, it may be helpful to include a note in the Description describing to which minor member the amount is attributable. The Calculator does not include this income in the annual income calculations when it is put under a minor child.

#### *Income of Full-Time Students*

The employment income of full-time students in excess of \$480 is not counted in the annual income calculation.

### *Passbook Rate*

Under the Part 5 definition, a household may have assets with an increased payment-ability, even if its assets do not currently produce income. (For example, a household that owns land that is not rented or otherwise used to produce income.) Rather than require the household to dispose of the property, the rule requires that an “imputed” income be calculated based on a Passbook Rate that is applied to the cash value of all assets.

There are three options for the grantee in setting the rate to be used as its passbook savings rate:

1. Use the same passbook savings rate used by their local public housing authority (PHA);
2. Use the passbook savings rate published by HUD’s Office of Multifamily Housing; or

As described in Notice H 2014-15, the Office of Multifamily Housing will publish a passbook savings rate and its effective date through a Housing program notice at least annually (the most current notice is [Notice H 2016-01](#)); or

3. Establish its own passbook savings rate.

If a grantee chooses to establish its own rate in calculating imputed income from assets, then the grantee should review its passbook savings rate at least annually to determine that it is allowable. The grantee may establish a passbook savings rate within 75 basis points (plus or minus .75 percent) of the Savings National Rate in effect at the time the grantee establishes the passbook savings rate, and the passbook savings rate may not be less than 0 percent. The Savings National Rate is a simple average of rates paid by United States (US) depository institutions as calculated by the Federal Deposit Insurance Corporation (FDIC). The FDIC publishes this rate on a weekly basis. Historical and current Savings National Rates can be accessed on the [FDIC website](#).

Please note that for all programs within HUD’s Office of Block Grant Assistance (OBGA), CDBG, CDBG-DR, and NSP, the imputed asset calculation is not required, so including the cash value of assets and using the passbook rate will not be displayed in the calculator.

### *Part 5 Assets*

Under the Part 5 definition, assets are categorized as either:

- **Total \$5,000 or Less** - If the total cash value of all the family’s assets is \$5,000 or less, the actual income the family receives from assets is the amount that is included in annual income as income from assets.
- **Exceed \$5,000** - When net family assets are more than \$5,000, annual income includes the greater of the following:
  - a. Actual income from assets; or
  - b. A percentage of the value of family assets based upon the current passbook savings rate as established by HUD. This is called imputed income from assets. The passbook rate is currently set at 2%.

To begin this calculation, first add the cash value of all assets. Multiply the total cash value of all assets by .02. The product is the “imputed income” from assets. Then, add the actual income from all assets. The greater of the imputed income from assets or the actual income from assets is included in the calculation of annual income.

The following are typical sources of assets:

- [Cash](#) (e.g., checking, savings)
- [Equity](#)
- [Stocks](#)
- [Retirement Accounts](#)
- [Pension Funds](#)
- [Life Insurance](#)
- [Personal Property](#)
- [Lump Sums](#)
- [Deeds](#)

## IRS Form 1040 Gross Adjusted

When using the IRS Form 1040 definition to determine an applicant's annual income, users must use the most current long form version of IRS Form 1040—the version filed for current year tax reporting purposes. While the online worksheet is a general representation of the IRS Form 1040, it is not updated annually to reflect all changes in the Income and Deductions line items each tax year. The user is advised to consult the IRS Web site at [irs.gov](http://irs.gov) for the most current version of and the instructions for this form. Income or Deduction items included in the most current IRS Form 1040, but not specifically reflected below, may be accommodated using the "Other Income" and "Other Deductions" line items below.

### *Income Line Items Provided for the IRS*

- [Wages](#), [salaries](#), [tips](#), etc.
- [Overtime/bonus pay](#)
- [Raises/COLAs](#)
- [Taxable interest](#)
- [Ordinary dividends](#)
- Taxable refunds, credits, or offsets of state and local income taxes
- [Alimony](#) received
- [Business income or \(loss\)](#)
- [Capital gain or \(loss\)](#)
- Other gains or (losses)
- Taxable amount of [IRA](#) distributions
- Taxable amount of [Pensions](#) and [annuities](#)
- Rentals, real estate, [royalties](#), [partnerships](#), [S corporations](#), [trusts](#), etc.
- [Farm income or \(loss\)](#)
- [Unemployment compensation](#)
- Taxable amount of [Social security benefits](#)
- Other income (if any)

### *Deduction Line Items Provided for the IRS*

- [Educator expenses](#)
- Certain business expenses of reservists, performing artists, and fee-basis government officials
- [Health savings account](#) deduction
- [Moving expenses](#)
- Deductible part of [self-employment](#) tax
- Self-employed SEP, SIMPLE, and qualified plans
- Self-employed health insurance deduction
- [Penalty on early withdrawal of savings](#)
- [Alimony](#) paid
- [IRA](#) deduction
- [Student loan interest](#) deduction
- [Tuition](#) and fees
- [Domestic production activities](#) deduction
- Other Deductions (if any)

## American Community Survey

When using the American Community Survey definition to determine an applicant's annual income, users must use the most current version of the American Community Survey. The user is advised to consult the U.S. [Census website](#) for the most current version of and the instructions for the ACS form. Income or Deduction items included in the most current ACS Form, but not specifically reflected below, may be accommodated using the "Other Income" and "Other Deductions" line items below.

- [Wages](#), [salary](#), [commissions](#), [bonuses](#), or [tips](#) from all jobs. Report amount before deductions for taxes, bonds, dues, or other items.

- [Self-employment](#) income from own nonfarm businesses or farm businesses, including proprietorships and [partnerships](#). Report NET income after business expenses.
- [Interest](#), [dividends](#), [net rental income](#), [royalty income](#), or income from [estates](#) and [trusts](#). Report even small amounts credited to an account.
- [Social Security](#) or Railroad Retirement.
- Supplemental Security Income (SSI).
- Any [public assistance](#) or [welfare](#) payments from the state or local welfare office.
- Retirement, survivor, or disability [pensions](#). Do NOT include [Social Security](#).
- Any other sources of income received regularly such as [Veterans' \(VA\) payments](#), [unemployment compensation](#), [child support](#) or [alimony](#). Do NOT include [lump sum](#) payments such as money from an inheritance or the sale of a home.

## 2.4 ADJUSTED INCOME CALCULATION

The second section of the income calculator is on how to determine adjusted income. This section is not used by all CPD programs.

The adjusted income calculation is used to determine ability to pay for rent and utilities, by first deducting from annual income a set of deductions. For example, adjusted income is used to determine the rent for a tenant in a HOME-only assisted rental unit whose income increases above 80 percent of the area median or when coupled with the final part of the calculator, rental assistance, the tenant payment depending the model chosen by the grantee.

Adjusted income is derived by subtracting any of five deductions (allowances) that apply to the household from the household's [annual \(gross\) income](#). The deductions must be applied whenever adjusted income is calculated for eligible households.

A household's eligibility for adjustments to annual (gross) income depends in part on whether the household qualifies as an [elderly](#) household, a [disabled](#) household, or a non-elderly, non-disabled household. While defined at 24 CFR 5.611, deductions are applied to eligible households regardless of the definition of annual (gross) income that was initially used to determine their eligibility.

### 2.4.1 Deductions

#### Elderly or Disabled Household Deductions

A household that meets the definition of an [elderly](#) or [disabled](#) household is entitled to a deduction of \$400 per household.

#### Dependent Deductions

For each household dependent, deduct \$480 from a household's [annual \(gross\) income](#) when calculating adjusted income. A dependent is defined as any household member who is not the [head](#), [co-head](#), or spouse, but is under the age of 18 years (note that the calculator uses only the terms head or co-head); or [disabled](#) (of any age); or a [full-time student](#) (of any age).

#### Child Care Expenses Deductions

Reasonable child care expenses for the care of a child age 12 or under may be deducted from annual (gross) income if they enable one or more adult family member to seek employment actively, be gainfully employed, or further his/her education; and if the expenses are not reimbursed.

Reasonable child care expenses for the care of a child age 12 or under may be deducted from annual income if the child care (1) enables an adult family member to seek employment actively, be gainfully employed, or further his/her education; and (2) expenses are not paid to a member of the household and are not reimbursed. The amount of the deduction is unlimited, but the child care expenses must be reasonable (i.e., typical for the area, age of child, etc.).

However, if a full-time student has child care expenses related to employment, these expenses are limited to \$480, as the employment income of full-time students in excess of \$480 is not counted in the annual income calculation.

## Medical Expenses Deductions

[Elderly](#) or [disabled](#) households that have no disability assistance expenses may claim as a deduction medical expenses that are in excess of three percent of their annual (gross) income, so long as they are not already being reimbursed by insurance or through another entity. Medical expenses that may be considered include all medical expenses anticipated to be incurred during the coming year that are not covered by insurance. Although medical expenses are permitted only for elderly or disabled households, once a household qualifies as an elderly or disabled household the medical expenses of all household members are considered.

## Disability Assistance Expenses Deductions

Disability assistance expenses can be deducted from a household's annual income to the extent that they exceed three percent of annual income, so long as they are not already being reimbursed by insurance or another entity. Expenses may be deducted if and only if all of the following conditions are met: (1) they are reasonable, (2) they are not reimbursed from another source, (3) they enable a household member to work, (4) they do not exceed the amount of income generated by the person enabled to work, and (5) they are in excess of three percent of annual income.

## 2.4 RENTAL ASSISTANCE CALCULATION

The final section of the income calculator is on how to determine rental assistance. This section is not used by all CPD programs.

The rental assistance calculation, when coupled with annual and adjusted income, can be used for determining the tenant payment and the amount of assistance applicable to the eligible household in the following situations:

- Tenant and PJ payments under a HOME-funded [TBRA](#) program;
- The rent for a tenant if the grantee has a rental housing program in which rents are based on the household's ability to pay; and
- The rent for a tenant receiving [HOPWA](#) assistance.

Note: The calculator does not provide rental assistance amounts for ESG rental assistance because the recipient or subrecipient determines the appropriate amount of assistance to provide.

### 2.4.1 Fair Market Rent/Rent Standard

The rent including applicable utility allowance for unit type and size for the unit typically cannot be above the [Fair Market Rent](#) or required rent standard for a jurisdiction when using the certificate program (described below). However, the rent charged for a unit must be reasonable in relation to rents currently being charged for comparable units in the private unassisted market and must not be in excess of rents currently being charged by the owner for comparable unassisted units. Rent must be reasonable to provide [HOPWA](#) or [HOME](#) rental assistance to house the beneficiary in a unit. Rent reasonableness must be documented for tenant based rental assistance and included in the assisted client's file.

In addition, on a unit-by-unit basis, grantees can have up to 20% of the total TBRA enrollments exceed the FMR/payment standard by 10%. Further, PHAs have the authority to issue a community wide exception on FMR's up to 110% of FMR. If a PHA in the grantee's community has an established rent standard of 110% of FMR, then the grantee may utilize the PHA's established FMR. Additionally, grantees may utilize the rule of an extra 10% for 20% of the units on top of the PHA established FMR. This will allow for a total of 120% for 20% of units and 110% for the remaining units. See HOPWA regulations at 24 CFR 574.320(a)(2) and/or HOME regulations at 24 CFR 92.203.



## 2.4.2 Approved Rent and Utility Allowances

The approved rent will depend upon the program being used (i.e., HOME, HOPWA, etc.) and what is reasonable for the jurisdiction.

The administrator for the rental program should determine what utility allowances should be used. Typically public housing authorities (PHAs) conduct an annual review of utility costs across a number of different properties in its portfolio. The utility allowance is an estimate of the average monthly utility bills (except telephone) for an energy-conscious household. This estimate considers only utilities paid directly by the tenant. If all utilities are included in the rent, there is not a utility allowance.

## 2.4.3 Rent Models

This calculator determines assistance amounts using the HUD-prescribed Section 8 method only.

The **Section 8 Rental Certificate Program** assumes a fixed tenant payment - that is, the tenant's share of housing costs, or total tenant payment (TTP), is calculated by formula. The formula for computing TTP under the Certificate Program requires a tenant to pay the greatest of:

- 30 percent of monthly adjusted income;
- 10 percent of monthly annual (gross) income; or
- Welfare rent (which applies only to welfare recipients in as-paid localities).

Under a HOME TBRA program, the PJ would then pay the difference between the tenant's share - the TTP -- and the approved rent for the unit selected by the tenant.

The **Section 8 Rental Voucher Program** assumes a fixed payment from the grantee toward a unit's rent. The maximum grantee subsidy is calculated first, and then the tenant pays the difference between the grantee subsidy and the approved rent for the unit. Using the Rental Voucher method, a grantee establishes its rent standards by unit size for the TBRA program as a whole (see section above on FMR/Rent Standard), and determines 30 percent of each tenant's monthly adjusted income. The difference between these figures is the maximum amount the grantee will pay toward the rent for the unit selected by the tenant. However, a minimum tenant payment of 10 percent of the tenant's monthly annual (gross) income is required.

HOME PJs may establish their own method for determining the TBRA subsidy. You may wish to print the annual and adjusted income summaries from this calculator for reference when using another methodology.

HOPWA grantees should only use the Section 8 Rental Certificate model.

## 2.5 CALCULATION DASHBOARD

The Calculation Dashboard allows you to start a new calculation, complete a previously started calculation, and review or update a completed calculation. You can also search for a calculation and delete existing calculations. The Dashboard is organized by Program, and each calculation displayed in the dashboard includes the following information:

- [Beneficiary ID](#)
- Number of family or household members
- Location – the City and State selected
- Calculation type – Annual, Adjusted, or TBRA
- Calculation date – the date that the calculation was last updated
- Status – In Progress or Complete



- Eligibility status – Eligible, Ineligible, or Blank if not yet determined

## 2.5.1 Viewing/Editing Previously Started Calculations

Users may make edits to previously started calculations. From the Calculation Dashboard, find the Calculation and click on the Beneficiary ID.

The calculator stores all data previously entered into the Calculation. The user is required to re-confirm the data by clicking Continue on each screen. You may click on the headings on the left sidebar to skip to various sections of the calculation.

Note the browser back button and previous button on the screen are not always the same due to the various flows for each Program. The browser back button goes to the previous page. The Previous button goes back to the last page from which the user came.

Note new income limits come out each year, typically in the first quarter. If you are in the process of income qualifying a beneficiary, once the income limits are updated in the system, you have to use the new income limits.

CPD Income Eligibility Calculator

Dashboard

[User Manual](#)
[Help](#)

Important Note: The calculator is a tool designed to help a user calculate income in accordance with an allowable definition, but it does not verify income. The calculator does not replace the documentation that must be collected and retained by the user. The user must maintain all necessary documentation, which, when using the calculator, will include saving and retaining the summary documents generated by the calculator. The Dashboard feature is designed to allow you to more easily update a beneficiary's income in the future – however it is not a repository for all previous years' income calculations completed in the past. Users must be sure to save and retain summary documents at the time of creation. Record retention requirements depend upon the CPD program; users should be aware of the length of time records must be kept as well as their own state or local laws related to record retention and privacy.

The FY2015 income limits are in effect for all programs within the CPD Income Calculator. The 30 percent income limits for the CDBG, HOME, ESG, and HOPWA programs have been calculated based on the definition of Extremely Low-Income Family (ELI) as described in Consolidated Submission for CPD Programs section of 24 CFR part 91.5. Therefore, the ELI Limit is calculated as 30 percent of area median income and may not be the same as the Section 8 ELI Limit for your jurisdiction. The Section 8 Limit is calculated based on the definition of ELI as described in The 2014 Consolidated Appropriations Act, (Section 238 on page 128 Stat 635) which defines ELI as very low-income families whose incomes do not exceed the higher of the Federal poverty level or 30% of area median income.

Select a program and start a new calculation

Select One

Start

CDBG Calculations

New Calculation

Show 10 entries

Search:

| Beneficiary ID | No. of Members | Location           | Calculation Type | Calculation Date | Status      | Eligibility Status | Delete                   |
|----------------|----------------|--------------------|------------------|------------------|-------------|--------------------|--------------------------|
| 51             | 6              | Fort Wayne, IN MSA | Annual           |                  | In Progress |                    | <input type="checkbox"/> |
| 67             | 2              | Anderson, IN MSA   | Annual           |                  | In Progress |                    | <input type="checkbox"/> |
| HH5            | 2              | Duluth, MN-WI MSA  | Annual           |                  | In Progress | Eligible           | <input type="checkbox"/> |

# Section 3: Terms and Definitions

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## [A](#) [B](#) [C](#) [D](#) [E](#) [F](#) [G](#) [H](#) [I](#) [J](#) [K](#) [L](#) [M](#) [N](#) [O](#) [P](#) [Q](#) [R](#) [S](#) [T](#) [U](#) [V](#) [W](#) [X](#) [Y](#) [Z](#)

### A

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**ACTUAL INCOME FROM ASSETS:** Income derived from assets to which family members have access.

1. Assets are items of value that may be turned into cash. A savings account is a cash asset. The bank pays interest on the asset. The interest is the income from that asset. There are also assets that do not earn interest such as a quantity of money under a mattress: it is a thing of value that could be used to the benefit of its owner, but is not producing income. Some belongings of value are not considered assets. Necessary personal property is not counted as an asset.
2. The calculation to determine the amount of income from assets to include in annual income considers both of the following:
  - a. The total cash value of the family's assets; and
  - b. The amount of income those assets are earning or could earn.

**ACS:** See [AMERICAN COMMUNITY SURVEY](#).

**ADJUSTED GROSS INCOME:** Annual income (as determined by the owner) of the members of the family residing or intending to reside in the dwelling unit, after making the following deductions. In determining adjusted income, the owner must deduct the following amounts from annual income:

1. \$480 for each dependent;
2. \$400 for any elderly family or disabled family;
3. The sum of the following, to the extent the sum exceeds 3% of annual income: a. Unreimbursed reasonable medical expenses of any elderly family or disabled family; and b. Unreimbursed reasonable attendant care and auxiliary apparatus expenses for each member of the family who is a person with disabilities, to the extent necessary to enable any member of the family (including the member who is a person with disabilities) to be employed. This deduction may not exceed the earned income received by family members who are 18 years of age or older who are able to work because of such attendant care or auxiliary apparatus; and
4. Any reasonable child care expenses necessary to enable the family member to be employed or to further his or her education.[24 CFR 5.611]

**ADJUSTED INCOME:** See [ADJUSTED GROSS INCOME](#).

**ADULT:** An individual who is 18 years of age or older or a minor under the age of 18 who has been emancipated to act on his/her own behalf, including the ability to execute a contract or lease.

**ALIMONY:** An allowance made to one spouse by the other for support pending or after legal separation or divorce.

**AMERICAN COMMUNITY SURVEY (ACS):** A nationwide survey designed to provide communities with a fresh look at how they are changing. It is a critical element in the [Census Bureau's](#) reengineered 2010 census plan. The ACS

collects information such as age, race, income, commute time to work, home value, veteran status, and other important data from U.S. households.

**ANNUAL INCOME:** All amounts, monetary or not, which: 1. Go to, or on behalf of, the family head or spouse [or co-head] (even if temporarily absent) or to any other family member; or 2. Are anticipated to be received from a source outside the family during the 12-month period following eligibility; and 3. Which are not specifically excluded [by regulation]. Annual income also means amounts derived (during the 12-month period) from assets to which any member of the family has access. [24 CFR 5.609]

The [HOME Program](#) allows the use of two income definitions for the purpose of determining applicant eligibility:

- Annual income as defined in the Code of Federal Regulations (24 CFR 5.609);
- Adjusted gross income as defined for purposes of reporting under Internal Revenue Service (IRS) Form 1040 series for individual federal annual income tax purposes.

The definitions are collectively referred to as "annual income" and are also used in the [Community Development Block Grant \(CDBG\) Program](#) and also the [American Community Survey](#) (ACS) is also an eligible definition.

**ANNUITIES:** The sum of money payable yearly or at other regular intervals.

**ANTICIPATED ANNUAL INCOME:** Gross amount of income of all adult household members that is anticipated to be received during the coming 12-month period.

**APPROVED RENT:** Rent requirement as set by HUD that meet one of the following requirements:

1. The rent does not exceed 30 percent of the annual income of a family whose income equals 50 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger families. HUD provides the HOME rent limits which include average occupancy per unit and adjusted income assumptions. However, if the rent determined under this paragraph is higher than the applicable rent under 24 CFR 92.252(a), then the maximum rent for units under this paragraph is that calculated under 24 CFR 92.252(a).
2. The rent does not exceed 30 percent of the family's adjusted income. If the unit receives Federal or State project-based rental subsidy and the very low-income family pays as a contribution toward rent not more than 30 percent of the family's adjusted income, then the maximum rent (i.e., tenant contribution plus project-based rental subsidy) is the rent allowable under the Federal or State project-based rental subsidy program.

The Fair Market Rents for unit sizes larger than 4 bedrooms are calculated by adding 15 percent to the 4 bedroom FMR for each extra bedroom.

**ASSETS:** Items of value that may be turned into cash. Some assets may earn interest, such as savings accounts. Other assets, such as cash, do not earn interest. Some belongings of value are not considered assets. Necessary personal property is not counted as an asset.

## B

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**BROWNFIELDS ECONOMIC DEVELOPMENT INITIATIVE (BEDI):** The Brownfields Economic Development Initiative (BEDI) is a key competitive grant program that HUD administers to stimulate and promote economic and community development. BEDI is designed to assist cities with the redevelopment of abandoned, idled and underused industrial and commercial facilities where expansion and redevelopment is burdened by real or potential environmental contamination.

BEDI: See [BROWNFIELDS ECONOMIC DEVELOPMENT INITIATIVE](#).

**BENEFICIARY:** A family, household, or individual whose income does not exceed 80 percent of the median income for the area, as determined by HUD, with adjustments for smaller and larger households or families. However, HUD may establish income ceilings higher or lower than 80 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of unusually high or low household or family incomes.

**BENEFICIARY ID:** The CPD Income Eligibility Calculator asks for a "Beneficiary ID" instead of a "Last Name" to help protect the privacy of applicants to CPD programs. The Beneficiary ID you enter should be unique, will be included on the Calculator screens and printouts, and will be the key data element necessary to later find, complete, and/or edit the income determination performed for that beneficiary within the Calculator. DO NOT use any personal information to create a Beneficiary ID, including but not limited to names, social security numbers, or addresses.

**BENEFITS:** Government benefits such as Social Security Benefits, Veterans Administration Benefits, and Unemployment Benefits.

**BONUS PAY:** Compensation over and above the amount of pay specified as a base salary or hourly rate of pay.

**BUSINESS INCOME OR LOSS:** Business income is income received from the sale of products or services. For example, fees received by a professional person are considered business income. Rents received by a person in the real estate business are business income. Payments received in the form of property or services must be included in income at their fair market value.

## C

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**CAPITAL GAIN OR LOSS:** Everything an individual owns and uses for personal or investment purposes is a capital asset. Examples include a home, household furnishings, and stocks or bonds held in a personal account. When a capital asset is sold, the difference between the basis in the asset and the amount it is sold for is a capital gain or a capital loss. Generally an asset's basis is its cost.

- If you sell the asset for more than your basis it is a capital gain.
- If you sell the asset for less than your basis it is a capital loss.

Capital gains and losses are classified as long-term or short-term. If the asset is held for more than one year before disposed of, the capital gain or loss is long-term. If it is held one year or less, the capital gain or loss is short-term.

**CASH:** Money in coins or notes, as distinct from checks, money orders, or credit. Cash is either handled individually outside of a bank account or within a bank account such as checking or savings.

CDBG: See [COMMUNITY DEVELOPMENT BLOCK GRANT](#).

**CDBG DISASTER RECOVERY ASSISTANCE:** Title XII of Division A of the American Recovery and Reinvestment Act of 2009 (Public Law 111-005, approved February 17, 2009) appropriates \$1 billion to carry out the CDBG program under Title I of the Housing and Community Development Act of 1974 (42 U.S.C. 5301, et seq.) (HCDA) on an expedited basis. These funds will be distributed to grantees that received CDBG funding in Fiscal Year (FY) 2008 in accordance with the provisions of 42 U.S.C. 5306. The grant program under Title XII is commonly referred to as the CDBG Recovery (CDBG-R) program.

**CHILDCARE EXPENSES:** See [ADJUSTED GROSS INCOME](#).

**CHILD SUPPORT:** Court-ordered payments, typically made by a noncustodial divorced parent, to support one's minor child or children.

**CODE OF FEDERAL REGULATIONS (CFR):** The Code of Federal Regulations (CFR) is the codification of the general and permanent rules published in the Federal Register by the executive departments and agencies of the federal government. It is divided into 50 titles that represent broad areas subject to federal regulation. Each volume of the CFR is updated once each calendar year and is issued on a quarterly basis.

**CO-HEAD OF HOUSEHOLD:** An adult member of the family who is treated the same as a head of the household for purposes of determining income eligibility.

**COLA:** See [COST OF LIVING ADJUSTMENT \(COLA\)](#).

**COMMISSIONS:** A fee paid to an agent or employee for transacting a piece of business or performing a service; especially, a percentage of the money received from a total paid to the agent responsible for the business.

**COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM (CDBG):** Created under the Housing and Community Development Act of 1974, this program provides grant funds to local and state governments to develop viable urban communities by providing decent housing with a suitable living environment and expanding economic opportunities to assist low- and moderate-income residents. CDBG replaced several categorical grant programs, such as the Model Cities program, the Urban Renewal program, and the Housing Rehabilitation Loan and Grant program.

**COMMUNITY PLANNING AND DEVELOPMENT (CPD):** [HUD's](#) Office of Community Planning and Development seeks to develop viable communities by promoting integrated approaches that provide decent housing, a suitable living environment, and expand economic opportunities for low- and moderate-income persons. The primary means toward this end is the development of partnerships among all levels of government and the private sector, including for-profit and nonprofit organizations.

**COST OF LIVING ADJUSTMENT (COLA):** Employment contracts, pension benefits, and government entitlements (such as Social Security) can be tied to a cost-of-living index, typically to the Consumer Price Index (CPI). A Cost of Living Allowance (COLA) adjusts salaries based on changes in a cost-of-living index. Salaries are typically adjusted annually. They may also be tied to a cost-of-living index that varies by geographic location if the employee moves.

**CPD:** See [COMMUNITY PLANNING AND DEVELOPMENT](#).

**CURRENT CASH VALUE OF ASSETS:** Income derived from assets to which family members have access. Assets are items of value that may be turned into cash. A savings account is a cash asset. The bank pays interest on the asset. The interest is the income from that asset. There are also assets that do not earn interest such as a quantity of money under a mattress: it is a thing of value that could be used to the benefit of its owner, but is not producing income. Some belongings of value are not considered assets. Necessary personal property is not counted as an asset.

## D

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**DEDUCTIONS:** Amounts subtracted or withheld from your gross income. Some deductions, such as taxes, are required by law. Others are elective. See [ADJUSTED INCOME](#).

**DEEDS:** A signed and usually sealed instrument containing some legal transfer, bargain, or contract.

**DEMOLITION:** Structures taken down and removed.

**DEPENDENTS:** A member of the family other than the head, spouse, or co-head, who is under 18 years of age or is a person with disabilities or a full-time student. Also, a foster child, a foster adult, or a live-in aide may never be a dependent regardless of age or disability.

**DISABILITIES:** Also known as “Disabled Family or Disabled Household”. Disabled household means a household composed of:

1. One or more persons at least one of whom is an adult (18 years or older) who has a disability;
2. Two or more persons with disabilities living together, or one or more such persons living with another person who is determined by HUD, based upon a certification from an appropriate professional (e.g., a rehabilitation counselor, social worker, or licensed physician) to be important to their care or wellbeing; or
3. The surviving member or members of any household described in paragraph (1) of this definition who were living in a unit assisted under this part with the deceased member of the household at the time of his or her death. [24 CFR 891.305]

**DISABILITY EXPENSES:** See [ADJUSTED GROSS INCOME](#).

**DIVIDENDS:** An individual share of something distributed: as 1. A share in a pro rata distribution (as of profits) to stockholders, 2. A share of surplus allocated to a policyholder in a participating insurance policy.

**DOMESTIC PRODUCTION ACTIVITIES:** Businesses with "qualified production activities" can take a tax deduction of 3% from net income. This is a tax break pure and simple. The more complicated the business, the more complicated the math for calculating the Domestic Production Activities Deduction. In a nutshell, businesses engaged in manufacturing and other qualified production activities will need to implement cost accounting mechanisms to make sure their tax deduction is accurately calculated.

## E

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**EDUCATOR EXPENSES:** Expenses incurred by eligible educators for books, supplies, computer equipment, and supplementary materials used in the classroom. See IRS.gov for more details.

**ELDERLY FAMILY/HOUSEHOLD:** 1. Families of two or more persons, the head of which (or his or her spouse) is 62 years of age or older; 2. The surviving member or members of a family described in paragraph (1) living in a unit assisted under 24 CFR part 891, subpart E (Section 202 loans) with the deceased member of the family at the time of his or her death; 3. A single person who is 62 years of age or older. 4. Two or more elderly persons living together, or one or more such persons living with another person who is determined by HUD, based upon a licensed physician's certificate provided by the family, to be essential to their care or well-being. [24 CFR 891.505].

**EMERGENCY SOLUTIONS GRANTS PROGRAM:** The [HEARTH Act](#) revised the Emergency Shelter Grants Program to create the Emergency Solutions Grants (ESG) Program. The ESG Program provides funding to: (1) improve the number and quality of emergency shelters for homeless individuals and families; (2) help operate these shelters; (3) provide essential social services to shelter residents; and (4) prevent families and individuals from becoming homeless.

**EQUITY:** The money value of a property or of an interest in a property in excess of claims or liens against it.

**ESTATES:** the assets and liabilities left by a person at death.

**EXCLUSIONS:** When determining Annual Income, these are certain types of income and asset sources that are “excluded” from the calculation. Exclusions will depend upon the income definition.

## F

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**FAIR MARKET RENT (FMR):** Primarily used to determine payment standard amounts for the Housing Choice Voucher program, to determine initial renewal rents for some expiring project-based Section 8 contracts, to determine initial rents for housing assistance payment contracts in the Moderate Rehabilitation Single Room Occupancy program, and to serve as a rent ceiling in the [HOME](#) or HOPWA rental assistance program where the certificate model is used.

**FAMILY:** One or more persons related by blood, marriage or adoption.

**FARM INCOME OR LOSS:** Farm income and expenses includes the amounts realized from the sales, and the expenses incurred in the business of farming, including cultivating operating or managing a farm for profit, either as an owner or a tenant. A farm includes livestock, dairy, poultry, fish, fruit and truck farms. It also includes plantations, ranches, ranges and orchards. If your deductible farm expenses are more than your farm income, you have a loss from the operation of your farm. See IRS.gov for more details.

**FMR:** See [FAIR MARKET RENT](#).

**FOSTER ADULT:** A foster adult is usually an adult with a disability who is unrelated to the family and who is unable to live alone.

**FOSTER CHILD:** Children that are in the legal guardianship or custody of a State, county, or private adoption or foster care agency, yet are cared for by foster parents in their own homes, under some kind of short-term or long-term foster care arrangement with the custodial agency.

**FULLTIME STUDENT:** A person who is attending school or vocational training on a full-time basis [24 CFR 5.603].

## G

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**GROSS ANNUAL INCOME:** The total income, before taxes and other deductions, received by all members of the tenant’s household. There shall be included in this total income all wages, social security payments, retirement benefits, military and veteran's disability payments, unemployment benefits, welfare benefits, interest and dividend payments and such other income items as the Secretary considers appropriate. This is the same term as Annual Income.

## H

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**HEAD OF HOUSEHOLD:** The adult member of the family who is the head of the household for purposes of determining income eligibility [24 CFR 5.504].



**HEALTH SAVINGS ACCOUNT:** An account that allows individuals to pay for current health expenses and save for future qualified medical and retiree health expenses on a tax free basis, with some state exceptions.

**HEARTH ACT:** The Homeless Emergency Assistance and Rapid Transition to Housing (HEARTH) Act of 2009. The HEARTH Act amends and reauthorizes the McKinney-Vento Homeless Assistance Act, including the [Emergency Solutions Grants Program \(ESG\)](#).

**HOME (HOME INVESTMENT PARTNERSHIPS PROGRAM):** Provides formula grants to states and localities that communities use — often in partnership with local nonprofit groups — to fund a wide range of activities that build, buy, and/or rehabilitate affordable housing for rent or homeownership, or to provide direct rental assistance to low-income people.

**HOME AFFORDABILITY PERIOD:** Affordability refers to the requirements of the HOME Program that relate to the cost of housing both at initial occupancy and over established timeframes, as prescribed in the HOME regulations. Affordability requirements vary depending on the nature of the HOME-assisted activity (i.e., homeownership or rental housing).

**HOPWA:** See [HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS](#).

**HOUSEHOLD:** All the people who occupy a housing unit. A household includes the related family members and all the unrelated people, if any, such as lodgers, foster children, wards, or employees who share the housing unit. A person living alone in a housing unit, or a group of unrelated people sharing a housing unit such as partners or roomers, is also counted as a household.

**HOUSING OPPORTUNITIES FOR PERSONS WITH AIDS (HOPWA):** Provides housing assistance and supportive services to low-income people with HIV/AIDS and their families. HOPWA funds may also be used for case management, mental health services, housing information, nutritional services, transportation, substance abuse treatment, employment services, and other supportive services.

**HUD METRO FMR AREA:** Indicates that only a portion of the OMB-defined core-based statistical area (CBSA) is in the area to which the [income limits](#) or [FMRs](#) apply. [HUD](#) is required by OMB to alter the name of metropolitan geographic entities it derives from the CBSAs when the geography is not the same as that established by OMB.

## I

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**IL:** See [INCOME LIMIT](#).

**IMPUTED INCOME FROM ASSETS:** See Technical Guide for Determining Income and Allowances Under the HOME Program.

**INCLUSIONS:** When determining Annual Income, these are certain types of income and asset sources that are “included” in the calculation.

**INCOME DETERMINATION:** Determination of income which includes all amounts, monetary or not, including the full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses, compensation for personal services, and more.

**INCOME LIMIT:** Determines the eligibility of applicants for HUD's assisted housing programs.

**INDIVIDUAL RETIREMENT ACCOUNT:** A personal savings plan that offers tax advantages to those who set aside money for retirement. Depending on the individual's circumstances, contributions to the IRA may be deductible in



whole or in part. Generally, amounts in an IRA, including earnings and gains, are not taxed until distributed to the individual.

INTEREST: A charge for borrowed money generally a percentage of the amount borrowed or an amount earned as a result of cash held by a lending institution such as in a checking or savings account.

INTERNAL REVENUE SERVICE: The Internal Revenue Service (IRS) is a federal government agency responsible for tax collection and tax law enforcement.

IRA: See [INDIVIDUAL RETIREMENT ACCOUNT](#).

IRS: See [INTERNAL REVENUE SERVICE](#).

IRS 1040 ADJUSTED GROSS INCOME: One of the definitions of Annual Income. Adjusted Gross Income is defined as gross income minus adjustments to income. Refer to the latest federal income tax return.

IRS FORM 1040: Form used under the IRS 1040 Adjusted Gross Income definition.

## J

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## K

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## L

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LIFE INSURANCE: Insurance providing for payment of a stipulated sum to a designated beneficiary upon death of the insured.

LIHTC: See [LOW-INCOME HOUSING TAX CREDIT](#).

LOW-INCOME HOUSING TAX CREDIT (LIHTC): A tax incentive intended to increase the availability of low-income housing. The program provides an income tax credit to owners of newly constructed or substantially rehabilitated low-income rental housing projects.

LOW/MOD – HOUSING: One of the Community Development Block Grant (CDBG) national objectives for housing activities.

LOW/MOD – JOBS: One of the Community Development Block Grant (CDBG) national objectives for job activities.

LOW/MOD - LIMITED CLIENTELE: One of the Community Development Block Grant (CDBG) national objectives for activities serving limited clientele who are low/moderate income persons.

LOW/MOD - LIMITED CLIENTELE - PRESUMED BENEFIT: One of the Community Development Block Grant (CDBG) national objectives for activities serving limited clientele. Examples include senior centers, homeless shelters, etc.

LOW/MOD - AREA BASIS: One of the Community Development Block Grant (CDBG) national objectives for activities serving areas that can be documented as a low/moderate income area.

LUMP SUMS: A complete payment consisting of a single sum of money as opposed to a series of payments.

## M

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MA: See [METROPOLITAN AREA](#).

MEDICAL EXPENSES: See [ADJUSTED GROSS INCOME](#).

MEMBER ID: The CPD Income Eligibility Calculator asks for "Member IDs" instead of "First Names" to help protect the privacy of applicants to CPD programs. Each Member ID you enter should be unique to an individual within the family or household associated with this Beneficiary ID. Printouts from the Calculator for all programs except [HOPWA](#) will include the Member IDs entered here along with a blank space in which the First Name of the associated individual can be written or otherwise inserted. DO NOT use any personal information to create Member ID(s), including but not limited to names, social security numbers, or addresses.

METROPOLITAN AREA (MA): A large population nucleus, together with adjacent communities that has a high degree of economic and social integration with that nucleus.

METROPOLITAN STATISTICAL AREA (MSA): An area with at least one urbanized area of 50,000 or more population, plus adjacent territory that has a high degree of social and economic integration with the core, as measured by commuting ties.

MODERATE INCOME: Households whose incomes are between 81 percent and 95 percent of the median income for the area, as determined by HUD, with adjustments for smaller or larger families. HUD may establish income ceilings higher or lower than 95 percent of the median for the area on the basis of HUD's findings that such variations are necessary because of prevailing levels of construction costs, [fair market rents](#), or unusually high or low family incomes.

MOVING EXPENSES: Expenses due to a change in job or business location, or starting a new job or business. See IRS.gov for more details.

MSA: See [METROPOLITAN STATISTICAL AREA](#).

## N

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NEIGHBORHOOD STABILIZATION PROGRAM (NSP): Provides emergency assistance to state and local governments to acquire and redevelop foreclosed properties that might otherwise become sources of abandonment and blight within their communities. The Neighborhood Stabilization Program (NSP) provides grants to every state and certain local communities to purchase foreclosed or abandoned homes and to rehabilitate, resell, or redevelop these homes in order to stabilize neighborhoods and stem the decline of house values of neighboring homes. The program is authorized under Title III of the Housing and Economic Recovery Act of 2008.

NET CASH VALUE OF ASSETS: Total cash value of all assets used in calculating Annual Income.

NET RENTAL INCOME: The remaining income from rent after all expenses have been deducted.

## O

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ORDINARY DIVIDENDS: Ordinary dividends are a result of the trust or estates' investment in a corporation and are paid out of the earnings and profits of the corporation.

OTHER INCOME: This section of Annual Income in the Calculator allows for input of any other income source not previously included in the other income categories.

OVERTIME: Time in excess of a set limit; working time in excess of a standard day or week.

## P

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PART 5 ANNUAL INCOME: Also known as HUD 24 CFR Part 5. One of the definitions of Annual Income. Part 5 definition of annual income is the gross amount of income of all adult household members that is anticipated to be received during the coming 12-month period. The rules concerning Section 8 annual income were previously found at 24 CFR Part 813. However, Part 813 was removed from the Federal regulations on October 18, 1996. At the same time, 24 CFR Part 5 was published. Subpart F of Part 5 consolidated the requirements pertaining to income for many of HUD's programs, including Section 8.

PARTICIPATING JURISDICTION (PJ): The term given to any state, local government, or consortium of local governments that HUD has designated to administer a [HOME Program](#). HUD designation as a PJ occurs if a state, local government, or consortium meets the funding thresholds, notifies HUD that it intends to participate in the program, and obtains approval by HUD of a Consolidated Plan.

PARTNERSHIPS: Arrangement where parties agree to cooperate to advance their mutual interests.

PASSBOOK RATE: Interest rate on savings account established periodically by HUD. The Passbook Savings Rate is used to calculate the minimum amount of income from your assets. Either that amount or the amount of income you report for those assets (whichever is greater) are added to your other unearned income and your earned income to calculate your gross non-excluded income.

PENALTY ON EARLY WITHDRAWAL ON SAVINGS: Penalty incurred if you withdraw money from a certificate of deposit or other time-deposit savings account prior to your certificate maturing. The penalty is charged by the bank and withheld directly from your proceeds from the certificate.

PENSION FUNDS: See [PENSIONS](#).

PENSIONS: A fixed sum paid under given conditions to a person following retirement from service or to surviving dependents.

PERSONAL PROPERTY: Property other than real property consisting of things temporary or movable.

PJ: See [PARTICIPATING JURISDICTION](#).

PUBLIC ASSISTANCE: Government aid to needy, aged, or disabled persons and to dependent children.

**PUBLIC FACILITY:** Infrastructure and facilities necessary to support the services and functions provided by the government or public utility companies. These can include Neighborhood facilities including, but not limited to public schools, libraries, recreational facilities, parks, playgrounds; and facilities for persons with special needs such as facilities for the homeless or domestic violence shelters, nursing homes, or group homes for the disabled.

## Q

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## R

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**RAISES:** An increase in wages or salary.

**RECERTIFICATION OF ANNUAL INCOME BY GOVERNMENT PROGRAMS FORM:** The Recertification of Annual Income by Government Programs is a written statement from the administrator of another government program under which the beneficiary receives benefits, and that examines the annual (gross) income of the beneficiary each year.

**REHABILITATION:** The labor, materials, tools, and other costs of improving buildings, other than minor or routine repairs. The term includes where the use of a building is changed to an emergency shelter and the cost of this change and any rehabilitation costs does not exceed 75 percent of the value of the building before the change in use.

**RETIREMENT ACCOUNTS:** A plan for setting aside money to be spent after retirement. Examples include Individual retirement accounts, 401(k), SIMPLE IRAs, and Multiple retirement accounts.

**ROYALTY INCOME:** Payment related to the use of a valuable right. This includes payments for the use of trademarks, trade names, service marks or copyrights, whether or not payment is based on the use made of such property, are ordinarily classified as royalties for federal tax purposes. See IRS.gov for more details.

## S

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**SALARY:** Fixed compensation paid regularly for services.

**S CORPORATIONS:** S corporations are corporations that elect to pass corporate income, losses, deductions and credit through to their shareholders for federal tax purposes. Shareholders of S corporations report the flow-through of income and losses on their personal tax returns and are assessed tax at their individual income tax rates. This allows S corporations to avoid double taxation on the corporate income. S corporations are responsible for tax on certain built-in gains and passive income. See IRS.gov for more details.

**SECTION 108 LOAN GUARANTEE PROGRAM:** Section 108 is the loan guarantee provision of the [Community Development Block Grant \(CDBG\) Program](#). Section 108 provides communities with a source of financing for economic development, housing rehabilitation, public facilities, and large-scale physical development projects.

**SECTION 8 RENTAL CERTIFICATE MODEL (FIXED TENANT PAYMENT):** The rental assistance model that assumes a fixed tenant payment—the tenant's share of housing costs (Total Tenant Payment [TTP]) is calculated by formula.

The public housing agency (PHA) then pays the difference between the tenant's share and the approved rent for the unit.

**SECTION 8 RENTAL VOUCHER MODEL (FIXED PJ PAYMENT):** The rental assistance model that assumes a fixed PHA payment—the maximum PHA subsidy is calculated and the tenant pays the difference between the PHA subsidy and the approved rent for the unit.

**SELF-CERTIFICATION OF ANNUAL INCOME BY BENEFICIARY FORM:** The Self Certification of Annual Income by Beneficiary is a written statement from the beneficiary documenting the definition used to determine Annual (Gross) Income, the number of beneficiary members in the family or household (as applicable based on the activity), and the relevant characteristics of each member for the purposes of income determination.

**SELF-EMPLOYMENT:** The [IRS](#) defines self-employed people who are required to file self-employment Social Security taxes as a sole proprietor that conducts a trade or business; an independent contractor; member of a partnership; or if you are otherwise in business for yourself.

**SELF-HELP HOMEOWNERSHIP OPPORTUNITY PROGRAM (SHOP):** SHOP awards grant funds to eligible national and regional non-profit organizations and consortia to purchase home sites and develop or improve the infrastructure needed to set the stage for sweat equity and volunteer-based homeownership programs for low-income persons and families.

SHOP: See [SELF-HELP HOMEOWNERSHIP OPPORTUNITY PROGRAM](#).

**SLUM/BLIGHT – AREA BASIS:** One of the [Community Development Block Grant \(CDBG\)](#) national objectives to indicate an area meets the definition of slum/blight under the regulations.

**SLUM/BLIGHT – SPOT BASIS:** One of the [Community Development Block Grant \(CDBG\)](#) national objectives to indicate a building meets the definition of slum/blight under the regulations.

**SLUM/BLIGHT – URBAN RENEWAL:** One of the [Community Development Block Grant \(CDBG\)](#) national objectives, but used rarely as there are few urban renewal areas.

**SOCIAL SECURITY BENEFITS:** The comprehensive federal program of benefits providing workers and their dependents with retirement income, disability income, and other payments. The Social security tax is used to pay for the program.

**SOURCE DOCUMENTATION:** Original documentation that demonstrates an income or asset source. Examples include wage statements (i.e., pay stubs), Social Security letters, etc.

**STOCKS:** The proprietorship element in a corporation usually divided into shares and represented by transferable certificates.

**STUDENT LOAN INTEREST:** Interest paid on a qualified student loan. See [IRS.gov](#) for more details.

**SUPPLEMENTAL SECURITY INCOME (SSI):** See [SOCIAL SECURITY BENEFITS](#).

## T

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**TANF:** See [TEMPORARY ASSISTANCE FOR NEEDY FAMILIES](#).

**TAXABLE INTEREST:** Most interest that you either receive or is credited to your account and that can be withdrawn without penalty is taxable income. Examples of taxable interest are interest on bank accounts, money market

accounts, certificates of deposit, and deposited insurance dividends. Interest on insurance dividends left on deposit with the Department of Veterans Affairs, however, is not taxable. See IRS.gov for more details.

TBRA: See [TENANT-BASED RENTAL ASSISTANCE](#).

TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF): Under the welfare reform legislation of 1996, (the Personal Responsibility and Work Opportunity Reconciliation Act – PWRORA – Public Law 104-193), TANF replaced the welfare programs known as Aid to Families with Dependent Children (AFDC), the Job Opportunities and Basic Skills Training (JOBS) program and the Emergency Assistance (EA) program. The law ended federal entitlement to assistance and instead created TANF as a block grant that provides States, territories and tribes federal funds each year. These funds cover benefits, administrative expenses, and services targeted to needy families. TANF became effective July 1, 1997, and was reauthorized in February 2006 under the Deficit Reduction Act of 2005.

TENANT-BASED RENTAL ASSISTANCE (TBRA): HUD assists low- and very low-income families in obtaining decent, safe, and sanitary housing in private accommodations by making up the difference between what they can afford and the approved rent for an adequate housing unit. This is also known as either rental assistance or tenant payments.

TIPS: A gift or a sum of money tendered for a service performed or anticipated: gratuity.

TRUSTS: A property interest held by one person for the benefit of another.

TUITION: The price of or payment for instruction.

## U

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UNEMPLOYMENT COMPENSATION: Money that substitutes for wages or salary, paid to recently unemployed workers under a government- or union-run program.

URGENT NEED: One of the Community Development Block Grant (CDBG) national objectives, but used rarely under the program.

U.S. CENSUS BUREAU: Serves as the leading source of quality data about our nation's people and economy.

U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT (HUD): Established in 1965, HUD's mission is to increase homeownership, support community development, and increase access to affordable housing free from discrimination. To fulfill this mission, HUD will embrace high standards of ethics, management and accountability and forge new partnerships — particularly with faith-based and community organizations — that leverage resources and improve HUD's ability to be effective on the community level.

UTILITY ALLOWANCE: PHA or administrator's estimate of the average monthly utility bills (except telephone) for an energy-conscious household. This estimate considers only utilities paid directly by the tenant. If all utilities are included in the rent, there is not a utility allowance. Utility allowances vary by unit type and are listed on the project's rent schedule or HAP contract.

## V

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VETERANS (VA) PAYMENTS: Monetary payment or the furnishing of goods or services having a monetary value to or for an eligible veteran, veteran's dependent, or veteran's survivor.

VERY LOW-INCOME: Households whose incomes do not exceed 50 percent of the median area income for the area, as determined by HUD, with adjustments for smaller and larger families and for areas with unusually high or low incomes or where needed because of facility, college, or other training facility; prevailing levels of construction costs; or fair market rents.

## W

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WAGES: Payment usually of money for labor or services usually according to contract and on an hourly, daily, or piecework basis.

WELFARE: See [TANF](#).

## X

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## Y

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## Z

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# Section 4: Income Determination Resources

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Several resources are available to assist in income determination.

## 4.1 REGULATORY CITATIONS

### 4.1.1 CDBG Regulations

- 570.3 – Income Definition
- 570.208 – Entitlements – Low Income Targeting
- 570.483 – States – Low Income Targeting
- 570.506 – Income Documentation

### 4.1.2 HOME Regulations

- 24 CFR 92.2 – Definitions
- 24 CFR 92.203 – Income Determinations and Adjusted Income
- 24 CFR 92.209 – TBRA Eligible Costs and Requirements
- 24 CFR 92.216 – Income Targeting: TBRA and Rental Housing Units
- 24 CFR 92.217 – Income Targeting: Homeownership
- 24 CFR 92.252 – Qualification as Affordable Housing: Rental Housing
- 24 CFR 92.254 – Qualification as Affordable Housing: Homeownership Housing

### 4.1.3 HOPWA Regulations

- 574.3 – Eligible Persons D
- 5.603 – Annual Income Definition
- 5.609 – Annual Income
- 5.611 – Adjusted Income
- 5.617 – Self-sufficiency incentives for persons with disabilities—Disallowance of increase in annual income

### 4.1.4 NSP Regulations

- See CDBG regulations.

### 4.1.5 ESG Regulations

- 576.2 – Definitions
- 576.401(b) – Re-evaluation Requirements
- 5.609 – Annual Income

## 4.2 TECHNICAL GUIDANCE

### 4.2.1 CDBG Technical Guidance

#### **Guide to National Objectives and Eligible Activities for Entitlement Communities**

This guide provides explanations on national objectives and eligible activities for Entitlement Communities. View the [Guide to National Objectives and Eligible Activities for Entitlement Communities](#).



## **Guide to National Objectives and Eligible Activities for State CDBG Programs**

This guide provides explanations on national objectives and eligible activities for State CDBG Programs. View the [Guide to National Objectives and Eligible Activities for State CDBG Programs](#).

### **4.2.2 HOME Technical Guidance**

#### **Technical Guide for Determining Income and Allowances for the HOME Program**

This self-study guide provides explanations of each of the three definitions of income and a glossary of terms, and describes what sources of income must be included or excluded when conducting income verification. In addition to a description of these basic requirements, the guide provides exercises and case studies to enable readers to test their understanding of the key concepts. View the [Technical Guide for Determining Income and Allowances for the HOME Program](#).

### **4.2.3 NSP Technical Guidance**

#### **Guide to Completing NSP Income Certifications**

This guide is intended for grantees and their partners seeking guidance on calculating annual gross income for the purposes of NSP eligibility determination. Before approving client applications for NSP rental or homeownership assistance, grantees and their partners must determine whether annual gross income is at or below NSP income limits. While there are a range of acceptable methods for collecting and certifying income data, this guide focuses on the methods used in HUD's HOME Investment Partnership Program. An income calculation worksheet, formatted in Excel, is embedded at the end of this document. View the [Guide to Completing NSP Income Certifications](#).

## **4.3 FORMS**

### **4.3.1 IRS Forms**

Visit the [IRS website](#) to see the 1040 form and other information about the IRS 1040.

### **4.3.2 American Community Survey Forms**

Visit the [Census website](#) to see the survey form and other information about the American Community Survey (ACS).

### **4.3.3 HOME Forms**

The following forms are available to HOME participating jurisdictions (PJs); however other grantees may find these resources helpful and could adapt to other programs.

#### **Program Eligibility Release Form**

This form gives authorization for the named organization to obtain information from a third party relative to his/her eligibility in a HOME TBRA, homebuyer, rental rehabilitation, or homeowner rehabilitation program. It may also be used to determine continued eligibility or rent charged in a HOME TBRA program or HOME-assisted rental housing.

- [View Program Eligibility Release Form in PDF](#)
- [View Program Eligibility Release Form in Word](#)

#### **Recertification of Annual Income by Government Programs**

This form is used to certify the amount of funding a household receives through a government program. A government administrator completes this form for the PJ to use when recertifying the income of rental housing tenants.

- [View Recertification of Annual Income by Government Programs in PDF](#)
- [View Recertification of Annual Income by Government Programs in Word](#)

### **Recertification of Annual Income by Tenant Family**

This form is completed by the tenant family to certify the household size and annual income. The tenant family returns this form to the PJ for use when recertifying the income of rental housing tenants.

- [View Recertification of Annual Income by Tenant Family in PDF](#)
- [View Recertification of Annual Income by Tenant Family in Word](#)

### **Sample Format for Calculating Adjusted Income**

This form provides a format that can be used to calculate adjusted income for HOME Program purposes.

- [View Sample Format for Calculating Adjusted Income in PDF](#)
- [View Sample Format for Calculating Adjusted Income in Word](#)

### **Sample Format for Calculating Part 5 Annual Income**

This form provides a format that can be used to assess assets and anticipated income and calculate Part 5 annual income.

- [View Sample Format for Calculating Part 5 Annual Income in PDF](#)
- [View Sample Format for Calculating Part 5 Annual Income in Word](#)

### **Sample Format for Computing IRS Form 1040 Series Adjusted Gross Income**

This form provides a format that can be used to compute the IRS Form 1040 series adjusted gross income.

- [View Sample Format for Computing IRS Form 1040 Series Adjusted Gross Income in PDF](#)
- [View Sample Format for Computing IRS Form 1040 Series Adjusted Gross Income in Word](#)

### **Sample Format for Computing Total Tenant Payment and PJ Subsidy: Rental Certificate Model**

This form provides a format that can be used to compute the total payment and PJ subsidy for a rental certificate model. This form is used with the Sample Format for Calculating Part 5 Adjusted Income.

- [View Sample Format for Computing Total Tenant Payment and PJ Subsidy: Rental Certificate Model in PDF](#)
- [View Sample Format for Computing Total Tenant Payment and PJ Subsidy: Rental Certificate Model in Word](#)

### **Sample Format for Computing Total Tenant Payment and PJ Subsidy: Rental Voucher Model**

This form provides a format that can be used to compute the total payment and PJ subsidy for a rental voucher model. This form is used with the Sample Format for Calculating Part 5 Adjusted Income.

- [View Sample Format for Computing Total Tenant Payment and PJ Subsidy: Rental Voucher Model in PDF](#)
- [View Sample Format for Computing Total Tenant Payment and PJ Subsidy: Rental Voucher Model in Word](#)

### **Verification of Alimony and Separation**

This form gives authorization for the HOME PJ to verify alimony and separation payments made to all members of the household applying for participation in the HOME Program.

- [View Verification of Alimony and Separation in PDF](#)
- [View Verification of Alimony and Separation in Word](#)

### **Verification of Assets on Deposit**

This form gives authorization for the HOME PJ to verify assets on deposit for all members of the household applying for participation in the HOME Program.

- [View Verification of Assets on Deposit in PDF](#)
- [View Verification of Assets on Deposit in Word](#)

### **Verification of Child Support Payments**

This form gives authorization for the HOME PJ to verify child support payments made to all members of the household applying for participation in the HOME Program on all or none.

- [View Verification of Child Support Payments in PDF](#)
- [View Verification of Child Support Payments in Word](#)

### **Verification of Employment**

This form gives authorization for the HOME PJ to verify employment income of all the members of the household applying for participation in the HOME Program.

- [View in Verification of Employment in PDF](#)
- [View in Verification of Employment in Word](#)

### **Verification of Income from Military**

This form gives authorization for the HOME PJ to verify military service income of all the members of the household applying for participation in the HOME Program.

- [View Verification of Income from Military in PDF](#)
- [View Verification of Income from Military in Word](#)

### **Verification of Income from Business**

This form gives authorization for the HOME PJ to verify business income of all the members of the household applying for participation in the HOME Program.

- [View Verification of Income from Business in PDF](#)
- [View Verification of Income from Business in Word](#)

### **Verification of Pensions and Annuities**

This form gives authorization for the HOME PJ to verify pension and annuity income of all the members of the household applying for participation in the HOME Program.

- [View Verification of Pensions and Annuities in PDF](#)
- [View Verification of Pensions and Annuities in Word](#)

### **Verification of Public Assistance Program**

This form gives authorization for the HOME PJ to verify public assistance income for all the members of the household applying for participation in the HOME Program.

- [View Verification of Public Assistance Program in PDF](#)
- [View Verification of Public Assistance Program in Word](#)

### **Verification of Recurring Cash Contributions**

This form gives authorization for the HOME PJ to verify recurring cash contributions made to all members of the household applying for participation in the HOME Program.

- [View Verification of Recurring Cash Contributions in PDF](#)
- [View Verification of Recurring Cash Contributions in Word](#)

### **Verification of Social Security Benefits**

This form gives authorization for the HOME PJ to verify Social Security benefit income for all the members of the household applying for participation in the HOME Program.

- [View Verification of Social Security Benefits in PDF](#)
- [View Verification of Social Security Benefits in Word](#)

### **Verification of Unemployment Benefits**

This form gives authorization for the HOME PJ to verify information about unemployment benefits income for all members of the household applying for participation in the HOME Program.

- [View Verification of Unemployment Benefits in PDF](#)
- [View Verification of Unemployment Benefits in Word](#)

### **Verification of Veterans Administrative Benefits**

This form gives authorization for the HOME PJ to verify Veterans Administrative Benefits income for all the members of the household applying for participation in the HOME Program.

- [View Verification of Veterans Administrative Benefits in PDF](#)
- [View Verification of Veterans Administrative Benefits in Word](#)

## **4.3.4 HOPWA Forms**

### **Income Eligibility Calculation Worksheet**

To be eligible for assistance under the HOPWA program, individuals must be at or below 80 percent of area median income (AMI). Project sponsors can use this worksheet to calculate household income and determine eligibility for assistance.

- Download [Income Eligibility Calculation Worksheet \(Excel\)](#)
- View [Income Eligibility Calculation Worksheet \(PDF\)](#)

### **Income & Resident Rent Calculation Worksheet**

With the exception of persons in short-term supported housing, persons receiving rental assistance under the HOPWA program must pay rent. According to the HOPWA regulations, tenants must pay the higher of: (1) 30 percent of the family's monthly adjusted income; (2) 10 percent of the family's monthly gross income; or (3) The portion of any welfare assistance payments specifically designated for housing costs. This worksheet can be used by HOPWA project sponsors to determine the Resident Rent Payment.

- Download [Income & Resident Rent Calculation Worksheet \(Excel\)](#)
- View [Income & Resident Rent Calculation Worksheet \(PDF\)](#)

### **Accepted Forms of Income Verification**

HOPWA program regulations require verification of all income from participant households. This tool provides examples of acceptable forms of income documentation.

- Download [Accepted Forms of Income Verification \(PDF\)](#)
- View [Accepted Forms of Income Verification \(HTML\)](#)

### **Disallowance of Increase in Annual Income (Earned Income Disregard)**

In February 2001, HUD finalized regulations that require housing providers in certain HUD programs to disregard some or all of the earned income for tenants with disabilities. The Earned Income Disregard, as it is commonly called, allows qualified individuals and families receiving housing assistance to keep more of their earned income for a period of up to two years following an increase in employment income. This resource provides guidance on implementing the Earned Income Disregard for the purpose of calculating client income and resident rent payment.

- View [Disallowance of Increase in Annual Income \(Earned Income Disregard\) \(HTML\)](#)

### **Zero-Income Affidavit**

HOPWA program regulations require verification of all income from participating households. This form can be used as documentation when a household has no income.

- View [Zero-Income Affidavit \(HTML\)](#)

## **EXHIBIT IV-F**

### **Sample Forms of Income Verification**

- Appendix IV-D.1 Employment Verification (VOE)
- Appendix IV-D.2 Verification of Assets
- Appendix IV-D.3 Unemployment Affidavit
- Appendix IV-D.4 Zero Income Affidavit
- Appendix IV-D.5 Tip Income Affidavit
- Appendix IV-D.6 Child Support Affidavit
- Appendix IV-D.7 Financial Assistance Affidavit
- Appendix IV-D.8 Self Employment Affidavit

# Verification of Employment

The information on this form is needed to certify/recertify the named employee's income from wages. Please complete this entire form and leave no blanks. If there are any questions that you do not understand, please email or call the number below. Thank you for your cooperation.

For further information, please contact:

|                         |                 |
|-------------------------|-----------------|
| Employer Name, Address: | Phone #:        |
| Employer Email::        | Employer Fax #: |

The below Applicant/Resident is applying to/participating in a housing program that requires verification of income. The individual has signed a release below giving you permission to supply us with information. The information provided will remain confidential. Please return the completed form to the address/fax below.

|                     |   |
|---------------------|---|
| Employee Name:      | Employee ID or Last Four Digits of SS#: |
| Employee Signature: | Date:                                   |

This section to be completed by employer ONLY. All questions with an asterisk \* are required.

Please return by fax or email to the information listed above

Please do NOT return this form to the employee. Thank you!

\*Employee Name: \_\_\_\_\_ \*Title: \_\_\_\_\_ \*Date of Hire: \_\_\_\_/\_\_\_\_/\_\_\_\_

\*Is this person a current employee? ☐ Yes ☐ No

\*Gross YTD Amount:\$ \_\_\_\_\_ \*From: \_\_\_\_/\_\_\_\_/\_\_\_\_ \*to: \_\_\_\_/\_\_\_\_/\_\_\_\_

\*Base Pay: \$ \_\_\_\_\_ per ☐ Hour ☐ Week ☐ Month ☐ Year ☐ Other: \_\_\_\_\_ \*Hours per week: \_\_\_\_\_

\*Overtime Pay Rate: \$ \_\_\_\_\_ \*OT Hours per week: \_\_\_\_\_

\*Shift Differential Pay Rate: \$ \_\_\_\_\_ \*Shift Differential Hours per week: \_\_\_\_\_

\*Does this employee receive: ☐ N/A ☐ Commissions ☐ Tips ☐ Bonuses ☐ Other: \_\_\_\_\_

\*Average amount of Commissions/ Tips/ Bonuses/ Other:\$ \_\_\_\_\_ \*per ☐ Hour ☐ Week ☐ Other: \_\_\_\_\_

\*Amount of next pay increase: \$ \_\_\_\_\_ \*per ☐ Hour ☐ Week ☐ Month ☐ Year ☐ Other: \_\_\_\_\_

\*Date of next pay increase: \_\_\_\_/\_\_\_\_/\_\_\_\_

\*Is employee's work seasonal or sporadic? ☐ Year Round ☐ Seasonal ☐ Sporadic

\*If it is anticipated this employee will be laid off, please specify dates:

From: \_\_\_\_/\_\_\_\_/\_\_\_\_ to: \_\_\_\_/\_\_\_\_/\_\_\_\_

**WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful, false statements of misrepresentation to any Department or Agency of the U.S. as to any matter within its jurisdiction**

Signature

Printed Name

Date

Title

Company Name

Contact Phone # or Email

# Verification of Assets

The information on this form is needed to certify/recertify the named client's asset information. Please complete this entire form and leave no blanks. If there are any questions that you do not understand, please email or call the number below. Thank you for your cooperation.

For further information, please contact:

|   |                    |
|---|--------------------|
| Name of Financial Institution, Address: | Phone #:           |
| Institution Email::                     | Institution Fax #: |

The below Applicant/Resident is applying to/participating in a housing program that requires verification of assets. The individual has signed a release below giving you permission to supply us with information. The information provided will remain confidential. Please return the completed form to the address/fax below.

|                             |   |
|-----------------------------|---|
| Account Holder Name:        | Account Holder's Last Four Digits of SS#: |
| Account Holder's Signature: | Date:                                     |

This section to be completed by Financial Institution ONLY. All questions with an asterisk \* are required.

Please return by fax or email to the information listed above

Please do NOT return this form to the employee. Thank you!

| Account Numbers: | Type of Asset<br>(Checking, Savings, Money Market, IRA, etc) | Current Cash Value | 6 Month Average Cash Value | % of Interest Earned |
|------------------|--|--------------------|----------------------------|----------------------|
|                  |  | \$                 | \$                         | %                    |
|                  |  | \$                 | \$                         | %                    |
|                  |  | \$                 | \$                         | %                    |
|                  |  | \$                 | \$                         | %                    |
|                  |  | \$                 | \$                         | %                    |

Is this person receiving regular payments OUT OF any of these accounts? *IE: are they receiving payments from one of the pension, annuity or retirement fund accounts listed above* ☐ Yes ☐ No

If yes, which account(s)? \_\_\_\_\_

How much are the payments? \_\_\_\_\_

Payments are distributed: ☐ Weekly ☐ Bi-weekly ☐ Semi-monthly ☐ Monthly ☐ Yearly

☐ Other *Please specify* \_\_\_\_\_

**WARNING: Section 1001 of Title 18 of the U.S. Code makes it a criminal offense to make willful, false statements of misrepresentation to any Department or Agency of the U.S. as to any matter within its jurisdiction**

|           |              |                          |
|-----------|--------------|--------------------------|
| Signature | Printed Name | Date                     |
| Title     | Company Name | Contact Phone # or Email |

# Unemployment Affidavit

Applicant/Resident Name:

Unit Number:

This form is to be used whenever there is an expectation that an applicant will earn tips.

☐ I am currently unemployed at this time.

☐ I anticipate finding employment within the next 12 months.

A) \$ \_\_\_\_\_ x \_\_\_\_\_ hours x \_\_\_\_\_ weeks (52 weeks) = \$ \_\_\_\_\_  
                     Pay rate per hour                      # of hrs/wk                      # of wks/year                      Anticipated Annual Income

B) I anticipate earning tips, commissions or bonuses (*Circle one*), ☐ Yes ☐ No

If yes, \$ \_\_\_\_\_ per ☐ Hour, ☐ Week, ☐ Month, ☐ Other: \_\_\_\_\_

C) I anticipate earning overtime hours, ☐ Yes ☐ No

If yes, \_\_\_\_\_ = # of anticipated OT hours per week  
*Agent will calculate based on stated pay rate above*

**Total Anticipated Income: \$** \_\_\_\_\_

☐ I do not anticipate finding employment within the next 12 months.

## Signatures

**Under penalties of perjury, I certify that the information presented on this form is true and accurate to the best of my/our knowledge. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading, or incomplete information will result in the denial of application or termination of the lease agreement.**

Print Name of Applicant/ Resident

Signature

Date



## APPENDIX IV-F.4

# Zero/Extremely Low-Income Household Questionnaire

You reported that your household has no income or extremely low income. Please explain how you pay for household living expenses and meet basic needs by answering the questions below.

|                |             |
|----------------|-------------|
| Household Name | Unit Number |
|----------------|-------------|

| Expense   | What is the source of the money you use to pay for this expense (work, family, friend, government or community organization)? | What is the average amount you receive? | How often is this received?     |                                  |                                 |                                |
|---|---|---|---------------------------------|----------------------------------|---------------------------------|--------------------------------|
| Rent  |   | \$                                      | <input type="checkbox"/> Weekly | <input type="checkbox"/> Monthly | <input type="checkbox"/> Yearly | <input type="checkbox"/> Other |
| Utilities: electricity/gas/etc.                 |   | \$                                      | <input type="checkbox"/> Weekly | <input type="checkbox"/> Monthly | <input type="checkbox"/> Yearly | <input type="checkbox"/> Other |
| Telephone/Mobile phone                          |   | \$                                      | <input type="checkbox"/> Weekly | <input type="checkbox"/> Monthly | <input type="checkbox"/> Yearly | <input type="checkbox"/> Other |
| Transportation (gas, car insurance, bus tokens) |   | \$                                      | <input type="checkbox"/> Weekly | <input type="checkbox"/> Monthly | <input type="checkbox"/> Yearly | <input type="checkbox"/> Other |
| Cable or internet service                       |   | \$                                      | <input type="checkbox"/> Weekly | <input type="checkbox"/> Monthly | <input type="checkbox"/> Yearly | <input type="checkbox"/> Other |

If forms are completed electronically, one of the following boxes must be checked:

- ☐ This form was completed electronically by the resident.
- ☐ Management or someone outside of household assisted with completing the form electronically (Authorization to Assist is attached).

Signature

**Warning:** Section 1001 of Title 18 of the US Code makes it a criminal offense to willfully falsify a material fact or make a false statement in any matter within the jurisdiction of a federal agency.

I certify that the information supplied in this form is true and correct to the best of my knowledge.

Resident Signature

Date

# Tip Income Affidavit

Applicant/Resident Name:

Unit Number:

This form is to be used whenever there is an expectation that an applicant will earn tips.

☐ I am currently employed where there may be an expectation that I earn tips. However, I do not earn tips and the reason is:

---



---

☐ I do anticipate earning tips where I am employed.

A) I anticipate earning \$\_\_\_\_\_ per ☐ Hour, ☐ Week, ☐ Month, ☐ Other: \_\_\_\_\_

B) 100% of my tips are reported to my employer. This includes tips received via credit, cash or other.

☐ Yes ☐ No

C) If no, what amount of tips are not reported to the employer?

\$\_\_\_\_\_ per ☐ Hour, ☐ Week, ☐ Month, ☐ Other: \_\_\_\_\_

## Signatures

**Under penalties of perjury, I certify that the information presented on this form is true and accurate to the best of my/our knowledge. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading, or incomplete information will result in the denial of application or termination of the lease agreement.**

---

 Print Name of Applicant/ Resident

---

 Signature

---

 Date

# Child Support Affidavit

|              |              |
|--------------|--------------|
| Parent Name: | Unit Number: |
|--------------|--------------|

The information on this form is needed to certify your household. Please complete this **entire** form and **leave no blanks**. If there are any questions that you do not understand, please call the apartment manager. Thank you for your cooperation.

|  |                        |
|--|------------------------|
| Name of Child ( <i>One per form</i> ): | Child's Date of Birth: |
|--|------------------------|

☐ I receive child support in the amount of: \$\_\_\_\_\_ per \_\_\_\_\_ (week, month, year, etc.)

☐ My support is court ordered

☐ My support is NOT court

Name of person providing support: \_\_\_\_\_

Support provider's email or phone #: \_\_\_\_\_

☐ I do NOT receive child support, it has NOT been court ordered and I am NOT pursuing legal action because (*Must provide reason*):

☐ Financial reasons

☐ Responsible party is deceased

☐ Responsible party is incarcerated

☐ Other (*specify*): \_\_\_\_\_

☐ This is a protective custody case

☐ Responsible party's location is unknown

☐ I do not receive child support, but it has been court ordered

## Required Documentation

- Court Ordered Support – *submit copy of court order, divorce decree or separation agreement.*
- Support is NOT Court Ordered – *submit child support affidavit or provide contact information for person who provides support.*

## Signatures

Under penalties of perjury, I certify that the information presented on this form is true and accurate to the best of my/our knowledge. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading, or incomplete information will result in the denial of application or termination of the lease agreement.

Print Name of Applicant

Signature

Date

Reviewed by (Signature of Owner/Representative)

Date

## APPENDIX IV-F.7

## Financial Assistance Affidavit

|                |              |
|----------------|--------------|
| Resident Name: | Unit Number: |
|----------------|--------------|

The information on this form is needed to certify your household. Please complete this **entire** form and **leave no blanks**. If there are any questions that you do not understand, please call the apartment manager. Thank you for your cooperation.

|                                     |              |         |                |
|-------------------------------------|--------------|---------|----------------|
| Name of Person Providing Assistance | Relationship | Phone # | Email Address: |
|-------------------------------------|--------------|---------|----------------|

Consent to the Release of Information: My signature below authorizes the release of my information.

|                    |              |               |      |
|--------------------|--------------|---------------|------|
| Resident Signature | Printed Name | Last 4 of SS# | Date |
|--------------------|--------------|---------------|------|

|  |  |
|--|--|
| <p align="center"><b>Below to be completed by Financial Assistance Provider ONLY</b><br/> <b>Please DO NOT give this form to the person receiving assistance.</b><br/> <b>Verification must be received from third parties directly.</b></p> |  |
| 1. Do you provide the above named person financial assistance on a consistent and regular basis?   | <input type="checkbox"/> Yes <input type="checkbox"/> No   |
| 2. How much money is paid directly to the above named person?  | \$ _____   |
| 3. How often is this amount provided?  | <input type="checkbox"/> Week <input type="checkbox"/> Month <input type="checkbox"/> Year<br><input type="checkbox"/> Other: _____  |
| 4. When did this financial assistance begin?   | ____/____/____   |
| 5. What is the anticipated ending date of the assistance?  | ____/____/____<br><br><input type="checkbox"/> Ongoing, will stop when recipient finds employment.<br><br><input type="checkbox"/> Ongoing, will continue to provide assistance as long as needed. |

## Signatures

Under penalties of perjury, I certify that the information presented on this form is true and accurate to the best of my/our knowledge. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading, or incomplete information will result in the denial of application or termination of the lease agreement.

|           |              |        |      |
|-----------|--------------|--------|------|
| Signature | Printed Name | Phone# | Date |
|-----------|--------------|--------|------|

# Self-Employment Affidavit

|                |                       |  |
|----------------|-----------------------|--|
| Resident Name: |                       | Unit Number:   |
| Business Name: | Business Address:     |  |
| Tax ID/EIN:    | Date Company Started: | Continuous Operation Since Start Date?<br><input type="checkbox"/> Yes <input type="checkbox"/> No |

This form will be used to certify income from Self Employment. Please complete a separate form for each business.

1. Please describe the nature of your business:

2. Required documentation includes:

- ☐ Business License
- ☐ Individual federal tax returns for the immediate preceding three calendar years. Must include the Schedule C
- ☐ Bookkeeping records (profit and loss statement, please see below) for current year
- ☐ If the business has not filed a tax return, a business plan must be provided. Nature of business, type and frequency of payment must be included.
- ☐ Bank Statements (for each month operated in the YTD)

|                                  |                           |                     |  |                                      |  |                     |  |
|----------------------------------|---------------------------|---------------------|--|--------------------------------------|--|---------------------|--|
| <b>January</b>                   |                           | <b>February</b>     |  | <b>March</b>                         |  | <b>April</b>        |  |
| Gross Income: _____              |                           | Gross Income: _____ |  | Gross Income: _____                  |  | Gross Income: _____ |  |
| Expenses: _____                  |                           | Expenses: _____     |  | Expenses: _____                      |  | Expenses: _____     |  |
| NET: _____                       |                           | NET: _____          |  | NET: _____                           |  | NET: _____          |  |
| <b>May</b>                       |                           | <b>June</b>         |  | <b>July</b>                          |  | <b>August</b>       |  |
| Gross Income: _____              |                           | Gross Income: _____ |  | Gross Income: _____                  |  | Gross Income: _____ |  |
| Expenses: _____                  |                           | Expenses: _____     |  | Expenses: _____                      |  | Expenses: _____     |  |
| NET: _____                       |                           | NET: _____          |  | NET: _____                           |  | NET: _____          |  |
| <b>September</b>                 |                           | <b>October</b>      |  | <b>November</b>                      |  | <b>December</b>     |  |
| Gross Income: _____              |                           | Gross Income: _____ |  | Gross Income: _____                  |  | Gross Income: _____ |  |
| Expenses: _____                  |                           | Expenses: _____     |  | Expenses: _____                      |  | Expenses: _____     |  |
| NET: _____                       |                           | NET: _____          |  | NET: _____                           |  | NET: _____          |  |
| Information is for Year: 20_____ | Total Gross Income: _____ |                     |  | Total Net Income: _____              |  |                     |  |
|                                  | Total Expenses: _____     |                     |  | <b>Net Income, Annualized:</b> _____ |  |                     |  |

## Signatures

Under penalties of perjury, I certify that the information presented on this form is true and accurate to the best of my/our knowledge. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading, or incomplete information will result in the denial of application or termination of the lease agreement.

Print Name of Applicant

Signature

Date

Reviewed by (Signature of Owner/Representative)

Date

## Appendix IV-G

### Annual Income Exclusions

|  |   |
|--|---|
| <ol style="list-style-type: none"> <li>1. Income from employment of children (including foster children) under the age of 18 years.</li> <li>2. Payments received for the care of foster children or foster adults (usually persons with disabilities, unrelated to the tenant family, who are unable to live alone).</li> <li>3. Lump-sum additions to family assets, such as inheritances, insurance payments (including payments under health and accident insurance and worker's compensation), capital gains, and settlement for personal or property losses (except as provided in Exhibit 3.1, number 5 of Income Inclusions).</li> <li>4. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member.</li> <li>5. Income of a live-in aide (as defined in 24 CFR 5.403).</li> <li>6. Certain increases in income of a disabled member of qualified families residing in HOME-assisted housing or receiving HOME tenant-based rental assistance (24 CFR 5.671(a)).</li> <li>7. The full amount of student financial assistance paid directly to the student or to the educational institution.</li> <li>8. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire.</li> <li>9. (a) Amounts received under training programs funded by HUD.<br/>(b) Amounts received by a person with a disability that are disregarded for a limited time for purposes of Supplemental Security Income eligibility and benefits because they are set aside for use under a Plan to Attain Self-Sufficiency (PASS).<br/>(c) Amounts received by a participant in other publicly assisted programs that are specifically for, or in reimbursement of, out-of-pocket expenses incurred (special equipment, clothing, transportation, childcare, etc.) and which are made solely to allow participation in a specific program.<br/>(d) Amounts received under a resident service stipend. A resident service stipend is a modest amount (not to exceed \$200 per month) received by a resident for performing a service for the PHA or owner, on a part-time basis, that enhances the quality of life in the development. Such services may include, but are not limited to, fire patrol, hall monitoring, lawn</li> </ol> | <p style="margin: 0;">maintenance, resident initiatives coordination, and serving as a member of the PHA's governing board. No resident may receive more than one such stipend during the same period of time.</p> <p style="margin: 0;">(e) Incremental earnings and benefits resulting to any family member from participation in qualifying state or local employment training programs (including training not affiliated with a local government) and training of a family member as resident management staff. Amounts excluded by this provision must be received under employment training programs with clearly defined goals and objectives, and are excluded only for the period during which the family member participates in the employment training program.</p> <ol style="list-style-type: none"> <li>10. Temporary, nonrecurring, or sporadic income (including gifts).</li> <li>11. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era.</li> <li>12. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household or spouse).</li> <li>13. Adoption assistance payments in excess of \$480 per adopted child.</li> <li>14. Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts.</li> <li>15. Amounts received by the family in the form of refunds or rebates under state or local law for property taxes paid on the dwelling unit.</li> <li>16. Amounts paid by a state agency to a family with a member who has a developmental disability and is living at home to offset the cost of services and equipment needed to keep the developmentally disabled family member at home.</li> <li>17. Amounts specifically excluded by any other Federal statute from consideration as income for purposes of determining eligibility or benefits under a category of assistance programs that includes assistance under any program to which the exclusions set forth in 24 CFR 5.609(c) apply. A notice will be published in the Federal Register and distributed to housing owners identifying the benefits that qualify for this exclusion.</li> </ol> |
|--|---|

Updates will be published and distributed when necessary. The following is a list of income sources that qualify for that exclusion:

- The value of the allotment provided to an eligible household under the Food Stamp Act of 1977;
- Payments to volunteers under the Domestic Volunteer Service Act of 1973 (employment through AmeriCorps, VISTA, Retired Senior Volunteer Program, Foster Grandparents Program, youthful offender incarceration alternatives, senior companions);
- Payments received under the Alaskan Native Claims Settlement Act;
- Income derived from the disposition of funds to the Grand River Band of Ottawa Indians;
- Income derived from certain submarginal land of the United States that is held in trust for certain Indian tribes;
- Payments or allowances made under the Department of Health and Human Services' Low-Income Home Energy Assistance Program;
- Payments received under the Maine Indian Claims Settlement Act of 1980 ( 25 U.S.C. 1721);
- The first \$2,000 of per capita shares received from judgment funds awarded by the Indian Claims Commission or the U.S. Claims Court and the interests of individual Indians in trust or restricted lands, including the first \$2,000 per year of income received by individual Indians from funds derived from interests held in such trust or restricted lands;
- Amounts of scholarships funded under Title IV of the Higher Education Act of 1965, including awards under the Federal work-study program or under the Bureau of Indian Affairs student assistance programs;
- Payments received from programs funded under Title V of the Older Americans Act of 1985 (Green Thumb, Senior Aides, Older American Community Service Employment Program);

- Payments received on or after January 1, 1989, from the Agent Orange Settlement Fund or any other fund established pursuant to the settlement in the In Re Agent Orange product liability litigation, M.D.L. No. 381 (E.D.N.Y.);
- Earned income tax credit refund payments received on or after January 1, 1991, including advanced earned income credit payments;
- The value of any child care provided or arranged (or any amount received as payment for such care or reimbursement for costs incurred for such care) under the Child Care and Development Block Grant Act of 1990;
- Payments received under programs funded in whole or in part under the Job Training Partnership Act (employment and training programs for Native Americans and migrant and seasonal farm workers, Job Corps, veterans employment programs, state job training programs and career intern programs, AmeriCorps);
- Payments by the Indian Claims Commission to the Confederated Tribes and Bands of Yakima Indian Nation or the Apache Tribe of Mescalero Reservation;
- Allowances, earnings, and payments to AmeriCorps participants under the National and Community Service Act of 1990;
- Any allowance paid under the provisions of 38 U.S.C. 1805 to a child suffering from spina bifida who is the child of a Vietnam veteran;
- Any amount of crime victim compensation (under the Victims of Crime Act) received through crime victim assistance (or payment or reimbursement of the cost of such assistance) as determined under the Victims of Crime Act because of the commission of a crime against the applicant under the Victims of Crime Act; and
- Allowances, earnings, and payments to individuals participating in programs under the Workforce Investment Act of 1998.

# APPENDIX IV-H

## Allowances for Tenant Furnished Utilities and other Services - Area 2 Metro

U.S. Department of Housing and Urban Development  
Office of Public and Indian Housing

OMB Approval No. 2577-0169

|  |                                    |   |         |                            |         |                |  |
|--|------------------------------------|---|---------|----------------------------|---------|----------------|--|
| Locality: <b>Adams, Arapahoe, Boulder, Broomfield, Denver, Douglas, Jefferson - Colorado</b> |                                    | Unit Type: <b>Apartment/ Multi-Family</b> |         | Effective February 1, 2017 |         |                |  |
| Utility or Service <b>Metro Area</b>   |                                    | Monthly Dollar Allowances                 |         |                            |         |                |  |
|  |                                    | 0 BR                                      | 1 BR    | 2 BR                       | 3 BR    | 4 BR           |  |
| Heating  | a. Natural Gas                     | \$11.00                                   | \$13.00 | \$15.00                    | \$18.00 | \$20.00        |  |
|  | b. Bottle Gas/Propane              | \$40.00                                   | \$49.00 | \$56.00                    | \$64.00 | \$72.00        |  |
|  | c. Electric                        | \$16.00                                   | \$19.00 | \$25.00                    | \$32.00 | \$39.00        |  |
|  | e. Oil / Other                     |   |         |                            |         |                |  |
| Cooking  | a. Natural Gas                     | \$2.00                                    | \$2.00  | \$2.00                     | \$3.00  | \$4.00         |  |
|  | b. Bottle Gas/Propane              | \$6.00                                    | \$6.00  | \$8.00                     | \$13.00 | \$14.00        |  |
|  | c. Electric                        | \$5.00                                    | \$6.00  | \$7.00                     | \$9.00  | \$10.00        |  |
| Other Electric (Lights & Appliances)   |                                    | \$17.00                                   | \$20.00 | \$27.00                    | \$33.00 | \$40.00        |  |
| Air Conditioning   |                                    | \$0.00                                    | \$0.00  | \$0.00                     | \$0.00  | \$0.00         |  |
| Water Heating  | a. Natural Gas                     | \$5.00                                    | \$6.00  | \$8.00                     | \$10.00 | \$12.00        |  |
|  | b. Bottle Gas/Propane              | \$17.00                                   | \$21.00 | \$30.00                    | \$37.00 | \$43.00        |  |
|  | c. Electric                        | \$12.00                                   | \$14.00 | \$20.00                    | \$25.00 | \$29.00        |  |
|  | d. Oil / Other                     |   |         |                            |         |                |  |
| Water  |                                    | \$18.00                                   | \$19.00 | \$22.00                    | \$26.00 | \$30.00        |  |
| Sewer  |                                    | \$25.00                                   | \$26.00 | \$32.00                    | \$38.00 | \$44.00        |  |
| Trash Collection   |                                    | \$17.00                                   | \$17.00 | \$17.00                    | \$17.00 | \$17.00        |  |
| Range / Microwave Tenant-supplied  |                                    | \$12.00                                   | \$12.00 | \$12.00                    | \$12.00 | \$12.00        |  |
| Refrigerator Tenant-supplied   |                                    | \$13.00                                   | \$13.00 | \$13.00                    | \$13.00 | \$13.00        |  |
| <b>Other-- specify:</b>  | <b>Monthly Electric Fee \$8.00</b> | \$8.00                                    | \$8.00  | \$8.00                     | \$8.00  | \$8.00         |  |
|  | <b>Monthly Gas Fee \$14.00</b>     | \$14.00                                   | \$14.00 | \$14.00                    | \$14.00 | \$14.00        |  |
| <b>Actual Family Allowances</b>  |                                    |   |         | Utility or Service         |         | per month cost |  |
| To be used by the family to compute allowance. Complete below for the actual unit rented.    |                                    |   |         | Heating                    |         | \$             |  |
|  |                                    |   |         | Cooking                    |         | \$             |  |
| Name of Family   |                                    |   |         | Other Electric             |         | \$             |  |
|  |                                    |   |         | Air Conditioning           |         | \$             |  |
|  |                                    |   |         | Water Heating              |         | \$             |  |
|  |                                    |   |         | Water                      |         | \$             |  |
|  |                                    |   |         | Sewer                      |         | \$             |  |
| Address of Unit  |                                    |   |         | Trash Collection           |         | \$             |  |
|  |                                    |   |         | Range / Microwave          |         | \$             |  |
|  |                                    |   |         | Refrigerator               |         | \$             |  |
|  |                                    |   |         | Other                      |         | \$             |  |
|  |                                    |   |         | Other                      |         | \$             |  |
|  |                                    |   |         | Total                      |         | \$             |  |
|  |                                    |   |         | Number of Bedrooms         |         |                |  |





## COB Affordable Unit Addendum

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This Lease Addendum entered into on \_\_\_\_\_ by and between \_\_\_\_\_ (“Owner”) and \_\_\_\_\_ (“Resident”) amends the Lease Agreement entered into by the Resident and Owner on \_\_\_\_\_ for \_\_\_\_\_ (“Premises”). Resident hereby agrees that Resident, all household members, and guests shall abide by the following:

This lease addendum adds the following paragraphs and supersedes the Lease between the above referenced Tenant and Owner/Manager/Landlord.

### **Purpose of the Addendum**

The lease for the above referenced unit is being amended to include Boulder Revised Code and the provisions of the City of Boulder, Housing & Human Services Prohibited Lease Terms, Income & Asset Policy and Student Policy for all permanently affordable rental housing units. The unit is subject to compliance with the Rental Compliance Manual.

### **Conflicts with Other Provisions of the Lease**

In case of conflict between the provisions of this addendum and the Lease, the provisions of this addendum shall prevail.

### **Maximum Income**

At the time of initial occupancy, the combined annual household income may not exceed the applicable income limit established for the affordable unit/property. However, after initial occupancy the combined annual household income may increase above the applicable income limit, provided that the combined annual household income does not exceed 140% of 60% AMI for the permanently affordable rental housing unit. Households with income which exceed the maximum income allowed after initial occupancy will no longer be eligible to renew their lease.

### **Asset Limit**

Households with liquid assets of more than \$55,000 at the time of initial occupancy or annual recertification of income are not eligible to occupy or renew their lease for a permanently affordable rental housing unit. A Liquid Asset is defined as cash on hand or any asset that can be readily converted to cash. Household with liquid assets which exceed the asset limit reference above after initial occupancy will no longer be eligible to renew their lease.

### **Restriction on Ownership of Residential Property**

Households with ownership interest in a residential property in which they could legally reside are ineligible to occupying or renew their lease of a permanently affordable rental housing unit under Covenant with the city.

### **Exceptions to Asset Policy**

The Asset Policy provides an exception to the liquid asset limit for elderly and disabled persons. Federal laws define an elderly person as an individual that is 55 years of age or older. A disabled

# COB Affordable Unit Addendum

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person is defined as a person who has a physical or mental impairment that substantially limits one or more major life activities, has a record of such impairment; or is regarded as having such an impairment. An exception to the policy may also be considered for households with ownership interest in residential property in which they cannot legally reside.

## **Asset Policy Exception Request Review Process**

An elderly and/or disabled person seeking an exception to this policy must submit the Asset Policy Exception Request and supplemental documentation to the Property Manager for review to make a final determination of eligibility prior to initial occupancy and/or lease renewal.

## **Restriction on Student Occupancy**

The city's Student Policy excludes certain students from occupying a city supported permanently affordable rental housing unit. Some exceptions may apply. Student eligibility is determined on an individual basis, regardless of full-time, part-time enrollment status or household composition. All requests for exception must be reviewed and approved by the Property Manager prior to approval of initial occupancy and lease renewal.

## **Prohibited Lease Terms**

No residential lease for a permanently affordable rental housing unit may contain any of the following provisions: 1. Agreement by the tenant to be sued, admit guilt, or to a judgement in favor of the Owner/Manager/Landlord in a lawsuit brought in connection with the lease; 2. Agreement by the tenant the Owner/Manager/Landlord may take, hold or sell personal property of household members without notice to the tenant and a court decision on the rights of the parties. This prohibition does not apply to an agreement by the tenant concerning disposition of personal property remaining in the housing unit after the tenant has moved out of the unit. The Owner/Manager/Landlord may dispose of this personal property in accordance with state law; 3. Agreement by the tenant not to hold the Owner/Manager/Landlord or the Owner/Manager/Landlord's agents legally responsible for any action or failure to act, whether intentional or negligent; 4. Agreement of the tenant that the Owner/Manager/Landlord may institute a lawsuit without notice to the tenant; 5. Agreement by the tenant that the Owner/Manager/Landlord may evict the tenant or household members without instituting a civil court proceeding in which the tenant has the opportunity to present a defense, or before a court decision on the rights of the parties; 6. Agreement by the tenant to waive any right to a trial by jury; 7. Agreement by the tenant to waive the tenant's right to appeal or to otherwise challenge in court a court decision in connection with the lease; and 8. Agreement by the tenant to pay attorney's fees or other legal costs even if the tenant wins in a court proceeding by the Owner/Manager/Landlord against the tenant. The tenant may be obligated to pay costs if the tenant loses.

## **Non-Renewal of Lease**

The Owner/Manager/Landlord reserves the right to not renew the Lease at the end of the Lease term. Any resident/household that is determined to be ineligible for continued occupancy upon annual recertification of eligibility per city policy, is no longer eligible to occupy a permanently affordable rental housing unit and therefor subject to a non-renewal of lease. The Owner/Manager/Landlord must provide the resident/household a minimum of thirty (30) days

# COB Affordable Unit Addendum

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written notice in the event non-renewal of lease. Any notice given by the Owner/Manager/Landlord to any Resident is notice to all Residents who executed the Lease. With respect to any notice required under the terms of this Lease or by law, written notice mailed by Certified Mail or personally delivered to the Resident shall constitute sufficient notice.

## **Termination of Tenancy**

A termination of tenancy is a termination of the lease prior to the expiration of the lease term. The Owner/Manager/Landlord may only terminate tenancy for “Good Cause”, which includes:

- A serious or repeated violation of the terms and conditions of the lease.
- Violation of applicable Federal, state, or local law.
- Completion of the tenancy period for transitional housing; or
- Other good cause, as defined by the city, Owner/Manager/Landlord and outlined in the lease.

When “Good Cause” exists, an Owner/Manager/Landlord may terminate tenancy by:

- Serving written notice upon the tenant at least thirty (30) days before the termination of tenancy. This notice must specify the grounds for the termination.
- Documenting the justification for terminating the lease and a copy of the 30- day written notice to the tenant and maintaining documentation in the tenant file

## **The following is an important notice for tenants. Please read it carefully.**

Every person who rents a dwelling unit within the city limits of Boulder, Colorado must be provided with this information in accordance with the provisions of the Written Disclosure requirement cited in [BRC 12-2-4 \(2020\)](#).

- (a) No operator shall allow any person to occupy a rental property as a tenant or lessee or otherwise for valuable consideration unless and until that operator has satisfied each of the following conditions:
- (1) The operator has executed and provided to the tenant a copy of a written lease, rental agreement, set of site rules or other written instrument containing the following information:
- (a) The maximum occupancy levels permitted in the rental unit;
  - (b) Notice of the provisions contained in Sections [5-3-11](#), "Nuisance Party Prohibited," 5-6-6, "Fireworks," 5-4-12, "Depositing Trash on Property in Violation of Sign," and [5-4-16](#), "Outdoor Furniture Restrictions," and Chapter 5-9, "Noise," B.R.C. 1981;
  - (c) Notice of the provisions contained in Sections [6-2-3](#), "Growth or Accumulation of Weeds Prohibited," 6-3-3, "Trash Accumulation Prohibited," 6-3-12, "Bear-Resistant Containers Required," and [8-2-13](#), "Duty to Keep Sidewalks Clear of Snow," B.R.C. 1981; [Section 6-3-3\(b\)](#), relating to the responsibility of every owner, manager or operator of rental property to maintain a valid contract with a commercial trash hauler providing for the removal of accumulated trash from the property, and Paragraph [7-6-13\(a\)\(1\)](#), B.R.C. 1981, concerning parking prohibited on sidewalks;

# COB Affordable Unit Addendum

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- (d) The names of those individuals permitted, pursuant to the tenancy agreement, to occupy the rental unit;
- (e) Notification to tenants that violation of the city's noise regulation requirements or residency within the rental unit of persons other than those lawfully occupying the unit pursuant to the tenancy agreement is cause for the termination of the tenancy;
- (f) Notification that interest must be paid to tenants upon any security deposit collected pursuant to the provisions of Sections [12-2-2](#), "Definitions," and [12-2-7](#), "Interest Rate On Security Deposits," B.R.C. 1981;
- (g) Notification to tenants of the date and nature of any violations of law during the preceding twenty-four months for which the owner, manager or operator has received written notice of violation pursuant to [Section 10-2.5-6](#), "Required Procedures Prior to Commencement of Public Nuisance Action," B.R.C. 1981;
- (h) Notification of the provisions contained in [Section 5-10-6](#), "Marijuana Odor Emissions," and Paragraphs [6-14-13\(a\)\(6\)](#) and [6-16-13\(a\)\(4\)](#), B.R.C. 1981, prohibiting possession of more than six marijuana plants without a license; and
- (i) Notification to tenants of their right to legal representation and the availability of rental assistance provided in [Section 12-2-9\(a\)](#), B.R.C. 1981, including a complete copy of the text of that section, with the use of the language in the form created, this section being mandatory.

## **Eviction Prevention, Legal Representation, and Rental Assistance**

[BRC 12-2-9 \(2021\)](#) The City's policy states that Boulder tenants shall have the right to legal representation during eviction and administrative proceedings where they face the loss of housing; and the City shall provide such representation to tenants to assist in the fair administration of justice. The City also administers [Eviction Prevention & Rental Assistance Program](#) for tenants faced with such proceedings. For more information and to access this program call 303-441-3414 or visit Boulder's website:

<https://bouldercolorado.gov/services/eviction-prevention-and-rental-assistance-services-program>

## **Subletting & Short-Term Rental**

Short-term rentals (STR) are residential units that are rented to a visitor for less than 30-days. Residents living in permanently affordable rental housing units are prohibited from renting their unit out for any length of time. Residents are prohibited from assigning their lease or subletting the unit.

RESIDENT \_\_\_\_\_ Date \_\_\_\_\_

RESIDENT \_\_\_\_\_ Date \_\_\_\_\_

RESIDENT \_\_\_\_\_ Date \_\_\_\_\_

Owner/Manager/Landlord \_\_\_\_\_ Date \_\_\_\_\_

# COB Affordable Unit Addendum

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## 12-2-2. - Definitions

The following terms used in this document have the following meanings unless the context clearly indicates otherwise:

*Bank* means a bank, credit union or similar institution that accepts deposits of money and insures such funds through the Federal Deposit Insurance Corporation, the National Credit Union Association or similar institution.

*Covered proceeding* means legal proceedings to evict a tenant from their place of residence pursuant to C.R.S. 13-40-101 et seq., counterclaims related thereto, the termination of Section 8 housing assistance, any related proceeding to assist a tenant to remain housed, and appeals arising from any of the foregoing.

*Interest* means simple interest on the full amount of the security deposit on deposit.

*Legal representation* means full scope representation provided by a licensed attorney to a tenant in a covered proceeding. This includes, but is not limited to, filing responsive pleadings, appearing on behalf of the tenant in court, administrative proceedings, or alternative dispute resolution, and providing legal advice, advocacy, and assistance associated with such matters, and necessary fees and costs related thereto.

*Security deposit* means any advance or deposit of money, regardless of its denomination, the primary function of which is to secure the performance of a rental agreement for residential premises or any part thereof.

*Tenant* means any occupant of residential property, including but not limited to, any building, structure, vacant land, or part thereof offered for lease or rent for residential purposes, who is a respondent or defendant, or who has legal standing to be a respondent or defendant, in a covered proceeding.

## APPENDIX V-B

### Lead Based Paint Addendum

This Lead Based Paint Addendum to residential lease concerning the property at:

Address: \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_

Lead Based Paint Warning Statement:

Housing buildings that were built before 1978 may contain paint within the dwelling that is lead-based. Lead from paint, paint chips, and dust can cause health hazards if the lead is not managed properly. Lead exposure is especially harmful to young children and pregnant women. Before renting pre-1978 housing, lessors (landlords) must disclose the presence of known lead-based paint and / or lead-based paint hazards in the dwelling. Lessees (tenants) must also receive a federally approved pamphlet on lead poisoning prevention.

Disclosure:

1. Presence of lead-based paint and / or lead-based paint hazards. (Check (a) or (b)).

☐ (a) Landlord knows of the following lead-based paint and / or lead-based paint hazards in the Property: \_\_\_\_\_

☐ (b) Landlord has no knowledge of lead-based paint and / or lead-based paint hazards in the Property.

2. Records and reports available to Landlord. (Check (a) or (b)).

☐ (a) Landlord has provided Tenant with all available records and reports pertaining to lead-based paint and / or lead-based paint hazards in the Property which are listed here:

\_\_\_\_\_

☐ (b) Landlord has no reports or records that pertain to lead-based paint and / or lead-based paint hazards in the Property.

Tenant's Acknowledgement:

☐ (1) Tenant has received copies of all information listed in the Disclosure section above.

☐ (2) Tenant has received the pamphlet entitled Protect Your Family from Lead in Your Home.

Agent's Notice to the Landlord and Acknowledgement:

1. The brokers and agents to the lease notify the Landlord and the Landlord must: (a) provide the Tenant with the EPA-approved pamphlet on lead poisoning prevention; (b) complete this Lead Based Paint Addendum; (c) disclose any known lead-based paint and / or lead-based paint hazard in the Property; (d) deliver all records and reports to Tenant pertaining lead-based paint

and / or lead-based paint hazards in the Property; (e) retain a copy of this addendum for at least three years.

2. The brokers and agents to the lease advised the Landlord of the Landlord's obligations and are hereby fully aware of his / her responsibility to ensure compliance.

Certification of Accuracy: The undersigned has reviewed the information above and hereby certify to the best of their knowledge that the information they have provided is true and correct.

Landlord: \_\_\_\_\_ Date: \_\_\_\_\_

Tenant: \_\_\_\_\_ Date: \_\_\_\_\_

Tenant: \_\_\_\_\_ Date: \_\_\_\_\_

Tenant: \_\_\_\_\_ Date: \_\_\_\_\_

## APPENDIX V-C

### U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT

#### OFFICE OF HOUSING

Special Attention of:

NOTICE: H 09-15

Multifamily Hub Directors  
Multifamily Program Center Directors  
Supervisory Housing Project Managers  
Project Managers  
Contract Administrators  
Owners and Management Agents Administering  
the Project-Based Section 8 Assistance Program

Issued: October 1, 2009

Expires: October 31, 2010

Cross References  
[Housing Notice 08-07](#)

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**SUBJECT:** Implementation of the Violence Against Women and Justice Department Reauthorization Act of 2005 for the Multifamily Project-Based Section 8 Housing Assistance Payments Program

#### I. PURPOSE

The purpose of this Notice is to provide guidance to owners and management agents (O/As) administering one of Multifamily Housing's project-based Section 8 programs on the implementation of the Violence Against Women Act and Department of Justice Reauthorization Act of 2005, Public Law 109-162, hereafter referred to as VAWA.

In summary, the VAWA provides legal protections to victims of domestic violence, dating violence or stalking. These protections prohibit O/As from evicting or terminating assistance from individuals being assisted under a project-based Section 8 program if the asserted grounds for such action is an instance of domestic violence, dating violence or stalking.

This Notice transmits the Certification of Domestic Violence, Dating Violence or Stalking, Form HUD-91066 (Attachment 1), as required by the provisions of Section 606 of the VAWA. The VAWA provides that O/As may request a tenant to certify that he/she is a victim of domestic violence, dating violence or stalking and that the incidence(s) of threatened or actual abuse are bona fide in determining whether the protections afforded under the VAWA are applicable.

This Notice also transmits the HUD-approved Lease Addendum (Form HUD-91067) (Attachment 2) for use with the applicable HUD model lease for the covered project-based Section 8 program. This addendum revises the lease to reflect the statutory requirements of the VAWA that are related to the project-based Section 8 assistance programs.



## II. APPLICABILITY

This notice is applicable to all O/As participating in the following project-based Section 8 programs under the United States Housing Act of 1937 (42 U.S.C. 1437):

- New Construction
- State Agency Financed
- Substantial Rehabilitation
- Loan Management Set-Aside (LMSA)
- Property Disposition Set-Aside (PDSA)
- Section 202 Projects With Section 8 Assistance (Section 202/8)
- Rural Housing Section 515 Projects With Section 8 Assistance (RHS Section 515/8)

## III. BACKGROUND

On January 5, 2006, President Bush signed into law the Violence Against Women and Department of Justice Reauthorization Act of 2005 (Public Law 109-162) and on August 12, 2006, signed into law technical corrections to the VAWA (Public Law 109-271).

The VAWA protections apply to families applying for or receiving rental assistance payments under the project-based Section 8 program. The law protects victims of domestic violence, dating violence or stalking, as well as their immediate family members generally, from being evicted or being denied housing assistance if an incident of violence that is reported and confirmed. The VAWA also provides that an incident of actual or threatened domestic violence, dating violence or stalking does not qualify as a serious or repeated violation of the lease nor does it constitute good cause for terminating the assistance, tenancy, or occupancy rights of the victim. Furthermore, criminal activity directly relating to domestic violence, dating violence or stalking is not grounds for terminating the victim's tenancy. O/As may bifurcate a lease in order to evict, remove, or terminate the assistance of the offender while allowing the victim, who is a tenant or lawful occupant, to remain in the unit.

## IV. DEFINITIONS

The following definitions are provided as assistance in understanding and implementing the VAWA protections. The definitions for domestic violence, dating violence, stalking and immediate family member have been incorporated into the United States Housing Act.

**Domestic Violence** includes felony or misdemeanor crimes of violence committed by a current or former spouse of the victim, by a person with whom

the victim shares a child in common, by a person who is cohabitating with or has cohabited with the victim as a spouse, by a person similarly situated to a spouse of the victim under the domestic or family violence laws of the jurisdiction receiving grant monies, or by any other person against an adult or youth victim who is protected from that person's acts under the domestic or family violence laws of the jurisdiction.

**Dating Violence** means violence committed by a person: (A) who is or has been in a social relationship of a romantic or intimate nature with the victim, and (B) where the existence of such a relationship shall be determined based on a consideration of the following factors: (i) the length of the relationship; (ii) the type of relationship; and (iii) the frequency of interaction between the persons involved in the relationship.

**Stalking** means (A)(i) to follow, pursue, or repeatedly commit acts with the intent to kill, injure, harass, or intimidate; or (ii) to place under surveillance with the intent to kill, injure, harass, or intimidate another person; and (B) in the course of, or as a result of, such following, pursuit, surveillance, or repeatedly committed acts, to place a person in reasonable fear of the death of, or serious bodily injury to, or to cause substantial emotional harm to (i) that person; (ii) a member of the immediate family of that person; or (iii) the spouse or intimate partner of that person.

**Immediate Family Member** means, with respect to a person: (a) a spouse, parent, brother or sister, or child of the person, or an individual to whom that person stands in loco parentis (in place of a parent); or (B) any other person living in the household of that person and related to that person by blood or marriage.

**Bifurcate** means to divide a lease as a matter of law so that certain tenants can be evicted or removed while the remaining family members' lease and occupancy rights are allowed to remain intact.

## **V. PROTECTIONS FOR VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE OR STALKING**

The law offers the following protections against eviction or denial of housing based on domestic violence, dating violence or stalking:

- A. An applicant's or program participant's status as a victim of domestic violence, dating violence or stalking is not a basis for denial of rental assistance or for denial of admission, if the applicant otherwise qualifies for assistance or admission.
- B. An incident or incidents of actual or threatened domestic violence, dating violence or stalking will not be construed as serious or repeated violations

of the lease or other “good cause” for terminating the assistance, tenancy, or occupancy rights of a victim of abuse.

- C. Criminal activity directly related to domestic violence, dating violence or stalking, engaged in by a member of a tenant’s household or any guest or other person under the tenant’s control, shall not be cause for termination of assistance, tenancy, or occupancy rights of the victim of the criminal acts.
- D. Assistance may be terminated or a lease “bifurcated” in order to remove an offending household member from the home. Whether or not the individual is a signatory to the lease and lawful tenant, if he/she engages in a criminal act of physical violence against family members or others, he/she stands to be evicted, removed, or have his/her occupancy rights terminated. This action is taken while allowing the victim, who is a tenant or a lawful occupant, to remain.
- E. The provisions protecting victims of domestic violence, dating violence or stalking engaged in by a member of the household, may not be construed to limit the O/A, when notified, from honoring various court orders issued to either protect the victim or address the distribution of property in case a family breaks up.
- F. The authority to evict or terminate assistance is not limited with respect to a victim that commits unrelated criminal activity. Furthermore, if an O/A can show an actual and imminent threat to other tenants or those employed at or providing service to the property if an unlawful tenant’s residency is not terminated, then evicting a victim is an option, the VAWA notwithstanding. Ultimately, O/As may not subject victims to more demanding standards than other tenants.
- G. The VAWA protections shall not supersede any provision of any federal, state, or local law that provides greater protection for victims of domestic violence, dating violence or stalking. The laws offering greater protection are applied in instances of domestic violence, dating violence or stalking.

## **VI. RIGHTS AND RESPONSIBILITIES OF OWNERS/AGENTS AND TENANTS**

### **A. Owners/Agents (O/As) Rights and Responsibilities**

#### **1. Tenant Selection Plans and Policies and Procedures**

O/As should update their Tenant Selection Plans and/or House Rules, as applicable, to incorporate the VAWA policies and protections.

Amending these documents will ensure uniformity in spreading awareness of the VAWA and avoid improper evictions.

O/As are encouraged to establish policies that support or assist victims of domestic violence, dating violence or stalking and that will protect victims, as well as members of their family, from losing their HUD-assisted housing as a consequence of domestic violence, dating violence or stalking.

O/As must provide tenants the option to complete the Certification form discussed in 3, below. The certification form may be made available to all eligible families at the time of admission or, in the event of a termination or start of an eviction for cause proceeding, the certification may be enclosed with the appropriate notice, directing the family to complete, sign and return the form within fourteen (14) business days.

## **2. Certification and Confidentiality**

O/As responding to an incident of actual or threatened domestic violence, dating violence or stalking that could potentially have an impact on a tenant's participation in the housing program may request in writing that an individual complete, sign, and submit within 14 business days of the request, the HUD-approved certification form (HUD-91066). The O/A may extend this time period at his/her discretion.

Alternatively, in lieu of the certification form or in addition to it, O/As may accept a) a federal, state, tribal, territorial, or local police record or court record or b) documentation signed and attested to by a professional (employee, agent or volunteer of a victim service provider, an attorney, medical personnel, etc.) from whom the victim has sought assistance in addressing domestic violence, dating violence or stalking or the effects of the abuse. The signatory attests under penalty of perjury (28 U.S.C. §1746) to his/her belief that the incident in question represents bona fide abuse, and the victim of domestic violence, dating violence or stalking has signed or attested to the documentation.

O/As are not required to demand that an individual produce official documentation or physical proof of an individual's status as a victim of domestic violence, dating violence or stalking in order to receive the protections of the VAWA. O/As, at their discretion, may provide assistance to an individual based solely upon the individual's statement or other corroborating evidence. O/As are encouraged to

carefully evaluate abuse claims as to avoid conducting an eviction based on false or unsubstantiated accusations.

O/As should be mindful that the delivery of the certification form to the tenant via mail may place the victim at risk, e.g., the abuser may monitor the mail. Therefore, in order to mitigate risks, O/As are encouraged to work with the tenant in making acceptable delivery arrangements, such as inviting them into the office to pick up the certification form or making other discreet arrangements.

The identity of the victim and all information provided to O/As relating to the incident(s) of domestic violence must be retained in confidence by the O/A and must neither be entered into any shared database nor provided to a related entity, except to the extent that the disclosure is a) requested or consented to by the individual in writing; b) required for use in an eviction proceeding or termination of assistance; or c) otherwise required by applicable law. The HUD-approved certification form provides notice to the tenant of the confidentiality of the form and the limits thereof.

O/As must retain all documentation relating to an individual's domestic violence, dating violence or stalking in a separate file that is kept in a separate secure location from other tenant files.

### **3. Lease**

#### **a. Lease Addendum**

O/As are required to attach the HUD-approved Lease Addendum, Form HUD-91067, (Attachment 2), which includes the VAWA provisions, to each existing or new lease.

**1) New admissions.** O/As must provide the tenant with the applicable HUD model lease along with the Lease Addendum.

**2) Existing tenants.** O/As must expeditiously begin to notify existing tenants of the modification to the lease. Notification is accomplished by forwarding to each tenant a copy of the addendum that revises the existing lease agreement. O/As must also include a letter clearly stating that the tenant can either accept the modification or move but that a response is due within 30 days. For additional information on lease modifications, refer to HUD Handbook 4350.3, REV-1, *Occupancy Requirements of Subsidized Multifamily Housing Programs*, Chapter Six.

## **b. Lease Bifurcation**

Should it be determined that physical abuse caused by a tenant is clear and present, the law provides O/As the authority to bifurcate a lease i.e., remove, evict, or terminate housing assistance to that individual, while allowing the victim, who lawfully occupies the home, to maintain tenancy. O/As must keep in mind that the eviction of or the termination action against the individual must be in accordance with the procedures prescribed by federal, state, and local law.

In the event that one household member is removed from the unit because of engaging in acts of domestic violence, dating violence or stalking against another household member, an interim recertification should be processed reflecting the change in household composition. See Handbook 4350.3 REV-1, *Occupancy Requirements of Subsidized Multifamily Housing Programs*, Chapter 7, Section 2 for processing interim recertifications.

## **B. Tenants Rights and Responsibilities**

Tenants and family members of tenants who are victims of domestic violence, dating violence or stalking are protected by the VAWA from being evicted or from housing assistance being terminated because of the acts of violence against them.

If requested, tenants are required to submit to the O/A a completed Certification of Domestic Violence, Dating Violence or Stalking, Form HUD-91066, or other supporting documentation as described in VI.A.2, above, within 14 business days of the O/A's request, or any extension of that date provided by the O/A. If the certification or other supporting documentation is not provided within the specified timeframe, the landlord may begin eviction proceedings.

If the tenant has sought assistance in addressing domestic violence, dating violence or stalking from a federal, state, tribal, territorial jurisdiction, local police or court, the tenant may submit written proof of this outreach.

It is possible for someone lawfully occupying the unit, who is also a victim, to be evicted or removed from the home. If the victim commits separate criminal activity, a landlord may evict them for engaging in crime. Furthermore, if a victim poses "an actual and imminent threat to other tenants or those employed at or providing service to the property," they could be evicted, despite the VAWA. Of paramount

consideration within the VAWA is that the landlord may not hold the victim to a more demanding standard than other tenants.

## **VII. ADDITIONAL INFORMATION**

O/As are encouraged to access the complete version of the VAWA (Public Law 109-162; 119 Stat. 2960) via the internet at the following address: <http://thomas.loc.gov> (the Library of Congress website). The VAWA technical corrections bill (Public Law 109-271) was signed into law on August 12, 2006, and may also be viewed via the Library of Congress website using the above noted address.

## **VIII. PAPERWORK REDUCTION**

The information collection requirements contained in this notice have been approved by the Office of Management and Budget (OMB) under the Paperwork Reduction Act of 1995 (44 U.S.C. 3520) and assigned OMB Control Number 2502-0204. In accordance with the Paperwork Reduction Act, HUD may not conduct or sponsor, and a person is not required to respond to, a collection of information unless the collection displays a currently valid OMB control number.

Any questions related to this Notice should be addressed to the Multifamily Housing Assistance Policy Division at (202) 708-3000.

/s/

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David H. Stevens  
Assistant Secretary for Housing -  
Federal Housing Commissioner

Attachments (2)

# APPENDIX V-C.1

## CERTIFICATION OF DOMESTIC VIOLENCE, DATING VIOLENCE OR STALKING

## U.S. Department of Housing and Urban Development Office of Housing

Attachment 1  
OMB Approval No. 2502-0204

**Public reporting burden** for this collection of information is estimated to average 1 hour per response. This includes the time for collecting, reviewing, and reporting the data. Information provided is to be used by owners and management agents administering Section 8 project-based assistance under the United States Housing Act of 1937 (42 U.S.C. 1437) to request a tenant to certify that the individual is a victim of domestic violence, dating violence or stalking. The information is subject to the confidentiality requirements of the HUD Reform Legislation. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number.

**Purpose of Form:** The Violence Against Women and Justice Department Reauthorization Act of 2005 protects qualified tenants and family members of tenants who are victims of domestic violence, dating violence or stalking (collectively "domestic violence") from being evicted or terminated from housing assistance based on acts of such violence against them.

**Use of Form:** If you have been a victim of domestic violence, you or a family member on your behalf, must complete and submit this certification form, or submit the information described below under "Alternate Documentation," which may be provided in lieu of the certification form, within 14 business days of receiving the written request for this certification form from the owner or management agent. The certification form or alternate documentation must be returned to the person and the address specified in the written request for the certification form. If the requested certification form or the information that may be provided in lieu of the certification form is not received by the 14th business day or any extension of the date provided by the owner or management agent, none of the protections afforded to victims of domestic violence under the Section 8 project-based assistance program will apply. Distribution or issuance of this form does not serve as a written request for certification.

**Alternate Documentation:** In lieu of this certification form (or in addition to it), the following documentation may be provided:

(1) A federal, state, tribal, territorial, or local police or court record; or

(2) Documentation signed by an employee, agent or volunteer of a victim service provider, an attorney or medical professional, from whom the victim has sought assistance in addressing the domestic violence, dating violence or stalking, or the effects of abuse, in which the professional attests under penalty of perjury (28 U.S.C. 1746) to the professional's belief that the incident(s) in question are bona fide incidents of abuse, and the victim has signed or attested to the documentation.

### **TO BE COMPLETED BY OR ON BEHALF OF THE VICTIM OF DOMESTIC VIOLENCE:**

1. Date written request is received from owner or management agent: \_\_\_\_\_

2. Name of victim: \_\_\_\_\_

3. Your name (if different) \_\_\_\_\_

4. Name(s) of other family members listed on the lease: \_\_\_\_\_

5. Name of the abuser: \_\_\_\_\_

6. Relationship of the abuser to the victim: \_\_\_\_\_

7. Date of incident: \_\_\_\_\_

8. Time of incident: \_\_\_\_\_

9. Location of incident: \_\_\_\_\_

{Page two must be completed and attached to this form.}



[illegible]

Signature \_\_\_\_\_ Executed on (Date) \_\_\_\_\_

- (1) Requested or consented to by the victim in writing;
- (2) Required for use in an eviction proceeding or termination of assistance; or
- (3) Otherwise required by applicable law

## APPENDIX V-C.2

Attachment 2  
OMB Approval No. 2502-0204

### LEASE ADDENDUM

#### VIOLENCE AGAINST WOMEN AND JUSTICE DEPARTMENT REAUTHORIZATION ACT OF 2005

|        |          |                    |
|--------|----------|--------------------|
| TENANT | LANDLORD | UNIT NO. & ADDRESS |
|--------|----------|--------------------|

This lease addendum adds the following paragraphs to the Lease between the above referenced Tenant and Landlord.

#### **Purpose of the Addendum**

The lease for the above referenced unit is being amended to include the provisions of the Violence Against Women and Justice Department Reauthorization Act of 2005 (VAWA).

#### **Conflicts with Other Provisions of the Lease**

In case of any conflict between the provisions of this Addendum and other sections of the Lease, the provisions of this Addendum shall prevail.

#### **Term of the Lease Addendum**

The effective date of this Lease Addendum is \_\_\_\_\_. This Lease Addendum shall continue to be in effect until the Lease is terminated.

#### **VAWA Protections**

1. The Landlord may not consider incidents of domestic violence, dating violence or stalking as serious or repeated violations of the lease or other "good cause" for termination of assistance, tenancy or occupancy rights of the victim of abuse.
2. The Landlord may not consider criminal activity directly relating to abuse, engaged in by a member of a tenant's household or any guest or other person under the tenant's control, cause for termination of assistance, tenancy, or occupancy rights if the tenant or an immediate member of the tenant's family is the victim or threatened victim of that abuse.
3. The Landlord may request in writing that the victim, or a family member on the victim's behalf, certify that the individual is a victim of abuse and that the Certification of Domestic Violence, Dating Violence or Stalking, Form HUD-91066, or other documentation as noted on the certification form, be completed and submitted within 14 business days, or an agreed upon extension date, to receive protection under the VAWA. Failure to provide the certification or other supporting documentation within the specified timeframe may result in eviction.

\_\_\_\_\_  
Tenant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Landlord

\_\_\_\_\_  
Date

**LEASE ADDENDUM****VIOLENCE AGAINST WOMEN AND JUSTICE DEPARTMENT REAUTHORIZATION ACT OF 2005**

|        |          |                    |
|--------|----------|--------------------|
| TENANT | LANDLORD | UNIT NO. & ADDRESS |
|--------|----------|--------------------|

This lease addendum adds the following paragraphs to the Lease between the above referenced Tenant and Landlord.

**Purpose of the Addendum**

The lease for the above referenced unit is being amended to include the provisions of the Violence Against Women and Justice Department Reauthorization Act of 2005 (VAWA).

**Conflicts with Other Provisions of the Lease**

In case of any conflict between the provisions of this Addendum and other sections of the Lease, the provisions of this Addendum shall prevail.

**Term of the Lease Addendum**

The effective date of this Lease Addendum is \_\_\_\_\_. This Lease Addendum shall continue to be in effect until the Lease is terminated.

**VAWA Protections**

1. The Landlord may not consider incidents of domestic violence, dating violence or stalking as serious or repeated violations of the lease or other "good cause" for termination of assistance, tenancy or occupancy rights of the victim of abuse.
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3. The Landlord may request in writing that the victim, or a family member on the victim's behalf, certify that the individual is a victim of abuse and that the Certification of Domestic Violence, Dating Violence or Stalking, Form HUD-91066, or other documentation as noted on the certification form, be completed and submitted within 14 business days, or an agreed upon extension date, to receive protection under the VAWA. Failure to provide the certification or other supporting documentation within the specified timeframe may result in eviction.
4. The tenant may terminate the lease without penalty if the Landlord determines that the tenant has met the conditions for an emergency transfer under 24 CFR 5.2005(e).
5. Bifurcation of Lease Requirements: If a household living in a HOME-assisted rental unit separates under 24 CFR 5.2009(a), the remaining tenant(s) may remain in the HOME-assisted unit. The Landlord must notify the City before the Landlord bifurcates the lease or provides notification of eviction to the tenant.

\_\_\_\_\_  
Tenant

\_\_\_\_\_  
Date

\_\_\_\_\_  
Landlord

\_\_\_\_\_  
Date

**[Insert name of covered housing provider]**

**Model Emergency Transfer Plan for Victims of Domestic Violence, Dating Violence,  
Sexual Assault, or Stalking**

**Emergency Transfers**

**[Insert name of covered housing provider (acronym HP for purposes of this model plan)]** is concerned about the safety of its tenants, and such concern extends to tenants who are victims of domestic violence, dating violence, sexual assault, or stalking. In accordance with the Violence Against Women Act (VAWA),<sup>1</sup> HP allows tenants who are victims of domestic violence, dating violence, sexual assault, or stalking to request an emergency transfer from the tenant's current unit to another unit. The ability to request a transfer is available regardless of sex, gender identity, or sexual orientation.<sup>2</sup> The ability of HP to honor such request for tenants currently receiving assistance, however, may depend upon a preliminary determination that the tenant is or has been a victim of domestic violence, dating violence, sexual assault, or stalking, and on whether HP has another dwelling unit that is available and is safe to offer the tenant for temporary or more permanent occupancy.

This plan identifies tenants who are eligible for an emergency transfer, the documentation needed to request an emergency transfer, confidentiality protections, how an emergency transfer may occur, and guidance to tenants on safety and security. This plan is based on a model

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<sup>1</sup> Despite the name of this law, VAWA protection is available to all victims of domestic violence, dating violence, sexual assault, and stalking, regardless of sex, gender identity, or sexual orientation.

<sup>2</sup> Housing providers cannot discriminate on the basis of any protected characteristic, including race, color, national origin, religion, sex, familial status, disability, or age. HUD-assisted and HUD-insured housing must be made available to all otherwise eligible individuals regardless of actual or perceived sexual orientation, gender identity, or marital status.

emergency transfer plan published by the U.S. Department of Housing and Urban Development (HUD), the Federal agency that oversees that **[insert name of program or rental assistance here]** is in compliance with VAWA.

### **Eligibility for Emergency Transfers**

A tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking, as provided in HUD's regulations at 24 CFR part 5, subpart L is eligible for an emergency transfer, if: the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant remains within the same unit. If the tenant is a victim of sexual assault, the tenant may also be eligible to transfer if the sexual assault occurred on the premises within the 90-calendar-day period preceding a request for an emergency transfer.

A tenant requesting an emergency transfer must expressly request the transfer in accordance with the procedures described in this plan.

Tenants who are not in good standing may still request an emergency transfer if they meet the eligibility requirements in this section.

### **Emergency Transfer Request Documentation**

To request an emergency transfer, the tenant shall notify HP's management office and submit a written request for a transfer to **[HP to insert location]**. HP will provide reasonable accommodations to this policy for individuals with disabilities. The tenant's written request for an emergency transfer should include either:

1. A statement expressing that the tenant reasonably believes that there is a threat of imminent harm from further violence if the tenant were to remain in the same dwelling unit assisted under HP's program; OR

2. A statement that the tenant was a sexual assault victim and that the sexual assault occurred on the premises during the 90-calendar-day period preceding the tenant's request for an emergency transfer.

**Confidentiality**

HP will keep confidential any information that the tenant submits in requesting an emergency transfer, and information about the emergency transfer, unless the tenant gives HP written permission to release the information on a time limited basis, or disclosure of the information is required by law or required for use in an eviction proceeding or hearing regarding termination of assistance from the covered program. This includes keeping confidential the new location of the dwelling unit of the tenant, if one is provided, from the person(s) that committed an act(s) of domestic violence, dating violence, sexual assault, or stalking against the tenant. See the Notice of Occupancy Rights under the Violence Against Women Act For All Tenants for more information about HP's responsibility to maintain the confidentiality of information related to incidents of domestic violence, dating violence, sexual assault, or stalking.

**Emergency Transfer Timing and Availability**

HP cannot guarantee that a transfer request will be approved or how long it will take to process a transfer request. HP will, however, act as quickly as possible to move a tenant who is a victim of domestic violence, dating violence, sexual assault, or stalking to another unit, subject to availability and safety of a unit. If a tenant reasonably believes a proposed transfer would not be safe, the tenant may request a transfer to a different unit. If a unit is available, the transferred tenant must agree to abide by the terms and conditions that govern occupancy in the unit to which the tenant has been transferred. HP may be unable to transfer a tenant to a particular unit if the tenant has not or cannot establish eligibility for that unit.

If HP has no safe and available units for which a tenant who needs an emergency is eligible, HP will assist the tenant in identifying other housing providers who may have safe and available units to which the tenant could move. At the tenant's request, HP will also assist tenants in contacting the local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking that are attached to this plan.

### **Safety and Security of Tenants**

Pending processing of the transfer and the actual transfer, if it is approved and occurs, the tenant is urged to take all reasonable precautions to be safe.

Tenants who are or have been victims of domestic violence are encouraged to contact the National Domestic Violence Hotline at 1-800-799-7233, or a local domestic violence shelter, for assistance in creating a safety plan. For persons with hearing impairments, that hotline can be accessed by calling 1-800-787-3224 (TTY).

Tenants who have been victims of sexual assault may call the Rape, Abuse & Incest National Network's National Sexual Assault Hotline at 800-656-HOPE, or visit the online hotline at <https://ohl.rainn.org/online/>.

Tenants who are or have been victims of stalking seeking help may visit the National Center for Victims of Crime's Stalking Resource Center at <https://www.victimsofcrime.org/our-programs/stalking-resource-center>.

**Attachment:** Local organizations offering assistance to victims of domestic violence, dating violence, sexual assault, or stalking.

## APPENDIX V-C.4

### **EMERGENCY TRANSFER REQUEST FOR CERTAIN VICTIMS OF DOMESTIC VIOLENCE, DATING VIOLENCE, SEXUAL ASSAULT, OR STALKING**

**U.S. Department of Housing  
and Urban Development**

OMB Approval No. 2577-0286  
Exp. 06/30/2017

**Purpose of Form:** If you are a victim of domestic violence, dating violence, sexual assault, or stalking, and you are seeking an emergency transfer, you may use this form to request an emergency transfer and certify that you meet the requirements of eligibility for an emergency transfer under the Violence Against Women Act (VAWA). Although the statutory name references women, VAWA rights and protections apply to all victims of domestic violence, dating violence, sexual assault or stalking. Using this form does not necessarily mean that you will receive an emergency transfer. See your housing provider's emergency transfer plan for more information about the availability of emergency transfers.

#### **The requirements you must meet are:**

**(1) You are a victim of domestic violence, dating violence, sexual assault, or stalking.**

If your housing provider does not already have documentation that you are a victim of domestic violence, dating violence, sexual assault, or stalking, your housing provider may ask you for such documentation. In response, you may submit Form HUD-5382, or any one of the other types of documentation listed on that Form.

**(2) You expressly request the emergency transfer.** Submission of this form confirms that you have expressly requested a transfer. Your housing provider may choose to require that you submit this form, or may accept another written or oral request. Please see your housing provider's emergency transfer plan for more details.

**(3) You reasonably believe you are threatened with imminent harm from further violence if you remain in your current unit.** This means you have a reason to fear that if you do not receive a transfer you would suffer violence in the very near future.

**OR**

**You are a victim of sexual assault and the assault occurred on the premises during the 90-calendar-day period before you request a transfer.** If you are a victim of sexual assault, then in addition to qualifying for an emergency transfer because you reasonably believe you are threatened with imminent harm from further violence if you remain in your unit, you may qualify for an emergency transfer if the sexual assault occurred on the premises of the property from which you are seeking your transfer, and that assault happened within the 90-calendar-day period before you submit this form or otherwise expressly request the transfer.

**Submission of Documentation:** If you have third-party documentation that demonstrates why you are eligible for an emergency transfer, you should submit that documentation to your housing provider if it is safe for you to do so. Examples of third party documentation include, but are not limited to: a letter or other documentation from a victim service provider, social worker, legal assistance provider, pastoral counselor, mental health provider, or other professional from whom you have sought assistance; a current restraining order; a recent court order or other court records; a law enforcement report or records; communication records from the perpetrator of the violence or family members or friends of the perpetrator of the violence, including emails, voicemails, text messages, and social media posts.



**Confidentiality:** All information provided to your housing provider concerning the incident(s) of domestic violence, dating violence, sexual assault, or stalking, and concerning your request for an emergency transfer shall be kept confidential. Such details shall not be entered into any shared database. Employees of your housing provider are not to have access to these details unless to grant or deny VAWA protections or an emergency transfer to you. Such employees may not disclose this information to any other entity or individual, except to the extent that disclosure is: (i) consented to by you in writing in a time-limited release; (ii) required for use in an eviction proceeding or hearing regarding termination of assistance; or (iii) otherwise required by applicable law.

**TO BE COMPLETED BY OR ON BEHALF OF THE PERSON REQUESTING A TRANSFER**

1. Name of victim requesting an emergency transfer: \_\_\_\_\_

2. Your name (if different from victim's) \_\_\_\_\_

3. Name(s) of other family member(s) listed on the lease: \_\_\_\_\_

4. Name(s) of other family member(s) who would transfer with the victim: \_\_\_\_\_

5. Address of location from which the victim seeks to transfer: \_\_\_\_\_

6. Address or phone number for contacting the victim: \_\_\_\_\_

7. Name of the accused perpetrator (if known and can be safely disclosed): \_\_\_\_\_

8. Relationship of the accused perpetrator to the victim: \_\_\_\_\_

9. Date(s), Time(s) and location(s) of incident(s): \_\_\_\_\_

10. Is the person requesting the transfer a victim of a sexual assault that occurred in the past 90 days on the premises of the property from which the victim is seeking a transfer? If yes, skip question 11. If no, fill out question 11. \_\_\_\_\_

11. Describe why the victim believes they are threatened with imminent harm from further violence if they remain in their current unit.

12. If voluntarily provided, list any third-party documentation you are providing along with this notice: \_\_\_\_\_

This is to certify that the information provided on this form is true and correct to the best of my knowledge, and that the individual named above in Item 1 meets the requirement laid out on this form for an emergency transfer. I acknowledge that submission of false information could jeopardize program eligibility and could be the basis for denial of admission, termination of assistance, or eviction.

Signature \_\_\_\_\_ Signed on (Date) \_\_\_\_\_

# Landlord-Tenant Handbook

A Guide to Residential Landlords' and Tenants'  
Rights and Responsibilities



**Housing and Human Services Department**

Community Mediation Service

303-441-4364

[BoulderColorado.gov/Community-Relations/Mediation-Program](http://BoulderColorado.gov/Community-Relations/Mediation-Program)

Published by the City of Boulder Community Mediation Service, January 2019  
Contact Community Mediation Service at:  
*<https://bouldercolorado.gov/community-relations/mediation-program>*  
303-441-4364

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# INTRODUCTION

This handbook was prepared and printed by the City of Boulder Community Mediation Service (CMS) and reviewed by the Boulder City Attorney's Office. It summarizes existing State of Colorado and City of Boulder residential landlord-tenant law.

Knowledge of the Colorado Revised Statutes (CRS) and the Boulder Revised Code (BRC), which regulate rentals, as well as the United States Code (USC), is valuable to tenants and landlords in preventing problems before entering into a lease, as well as for answering questions which may arise during the lease period or upon termination of the lease. All information contained in this handbook is subject to change at any time through subsequent court decisions or legislation.

The information in this handbook does not constitute legal advice. Information contained herein is current as of Jan. 1, 2019 but there is no assurance that the laws have not changed or been amended. This information is intended to serve only as a general guide and is not intended to be used as a substitute for seeking advice from an attorney or other qualified professionals.

In general, both landlords and tenants should keep good records, including copies of emails, text messages, notes, letters and photographs. Make all agreements specific, put them in writing, and follow through with them. Both parties should make an effort to communicate effectively and engage in a collaborative relationship.

It is strongly recommended that an attempt be made by both tenants and landlords to work out differences before seeking outside assistance. If differences arise which the parties are not able to resolve on their own, city of Boulder residents can contact the City of Boulder Community Mediation Service (CMS) at 303-441-4364. CMS uses neutral, third party mediators to assist in resolving disputes between landlords and tenants or between roommates. CMS charges a low fee for its services, though this fee may be waived for low-income clients.

## **Mobile Homes**

The laws governing mobile homes are separate from those governing other landlord-tenant relationships. CMS has a separate handbook with information on mobile homes.

# LEASES

A lease is a legally binding contract between a landlord and a tenant that grants the tenant exclusive use of the landlord's property for a given period of time in exchange for rent money. In the city of Boulder, all leases must be in writing if the rental period will last longer than 30 days (BRC §12-2-3 "Leases to be Provided").

A lease will set forth the terms of possession, such as rent, length of time of possession and rights and responsibilities of both landlord and tenant. Lease terms can be negotiated, but once a lease is signed, there is no grace period allowing for either of the parties to back out. It is good practice for landlords and tenants to review the lease together before signing it.

City of Boulder law requires that the lease must be signed within 30 days of commencement of the rental, and the landlord must provide each lessee with a copy within seven working days after all parties have signed, or within 15 days after the date of signature by any tenant, whichever is sooner (BRC §12-2-3).

Colorado law also requires a residential landlord to provide each tenant with a copy of a written rental agreement signed by the parties within seven days and to give a tenant a receipt for any payment made in person with cash or a money order. For payments not made in person with cash or a money order, the landlord must provide a receipt if the tenant requests it. The landlord may provide the tenant with an electronic copy of the lease or the receipt unless the tenant requests a paper copy (Senate Bill 18-010).

A copy of the Boulder Model Lease, endorsed by the City of Boulder, can be found at <https://bouldercolorado.gov/community-relations/mediation-program>.

## Definitions of Parties to a Lease

- **Landlord** an owner, manager, lessor, or sublessor of a residential premise (CRS §38-12-502(3))
- **Tenant** a person entitled under a rental agreement to occupy a dwelling unit to the exclusion of others (CRS §38-12-502(6))
- **Property Manager** a person or firm charged with operating a real estate property for a fee

# TYPES OF LEASES

## **Fixed Term Lease (also known as “Definite Term Lease”)**

This is the most common type of lease. If a lease is for a specified period of time, (e.g. nine months or a year), or has a definite ending date, it is a “term lease.”

Under a term lease, the landlord is obligated to rent a specified rental property to the tenant for the specified period of time and a specified amount of rent, and under the specified terms of the lease. The tenant is obligated to pay the rent and fulfill all lease conditions during that specified period of time. When the lease expires, the tenant must move out unless the tenant renegotiates a new lease or stays on as a month-to-month tenant with the landlord’s express consent.

Neither the landlord nor the tenant need to give notice of termination at the end of a term lease unless the lease states that such notice is required. However, it can be generally helpful for landlords to know if their tenants wish to remain in the property and for tenants to know if remaining is an option. Some landlords require tenants to sign a new lease by a certain date prior to the ending date of the current lease.

## **Month-to-Month Lease**

This is an agreement to rent for one month at a time. In these leases the tenancy renews automatically each month unless either the landlord or tenant gives written notice that they wish to end the tenancy. When a landlord and a tenant have not executed a written lease and rental payments are paid monthly, a month-to-month lease is implied by law.

A month-to-month lease is common after an expired written fixed term lease is not renewed but the tenant remains in the property as a “holdover,” with the landlord’s consent. In such a case, if the written fixed term lease contains a clause stating that all lease provisions continue to apply after the written fixed term lease expires and the tenant stays on with a month-to-month lease, then the rights and responsibilities of each party, as defined by the expired written fixed term lease, remain in effect. In the absence of such a clause, and if no communication has taken place to the contrary, the rights and responsibilities of the original lease remain in effect.

With a month-to-month lease, the landlord can raise rent, and change or terminate the agreement with proper written notice to the tenant. The tenant, likewise, can terminate the lease with proper written notice to the landlord. Proper notice for both landlord and tenant must be written and received by the other party at least 21 days before the last

day of the rental month (CRS §13-40-107). However, a written month-to-month lease may require a longer notice period, for example, 30 or 60 days before the end of the rental period (see pg. 23).

## **Tenancy at Will**

Where no time is specified for the termination of a tenancy, the law construes it to be a “tenancy at will.” A tenancy at will exists only when the occupation of the property is with the landlord’s consent and it stays in effect until the landlord or tenant terminate the agreement. By statute, a tenancy at will can be terminated with a three-day “notice to quit” given by either party.

## **Holdover Tenant**

A holdover tenant is someone who once was a tenant but has remained after their tenancy has ended. A holdover tenant may be treated at the election of the landlord as a trespasser or a tenant. If the landlord waives a wrongful holdover and allows the tenant to stay, unless there is a new agreement, the law implies a new lease begins between the landlord and tenant based upon the same terms and conditions as the expired lease. The acceptance of rent by a landlord after the lease expires creates a holdover tenancy.

## **Common Lease Components**

- **Rent:** Amount of money to be paid and when it is due
- **Grace periods and penalties:** Date when rent payment is considered late and fees for late payment
- **Term of Possession:** How long the lease is in effect
- **Utility payments:** Who is responsible for paying for services such as water, trash, and electricity
- **Repairs:** Who is responsible for minor and major repairs to the rental property, appliances, plumbing, heating and cooling units, etc.
- **Privacy:** Circumstances under which the landlord may enter the unit including the length of notice required to give the tenant, times of day for entry, whether the tenant must be present, emergencies, repairs, showing for sale or rental
- **Snow removal, garbage collection, lawn care:** Who will be responsible for such upkeep and who is providing the necessary tools
- **Sublet and/or assignments:** Requirements for replacing tenants during the lease term



- **Security deposit guidelines:** How soon the security deposit will be returned at the end of the lease term and whether an initial and final walk-through with the tenant will be conducted by the landlord
- **Use prohibitions:** Specific things not allowed such as pets or smoking. If there are no specific restrictions, a tenant may make use of a unit for any purpose not illegal or in violation of local ordinances and which doesn't create a nuisance or cause damage to the property
- **Other specific agreements:** Modifications and additions to lease agreements may be made by mutual consent of all parties as long as they are legal

## **Other Lease Considerations**

### ***Smoking***

Smokers are not a protected class and there is no "right to smoke." The Colorado Clean Indoor Air Act prohibits smoking in restrooms, lobbies, hallways and other common areas of apartments (CRS §25-14-204). Property owners may specify in the lease if a property is smoking or non-smoking. Property owners may require a damage deposit to cover the cost of cleaning and repairs associated with smoke damage.

The City of Boulder also regulates smoking. The Boulder Revised Code prohibits people from smoking in common elevators, hallways, or other common areas of buildings within dwelling units (BRC §6-4-3). Landlords (or homeowners associations) may further regulate smoking by prohibiting smoking on porches, balconies or within a certain proximity to the building. Tenants should request information about the property's smoking rules before signing a lease.

### ***Marijuana***

The laws surrounding the use and cultivation of marijuana have been changing in recent years making it difficult to navigate this rapidly-changing issue. As of the date of this handbook's publication, adults over the age of 21 can legally possess up to one ounce of marijuana and grow up to six plants. However, the laws pertaining to marijuana possession and use are different on a federal level making it particularly challenging to determine what is permissible.

Ultimately, a landlord has the right to prohibit the use of marijuana in a property, but this should be stated clearly in the lease, similar to a no smoking or no pets clause.

Landlords should keep in mind the Federal Fair Housing Act and the City of Boulder's Human Rights Ordinance which bars landlords from discriminating against tenants of protected classes, including those with a disability. A tenant may be using medical marijuana to treat a qualifying disability under the Americans with Disabilities Act and in

this case, a landlord should consult with a private attorney or the Colorado Division of Human Rights Fair Housing office to determine appropriate action.

### ***Rental Application Fees***

Requirements relating to rental application fees were signed into state law in April of 2019. A summary can be found at <https://leg.colorado.gov/bills/hb19-1106>

### ***Renter's Insurance***

If the lease does not contain a clause requiring the landlord to compensate the tenant for damage to personal property caused by the landlord's negligence, the tenant may wish to purchase renter's insurance. Renter's insurance is usually very affordable and may cover not only damage to personal property, but theft and other types of property loss, including to the rental unit itself. Depending on the terms of the policy, renter's insurance may also cover damage to other people's property that resulted from the insured party's apartment or the insured party's negligence.

Some leases require the tenant to have renter's insurance. If this is something both parties agree to, this requirement will be binding. If the tenant does not want to be required to carry renter's insurance, they should negotiate with the landlord before signing the contract.

### ***Roommates and Joint and Several Liability***

When more than one tenant signs a lease, unless the lease says otherwise, each tenant is individually responsible to the landlord for all of the conditions and responsibilities of the lease, including rent. In legal terms this means that every signer of the lease is "jointly and severally liable" for the actions of every other signer meaning they are individually or collectively responsible for fulfilling the lease.

To prevent problems from arising between roommates, they are encouraged to create a written "roommate agreement," which discusses the obligations each tenant has to the others. An agreement should include: what portion of rent each roommate will pay, responsibility for damages, division of payment for utilities, duration of the rental period, responsibility for finding a replacement tenant if one roommate moves out early, and payment of rent until a replacement is found. A roommate agreement may address lifestyle matters that affect compatibility such as quiet hours, cleanliness or visitors. But a roommate agreement cannot change the conditions of the lease. Each person who signs a lease is liable for all of the conditions and responsibilities of the lease.

When there is a roommate problem, typically only the landlord can evict one of the roommates. If someone other than the owner of the property is seeking the eviction of a

tenant, assistance from an attorney is recommended. Legal advice should also be sought in cases where confusion exists regarding legal rights and responsibilities by any of the roommates, such as in sublease situations.

### ***Arbitration and Mediation Clauses***

Some leases contain clauses that require parties in conflict to resolve their dispute through arbitration or mediation. In arbitration clauses, tenants may give up their right to go to court altogether and must rely solely on the decision of a predetermined arbitrator.

### ***Attorney Fees and Damages***

The winning party in an eviction or other legal action brought under the Forcible Entry and Detainer Statute may be able to recover damages, reasonable attorney fees, and court costs. This applies only if the lease contains a clause allowing for the award of such monies to either party (CRS §13-40-123). If a court finds that a tenant wrongfully continued possession after termination of the lease, the court could require the tenant to pay the reasonable rental value for the time of the wrongful possession.

### ***Lease Modifications***

Lease terms and provisions can be modified ONLY if both the landlord and tenant agree to the changes and if the conditions they are agreeing to are legal. To avoid miscommunication, it is best to put these changes in writing, signed and dated by both the landlord and tenant. If there is ever a legal dispute about the terms of the lease, the court will default to what is in writing. As a result, it is a good practice to document even minor verbal changes to the lease in writing.

### ***Lease Disclosures***

In the city of Boulder landlords must provide tenants with written information (disclosures) about certain city regulations (BRC §12-2-4). These disclosures include requirements regarding occupancy, noise, fireworks, snow removal, etc. A sample lease disclosure letter can be found at <https://bouldercolorado.gov/community-relations/mediation-program>.

### ***Agreements in Writing***

Landlords and tenants should be sure that all obligations are in writing and signed by all parties.

### ***Beware of Unenforceable Clauses***

Leases sometimes contain clauses that are contrary to Colorado law and cannot be enforced in court. These clauses should be identified and eliminated before a lease is

signed. Any party who has a question concerning the enforceability of a lease should seek legal advice. Some examples of unenforceable clauses are

- Requiring a tenant to waive the right to the return of the security deposit or the interest on a security deposit (BRC §12-2-8)
- Waiving a landlord's responsibility for acts of gross negligence
- Requiring a tenant who has been called into military service before the end of a lease term to pay for the remainder of rent due for their entire term (Federal Soldiers and Sailors Civil Relief Act; 50 USC App. § 534)
- Requiring a tenant to waive the covenant of Quiet Enjoyment
- Requiring a tenant to waive the Warranty of Habitability (CRS §38-12-503)
- Allowing the landlord to forcibly remove a tenant and the tenant's personal property without going through the eviction process as required by Colorado law (CRS §§13-40-101 thru 123)
- Tenant consent to eviction for non-payment of rent, or for any other reason, without a 3-day Notice as required by Colorado statute (CRS §§13-40-01 thru 123)

## **BEFORE MOVE IN**

### **Walk-Through**

Landlords and tenants should do a walk-through of the property together and fill in and sign the move-in checklist. A move-in checklist allows the tenant and landlord to enter the lease with a similar understanding of the rental property's condition. Any potential problem areas where repairs are needed should be noted along with an agreed-upon timetable in which to make those repairs. A move-out checklist should be completed during a final walk-through. These before-and-after comparisons can help prevent disputes regarding the security deposit.

Additionally, it is generally a good practice to take date-stamped photographs or date-stamped video of the property at the beginning of the rental period to accurately record the property's condition. The general cleanliness of the property should be noted, as the expectation is that it should be returned to a similar state when the tenant moves out (unless otherwise agreed to by both parties) minus normal wear and tear. A thorough move-in checklist can help avoid misunderstandings about the security deposit at the end of the rental term. Some landlords and tenants also find it helpful to have a neutral third party, such as a neighbor, accompany them on the walk-through.

## **Credit and Criminal Background Checks**

Landlords may require credit checks and criminal background checks of prospective tenants. However, if a landlord requires one prospective tenant to provide information for a background and credit check, they must require the same information from all prospective tenants. Landlords should consult a lawyer to make sure they comply with all of the requirements as put forth by the Fair Credit Reporting Act (FCRA, 15 USC §1681 *et seq.*) <https://www.ftc.gov/>.

Landlords need written permission from applicants to conduct a credit report. The landlord must give the applicant or tenant a notice if the landlord decides not to rent to the applicant or takes other action based on the information from the credit report.

## **Security Deposit**

Also called a damage deposit, a security deposit is a tenant's advance payment of money to the landlord to secure against future lease violations by the tenant, including nonpayment of rent and property damage beyond ordinary wear and tear (CRS §§38-12-101 thru 104). It is generally a good practice to specify the amount of the security deposit in the lease. Landlords should deposit security deposit checks into an escrow account and keep security deposit funds separate from other monies such as rents, because the landlord will be accountable for returning all or a portion of the deposit at the end of the lease term, plus interest (see pg. 27).

## **Pet Deposit**

Pet deposits are similar to security deposits in that they may be returned to the tenant at the end of the tenancy. Even if stated otherwise in the lease, pet deposits are not "non-refundable" and must be treated like a security deposit. However, landlords can charge an additional fee or extra rent for pets. Tenants should make sure they understand whether the lease requires a pet deposit (must be treated like a security deposit) or a pet fee (an additional fee or extra charge to the lease payments that allows them to keep a pet).

## **Prepaid Rent vs. Security Deposit**

Some landlords choose to collect the last month's rent at the beginning of the lease term. This is different from a security deposit. The last month's rent does not need to be returned if it is used as payment for the last month of the lease. If it is returned for some reason, such as early termination of the lease, the landlord is not required to pay any interest on this amount.

# MAINTENANCE AND REPAIRS

Except for common areas and facilities in multiunit properties, the landlord is required to repair and maintain the premises only if:

- There is a specific agreement between the landlord and the tenant (i.e. such as a lease), which specifies that the landlord is responsible for repairing or maintaining the premises; or
- There is a specific agreement between the landlord and the tenant that the landlord will make specific repairs (such as an attachment to the lease or a letter of promise); or
- The repair or maintenance is required to make the property conform to the City of Boulder Housing Code, §10-2-1, *et seq.*, BRC 1981, unless the tenant is specifically given this responsibility in the lease. The Housing Code only applies within the Boulder city limits.
- A residential rental is uninhabitable or unfit for the uses reasonably intended by the parties (CRS §§38-12-501 thru 511)
- A residential rental is in a condition materially dangerous or hazardous to the tenant's life, health or safety (CRS §§38-12-501 thru 511)

## **Beware of Withholding Rent for Repairs**

A tenant should generally not withhold rent until repairs are made. Similarly, it is risky for a tenant to make the repairs and then deduct the costs of repairs from the rent without prior written consent of the landlord. If a tenant withholds rent, the landlord may bring an eviction suit against the tenant for failing to pay rent. Although a repair claim may be used as a defense against such an eviction suit in certain situations, the judge may require the tenant to put the amount of the withheld rent in an escrow account until a ruling is made (CRS §38-12-503(6)(b)).

## **Rental Licensing, Boulder Revised Code and Warranty of Habitability**

### ***Rental Licensing***

A rental license is required for the occupancy of any residential rental property within the City of Boulder, with some exceptions (BRC §10-3-2(b)). Landlords must apply for a rental license through the City's Rental Housing License Office. The city will provide a list of approved inspectors who can inspect the rental property for compliance with the Property Maintenance Code before issuing a license. Tenants and prospective tenants may verify the status of a property's rental license by calling the City's Rental Housing Licensing Office at 303-441-3152 or may search for and view a map of licensed

residential rental properties on the City of Boulder website. Consult with Rental Housing Licensing for more information about exceptions to this requirement.

### ***Boulder Revised Code***

All rental properties in the city of Boulder must conform to Boulder's Property Maintenance Code which establishes minimum standards for the use and safe occupancy of dwellings to protect, preserve, and promote the physical and mental health of its residents. The code covers basic safety and living conditions such as fire safety systems, fire restrictive doors and walls, plumbing, water supply, electrical services, mechanical and heating equipment, cooking devices, windows, doors and egress, floors, walls, ceilings, stairways, space requirements, pest control, food preparation and storage areas, and safe maintenance of utilities and equipment (See BRC Chapter 10-2 for specific requirements).

### ***Warranty of Habitability***

Every landlord is required to fulfill certain requirements that make the rental property fit for human habitation (CRS §38-12-503). A property may be uninhabitable if any of the following are lacking (CRS §38-12-505):

- Waterproofing and weather protection
- Plumbing or gas facilities in good working order
- Running water and reasonable amounts of hot water
- Functioning heating facilities
- Electrical lighting
- Common areas and areas under the control of the landlord that are kept reasonably clean, sanitary, and free from all accumulations of debris, filth, rubbish, and garbage and that have appropriate extermination in response to the infestation of rodents or vermin
- Appropriate extermination in response to the infestation of rodents or vermin throughout a residential property
- Exterior receptacles for garbage and rubbish
- Floors, stairways, and railings maintained in good repair
- Locks on exterior doors and locks or security devices on windows
- Compliance with all applicable building, housing, and health codes, which, if violated, would constitute a condition that is dangerous or hazardous to a tenant's life, health, or safety
- Or otherwise unfit for human habitation (CRS §38-12-503(2)(a))

However, for the Warranty of Habitability to be breached, two additional elements must also exist:

- The residential premises are in a condition that is materially dangerous or hazardous to the tenant's life, health or safety AND
- The landlord has received written notice of the condition and has failed to cure the problem within a reasonable time

If a landlord fails to return the premises to habitable condition within a reasonable time after proper notice from the tenant, the tenant may have legal recourse to vacate the premises and stop paying rent by following a specific process and specific timeline as provided by the Warranty of Habitability (CRS 38-12-507). It is advisable to consult with an attorney to assist with this course of action.

Additional tenant protections related to habitability were signed into state law in May 2019. A summary can be found at <https://leg.colorado.gov/bills/hb19-1170>

## When Repairs Are Needed

- **Check the Lease:** The lease may state who is responsible for maintaining and repairing the premises. It also may specify how the landlord is to be notified, such as "in writing" or for some larger property management companies, "through tenant portal."
- **Provide request and deadline in writing:** Request the repairs be made by a certain date. A sample letter is available at [bouldercolorado.gov/community-relations/mediation-program](https://bouldercolorado.gov/community-relations/mediation-program)
- **Facilitate Repairs:** Tenant and landlord cooperate to schedule entry of repairpersons
- **Check Codes:** For city of Boulder properties, if the tenant suspects a violation of the Boulder Revised Code, the tenant may call Housing Inspection and Rental Licensing at 303-441-3152. A housing inspector will come to the property and determine if there is a violation. If the violation is minor, the landlord will be given a reasonable period of time to correct the problem. Fines may be issued or enforcement action may be taken by the city when violations are not corrected.
- **Assess Habitability:** See previous section on Warranty of Habitability to determine if the condition of the property constitutes a breach of habitability and options for recourse
- **Seek Legal Advice:** Only in extreme conditions may a tenant vacate the premises and stop paying rent. This remedy should never be attempted without first talking to an attorney.



### ***Repairs to Appliances and Amenities not Covered by Boulder Revised Code***

Appliances and amenities such as dishwashers and wifi service that are not covered by the Boulder Revised Code but were functioning, or were assumed to be functioning, at the start of the lease term are considered part of the rental property. Whose responsibility it is to repair appliances and amenities should be addressed in the lease. Tenants are financially responsible for damages resulting from the tenant's or their guests' abuse or negligence. In the absence of language in a lease that addresses who is responsible to maintain appliances, it is generally a business decision whether the landlord should perform repairs.

### ***Reasonable Time Frame for Repairs***

It can be helpful for both landlords and tenants to more specifically define a "reasonable" time frame in writing prior to signing the lease. However, what is considered reasonable is often determined on a case-by-case basis. There may be situations that are out of the landlord's control, such as a rare part on back-order to fix a furnace, or lack of availability of repairpersons or contractors. Landlords must make an effort to uphold the tenant's right to habitability and quiet enjoyment; for instance, providing space heaters until the furnace can be fixed.

### ***Repair Tips for Tenants***

- Keep a copy of all correspondence with the landlord
- Follow-up any verbal agreements with a letter confirming the agreement
- Be reasonable in allowing the landlord time to make the repairs
- Consider proposing alternative compensation if repairs are not made, such as rent reduction.

### **Carbon Monoxide (CO) Detectors**

Colorado law requires rental properties (either single family or multifamily), that use fuel heaters or appliances or fireplaces or have attached garages to provide Carbon Monoxide (CO) detectors with alarms. "Fuel" means coal, kerosene, oil, fuel gases or other petroleum or hydrocarbon products. Colorado law specifies:

- The landlord is responsible for the maintenance of the detector when they are notified in writing by a tenant that the batteries need to be replaced or when the detector was stolen, removed, found missing or found not to be operating

- It is illegal for a tenant to remove the batteries from a CO detector unless the batteries are being changed, or inspection or maintenance of the alarm is being done
- If the property has a centralized alarm system with a CO detector, the alarm must be within 25 feet of a fuel-fired heater, or appliance, fireplace, garage or in a location specified in local building code
- No CO detector is required if the property has no fuel burning appliances and no attached garage (CRS §§38-45-101 thru 106)

## **Vermin**

Boulder follows provisions of the International Property Maintenance Code (IPMC), which requires buildings to be kept free of insect and rodent infestations. The code also states such infestations should be addressed using approved processes that are not harmful to human health. After pests are eliminated, proper steps should be taken to prevent a recurrence. An owner of a structure is also responsible for pest elimination prior to renting the property.

Vermin issues in a residential rental property are also addressed by Colorado's residential Warranty of Habitability law in that a residential premise is deemed uninhabitable if it substantially lacks appropriate extermination in response to the infestation of rodents or vermin throughout residential premises.

If a landlord fails to mitigate a vermin problem after being informed of the issue in writing and having had a reasonable period to address the issue, a tenant may pursue a warranty of habitability claim (see page 12).

The IPMC also holds the occupant of a structure responsible for keeping the property free of rodents and pests. In a single-family dwelling, the occupant is responsible for pest elimination on the premises. Therefore, tenants may have some responsibility for mitigating a vermin issue if they were responsible in some part for the infestation. For example, a tenant who created an unsanitary situation that attracted the vermin may be obligated to contribute to remedying the issue. Additionally, if a tenant is uncooperative with a landlord who is attempting to address the situation (e.g. not allowing access of exterminators), it may shift some responsibility for the issue back onto the tenant.

In multiunit properties, the owner is responsible for pest elimination in common and exterior areas. If an occupant causes an infestation, both owner and occupant bear responsibility for pest elimination. In instances where infestations are caused by structural defects, the owner is responsible for addressing the problem.

## ***Bed Bugs***

Additional requirements specific to bed bug remediation were signed into state law in June 2019. A summary can be found at <https://leg.colorado.gov/bills/hb19-1328>

## **Mold**

Mold in buildings can potentially present a significant health issue for building inhabitants. Environmental sampling for mold can help to determine the extent of the problem, the location of mold, and the scale of the remediation needed. However, sampling for mold cannot be used to determine if a building is “safe” because there are no quantitative, health-based guidelines that describe “safe” levels for microbial exposure to mold. Additional information on mold issues is available from Boulder County Public Health (BCPH) at 303-441-1100.

There are currently no regulations specifically addressing remedies for mold. If tenants suspect they are experiencing a health issue as a result of mold, they should consult with an attorney about their options for early termination of the lease.

# **PRIVACY AND THE RIGHT OF QUIET ENJOYMENT**

## **Privacy**

The tenant has a right to privacy. Unless the lease specifically allows it, the landlord does not have the right to inspect, do repair work or show the premises without reasonable notice except in an emergency. While not required by statute, reasonable notice by the landlord for access to the rental property should be addressed in the lease for the privacy and convenience of the tenant. A commonly used privacy clause allows a landlord access to the rental property at reasonable times and with reasonable notice to the tenant to make necessary repairs or reasonable inspections or to show the property to prospective new tenants. What is considered “reasonable” may be determined by the parties and written into the lease before it is signed. A commonly accepted time frame is 24 hours.

A landlord has the right to enter a rental unit without notice in emergencies. An example of an emergency might be an apartment flooding after the hot water heater breaks.

If a tenant believes that the landlord is interfering with his or her right to privacy, the tenant should try to resolve the problem by negotiating an agreement with the landlord regarding entry, including reasons, times, and amount of advance notice requested.

This negotiation may start with a clear letter identifying the problem. If an agreement cannot be reached the advice of an of an attorney should be sought or mediation can be requested through CMS.

Before a tenant denies entry to a landlord for any reason, an attorney should be consulted.

### **Covenant of Quiet Enjoyment**

The tenant has a right to use the property for the purpose for which it was leased. Colorado law protects residential tenants from conditions in the property caused by the landlord that may not violate the Property Maintenance Code or Warranty of Habitability, but still make it difficult to live in the premises; for instance, if water leaks develop that damage a tenant's personal property. Additionally, if there is a problem with the property that was not apparent at the time the tenant first entered into the lease, or if the property is damaged by natural causes such as flooding, windstorms, etc., and this damage makes the property unsuitable to live in, this may constitute a breach of the covenant. In these situations, the tenant should notify the landlord in writing. If the landlord does not fix those conditions within a reasonable time after being requested by the tenant to do so, the tenant may have legal remedies.

"Constructive eviction" is exercised when a tenant vacates the property before the end of the lease term due to the landlord's conduct that makes the condition of the leased property unsuitable or because of the landlord's failure to fulfill an obligation to repair damage. The advice of an attorney should be sought in these situations or mediation can be requested through CMS.

## **LANDLORD'S REMEDIES FOR LATE PAYMENTS**

### **Fees for Late Payment of Rent**

If specified within the lease agreement, late fees may be assessed by landlords when rent is past due. A fee of more than five to ten percent of the monthly rent, however, may be considered excessive.

### **Landlord Liens**

In certain situations, a landlord may be granted a lien on some items of a tenant's personal property for past due rent (CRS §38-20-101), and (CRS §§38-20-107 thru 116). A lien is a legal right to another person's belongings. The landlord should always

seek legal advice from an attorney before taking such action, however, because the landlord could be liable to the tenant for damages if a lien is improperly exercised.

Certain property cannot be seized in a landlord lien. This includes small kitchen appliances, cooking utensils, beds, bedding, necessary wearing apparel, personal or business records and documents and personal effects of the tenant and household members (CRS §38-20-102(3)(a)).

If property has been seized, the tenant should document, in writing, what property was taken, as well as keep all written notices received from the landlord. Tenants should consult an attorney if they are involved in the exercise of a landlord lien and want to reclaim their property. The lien procedure is complicated and even if done correctly, may not be cost effective.

### **Collection Agency**

Some landlords choose to turn matters of money collection over to a collection agency. The collection agency will attempt to recover the debt and/or seek a court judgment on behalf of the landlord. Such action can impact a tenant's credit report.

## **DISCRIMINATION PROTECTIONS**

*"A landlord may not discriminate against a tenant on the basis of "race, creed, color, sex, sexual orientation, gender variance, genetic characteristics, marital status, religion, national origin, ancestry, pregnancy, parenthood, custody of a minor child, mental or physical disability, source of income, or immigration status unless otherwise required by law, of the individual or such individual's friends or associates" (BRC §12-1-2).*

The City of Boulder considers it discriminatory to charge different rents or deposits, require different lengths of leases, establish different lease conditions, use different screening criteria and deny potential tenants, on the basis of the above-listed categories (BRC §12-1-2). Students are not considered a protected class.

Examples of discrimination could include:

- Denying a prospective tenant, on the basis of their status within a protected class, the opportunity to see, rent, or buy an apartment or home, yet making it available to other prospective tenants

- Denying disabled or minority tenants privileges offered to other tenants, such as parking spaces; needed repairs and services; or the use of the apartment pool, dining room, or club house
- Advertising discriminatory preferences
- Harassing or threatening someone on the basis of their protected class
- Not allowing a person using a wheelchair to build a ramp
- Not allowing a service animal in a “no pets” building (this includes animals prescribed for emotional/psychological assistance)
- Not allowing a reserved parking space for a person with a disability because the housing doesn’t give reserved spaces

## **Exceptions**

Boulder’s anti-discrimination ordinance includes certain specific exceptions for situations such as when an owner or lessee rents out part of a single dwelling unit that the owner or lessee also occupies. In addition, religious organizations may give preference to individuals of their same religion and a private club may give preference to its own members, under certain circumstances. It is not considered a discriminatory practice if the owner publicly establishes and implements a policy of renting or selling exclusively to persons fifty-five years of age or older. It is also not considered discrimination if children are excluded from any residential building that has a covenant limiting or prohibiting minor children, as long as that deed restriction was in effect as of Nov.17, 1981 and remains in effect. These exceptions can be found in BRC12-1-2(b).

For more information, or if you believe that you have been or are being discriminated against within the city of Boulder, contact the City of Boulder Office of Human Rights, at 303-441-3141.

## **Source of Income Discrimination**

In 2018, Boulder City Council adopted an ordinance which made it illegal in Boulder to discriminate against individuals based on their source of income or the source of income of their friends or associates. Source of income means any verifiable money, compensation or housing assistance that is lawful in the State of Colorado and paid to or on behalf of a renter or buyer including but not limited to: child support, disability benefit, housing voucher, rent subsidy or other public assistance.

### ***Examples of Potential Source of Income Discrimination***

These behaviors, policies, or practices, among others, could be evidence of source of income discrimination:

- An advertisement for an apartment includes the phrase, “Section 8 Need Not Apply”
- A landlord says they will not renew your lease because you pay rent using money you received through child support
- A property manager makes timely repairs when those repairs are requested by tenants that pay market rate but refuses to make repairs when those repairs are requested by tenants that pay a subsidized rate
- A property manager refuses to consider the value of a housing voucher in calculating someone’s income

### ***Lawful Applicant Screening***

- A landlord cannot ask for any proof or documentation regarding an applicant’s *source of income*. A landlord, however, may ask for and consider pay stubs, tax returns, bank account statements, or similar types of verification of the *amount of income*.
- The ordinance does not prohibit a landlord from making a decision about a rental application based on many standard screening techniques such as obtaining credit reports, checking personal references and criminal history. A landlord may reject a rental application by a voucher-holder if the reason for the rejection is not related to the applicant’s source of income or membership in any other protected class.

### **Disability Discrimination**

According to Federal Law and Colorado law, actions considered to be discriminatory against persons with disabilities/handicaps include but are not limited to:

1. Refusing to allow a person with a disability to make a modification to a building or premises, at that person’s own expense, if that modification is necessary to give the person with a disability “full enjoyment of the premises;” or
2. Refusing to make “reasonable accommodations” in “rules, policies, practices or services” to give the person with a disability “equal opportunity to use and enjoy a dwelling.”

Federal Law also prohibits the design or construction of new multifamily buildings after March 13, 1991 which do not have required accessibility features, as enumerated in the Act. (42 USC §3604(f)(3)(C)).

In some cases, a landlord may decide to grant permission for a modification if the tenant agrees to restore the interior of the property to how it was before the modification was made.

## **Service Animals and Emotional Support Animals**

The Fair Housing Act, Section 504 of the Rehabilitation Act of 1973 and the Americans with Disabilities Act (ADA) dictate that landlords may be required to make reasonable accommodations for a tenant with a disability (i.e., a physical or mental impairment that substantially limits one or more major life activities) to live with an assistance animal if the person making the request to live with the animal has “a disability-related need for an assistance animal” (Office of Fair Housing and Equal Opportunity “FHEO” Notice: FHEO-2013-01). Permitting a tenant with a disability to possess an assistance animal despite the existence of a “no pets” policy at a property is an example of a reasonable accommodation.

An assistance animal is not a pet. According to the Department of Housing and Urban Development (HUD), an assistance animal, “is an animal that works, provides assistance, or performs tasks for the benefit of a person with a disability, or provides emotional support that alleviates one or more identified symptoms or effects of a person’s disability” (FHEO Notice: FHEO-2013-01).

### ***Considerations about Assistance Animals***

- Landlords covered by the ADA are limited in the questions they can ask of tenants asking to use assistance animals. In the housing context, entities covered by the ADA include public housing agencies, state and local government-provided housing, shelters, some types of multifamily housing, assisted living facilities, housing at places of public education and other public accommodations (FHEO Notice: FHEO-2013-01). Landlords for whom the ADA does not apply may ask individuals who have disabilities that are not readily apparent to the landlord to submit reliable documentation of a disability and their disability-related need for an assistance animal from a physician, psychiatrist, social worker, or other mental health professional. Assistance animal certification or registration downloaded from a website may not be adequate documentation.
- Assistance animals are not exempt from local animal control or public health requirements
- Landlords may not charge a pet deposit for an assistance animal, but they may charge the same fees and deposits for cleaning and damage that they would charge other tenants



- Assistance animals are not required to be visibly identified
- Assistance animals are usually dogs, but federal law allows for other types of animals to be assistance animals as well

### ***Exceptions to Providing a Reasonable Accommodation***

A landlord may not need to provide a reasonable accommodation related to an assistance animal if:

- Doing so would impose an undue financial and administrative burden or would fundamentally alter the nature of the housing provider's services;
- The specific assistance animal in question poses a direct threat to the health or safety of others that cannot be reduced or eliminated by another reasonable accommodation; or
- The specific assistance animal in question would cause substantial physical damage to the property of others that cannot be reduced or eliminated by another reasonable accommodation (FHEO Notice: FHEO-2013-01)

A request for a reasonable accommodation may not be unreasonably denied and a response may not be unreasonably delayed. Landlords and tenants should seek legal counsel or call the City of Boulder Office of Human Rights at 303-441-3141 for any additional questions regarding matters of discrimination.

## **SALES AND FORECLOSURES**

### **Sale of Rental Property**

A landlord cannot terminate a lease early simply because the landlord wishes to sell the property, unless the lease expressly gives the landlord such a right. If a rental property is sold, the new owner/landlord must honor a rental contract existing at the time of the sale. All lease terms, including the termination date and the amount of rent, must be honored by the new owner/landlord unless the new owner/landlord and the tenant agree to make changes. The tenant should always continue to pay rent to the original landlord/owner until the tenant receives a written notice, signed by the original owner/landlord, directing the tenant to pay the rent to someone else.

When a property is sold prior to the end of a lease term, the original owner/landlord has two alternatives regarding the tenant's security deposit (CRS §38-12-103(4)):

1. Transfer the security deposit to the new owner/landlord and notify the tenant by

mail that this transfer has been made. It is helpful to also transfer to the new owner any documentation of the condition of the property when the tenant moved in, such as a check-in sheet; or

2. Return the security deposit to the tenant per the terms of the lease, less any legitimate deductions. To protect themselves from possible damages and to avoid a security deposit dispute in the future, it is wise for the new owner to collect a new security deposit and re-assess the condition of the property at this time.

## **Foreclosure of Rental Property**

The State of Colorado provides no guarantees of tenancy to renters living in a foreclosed property when foreclosure occurs during the lease term. Tenants may be able to negotiate with the new owner to remain in the property if they so wish. Any agreement should be put in writing and signed by all parties.

# **TERMINATION OF THE LEASE**

## **Termination of a Fixed Term Lease**

A term lease, also known as a definite term lease, has a defined end date. The lease expires on the specified date and the tenant must leave the rental on that date. Neither the landlord nor tenant need to give notice of termination unless the lease requires such notice. A common practice, however, is to include a clause requiring 30 days' notice before the date of termination, (for the landlord, tenant, or both), to state in writing whether they will or will not be renewing the lease. If no notice is given and the tenant stays with the landlord's consent, the lease automatically becomes a month-to-month lease. In Colorado, a landlord is not required to renew leases.

## **Termination of a Month-to-Month Lease**

A month-to-month lease is a rental agreement for a one-month period that is renewed automatically each month until properly terminated by either party. Proper notice to terminate a month-to-month lease is done by written notice that is signed by the party terminating the lease and that states the date the tenancy will end. This notice may be posted in the mail or hand-delivered to the other party. If no notice requirement is specified in the lease, the default notice period is 21 days from the end of the current rental period (CRS §13-40-107). The day the notice is given does not count as part of

the 21 days. This 21-day notification period may be changed to a longer time if the parties have written it into the lease -- a 30-day notice is a common modification.

### ***Example of Proper Termination of a Month-to-Month Lease with Default 21 Day Notice***

The tenants are on a month to month lease at House A and have paid rent for the month of June on June 1. June is the current rental month. The tenants decide they will be moving to House B on July 1 and will be terminating their lease at House A. Counting back 21 days from the last day of the current rental month, which is June 30, lands on June 10. However, the day of notification does not count in the 21-day total, so June 9 is the last day the tenants could give proper notice that they are terminating the lease. On June 9 the tenants hand the landlord a written document signed by the tenants stating they will be moving out on June 30. These tenants have properly terminated their lease. The tenants could have given the landlord notice before June 9 if they wanted to. However, if notice of termination was provided after June 9, a new rental month would begin on July 1.

### **Early Move-Out (or Early Termination of the Lease)**

Early move-out, (or early termination of the lease), is one of the most common sources of contention between landlords and tenants. Before signing a lease both parties should make sure they are clear about expectations and responsibilities in this matter.

When tenants move out before the end of their lease term, they remain responsible for rent until the property is re-rented or until the lease has expired, unless they have a different agreement with the landlord. A landlord, however, must make a reasonable effort to re-rent the property. The tenant may also be responsible for the landlord's reasonable costs of re-renting, such as advertising and conducting background checks. Many leases include a clause to that effect. A lease contract may also specify that the tenant, rather than the landlord, is responsible for finding a new tenant, though a court may still find that a landlord should have taken reasonable action to find a replacement tenant if the early termination results in a lawsuit. It is important to check the lease to see who is responsible for re-renting the unit, and what criteria should be used to approve prospective new tenants.

If the landlord must accept a lower rental amount in order to rent the property, the original tenant may be responsible for the difference between the old and new rent. However, if deferred maintenance issues present a barrier to re-rental, landlords should

take into consideration whether the rent should be lowered to attract a replacement tenant. The courts may also consider whether the amount of rent demanded by a landlord was reasonable considering any deferred maintenance issues and other factors.

Only in extreme conditions of uninhabitability may a tenant vacate the premises and stop paying rent. Move-out before the end of the lease term due to the condition of the premises, privacy matters, or violation of the right to quiet enjoyment (see pgs. 12-16) are complicated under Colorado law and the advice of an attorney should be sought in these situations.

## **Domestic Violence Protection**

A victim of unlawful sexual behavior, stalking, domestic violence or domestic abuse may terminate a lease without penalty by providing the landlord with evidence of the domestic abuse or the threat of domestic abuse, in the form of a police report issued within the prior 60 days, a protection order issued by a court, or a written statement from a medical professional or application assistant who has examined or consulted with the victim and confirms the abuse. Victims may vacate the premises and can only be held responsible for one month's rent following the month of their departure, payable to the landlord within 90 days after the victim leaves the premises (CRS §38-12-402).

The same statute prohibits the landlord from terminating a rental agreement or imposing penalties on domestic abuse victims who call the police. As defined by the statute, the relationship between the perpetrator and the victim need not be intimate; a roommate can be the victim of domestic abuse by a fellow roommate (CRS §38-12-402).

If a victim terminates a lease because of this type of abuse, the landlord cannot disclose that information to others, except as required by law to do so. The landlord cannot disclose the tenant's new address, if it is known to the landlord (CRS §38-12-402(4)).

## **Active Military Duty**

The Servicemembers Civil Relief Act (50 USC §3955), allows members of the military and their dependents to terminate a lease or suspend (stay) eviction proceedings against them if they join the military, are called up for active duty, are relocated to another duty station, and/or are deployed after signing and during the term of the lease.

The servicemember must provide written notice of termination to the landlord, along with a copy of his or her military orders or a letter from a commanding officer which form the basis of the termination. If a servicemember pays rent on a monthly basis, once he

or she gives proper notice and a copy of the military orders, then the lease will terminate 30 days after the next rent payment is due.

For example, if termination notice is delivered on July 10, and the next rent is due Aug. 1, the service member shall pay the August rent in full. The effective date of the lease termination will be Aug. 31.

Any rent the service member has paid in advance must be refunded to the service member within 30 days of the effective date of the lease termination.

The act prevents a landlord from evicting a servicemember or dependents during a period of military service without a court order, provided that the premises are occupied primarily as a residence and the monthly rent does not exceed \$2,400 after the statutory housing price inflation adjustment calculation (50 USC §3951).

A landlord who knowingly attempts or knowingly takes part in an eviction prohibited by this statute may be found guilty of a misdemeanor. If you are a servicemember, or are seeking to evict a servicemember, you should consult with an attorney to understand the rights of all involved.

## **SUBLEASES AND ASSIGNMENTS**

A lease may allow, or may specifically prohibit, subleasing and/or assignments. Subleases and assignments can happen only with a landlord's permission, which should always be in writing for the protection of all parties. If a lease does not address subleasing and/or assignment, a landlord cannot unreasonably withhold consent. Subleases and assignments are not the same thing, but the words are often used interchangeably, causing confusion.

### **Sublease**

A sublease is a secondary lease between the original tenant and a new tenant, where the new tenant pays the lease amount directly to the original tenant and the original tenant continues to pay rent directly to the landlord. With a sublease, the original tenant remains responsible to the landlord if the secondary tenant defaults on rent payments, causes property damage, or violates other lease provisions. The original tenant may require a walk-thru, check-in/out sheet and a security deposit from the new tenant. The rental term of a sublease may be shorter than the original lease term. For example, a tenant with a lease term of one year, from January through December, might sublease

the apartment for June through August, while out of town, but then return to complete the lease term from September through December.

## **Assignment**

An assignment transfers the original tenant's right to possession of the rental property to the new tenant. In an assignment, the new tenant assumes all responsibility for payment of rent directly to the landlord. Assignments must be negotiated between the

original tenant and the landlord. Unless the lease allows an assignment and also releases the original tenant from the obligations of the lease, the original tenant is still liable for all conditions of the lease.

## **SECURITY DEPOSIT**

The security deposit, also called the damage deposit, is a tenant's advance payment of money to the landlord to secure against future lease violations by the tenant, including nonpayment of rent and property damage beyond ordinary wear and tear (CRS §§38-12-101 thru 104). The courts have determined that security deposits cannot be used as advance payments of rent. However, if a tenant fails to pay rent, a landlord may retain the security deposit to cover their loss (CRS §38-12-103(1)) and may sue the tenant for damages if damages exceed the security deposit amount.

It is the landlord's discretion whether or not to repair damages for which they have charged the tenant, except where the damage is to an appliance or infrastructure required by the Boulder Revised Code.

## **Return of Security Deposit**

If the tenant has fulfilled all the terms of the lease (including giving the landlord proper notice, if required), has paid the rent in full and on time, has left no financial obligation to the landlord, and has caused no damage beyond ordinary wear and tear, the tenant is entitled to a full return of the security deposit (CRS §38-12-103). The tenant should collect the security deposit in person or leave a forwarding address with the landlord so that the landlord can return the deposit.

Colorado law requires that the landlord return the security deposit or send a written itemized statement of the deductions and the balance of the deposit, if any, to the tenant within one month after the termination of the tenancy (CRS §38-12-103(1)). This time period may be extended up to 60 days if written in the lease (CRS §38-12-103(1)).

The itemized statement of deductions must set forth the exact reasons for the retention of that portion of the deposit.

### **What is Normal Wear and Tear?**

Normal wear and tear means that deterioration which occurs, based upon the use for which the rental unit is intended without negligence, carelessness, accident or abuse of the premises or equipment or chattels [items of personal property] by the tenant or members of his household, or their invitees or tenant or members of his household, or their invitees or guests (CRS §38-12-102 (1)).

An example of normal wear and tear includes worn tracking in the carpet. Normal wear and tear does not include stains on the carpet, nail holes in the walls, and mold on grout.

### **Reasons to Withhold a Security Deposit**

- Damages beyond normal wear and tear
- Unpaid utility bills
- Past due rent
- Cleaning not done that the tenant agreed to in the lease
- Cleaning necessary to return the property to the condition it was in when the tenant moved in
- Any other breach of the lease causing financial damage to the landlord

### **If a tenant signs a lease but vacates early or never moves in:**

The landlord may apply the security deposit to the unpaid rent for the remainder of the lease term until the unit has been re-rented. The landlord is required to make a reasonable effort to re-rent the property and cannot collect multiple rents from multiple parties for the same period of time (see pg. 24).

### **Return of Deposit with Multiple Tenants**

It is helpful for the lease to specify how a deposit paid by several tenants will be returned. If the tenants have paid a single deposit to the landlord, they should agree in advance how the security deposit or its remaining balance is to be disbursed. A signed agreement to this effect should be presented to the landlord. Samples of roommate agreements are available through the Community Mediation Service or online at <https://bouldercolorado.gov/>.

## **Determining Deductions for Damage**

Work estimates from repairpersons for labor and/or materials can help landlords calculate appropriate deductions. However, landlords should be aware that in most situations, they cannot charge full replacement value for items that were damaged. Landlords may calculate the depreciated value of damaged property based on the expected lifespan of components, if the calculations are made in good faith and are reasonable when looking at the totality of the circumstances.

## **Recourse for Withheld Security Deposit**

If the landlord does not return the full security deposit within 30 days (or not more than 60 days as specified in the lease) or does not send an itemized list of deductions along with the remaining balance, (if any), within the required time period, the landlord forfeits the right to deduct any amount from the security deposit. (CRS §38-12-103(2)); *Mishkin v. Young*, 107 P.3d 393 (Colo. 2005). Forfeiting this right does not prevent the landlord from later suing the tenant for damages.

### ***Negotiation***

If a tenant believes that the landlord has withheld for damages for which the tenant was not responsible or that the damages that were deducted should be considered ordinary wear and tear, the tenant may first consider resolving the dispute through negotiation. Providing the landlord with documentation, such as photographs and repair estimates, will help substantiate the tenant's position and may convince the landlord to return some, or all, of the disputed amount. Requesting a deadline for response is helpful so the tenant may decide when to take the next step if the outcome of the negotiation is unacceptable to them. If self-negotiation does not resolve the dispute, tenants and landlords may find that having the conversation in a mediation setting where they may clearly hear each other's perspective and share documentation to be more productive.

### ***Seven Day Demand Letter***

A Seven Day Demand Letter is a specific document in which the tenant asks for the return of the damage deposit that was withheld (or asks for the full amount if no accounting was received in the time frame specified in the lease), and states that if the landlord doesn't comply within seven days the tenant will sue in court for treble damages (three times the withheld amount). The seven-day time period includes weekends. The letter should state:

- The address of the rental premises
- The dates of the tenant's occupancy
- The amount of the security deposit originally paid



- The tenant's current mailing address
- (and if applicable) A statement by the tenant explaining any disagreement with the charges withheld from the deposit

The letter should be sent by Certified Mail, Return Receipt Requested. The tenant may also send a duplicate copy via regular mail. The tenant should keep a copy of the letter and the Certified Mail receipt. If the landlord returns the deposit in full or pays the tenant the disputed portion of the deposit within seven days of the landlord's receipt of the letter, the tenant may not sue for treble damages.

### ***Court***

If the landlord does not return the deposit within the seven days, the tenant may sue the landlord, usually in County Court, to obtain the return of the security deposit plus three times the amount of the deposit that was wrongfully withheld and the tenant's reasonable attorney fees and court costs (CRS §38-12-103(3)). In court, the landlord bears the burden of proving that the withholding was not wrongful (CRS §38-12-103(3)) but may counterclaim against the tenant for any damages caused by the tenant or any of the charges they could have otherwise deducted from the damage deposit or any other financial obligation owed by the tenant such as utilities or unpaid rent.

Under some leases, the losing party in a court action is responsible to pay attorney fees and court costs to the winning party.

The statute of limitations (deadline) to pursue treble damages is one year. The statute of limitations to pursue the return of all or part of the security deposit is six years.

### ***Mediation***

For properties within the city of Boulder, contact CMS at 303-441-4364 to request mediation without resorting to court. Mediation is often faster, less stressful, and less costly than going to court. Trained, neutral mediators will help to facilitate a negotiation process that often results in agreements which both parties feel are reasonable and fair and that can be tailored to meet the needs of the individuals involved.

### **Interest on Security Deposit**

Under Boulder Revised Code §12-2-5, the security deposit remains the sole property of the tenant. A duty exists for the custodian of the security deposit, (i.e. the landlord), to account for interest at the end of the lease. Interest must be paid on the entire amount of all security deposits for residential property in Boulder and is calculated as simple interest.

Interest must be paid within one month (up to 60 days if stated in the lease) after the termination of the lease, or surrender and acceptance of the premises, whichever occurs last. A landlord may withhold the payment of interest only for those reasons permitted under Colorado Revised Statute §38-12-103 for retention of a security deposit. For example, unpaid rent or utilities, reasonable charges for cleaning that the tenant did not perform, payment for damages beyond normal wear and tear, or any other breach of the lease causing financial damage to the landlord may be a reason to justify withholding of interest on the security deposit.

Waivers of the provisions of the ordinance are not permitted. Tenants may recover treble damages or \$100.00, whichever is greater, plus attorney fees and court costs, if the interest is willfully and wrongfully retained (BRC §12-2-6(c)). The tenant must give the landlord at least seven days written notice before filing legal action (BRC §12-2-6(c)).

### **Determining Interest Rates on Security Deposits**

How to determine interest rates is covered by Boulder Revised Code §12-2-7. The interest rate to be paid upon the refund of security deposits shall be determined by the city manager by averaging the interest rates being paid on one-year certificates of deposit by three banks doing business within the city of Boulder. This average interest rate will be adjusted annually, calculated as of Dec.15 of each year. The rate shall be published in a newspaper of general circulation or posted on a city internet site that is accessible to members of the public. Interest rate information and a calculation formula are available on the city website <https://bouldercolorado.gov/> under Community Mediation Service.

## **EVICTIION**

The legal term for eviction is “Forcible Entry and Detainer” (“FED”). Eviction occurs when the court enters an order for the tenant to vacate the property. This court order is enforceable only by the sheriff and allows the sheriff to monitor the removal of the tenant, and the tenant’s property, from the premises, if necessary.

### **Eviction Without a Court Order**

It is not legal for a landlord to evict a tenant without a court order. This means that landlords are not allowed to change the locks on the property, terminate vital services such as heat or water, or remove a tenant’s possessions from the property without first going through the proper legal procedure (see pg. 35 for more information on tenant’s

possessions). If a tenant is locked out, the tenant may not force his or her way back into the premises. A tenant should seek legal advice before attempting to re-enter the premises on their own.

A landlord may evict one of multiple tenants on the same lease. Only a landlord may evict a tenant, no tenant can evict any other tenant. However, a tenant may be able to evict his or her subtenant.

### ***In the Event of a Lockout Without a Court Order***

Any form of self-help eviction by a landlord without a court order, including locking a tenant out of the premises, is not permissible. Actions such as physical contact or intimidation should be reported to the police.

## **Eviction Process**

### ***Tenant Has Not Paid Rent or Has Broken a Condition of the Lease***

Before filing a suit to evict a tenant for nonpayment of rent, or for a lease violation, (see below for repeated or serious lease violations), the landlord must give the tenant a written and signed “Ten Day Demand For Compliance Or Right to Possession” notice, (formerly a three day notice), giving the tenant the choice of either paying the past due rent, remedying the lease violation, or moving out within ten days. The landlord can serve the tenant this demand by delivering a copy to the tenant, posting the notice in a conspicuous place on the premises, or by leaving a copy with a resident in the household who is over the age of 15 (CRS §13-40-108).

When computing the ten days in the “Ten Day Demand for Compliance Or Right to Possession,” the first day when the posting is made does not count. Therefore, the ten-day time period begins the day following service or the posting of the notice. The time begins running regardless of when the tenant discovers the posting. Also, the time continues to run regardless of whether it is a Saturday, Sunday, or holiday. However, if the tenth day falls on a weekend or holiday, the next business day is then considered the tenth day.

If proper notice has been given and the tenant still does not pay the rent, remedy the lease violation, or move out in ten days, the landlord may file an eviction suit in either the Boulder County Court or the 20<sup>th</sup> Judicial District, both of which are located at the Boulder County Justice Center. Forms and detailed eviction instructions can be found at the Colorado Judicial Department website <https://www.courts.state.co.us/>.

The tenant’s right to a three-day notice prior to eviction for nonpayment of rent cannot be taken away by any language that is in the lease.

### ***Tenant Has Repeatedly or “Substantially” Violated the Lease***

Termination of the tenancy by the landlord may be sought by posting or delivering a “Notice to Quit” under certain conditions involving repeated violations for which the ten day notice has been previously given (CRS §13-40-104(l)(e.5)), or serious violations usually involving drugs or violence or criminal behavior as defined by statute (CRS §13-40-107.5), *Miles v. Fleming*, 214 P3d 1054 (Colo. 2009). This does not give a tenant an opportunity to “cure” the problem, but simply demands the tenant leave within three days. Legal advice should be sought to determine if circumstances warrant this action.

A victim of domestic violence or abuse is generally not subject to eviction under this provision (see pg. 25).

If the tenant does not voluntarily vacate the premises in three days, the landlord may file an eviction suit.

### ***Tenant Response to a Ten Day Demand Notice***

If the proper ten day written notice has been given to the tenant, the tenant should immediately call the landlord, the Community Mediation Service, and/or legal counsel to attempt to resolve the issues. This could involve paying the rent that is owed, negotiating a payment plan (if the landlord is willing), negotiating a timetable for moveout (if the landlord is willing), or remedying the lease violation (such as noise, pets, repeated late payments, guests, etc.). If the situation has not been resolved within the ten day period, the landlord may initiate an eviction suit under a specific procedure set forth by Colorado state statute titled “Forcible Entry and Detainer” (CRS §13-40-101 *et seq.*).

### ***Service for the Court Summons and Court Jurisdiction***

If the issues between the landlord and tenant are not resolved, the landlord may file the eviction lawsuit, or FED action, to evict the tenant or tenants from the property. Within 14 days from when a landlord files an eviction suit, the tenant must be served with a summons, a copy of the complaint, and a blank copy of the answer form if the suit is filed in County Court. Each person named as a defendant in the case must be served with his or her own individual copy of the summons complaint and answer form. This is known as “service of process” or simply “service.” The rules regarding proper service can be found in CRS §13-40-112, and CRCP Rule 304 (for eviction suits filed in County Court), or CRCP 4 (for eviction suits filed in District Court). Improper service will delay the eviction hearing and may result in dismissal of the complaint. More information

regarding proper service can be found at  
[https://www.courts.state.co.us/Self\\_Help/houseevictions/](https://www.courts.state.co.us/Self_Help/houseevictions/).

The methods of service will determine what outcomes may or may not be allowed in court. If the service process is personally served (where the tenant receives the summons directly from a process server) the court can make a ruling regarding possession of the property and monetary claims. If service is done by posting and mailing, the court can make a ruling only regarding possession of the property.

Personal service of a summons to eviction court cannot be performed by the landlord or owner or any other person who is named as a party to the suit. Typically, a landlord will hire a private process serve or may have the sheriff's office service the papers (which may be less costly).

In limited circumstances, a landlord can serve a tenant with court papers by posting the court documents at the rental property and mailing a copy of the complaint and summons to the tenant.

The timing of the service as it relates to the court date and the return of service which documents how the court documents were served are other important considerations the landlord should be aware of. More information can be found on the State of Colorado Judicial Department Website <https://www.courts.state.co.us/> or from the clerk of the court, at the Boulder County Justice Center.

### ***Tenant Response to a Service of Process (Court Summons) for Eviction***

The tenant should make every effort to appear in court on the date of the eviction hearing. If the tenant fails to appear in court on the hearing date the court will almost always rule in favor of the landlord for possession of the property. Tenants who come to court will typically be given an opportunity to mediate with the landlord or the landlord's representative, may be able to negotiate a longer period of time in which to move out and may avoid having an eviction judgment on their record if they meet the landlord's requests for a moveout timetable, payment of back rent, etc.

Tenants who believe they have a legal defense to eviction will need to file an answer on the form that is served along with the complaint and summons and bring that to the court at or before the return date stated on the summons. If the judge agrees that the tenant may have a legal defense to the eviction suit, the court will set a trial date, usually within a week, in which the tenant can present their defense to the eviction suit. Non-payment of rent for reasons such as loss of job, illness, or substandard conditions in the property is very rarely a legal defense against eviction.

### ***After Court***

If the landlord has gone through the proper procedure and obtained a court order for eviction, the tenant typically has 48 hours to voluntarily leave the premises (CRS §13-40-122).

If the tenant does not comply, the sheriff may be contacted to physically remove the tenant and supervise the removal of the tenant's belongings from the property. The landlord may put these personal belongings outside of the rental property, but they may also choose to store the property after it is removed, and either sell the property or return it to the tenant after the tenant pays the storage fee.

### ***Legal Fees***

By state law, the prevailing party in a Forcible Entry and Detainer suit is entitled to an award of reasonable attorney's fees and costs of the lawsuit.

### **Continuing Liability for Rent**

If a tenant leaves the premises before the end of the lease term in compliance with a landlord's demand to vacate, the tenant may still be responsible under the terms of their lease to pay rent or other costs. Colorado courts, however, view an eviction ruling in favor of the landlord as a termination of the lease, and costs owed by tenants may be limited accordingly.

### **Time Frame for Eviction**

From the initial posting of a three-day notice through recovery of possession an eviction can take anywhere from three days to three months. However, the average contested eviction takes approximately three to five weeks.

## **MISCELLANEOUS**

### **Abandonment and Abandoned Property**

If the landlord observes no evidence of movement in or around the property for an extended period of time, or if there are other physical signs that the tenants have left the property, such as substantial removal of personal belongings, or return of the keys, (especially if rent has not been paid), the landlord may attempt to obtain a written document from the tenant returning possession of the property to the landlord and relinquishing any remaining belongings to the landlord. Doing so will save the landlord the time and expense of going through the eviction process and will save the tenants the impacts of an eviction suit on their rental history.

If it appears that a tenant has left personal possessions behind in a rental unit, the belongings are considered abandoned if the tenant has not contacted the landlord for at least 30 days and the landlord has had no communication with the tenant indicating their intentions not to abandon the property. In this case, the landlord must send a 15-day written notice to the tenant by registered or certified mail, mailed to the tenant's last known address (which may be the landlord's own property) stating the landlord's intentions to sell or dispose of the property. The landlord should retain copies of this notice and either the signed return receipt, or the proof that the notice was unclaimed, for at least one year. If the notice is returned as undeliverable, the landlord must place a notice for one day in a newspaper in the county where the property is located prior to disposing of the property (CRS §38-20-116).

If a landlord is unable to comply with these procedures, then to limit liability, the landlord could instead follow the eviction process and obtain a writ of restitution granting the landlord possession of the property and any remaining belongings.

## **Zoning, Land Use, and Occupancy**

City of Boulder zoning and land use regulations determine the number of people that can legally occupy a unit. Over-occupancy of a unit may result in criminal prosecution of the landlord, the tenant, or both.

Multifamily zones usually allow a maximum of four unrelated people. Single family zones usually allow a maximum of three unrelated people, or a family and two unrelated persons per dwelling unit. In some areas, higher occupancies are grandfathered in.

The owners of rental dwellings in Boulder must inform current and potential tenants about the maximum number of unrelated individuals allowed to live in their units.

To determine the zoning classification of a property or residence, or to learn more about compliance with the notice of occupancy requirements, contact the Planning Department at 303-441-1880 or consult the City of Boulder website.

## **Rent Increases**

If a lease specifies the amount of rent to be paid, it cannot be raised during the lease period. However, once the lease has expired, the rent amount may be raised, lowered, or renegotiated. There are no rent control laws or other restrictions currently in place in the State of Colorado (CRS §38-12-301). As a result, the rent may be changed every time the lease is up for renewal (e.g. every year in most fixed term leases). In the case

of a month-to-month lease the rent amount may be changed each month unless otherwise specified in writing.

## **Short-Term Rentals**

The City of Boulder's short-term rental ordinance allows Boulder homeowners to apply for a license to rent their principal residence or an accessory unit for less than 30 days at a time, (Boulder City Ordinance No. 8154), among other conditions. A tenant with a fixed term or month-to-month lease may not, even with the owner's permission, rent out the leased unit as a short-term rental. See the City of Boulder website for additional information on short-term rentals.

## **Homeowners Associations**

Homeowners associations (HOAs) typically govern condominium complexes, townhomes, and some single-family housing developments. If a tenant is renting a property that has an HOA, they are expected to follow the rules established by the HOA.

In a community governed by an HOA, each property owner is a member of the HOA and a board elected by the property owners is responsible for decision-making. Every HOA can be different with respect to the scope of its duties, but one of the primary responsibilities on an HOA is collecting dues from homeowners. These funds typically go toward insurance and maintenance and repairs to the exterior of the property. State law governs how HOAs do business, including setting standards and establishing clear policies for financial reporting, collecting dues, and enforcing rules.

HOAs establish a set of governing documents, sometimes known as bylaws, or codes, covenants, and regulations (CCRs), and renters are expected to abide by these rules in addition to what is required of them in their lease. Governing documents vary from association to association and can include rules that impact a renter such as parking, pets, what items can be stored outside, noise, etc. The HOA, property owner, or property manager should have copies of these documents available for review. A tenant's failure to abide by HOA rules could constitute a lease violation that could lead to eviction.

If a CCR rule is violated, the HOA can take action to prevent the violation from continuing, as well as levy fines against the landlord. However, if the tenant is responsible for the violation, the landlord can charge the tenant for any fines as well as potentially bring an eviction suit against the tenant.



For more information consult the State of Colorado Department of Regulatory Agencies (DORA) HOA Information and Resource Center.

## **BEST PRACTICES AND CONFLICT RESOLUTION**

In general, both parties should keep good records, including copies of notes, letters, emails, text messages, and photographs. All agreements, and lease amendments should be specific and detailed and should be put in writing and signed by all parties. Both landlords and tenants should make an effort to communicate clearly and try to understand each other's point of view. Strive to make the landlord-tenant relationship work in a context of what is reasonable, fair and respects the needs of both parties.

If disagreements arise, every effort should be made to negotiate a mutually agreeable settlement. If an agreement is reached it should be put in writing and signed by all parties.

If self-negotiation is not successful, mediation can be the next-best alternative. Mediation is an alternative dispute resolution process in which neutral mediators help the parties communicate effectively, listen to each other's point of view, develop a list of issues to be resolved, and negotiate a settlement that meets both parties' needs. Agreements reached in mediation are written by the mediator and signed by the parties and are legally binding. For more information, contact the Community Mediation Service at 303-441-4364.

**Boulder County Health Department**  
Indoor Air Quality (Mold, lead, etc.)  
<https://www.bouldercounty.org/departments/>  
303-441-1564

## RESOURCES

### MEDIATION

**City of Boulder Community Mediation Service**  
<https://bouldercolorado.gov/>  
303-441-4364

**Longmont Mediation Service**  
<https://www.longmontcolorado.gov/>  
303-651-8444

**Jefferson County Mediation Services**  
<https://www.jeffco.us/mediation-services>  
303-271-5060

**Mediation Association of Colorado**  
<http://coloradomeditation.org/>  
303-322-9275

### CITY AND COUNTY

**City of Boulder Animal Protection**  
<https://bouldercolorado.gov/police/animal-protection>  
303-441-1874

**Boulder Police-Code Enforcement Unit**  
(weeds, trash, snow, noise)  
<http://user.govoutreach.com/boulder/faq.php?cmd=shell&goparms=cid%3D23578>  
303-441-3333

**Housing Inspection and Rental Licensing**  
<https://bouldercolorado.gov/plan-develop/rental-housing-licensing>  
303-441-3152

**City of Boulder Office of Human Rights**  
<https://bouldercolorado.gov/community-relations/human-rights-and-wage-enforcement-old-2012>  
303-441-4197

**City of Boulder Planning Department**  
(Code enforcement of building code & safety, occupancy)  
<https://bouldercolorado.gov/planning>  
303-441-1880

### COLORADO

**Colorado Department of Public Health and Environment**(Mold, bedbugs, indoor air quality)  
<https://www.colorado.gov/pacific/cdphe>  
303-692-2000

**Civil Rights Division**  
**Fair Housing**  
<https://www.colorado.gov/pacific/dola/fair-housing-resources>  
303-864-7810

**Housing Discrimination**  
<https://www.colorado.gov/pacific/dora/civil-rights/housing-discrimination>  
303-894-2997

### CRIMINAL BACKGROUND CHECKS

**Colorado Bureau of Investigation**

<https://www.cbirecordscheck.com/>  
303-239-4208

<http://www.rmlegal.org/>  
720-242-8642

## **LEGAL**

### **Colorado Revised Statutes**

<http://www.lexisnexis.com/hottopics/michie/>

### **Boulder Municipal Codes**

[https://library.municode.com/co/boulder/codes/municipal\\_code](https://library.municode.com/co/boulder/codes/municipal_code)

**Law Line 9 KNBC** (First Wednesday of the month, 4–5:30 p.m.)

303-698-0999

**Colorado Judicial Website** (Information and forms)

<https://www.courts.state.co.us/>

### **Small Claims Court**

(Claims under \$7,500 in value)

Forms and information

<https://www.courts.state.co.us/>  
303-441-3750

### **Boulder County Legal Services**

(Low-income only)

303-449-7575

### **CU Legal Clinic**

(for the Boulder community)

<https://www.colorado.edu/law/academics/clinics/clinical-education-program-clients>

303-492-8126

### **Boulder County Bar Association**

<https://www.boulder-bar.org/>

303-440-4758

### **Rocky Mountain Legal Center**

### **CU Boulder Student Legal Services**

(for CU students)

<http://www.cubouldersls.com/>

303-492-6813

### **Bridge to Justice**

<http://www.boulderbridgetojustice.org/>

303-443-1038

**Colorado Legal Services** (low income, outside Boulder County)

<http://coloradolegalservices.org>

303-837-1313

## **CREDIT**

**TransUnion** <https://www.transunion.com/>

800-888-4213

### **Experian**

<http://www.experian.com/>

888-397-3742

### **Equifax**

<https://www.equifax.com/personal/>

800-685-1111

### **Federal Trade Commission**

<https://www.ftc.gov/>

**The Fair Credit Reporting Act (FCRA),**  
15 USC § 1681 et seq.

<https://www.ftc.gov/enforcement/rules/rule-making-regulatory-reform-proceedings/fair-credit-reporting-act>

## **MISCELLANEOUS**

**Book** - Landlord and Tenant Guide to Colorado Leases and Evictions, by Victor M. Grimm, Esq

**Landlord-Tenant Handbook**  
A Guide to Residential Landlords' and Tenants'  
Rights and Responsibilities

Housing and Human Services Department  
Community Mediation Service  
[BoulderColorado.gov/Community-Relations/Mediation-Program](http://BoulderColorado.gov/Community-Relations/Mediation-Program)



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# Protect Your Family From Lead in Your Home

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United States  
Environmental  
Protection Agency



United States  
Consumer Product  
Safety Commission



United States  
Department of Housing  
and Urban Development

# Are You Planning to Buy or Rent a Home Built Before 1978?

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Did you know that many homes built before 1978 have **lead-based paint**? Lead from paint, chips, and dust can pose serious health hazards.

## **Read this entire brochure to learn:**

- How lead gets into the body
- About health effects of lead
- What you can do to protect your family
- Where to go for more information

## **Before renting or buying a pre-1978 home or apartment, federal law requires:**

- Sellers must disclose known information on lead-based paint or lead-based paint hazards before selling a house.
- Real estate sales contracts must include a specific warning statement about lead-based paint. Buyers have up to 10 days to check for lead.
- Landlords must disclose known information on lead-based paint and lead-based paint hazards before leases take effect. Leases must include a specific warning statement about lead-based paint.

## **If undertaking renovations, repairs, or painting (RRP) projects in your pre-1978 home or apartment:**

- Read EPA's pamphlet, *The Lead-Safe Certified Guide to Renovate Right*, to learn about the lead-safe work practices that contractors are required to follow when working in your home (see page 12).





## **Simple Steps to Protect Your Family from Lead Hazards**

### **If you think your home has lead-based paint:**

- Don't try to remove lead-based paint yourself.
- Always keep painted surfaces in good condition to minimize deterioration.
- Get your home checked for lead hazards. Find a certified inspector or risk assessor at [epa.gov/lead](http://epa.gov/lead).
- Talk to your landlord about fixing surfaces with peeling or chipping paint.
- Regularly clean floors, window sills, and other surfaces.
- Take precautions to avoid exposure to lead dust when remodeling.
- When renovating, repairing, or painting, hire only EPA- or state-approved Lead-Safe certified renovation firms.
- Before buying, renting, or renovating your home, have it checked for lead-based paint.
- Consult your health care provider about testing your children for lead. Your pediatrician can check for lead with a simple blood test.
- Wash children's hands, bottles, pacifiers, and toys often.
- Make sure children avoid fatty (or high fat) foods and eat nutritious meals high in iron and calcium.
- Remove shoes or wipe soil off shoes before entering your house.

# Lead Gets into the Body in Many Ways

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## **Adults and children can get lead into their bodies if they:**

- Breathe in lead dust (especially during activities such as renovations, repairs, or painting that disturb painted surfaces).
- Swallow lead dust that has settled on food, food preparation surfaces, and other places.
- Eat paint chips or soil that contains lead.

## **Lead is especially dangerous to children under the age of 6.**

- At this age, children's brains and nervous systems are more sensitive to the damaging effects of lead.
- Children's growing bodies absorb more lead.
- Babies and young children often put their hands and other objects in their mouths. These objects can have lead dust on them.



## **Women of childbearing age should know that lead is dangerous to a developing fetus.**

- Women with a high lead level in their system before or during pregnancy risk exposing the fetus to lead through the placenta during fetal development.

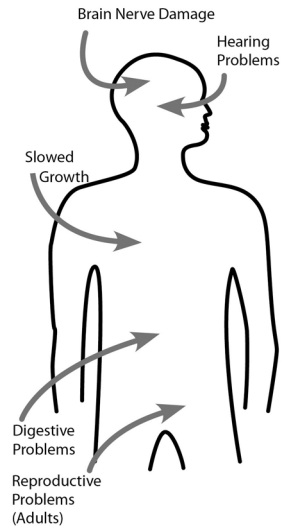
# Health Effects of Lead

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**Lead affects the body in many ways.** It is important to know that even exposure to low levels of lead can severely harm children.

## **In children, exposure to lead can cause:**

- Nervous system and kidney damage
- Learning disabilities, attention deficit disorder, and decreased intelligence
- Speech, language, and behavior problems
- Poor muscle coordination
- Decreased muscle and bone growth
- Hearing damage



While low-lead exposure is most common, exposure to high amounts of lead can have devastating effects on children, including seizures, unconsciousness, and, in some cases, death.

Although children are especially susceptible to lead exposure, lead can be dangerous for adults, too.

## **In adults, exposure to lead can cause:**

- Harm to a developing fetus
- Increased chance of high blood pressure during pregnancy
- Fertility problems (in men and women)
- High blood pressure
- Digestive problems
- Nerve disorders
- Memory and concentration problems
- Muscle and joint pain

## Check Your Family for Lead

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**Get your children and home tested if you think your home has lead.**

Children's blood lead levels tend to increase rapidly from 6 to 12 months of age, and tend to peak at 18 to 24 months of age.

Consult your doctor for advice on testing your children. A simple blood test can detect lead. Blood lead tests are usually recommended for:

- Children at ages 1 and 2
- Children or other family members who have been exposed to high levels of lead
- Children who should be tested under your state or local health screening plan

**Your doctor can explain what the test results mean and if more testing will be needed.**

## Where Lead-Based Paint Is Found

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In general, the older your home or childcare facility, the more likely it has lead-based paint.<sup>1</sup>

**Many homes, including private, federally-assisted, federally-owned housing, and childcare facilities built before 1978 have lead-based paint.** In 1978, the federal government banned consumer uses of lead-containing paint.<sup>2</sup>

Learn how to determine if paint is lead-based paint on page 7.

### **Lead can be found:**

- In homes and childcare facilities in the city, country, or suburbs,
- In private and public single-family homes and apartments,
- On surfaces inside and outside of the house, and
- In soil around a home. (Soil can pick up lead from exterior paint or other sources, such as past use of leaded gas in cars.)

Learn more about where lead is found at [epa.gov/lead](https://www.epa.gov/lead).

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<sup>1</sup> "Lead-based paint" is currently defined by the federal government as paint with lead levels greater than or equal to 1.0 milligram per square centimeter (mg/cm), or more than 0.5% by weight.

<sup>2</sup> "Lead-containing paint" is currently defined by the federal government as lead in new dried paint in excess of 90 parts per million (ppm) by weight.

# Identifying Lead-Based Paint and Lead-Based Paint Hazards

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**Deteriorating lead-based paint (peeling, chipping, chalking, cracking, or damaged paint)** is a hazard and needs immediate attention. **Lead-based paint** may also be a hazard when found on surfaces that children can chew or that get a lot of wear and tear, such as:

- On windows and window sills
- Doors and door frames
- Stairs, railings, banisters, and porches

**Lead-based paint is usually not a hazard if it is in good condition** and if it is not on an impact or friction surface like a window.

**Lead dust** can form when lead-based paint is scraped, sanded, or heated. Lead dust also forms when painted surfaces containing lead bump or rub together. Lead paint chips and dust can get on surfaces and objects that people touch. Settled lead dust can reenter the air when the home is vacuumed or swept, or when people walk through it. EPA currently defines the following levels of lead in dust as hazardous:

- 40 micrograms per square foot ( $\mu\text{g}/\text{ft}^2$ ) and higher for floors, including carpeted floors
- 250  $\mu\text{g}/\text{ft}^2$  and higher for interior window sills

**Lead in soil** can be a hazard when children play in bare soil or when people bring soil into the house on their shoes. EPA currently defines the following levels of lead in soil as hazardous:

- 400 parts per million (ppm) and higher in play areas of bare soil
- 1,200 ppm (average) and higher in bare soil in the remainder of the yard

**Remember, lead from paint chips—which you can see—and lead dust—which you may not be able to see—both can be hazards.**

The only way to find out if paint, dust, or soil lead hazards exist is to test for them. The next page describes how to do this.

## Checking Your Home for Lead

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You can get your home tested for lead in several different ways:

- A lead-based paint **inspection** tells you if your home has lead-based paint and where it is located. It won't tell you whether your home currently has lead hazards. A trained and certified testing professional, called a lead-based paint inspector, will conduct a paint inspection using methods, such as:
  - Portable x-ray fluorescence (XRF) machine
  - Lab tests of paint samples
- A **risk assessment** tells you if your home currently has any lead hazards from lead in paint, dust, or soil. It also tells you what actions to take to address any hazards. A trained and certified testing professional, called a risk assessor, will:
  - Sample paint that is deteriorated on doors, windows, floors, stairs, and walls
  - Sample dust near painted surfaces and sample bare soil in the yard
  - Get lab tests of paint, dust, and soil samples
- A combination inspection and risk assessment tells you if your home has any lead-based paint and if your home has any lead hazards, and where both are located.



Be sure to read the report provided to you after your inspection or risk assessment is completed, and ask questions about anything you do not understand.

## Checking Your Home for Lead, continued

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In preparing for renovation, repair, or painting work in a pre-1978 home, Lead-Safe Certified renovators (see page 12) may:

- Take paint chip samples to determine if lead-based paint is present in the area planned for renovation and send them to an EPA-recognized lead lab for analysis. In housing receiving federal assistance, the person collecting these samples must be a certified lead-based paint inspector or risk assessor
- Use EPA-recognized tests kits to determine if lead-based paint is absent (but not in housing receiving federal assistance)
- Presume that lead-based paint is present and use lead-safe work practices

There are state and federal programs in place to ensure that testing is done safely, reliably, and effectively. Contact your state or local agency for more information, visit [epa.gov/lead](https://epa.gov/lead), or call **1-800-424-LEAD (5323)** for a list of contacts in your area.<sup>3</sup>

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<sup>3</sup> Hearing- or speech-challenged individuals may access this number through TTY by calling the Federal Relay Service at 1-800-877-8399.



## What You Can Do Now to Protect Your Family

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**If you suspect that your house has lead-based paint hazards, you can take some immediate steps to reduce your family's risk:**

- If you rent, notify your landlord of peeling or chipping paint.
- Keep painted surfaces clean and free of dust. Clean floors, window frames, window sills, and other surfaces weekly. Use a mop or sponge with warm water and a general all-purpose cleaner. (Remember: never mix ammonia and bleach products together because they can form a dangerous gas.)
- Carefully clean up paint chips immediately without creating dust.
- Thoroughly rinse sponges and mop heads often during cleaning of dirty or dusty areas, and again afterward.
- Wash your hands and your children's hands often, especially before they eat and before nap time and bed time.
- Keep play areas clean. Wash bottles, pacifiers, toys, and stuffed animals regularly.
- Keep children from chewing window sills or other painted surfaces, or eating soil.
- When renovating, repairing, or painting, hire only EPA- or state-approved Lead-Safe Certified renovation firms (see page 12).
- Clean or remove shoes before entering your home to avoid tracking in lead from soil.
- Make sure children avoid fatty (or high fat) foods and eat nutritious meals high in iron and calcium. Children with good diets absorb less lead.

## Reducing Lead Hazards

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**Disturbing lead-based paint or removing lead improperly can increase the hazard to your family by spreading even more lead dust around the house.**

- In addition to day-to-day cleaning and good nutrition, you can **temporarily** reduce lead-based paint hazards by taking actions, such as repairing damaged painted surfaces and planting grass to cover lead-contaminated soil. These actions are not permanent solutions and will need ongoing attention.
- You can minimize exposure to lead when renovating, repairing, or painting by hiring an EPA- or state-certified renovator who is trained in the use of lead-safe work practices. If you are a do-it-yourselfer, learn how to use lead-safe work practices in your home.
- To remove lead hazards permanently, you should hire a certified lead abatement contractor. Abatement (or permanent hazard elimination) methods include removing, sealing, or enclosing lead-based paint with special materials. Just painting over the hazard with regular paint is not permanent control.



**Always use a certified contractor who is trained to address lead hazards safely.**

- Hire a Lead-Safe Certified firm (see page 12) to perform renovation, repair, or painting (RRP) projects that disturb painted surfaces.
- To correct lead hazards permanently, hire a certified lead abatement professional. This will ensure your contractor knows how to work safely and has the proper equipment to clean up thoroughly.

Certified contractors will employ qualified workers and follow strict safety rules as set by their state or by the federal government.

## Reducing Lead Hazards, continued

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**If your home has had lead abatement work done** or if the housing is receiving federal assistance, once the work is completed, dust cleanup activities must be conducted until clearance testing indicates that lead dust levels are below the following levels:

- 40 micrograms per square foot ( $\mu\text{g}/\text{ft}^2$ ) for floors, including carpeted floors
- 250  $\mu\text{g}/\text{ft}^2$  for interior windows sills
- 400  $\mu\text{g}/\text{ft}^2$  for window troughs

For help in locating certified lead abatement professionals in your area, call your state or local agency (see pages 14 and 15), or visit [epa.gov/lead](http://epa.gov/lead), or call 1-800-424-LEAD.

# Renovating, Remodeling, or Repairing (RRP) a Home with Lead-Based Paint

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**If you hire a contractor to conduct renovation, repair, or painting (RRP) projects in your pre-1978 home or childcare facility (such as pre-school and kindergarten), your contractor must:**

- Be a Lead-Safe Certified firm approved by EPA or an EPA-authorized state program
- Use qualified trained individuals (Lead-Safe Certified renovators) who follow specific lead-safe work practices to prevent lead contamination
- Provide a copy of EPA's lead hazard information document, *The Lead-Safe Certified Guide to Renovate Right*



**RRP contractors working in pre-1978 homes and childcare facilities must follow lead-safe work practices that:**

- **Contain the work area.** The area must be contained so that dust and debris do not escape from the work area. Warning signs must be put up, and plastic or other impermeable material and tape must be used.
- **Avoid renovation methods that generate large amounts of lead-contaminated dust.** Some methods generate so much lead-contaminated dust that their use is prohibited. They are:
  - Open-flame burning or torching
  - Sanding, grinding, planing, needle gunning, or blasting with power tools and equipment not equipped with a shroud and HEPA vacuum attachment and
  - Using a heat gun at temperatures greater than 1100°F
- **Clean up thoroughly.** The work area should be cleaned up daily. When all the work is done, the area must be cleaned up using special cleaning methods.
- **Dispose of waste properly.** Collect and seal waste in a heavy duty bag or sheeting. When transported, ensure that waste is contained to prevent release of dust and debris.

To learn more about EPA's requirements for RRP projects visit [epa.gov/getleadsafe](http://epa.gov/getleadsafe), or read *The Lead-Safe Certified Guide to Renovate Right*.

## Other Sources of Lead

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**While paint, dust, and soil are the most common sources of lead, other lead sources also exist:**

- **Drinking water.** Your home might have plumbing with lead or lead solder. You cannot see, smell, or taste lead, and boiling your water will not get rid of lead. If you think your plumbing might contain lead:

- Use only cold water for drinking and cooking.
- Run water for 15 to 30 seconds before drinking it, especially if you have not used your water for a few hours.

Call your local health department or water supplier to find out about testing your water, or visit [epa.gov/lead](http://epa.gov/lead) for EPA's lead in drinking water information.

- **Lead smelters** or other industries that release lead into the air.
- **Your job.** If you work with lead, you could bring it home on your body or clothes. Shower and change clothes before coming home. Launder your work clothes separately from the rest of your family's clothes.
- **Hobbies** that use lead, such as making pottery or stained glass, or refinishing furniture. Call your local health department for information about hobbies that may use lead.
- Old **toys** and **furniture** may have been painted with lead-containing paint. Older toys and other children's products may have parts that contain lead.<sup>4</sup>
- Food and liquids cooked or stored in **lead crystal** or **lead-glazed pottery or porcelain** may contain lead.
- Folk remedies, such as "**greta**" and "**azarcon**," used to treat an upset stomach.

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<sup>4</sup> In 1978, the federal government banned toys, other children's products, and furniture with lead-containing paint (16 CFR 1303). In 2008, the federal government banned lead in most children's products. The federal government currently bans lead in excess of 100 ppm by weight in most children's products (76 FR 44463).

## For More Information

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### **The National Lead Information Center**

Learn how to protect children from lead poisoning and get other information about lead hazards on the Web at [epa.gov/lead](http://epa.gov/lead) and [hud.gov/lead](http://hud.gov/lead), or call **1-800-424-LEAD (5323)**.

### **EPA's Safe Drinking Water Hotline**

For information about lead in drinking water, call **1-800-426-4791**, or visit [epa.gov/lead](http://epa.gov/lead) for information about lead in drinking water.

### **Consumer Product Safety Commission (CPSC) Hotline**

For information on lead in toys and other consumer products, or to report an unsafe consumer product or a product-related injury, call **1-800-638-2772**, or visit CPSC's website at [cpsc.gov](http://cpsc.gov) or [saferproducts.gov](http://saferproducts.gov).

### **State and Local Health and Environmental Agencies**

Some states, tribes, and cities have their own rules related to lead-based paint. Check with your local agency to see which laws apply to you. Most agencies can also provide information on finding a lead abatement firm in your area, and on possible sources of financial aid for reducing lead hazards. Receive up-to-date address and phone information for your state or local contacts on the Web at [epa.gov/lead](http://epa.gov/lead), or contact the National Lead Information Center at **1-800-424-LEAD**.

Hearing- or speech-challenged individuals may access any of the phone numbers in this brochure through TTY by calling the toll-free Federal Relay Service at **1-800-877-8339**.

# U. S. Environmental Protection Agency (EPA)

## Regional Offices

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The mission of EPA is to protect human health and the environment. Your Regional EPA Office can provide further information regarding regulations and lead protection programs.

**Region 1** (Connecticut, Massachusetts, Maine, New Hampshire, Rhode Island, Vermont)

Regional Lead Contact  
U.S. EPA Region 1  
5 Post Office Square, Suite 100, OES 05-4  
Boston, MA 02109-3912  
(888) 372-7341

**Region 2** (New Jersey, New York, Puerto Rico, Virgin Islands)

Regional Lead Contact  
U.S. EPA Region 2  
2890 Woodbridge Avenue  
Building 205, Mail Stop 225  
Edison, NJ 08837-3679  
(732) 321-6671

**Region 3** (Delaware, Maryland, Pennsylvania, Virginia, DC, West Virginia)

Regional Lead Contact  
U.S. EPA Region 3  
1650 Arch Street  
Philadelphia, PA 19103  
(215) 814-2088

**Region 4** (Alabama, Florida, Georgia, Kentucky, Mississippi, North Carolina, South Carolina, Tennessee)

Regional Lead Contact  
U.S. EPA Region 4  
AFC Tower, 12th Floor, Air, Pesticides & Toxics  
61 Forsyth Street, SW  
Atlanta, GA 30303  
(404) 562-8998

**Region 5** (Illinois, Indiana, Michigan, Minnesota, Ohio, Wisconsin)

Regional Lead Contact  
U.S. EPA Region 5 (DT-8J)  
77 West Jackson Boulevard  
Chicago, IL 60604-3666  
(312) 886-7836

**Region 6** (Arkansas, Louisiana, New Mexico, Oklahoma, Texas, and 66 Tribes)

Regional Lead Contact  
U.S. EPA Region 6  
1445 Ross Avenue, 12th Floor  
Dallas, TX 75202-2733  
(214) 665-2704

**Region 7** (Iowa, Kansas, Missouri, Nebraska)

Regional Lead Contact  
U.S. EPA Region 7  
11201 Renner Blvd.  
WWPD/TOPE  
Lenexa, KS 66219  
(800) 223-0425

**Region 8** (Colorado, Montana, North Dakota, South Dakota, Utah, Wyoming)

Regional Lead Contact  
U.S. EPA Region 8  
1595 Wynkoop St.  
Denver, CO 80202  
(303) 312-6966

**Region 9** (Arizona, California, Hawaii, Nevada)

Regional Lead Contact  
U.S. EPA Region 9 (CMD-4-2)  
75 Hawthorne Street  
San Francisco, CA 94105  
(415) 947-4280

**Region 10** (Alaska, Idaho, Oregon, Washington)

Regional Lead Contact  
U.S. EPA Region 10  
Solid Waste & Toxics Unit (WCM-128)  
1200 Sixth Avenue, Suite 900  
Seattle, WA 98101  
(206) 553-1200

## **Consumer Product Safety Commission (CPSC)**

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The CPSC protects the public against unreasonable risk of injury from consumer products through education, safety standards activities, and enforcement. Contact CPSC for further information regarding consumer product safety and regulations.

### **CPSC**

4330 East West Highway  
Bethesda, MD 20814-4421  
1-800-638-2772  
[cpsc.gov](http://cpsc.gov) or [saferproducts.gov](http://saferproducts.gov)

## **U. S. Department of Housing and Urban Development (HUD)**

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HUD's mission is to create strong, sustainable, inclusive communities and quality affordable homes for all. Contact HUD's Office of Healthy Homes and Lead Hazard Control for further information regarding the Lead Safe Housing Rule, which protects families in pre-1978 assisted housing, and for the lead hazard control and research grant programs.

### **HUD**

451 Seventh Street, SW, Room 8236  
Washington, DC 20410-3000  
(202) 402-7698  
[hud.gov/offices/lead/](http://hud.gov/offices/lead/)

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# **IMPORTANT!**

## **Lead From Paint, Dust, and Soil in and Around Your Home Can Be Dangerous if Not Managed Properly**

- Children under 6 years old are most at risk for lead poisoning in your home.
- Lead exposure can harm young children and babies even before they are born.
- Homes, schools, and child care facilities built before 1978 are likely to contain lead-based paint.
- Even children who seem healthy may have dangerous levels of lead in their bodies.
- Disturbing surfaces with lead-based paint or removing lead-based paint improperly can increase the danger to your family.
- People can get lead into their bodies by breathing or swallowing lead dust, or by eating soil or paint chips containing lead.
- People have many options for reducing lead hazards. Generally, lead-based paint that is in good condition is not a hazard (see page 10).

## EXHIBIT VI-A.1

### Disclosure of Information on Lead-Based Paint and/or Lead-Based Paint Hazards

#### Lead Warning Statement

*Every purchaser of any interest in residential real property on which a residential dwelling was built prior to 1978 is notified that such property may present exposure to lead from lead-based paint that may place young children at risk of developing lead poisoning. Lead poisoning in young children may produce permanent neurological damage, including learning disabilities, reduced intelligence quotient, behavioral problems, and impaired memory. Lead poisoning also poses a particular risk to pregnant women. The seller of any interest in residential real property is required to provide the buyer with any information on lead-based paint hazards from risk assessments or inspections in the seller's possession and notify the buyer of any known lead-based paint hazards. A risk assessment or inspection for possible lead-based paint hazards is recommended prior to purchase.*

#### Seller's Disclosure

(a) Presence of lead-based paint and/or lead-based paint hazards (check (i) or (ii) below):

(i) \_\_\_\_\_ Known lead-based paint and/or lead-based paint hazards are present in the housing (explain).

\_\_\_\_\_  
(ii) \_\_\_\_\_ Seller has no knowledge of lead-based paint and/or lead-based paint hazards in the housing.

(b) Records and reports available to the seller (check (i) or (ii) below):

(i) \_\_\_\_\_ Seller has provided the purchaser with all available records and reports pertaining to lead-based paint and/or lead-based paint hazards in the housing (list documents below).

\_\_\_\_\_  
(ii) \_\_\_\_\_ Seller has no reports or records pertaining to lead-based paint and/or lead-based paint hazards in the housing.

#### Purchaser's Acknowledgment (initial)

(c) \_\_\_\_\_ Purchaser has received copies of all information listed above.

(d) \_\_\_\_\_ Purchaser has received the pamphlet *Protect Your Family from Lead in Your Home*.

(e) Purchaser has (check (i) or (ii) below):

(i) \_\_\_\_\_ received a 10-day opportunity (or mutually agreed upon period) to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards; or

(ii) \_\_\_\_\_ waived the opportunity to conduct a risk assessment or inspection for the presence of lead-based paint and/or lead-based paint hazards.

#### Agent's Acknowledgment (initial)

(f) \_\_\_\_\_ Agent has informed the seller of the seller's obligations under 42 U.S.C. 4852(d) and is aware of his/her responsibility to ensure compliance.

#### Certification of Accuracy

The following parties have reviewed the information above and certify, to the best of their knowledge, that the information they have provided is true and accurate.

|           |      |           |      |
|-----------|------|-----------|------|
| Seller    | Date | Seller    | Date |
| Purchaser | Date | Purchaser | Date |
| Agent     | Date | Agent     | Date |

## APPENDIX VII-A

# Tenant File Checklist

|   |                 |
|---|-----------------|
| Head of Household Name:   | Unit #          |
| Certification Type:<br><input type="checkbox"/> Move In Certification <input type="checkbox"/> Self Certification <input type="checkbox"/> Other: _____ | Effective Date: |

This form is used to ensure all required documentation has been obtained maintained in all tenant files.

| Item# | Required Forms & Documentation   | Third Party Certification | Self Certification | Notes |
|-------|--|---------------------------|--------------------|-------|
| 1     | Tenant Income Certification (TIC)  |                           |                    |       |
| 2     | Rental Assistance Verification<br>( <i>As applicable</i> )   |                           |                    |       |
| 3     | Third Party Income Verification<br>( <i>VOE, SS Award Letter, Unemployment/ Zero Income, Self-Employment, etc.</i> ) |                           |                    |       |
| 4     | Unemployment Affidavit, Zero Income Affidavit<br>( <i>As applicable</i> )  |                           |                    |       |
| 5     | Child Support, Spousal Support Documentation<br>( <i>As applicable</i> )   |                           |                    |       |
| 6     | Third Party Asset Verification<br>( <i>Bank Statements, Verification Form, etc</i> )                                 |                           |                    |       |
| 7     | Application for Residency  |                           |                    |       |
| 8     | Certification Questionnaire  |                           |                    |       |
| 9     | Student Status and Exception Request/ City Approval  |                           |                    |       |
| 10    | Race & Ethnicity Form<br>( <i>All files, all household members</i> )   |                           |                    |       |
| 11    | Declaration of Citizenship ( <i>HOME files only</i> )  |                           |                    |       |
| 12    | Lease, Addendums   |                           |                    |       |
| 13    | City of Boulder Lease Addendum<br>( <i>As applicable</i> )   |                           |                    |       |
| 14    | VAWA Lease Addendum ( <i>HOME Files</i> )  |                           |                    |       |
| 15    | Lead Based Paint Disclosure Form   |                           |                    |       |
| 16    | Move in Inspection Checklist   |                           |                    |       |

## APPENDIX VII-B

## Move-in Application

|                                   |       |          |
|-----------------------------------|-------|----------|
| Head of Household Name            |       |          |
| Head of Household Current Address |       |          |
| City                              | State | Zip Code |
| Phone Number                      | Email |          |

The information on this form is needed to certify your household. Please complete this **entire** form and **leave no blanks**. If there are any questions that you do not understand, please call the apartment manager. Thank you for your cooperation.

## Part 1 Household Composition

| HHMBR | Full Name | Relationship To Head Of Household (HoH) | Date Of Birth | Student (Y or N) | Social Security Number |
|-------|-----------|---|---------------|------------------|------------------------|
| 1     |           | HoH                                     |               |                  |                        |
| 2     |           |   |               |                  |                        |
| 3     |           |   |               |                  |                        |
| 4     |           |   |               |                  |                        |
| 5     |           |   |               |                  |                        |
| 6     |           |   |               |                  |                        |

## Part 2 Current/Previous Residency

| Current Address<br>[Provide Previous Address(es) If Less Than Two Years] | Dates of Residency | Rent or Own? | Monthly Payment | Name and Phone # of Management Company |
|--|--------------------|--------------|-----------------|--|
|  | From:<br>To:       |              |                 |  |
|  | From:<br>To:       |              |                 |  |
|  | From:<br>To:       |              |                 |  |
|  | From:<br>To:       |              |                 |  |

## Part 3 Sources of Income

| HHMBR | Form of Income | Start Date | Amount / Per | Name and Phone # of Employer |
|-------|----------------|------------|--------------|------------------------------|
|       |                |            | \$<br>Per:   |                              |
|       |                |            | \$<br>Per:   |                              |
|       |                |            | \$<br>Per:   |                              |
|       |                |            | \$<br>Per:   |                              |

## Part 4 Assets

| HHMBR | Type of Asset | Cash Value of Asset | Interest Rate |  | HHMBR | Type of Asset | Cash Value of Asset | Interest Rate |
|-------|---------------|---------------------|---------------|--|-------|---------------|---------------------|---------------|
|       |               |                     |               |  |       |               |                     |               |
|       |               |                     |               |  |       |               |                     |               |
|       |               |                     |               |  |       |               |                     |               |
|       |               |                     |               |  |       |               |                     |               |

|   |   |
|---|---|
| 1. Does this household own liquid assets in excess of \$55,000?                                   | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |
| 2. Does this household own real estate?<br>a. If yes, please record address of real estate below: | <input type="checkbox"/> Yes <input type="checkbox"/> No <input type="checkbox"/> N/A |

## Signatures

**Under penalties of perjury, I certify that the information presented on this form is true and accurate to the best of my/our knowledge. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading, or incomplete information will result in the denial of application or termination of the lease agreement.**

|                         |           |      |
|-------------------------|-----------|------|
| Print Name of Applicant | Signature | Date |
|-------------------------|-----------|------|

|                         |           |      |
|-------------------------|-----------|------|
| Print Name of Applicant | Signature | Date |
|-------------------------|-----------|------|

|  |           |      |
|--|-----------|------|
| Print Name of Other Adult Household Member | Signature | Date |
|--|-----------|------|

|  |           |      |
|--|-----------|------|
| Print Name of Other Adult Household Member | Signature | Date |
|--|-----------|------|

|   |      |
|---|------|
| Reviewed by (Signature of Owner/Representative) | Date |
|---|------|

**All household members ages 18 or over must sign and date.**

# Certification Questionnaire

## For Applicant's and Recertifying Household

|                         |              |
|-------------------------|--------------|
| Head of Household Name: | Unit Number: |
|-------------------------|--------------|

The information on this form is needed to certify/recertify household income, assets and student status. Please complete this entire form and leave noblanks. If there are any questions that you do not understand, please call the apartment manager. Thank you for your cooperation.

### Part 1 Household Composition

| HHMBR  | Full Name | Relationship To Head Of Household (HoH) | Date Of Birth | Student (Y or N) | Social Security Number |
|--|-----------|---|---------------|------------------|------------------------|
| 1  |           | HoH                                     |               |                  |                        |
| 2  |           |   |               |                  |                        |
| 3  |           |   |               |                  |                        |
| 4  |           |   |               |                  |                        |
| 5  |           |   |               |                  |                        |
| 6  |           |   |               |                  |                        |
| Do you expect any additions to the household within the next 12 months?<br>(check one): <input type="checkbox"/> Yes <input type="checkbox"/> No |           | If yes, please explain:                 |               |                  |                        |

### Part 2 Tenant Income

| Does your household have income, assistance, or benefits from the sources listed below?   |  | HHMBR | Amount, Per:            |
|---|--|-------|-------------------------|
| 1. Self employment<br>a. Please list nature of self employment:   | <input type="checkbox"/> Yes <input type="checkbox"/> No |       | \$<br><br>Per:          |
| 2. Employment with a third-party receiving wages, salary, overtime pay, commissions, fees, tips, bonuses, and/or other compensation.  | <input type="checkbox"/> Yes <input type="checkbox"/> No |       | Amount Must Be Verified |
| 3. Cash contributions or gifts (including rent or utility payments) received on an ongoing basis from persons not living with you (exclude food stamps, groceries, and/or day care costs when the day care center is paid directly by the gift-giver) | <input type="checkbox"/> Yes <input type="checkbox"/> No |       | \$<br><br>Per:          |
| 4. Unemployment Benefits  | <input type="checkbox"/> Yes <input type="checkbox"/> No |       | \$<br><br>Per:          |
| 5. Veteran's Administration, GI Bill, or National Guard/military benefits/income  | <input type="checkbox"/> Yes <input type="checkbox"/> No |       | \$<br><br>Per:          |
| 6. Retirement benefits from Social Security<br>a. If yes, where is this income deposited? (checking/ savings account, Direct Express card, Payee, etc):   | <input type="checkbox"/> Yes <input type="checkbox"/> No |       | \$<br><br>Per:          |
| 7. Supplemental Security Income (SSI) or Social Security Disability Income (SSDI)<br>a. If yes, where is this income deposited? (checking/ savings account, Direct Express card, Payee, etc):   | <input type="checkbox"/> Yes <input type="checkbox"/> No |       | \$<br><br>Per:          |
| 8. <b>Unearned</b> income from family members age 17 or under (example: Social Security, trust fund disbursements, etc.)  | <input type="checkbox"/> Yes <input type="checkbox"/> No |       | \$<br><br>Per:          |

| Does your household have income, assistance, or benefits from the sources listed below?   |  | HHMBR | Amount, Per:                |
|---|--|-------|-----------------------------|
| 9. Disability or death benefits <i>other than</i> Social Security   | <input type="checkbox"/> Yes <input type="checkbox"/> No   |       | \$<br>Per:                  |
| 10. Public housing assistance/Rental assistance/Section 8 voucher.<br>Housing authority providing the assistance:   | <input type="checkbox"/> Yes <input type="checkbox"/> No   |       | Not<br>Considered<br>Income |
| 11. I/ we receive public assistance income (TANF)   | <input type="checkbox"/> Yes <input type="checkbox"/> No   |       | \$<br>Per:                  |
| 12. Child support payments.<br>a. If yes, for how many children do you receive support?<br><br>b. I am currently making efforts to collect child support owed to us. <i>Describe efforts being made to collect child support:</i> | <input type="checkbox"/> Yes <input type="checkbox"/> No<br><br><input type="checkbox"/> Yes <input type="checkbox"/> No |       | \$<br>Per:                  |
| 13. Alimony/ Spousal support payments   | <input type="checkbox"/> Yes <input type="checkbox"/> No   |       | \$<br>Per:                  |
| 14. Periodic or lump sum payments from trusts, annuities, inheritance, retirement funds or pensions, insurance policies or lottery winnings. If yes, list sources:<br>a.<br>b.  | <input type="checkbox"/> Yes <input type="checkbox"/> No   |       | \$<br>Per:                  |
| 15. Income from real or personal property?  | <input type="checkbox"/> Yes <input type="checkbox"/> No   |       | \$<br>Per:                  |
| 16. I have income from sources other than those listed above.<br>a. Please list additional sources:   | <input type="checkbox"/> Yes <input type="checkbox"/> No   |       | \$<br>Per:                  |

### Part 3 Current Employment Information

(please attach a separate form for additional employment, if needed)

|                          |                           |  |   |   |             |           |  |
|--------------------------|---------------------------|--|---|---|-------------|-----------|--|
| Resident Name:           |                           |  |   | Occupation/Title:   |             |           |  |
| Employer Name:           |                           |  |   | <input type="checkbox"/> Mark if Previous, Provide Date Terminated Below: |             |           |  |
| Employer Contact Person: |                           |  | Employer Address:   |   |             |           |  |
| City:                    |                           |  |   | State:  |             | Zip Code: |  |
| Date Hired:              | Salary/Rate of Pay:<br>\$ | <input type="checkbox"/> 2x per month<br><input type="checkbox"/> Monthly<br><input type="checkbox"/> Hourly | <input type="checkbox"/> Weekly<br><input type="checkbox"/> Biweekly<br><input type="checkbox"/> Annually | # Hours Worked Per Week:  | Work Phone: | Work Fax: |  |

|                          |                           |  |   |   |             |           |  |
|--------------------------|---------------------------|--|---|---|-------------|-----------|--|
| Resident Name:           |                           |  |   | Occupation/Title:   |             |           |  |
| Employer Name:           |                           |  |   | <input type="checkbox"/> Mark if Previous, Provide Date Terminated Below: |             |           |  |
| Employer Contact Person: |                           |  | Employer Address:   |   |             |           |  |
| City:                    |                           |  |   | State:  |             | Zip Code: |  |
| Date Hired:              | Salary/Rate of Pay:<br>\$ | <input type="checkbox"/> 2x per month<br><input type="checkbox"/> Monthly<br><input type="checkbox"/> Hourly | <input type="checkbox"/> Weekly<br><input type="checkbox"/> Biweekly<br><input type="checkbox"/> Annually | # Hours Worked Per Week:  | Work Phone: | Work Fax: |  |

|                          |                           |  |   |   |             |           |  |
|--------------------------|---------------------------|--|---|---|-------------|-----------|--|
| Resident Name:           |                           |  |   | Occupation/Title:   |             |           |  |
| Employer Name:           |                           |  |   | <input type="checkbox"/> Mark if Previous, Provide Date Terminated Below: |             |           |  |
| Employer Contact Person: |                           |  | Employer Address:   |   |             |           |  |
| City:                    |                           |  |   | State:  |             | Zip Code: |  |
| Date Hired:              | Salary/Rate of Pay:<br>\$ | <input type="checkbox"/> 2x per month<br><input type="checkbox"/> Monthly<br><input type="checkbox"/> Hourly | <input type="checkbox"/> Weekly<br><input type="checkbox"/> Biweekly<br><input type="checkbox"/> Annually | # Hours Worked Per Week:  | Work Phone: | Work Fax: |  |

## Part 4 Asset Information

| Does your household have LIQUID assets from the sources listed below? |  | HHMBR | Interest Rate | Cash Value |
|---|--|-------|---------------|------------|
| Liquid Assets   | 17. Checking accounts<br>Bank 1: <input type="checkbox"/> Yes <input type="checkbox"/> No<br>Bank 2: <input type="checkbox"/> Yes <input type="checkbox"/> No  |       | %<br>%        | \$<br>\$   |
|   | 18. Direct Express or Pre-paid Debit cards<br>Source 1: <input type="checkbox"/> Yes <input type="checkbox"/> No<br>Source 2: <input type="checkbox"/> Yes <input type="checkbox"/> No   |       | %<br>%        | \$<br>\$   |
|   | 19. Savings accounts<br>Bank 1: <input type="checkbox"/> Yes <input type="checkbox"/> No<br>Bank 2: <input type="checkbox"/> Yes <input type="checkbox"/> No   |       | %<br>%        | \$<br>\$   |
|   | 20. Stocks, bonds or Treasury Bills<br>Source 1: <input type="checkbox"/> Yes <input type="checkbox"/> No<br>Source 2: <input type="checkbox"/> Yes <input type="checkbox"/> No  |       | %<br>%        | \$<br>\$   |
|   | 21. Certificates of Deposit (CD) or Money Market account(s)<br>Source 1: <input type="checkbox"/> Yes <input type="checkbox"/> No<br>Source 2: <input type="checkbox"/> Yes <input type="checkbox"/> No                          |       | %<br>%        | \$<br>\$   |
|   | 22. Revocable trust<br>Source 1: <input type="checkbox"/> Yes <input type="checkbox"/> No<br>Source 2: <input type="checkbox"/> Yes <input type="checkbox"/> No  |       | %<br>%        | \$<br>\$   |
|   | 23. Personal property being held as an investment?<br>a. If yes, please describe: <input type="checkbox"/> Yes <input type="checkbox"/> No   |       | %<br>%        | \$<br>\$   |
|   | 24. Cash on hand or cash in a safe deposit box<br><input type="checkbox"/> Yes <input type="checkbox"/> No   |       | %<br>%        | \$<br>\$   |
|   | 25. I/ We have disposed of assets (i.e., gave away money/assets) for less than the fair market value in the past two years.<br>a. If yes, list items and date disposed: <input type="checkbox"/> Yes <input type="checkbox"/> No |       | %<br>%        | \$<br>\$   |



| Does your household have NON LIQUID assets from the sources listed below?                          |  |  | HHMBR | Interest Rate | Cash Value   |
|--|--|--|-------|---------------|--|
| Non-Liquid   | 27. IRA, Lump Sum Pension, Keogh Account, 401k<br>Source 1:<br>Source 2:   | <input type="checkbox"/> Yes <input type="checkbox"/> No |       | %<br>%        | \$<br>\$   |
|  | 28. Life Insurance Policy (exclude term policies)<br>Source 1:<br>Source 2:  | <input type="checkbox"/> Yes <input type="checkbox"/> No |       | %<br>%        | \$<br>\$   |
|  | 29. I have assets other than those listed above. <i>Staff will need to determine if additional assests are liquid or non-liquid</i><br>a. Please list additional assets: | <input type="checkbox"/> Yes <input type="checkbox"/> No |       | %<br>%        | \$<br>\$   |
| 30. Does this household own liquid assets in excess of \$55,000?                                   |  |  |       |               | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 31. Does this household own real estate?<br>a. If yes, please record address of real estate below: |  |  |       |               | <input type="checkbox"/> Yes <input type="checkbox"/> No |

## Part 5 Student Status Certification

Students include individuals attending public or private elementary schools, middle or junior high schools, senior high schools, colleges, universities, technical, trade or mechanical schools. Students do not include individuals participating in on-the-job training or correspondence courses.

Please choose **one** option below that best describes your **household**

|                          |  |
|--------------------------|--|
| <input type="checkbox"/> | The household contains <b>no adult occupants, who are also considered students</b> . No occupants have been a student within the last calendar year and no occupants will be students within the next 12 months. |
|                          | List non-student here:<br><br>   |
| <input type="checkbox"/> | The household contains <b>adult student occupant(s)</b> , but we believe they may be qualified because they each meet at least one student status exception. <i>Approval by City of Boulder required</i>         |
|                          | List all adult student occupants here:<br><br>   |

**Signatures-** All household members ages 18 or over must sign and date.

**Under penalties of perjury, I certify that the information presented on this form is true and accurate to the best of my/our knowledge. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading, or incomplete information will result in the denial of application or termination of the lease agreement.**

|                                   |   |
|-----------------------------------|---|
| Resident 1: Name, Signature, Date | Resident 2: Name, Signature, Date                     |
| Resident 3: Name, Signature, Date | Resident 4: Name, Signature, Date                     |
| Resident 5: Name, Signature, Date | Reviewed by (Signature of Owner/Representative), Date |

## APPENDIX VII-D

**TENANT INCOME CERTIFICATION**
☐ Initial    ☐ Re-cert    ☐ Self-cert

Effective Date: \_\_\_\_\_

Move-In Date: \_\_\_\_\_

**PART I. - DEVELOPMENT DATA**

Property Name: \_\_\_\_\_

Unit #: \_\_\_\_\_

# Bedrooms: \_\_\_\_\_

**PART II. - HOUSEHOLD COMPOSITION**

| HH Mbr# | Last Name | First Name | Relationship To Head | Date Of Birth (MM/DD/YYYY) | F/T Student ( Y or N ) |
|---------|-----------|------------|----------------------|----------------------------|------------------------|
| 1       |           |            | <b>Head</b>          |                            |                        |
| 2       |           |            |                      |                            |                        |
| 3       |           |            |                      |                            |                        |
| 4       |           |            |                      |                            |                        |
| 5       |           |            |                      |                            |                        |
| 6       |           |            |                      |                            |                        |

**PART III. - ANNUAL INCOME (USE ANNUAL AMOUNTS)**

| HH Mbr# | (A)<br>Employment or Wages | (B)<br>Soc. Security/Pensions | (C)<br>Public Assistance | (D)<br>Other  |
|---------|----------------------------|-------------------------------|--------------------------|---------------|
|         |                            |                               |                          |               |
|         |                            |                               |                          |               |
|         |                            |                               |                          |               |
|         |                            |                               |                          |               |
|         |                            |                               |                          |               |
| Total   | <b>\$0.00</b>              | <b>\$0.00</b>                 | <b>\$0.00</b>            | <b>\$0.00</b> |

Add totals from (A) through (D), above

**TOTAL INCOME (E)****\$0.00****PART IV. - INCOME FROM ASSETS**

| HH Mbr# | (F)<br>Type of Asset | (G)<br>C/I | (H)<br>Cash Value of Asset | (I)<br>Annual Income from Asset |
|---------|----------------------|------------|----------------------------|---------------------------------|
|         |                      |            |                            |                                 |
|         |                      |            |                            |                                 |
|         |                      |            |                            |                                 |
|         |                      |            |                            |                                 |
|         |                      |            |                            |                                 |

**TOTALS:****\$0.00****\$0.00**

Enter Column (H)

Passbook Rate

Total

0

X 0.06%

(J) Imputed Income

**\$0.00**

Enter the greater of the total of column I or J:

**TOTAL INCOME FROM ASSETS (K)****\$0.00**

(L) Total Annual Household Income from All Sources [Add (E) + (K)]

**\$0.00****HOUSEHOLD CERTIFICATION & SIGNATURES**

The information in this form will be used to determine maximum income eligibility. I/we have provided for each person(s) set forth in Part II acceptable verification of current anticipated annual income. I/we agree to notify the landlord immediately upon any member of the household moving out of the unit or any new member moving in. I/we agree to notify the landlord immediately upon any member becoming a student.

Under penalties of perjury, I/we certify that the information presented in this Certification is true and accurate to the best of my/our belief. The undersigned further understands that providing false representation herein constitutes an act of fraud.

False, misleading or incomplete information may result in the termination of the lease agreement.

\_\_\_\_\_  
Signature\_\_\_\_\_  
Date\_\_\_\_\_  
Signature\_\_\_\_\_  
Date\_\_\_\_\_  
Signature\_\_\_\_\_  
Date\_\_\_\_\_  
Signature\_\_\_\_\_  
Date

UNIT #

0

# BEDROOMS:

0

**PART V. - DETERMINATION OF INCOME ELIGIBILITY****RE-CERTIFICATION ONLY:**

TOTAL ANNUAL HOUSEHOLD INCOME  
FROM ALL SOURCES:  
From item (L) on page 1

Household Meets  
Income

Restrictions at:

**\$0.00**
☐ 30% ☐ 40%

Income Exceeds 140% of 60% AMI

☐ 50% ☐ 60%

☐ Yes ☐ No

Current income Limit per Family Size: \_\_\_\_\_

Household Income At Move-in: \_\_\_\_\_

Household Size at Move-in: \_\_\_\_\_

**PART VI. - RENT**

Tenant Paid Rent: \_\_\_\_\_

Utility Allowance: \_\_\_\_\_

Rent Assistance: \_\_\_\_\_

Other non-optional charges: \_\_\_\_\_

GROSS RENT FOR UNIT:  
(Tenant paid rent plus Utility Allowance &  
other non-optional charges)

Unit Meets Rent Restriction at:

☐ 30% ☐ 40% ☐ 50% ☐ 60% ☐ Other

Maximum Rent Limit for this unit: \_\_\_\_\_

**PART VII. - STUDENT STATUS**

ARE ANY ADULT STUDENT  
HHMBRS RESIDING IN UNIT?

☐ Yes ☐ No

If yes, enter student  
explanation\* (also attach  
documentation)

\*Student Explanation 1 - 6, HOME, 4 - 9 LIHTC

1 Age 24+

2 Veteran

3 Disabled

4 Living w/parent

5 Dependent Children

6 Married, joint Tax Return

7 Receiving TANF

8 Enrolled in Job Training

9 Formerly in Foster Care

**PART VIII. - AREA MEDIAN INCOME LIMITS**

Mark the program(s) listed below (a. through e.) for which this household's unit will be counted toward the property's occupancy requirements. Under each program marked, indicate the household's income status as established by this certification/re-certification.

See Part V above.

Income Status

☐ < 30% AMI

☐ < 40% AMI

☐ < 50% AMI

☐ < 60% AMI

\*\* Upon re-certification, household was determined over-income (OI) according to eligibility requirements of the program(s) marked above.

**SIGNATURE OF OWNER/REPRESENTATIVE**

Based upon the representations herein and upon the proofs and documentations required to be submitted, the individual(s) named in Part II of this Tenant Income Certification is/are income eligible per City of Boulder requirements.

SIGNATURE OF OWNER/REPRESENTATIVE

DATE

**DEMOGRAPHICS INFORMATION FORM**  
**(To be completed by residents)**

The information on this form will be provided to the City of Boulder Department of Housing & Human Services as part of the annual tenant report. All applicants and residents must also be given the opportunity to self-identify the race and ethnicity for all members of the household. Completion of these forms is voluntary and is not a condition of occupancy.

Date: \_\_\_\_\_

Unit Number: \_\_\_\_\_

☐ I do not wish to provide this information

Head of Household Type:

- |   |   |
|---|---|
| <input type="checkbox"/> Single                                 | <input type="checkbox"/> Single Parent Nonbinary Head of Household    |
| <input type="checkbox"/> Married                                | <input type="checkbox"/> Single Parent Gender Fluid Head of Household |
| <input type="checkbox"/> Single Parent Male Head of Household   | <input type="checkbox"/> Disabled                                     |
| <input type="checkbox"/> Single Parent Female Head of Household | <input type="checkbox"/> Senior/Elderly 55 +)                         |

Does anyone in the household have a disability which requires either a modification of living quarters or any other kind of supportive service assistance? ☐ Yes ☐ No

Indicate the primary source of household income from the following list:

- |  |  |  |                                       |
|--|--|--|---------------------------------------|
| <input type="checkbox"/> Alimony         | <input type="checkbox"/> Child Support | <input type="checkbox"/> Military Pay    | <input type="checkbox"/> Unemployment |
| <input type="checkbox"/> Other           | <input type="checkbox"/> Pension       | <input type="checkbox"/> Wages           | <input type="checkbox"/> Unemployed   |
| <input type="checkbox"/> SSDI/Disability | <input type="checkbox"/> TANF          | <input type="checkbox"/> Social Security | <input type="checkbox"/> Refused      |

Indicate the occupation of the head of household: (check one)

- |  |  |                                       |                                    |
|--|--|---------------------------------------|------------------------------------|
| <input type="checkbox"/> Service         | <input type="checkbox"/> Self-Employed | <input type="checkbox"/> Other        | <input type="checkbox"/> Education |
| <input type="checkbox"/> Management      | <input type="checkbox"/> Unemployed    | <input type="checkbox"/> Disabled     | <input type="checkbox"/> Medical   |
| <input type="checkbox"/> Technical/Trade | <input type="checkbox"/> Retired       | <input type="checkbox"/> Professional | <input type="checkbox"/> Refused   |

Indicate the primary ethnicity: ☐ Hispanic ☐ Non-Hispanic

Indicate the primary racial identity:

- |   |                                    |   |
|---|------------------------------------|---|
| <input type="checkbox"/> American Indian/Alaska Native    | <input type="checkbox"/> Asian     | <input type="checkbox"/> Black/African American |
| <input type="checkbox"/> Native Hawaiian/Pacific Islander | <input type="checkbox"/> Caucasian | <input type="checkbox"/> Other                  |
| <input type="checkbox"/> Refused                          |                                    |   |

\_\_\_\_\_  
Resident Signature

\_\_\_\_\_  
Date

# Clarification Form

|                 |              |
|-----------------|--------------|
| Household Name: | Unit Number: |
| Phone Number:   | Email:       |

This form is used to clarify information pertaining to the applicant or resident household. Unrelated clarifications should not be combined.

## Part 1 Clarifying Party

|   |                            |
|---|----------------------------|
| Name and Title of Person/ Party Providing Clarification:  | Relationship to Household: |
| <i>If the person providing clarification is the applicant or resident themselves, please record the Relationship to Household as "Self"</i> |                            |
| Contact Information:  | Date of Clarification:     |

## Part 2 Information Clarified

| Question # | Question:  | Clarification:   |
|------------|--|--|
| Example:   | <i>What is the Jon Smith's gross YTD amount?<br/>What date is that current, as of?</i> | <i>Jon's gross YTD amount is \$15,633 as of 6/3/2016</i> |
| 1          |  |  |
| 2          |  |  |
| 3          |  |  |
| 4          |  |  |
| 5          |  |  |
| 6          |  |  |

## Signatures

*If the person providing clarification is the applicant or resident themselves, they are also required to sign.*

Under penalties of perjury, I certify that the information presented on this form is true and accurate to the best of my/our knowledge. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading, or incomplete information will result in the denial of application or termination of the lease agreement.

|                                   |   |
|-----------------------------------|---|
| Resident 1: Name, Signature, Date | Resident 2: Name, Signature, Date                     |
| Resident 3: Name, Signature, Date | Reviewed by (Signature of Owner/Representative), Date |

**Appendix 5: Move-In/Move-Out Inspection Form**

[Company name]  
[Company address]

|               |           |                         |                          |
|---------------|-----------|-------------------------|--------------------------|
| Property      |           | Resident                |                          |
| Apartment No. | Unit Size | Move-In Inspection Date | Move-Out Inspection Date |

| Item                  | Condition |          | Cost to Correct |
|-----------------------|-----------|----------|-----------------|
|                       | Move-In   | Move-Out |                 |
| <b>ENTRANCE/HALLS</b> |           |          |                 |
| Steps and landings    |           |          |                 |
| Handrails             |           |          |                 |
| Doors                 |           |          |                 |
| Hardware/Locks        |           |          |                 |
| Floors/Coverings      |           |          |                 |
| Walls/Coverings       |           |          |                 |
| Ceilings              |           |          |                 |
| Windows/Coverings     |           |          |                 |
| Lighting <sup>1</sup> |           |          |                 |
| Electrical Outlets    |           |          |                 |
| Closets <sup>2</sup>  |           |          |                 |
| Fire alarms/equipment |           |          |                 |
|                       |           |          |                 |
|                       |           |          |                 |
| <b>LIVING ROOM</b>    |           |          |                 |
| Floor/Coverings       |           |          |                 |
| Walls/Coverings       |           |          |                 |
| Ceiling               |           |          |                 |
| Windows/Covering      |           |          |                 |
| Lighting <sup>1</sup> |           |          |                 |
| Electrical outlets    |           |          |                 |
|                       |           |          |                 |
|                       |           |          |                 |



**City of Boulder  
Housing & Human Services**

**Office Use Only:**

Reviewed by: \_\_\_\_\_

Review Date: \_\_\_\_\_

## Annual Beneficiary Report

|                                |                       |
|--------------------------------|-----------------------|
| Grantee/Owner Name: _____      | Project Name: _____   |
| Staff Completing Report: _____ | Phone: _____          |
| Fund Year: _____               | Funding Amount: _____ |

### Section I. Beneficiaries

|  |       |
|--|-------|
| Total City of Boulder Households Served                    | _____ |
| Total Single Parent Female Head of Households Served       | _____ |
| Total Single Parent Male Head of Households Served         | _____ |
| Total Single Parent Nonbinary Head of Households Served    | _____ |
| Total Single Parent Gender Fluid Head of Households Served | _____ |
| Total Disabled Head of Households Served                   | _____ |
| Total Senior Head of Households Served                     | _____ |

### Section II. Housing Projects *(Projects involving rehab, acquisition or new construction only)*

|   |       |
|---|-------|
| Total # of Units at Start of Project            | _____ |
| Total # of Units Expected at Project Completion | _____ |
| Total # of Units Completed                      | _____ |

### Section III. Race & Ethnicity *(Response must include both race and ethnicity for COB households only)*

| Race                                   | Total | Hispanic/Latino |
|--|-------|-----------------|
| American Indian/Alaska Native          | _____ | _____           |
| Asian                                  | _____ | _____           |
| Native Hawaiian/Other Pacific Islander | _____ | _____           |
| Black/African American                 | _____ | _____           |
| White                                  | _____ | _____           |
| Other (Multi-Race)                     | _____ | _____           |

### Section IV. Household Income *(Please report for COB households only)*

| Area Median Income  | Total Number Served |
|---|---------------------|
| Total # Extremely Low-Income Households (up to 30% AMI)         | _____               |
| Total # Very Low-Income Households (31% to 50% AMI)             | _____               |
| Total # Low-Income Households (51% to HUD Low Income Limit)     | _____               |
| Total # of Moderate-Income Households (HUD Low +1% to 100% AMI) | _____               |
| Total # of Households above (100% AMI)                          | _____               |

Please refer to the enclosed chart for information on Boulder AMI limits.



# City of Boulder Housing & Human Services

**Office Use Only:**

Reviewed by: \_\_\_\_\_

Review Date: \_\_\_\_\_

## Annual Certification of Compliance

Property Name: \_\_\_\_\_ Address: \_\_\_\_\_  
Reporting Period: January 1, 2018 to December 31,

### Section I. Certification

The undersigned hereby certifies that the information presented herein is true and correct to the best of his/her knowledge and that he/she will, if requested, submit documentation in support of such statement. He/she further certifies UNDER PENALTY OF PERJURY that the project meets the compliance requirements as outlined in the Covenant and Rental Compliance Manual.

Representative Name: \_\_\_\_\_ Title: \_\_\_\_\_  
Email: \_\_\_\_\_ Phone: \_\_\_\_\_  
Representative Signature: \_\_\_\_\_

☐ Click here if contact information has changed since submittal of the last report.

Owner: \_\_\_\_\_ Title: \_\_\_\_\_  
Email: \_\_\_\_\_ Phone: \_\_\_\_\_  
Representative Signature: \_\_\_\_\_

☐ Click here if contact information has changed since submittal of the last report.

### Part II. Screening & Selecting Applicants

- a. Has the Owner/Manager developed and maintained a Tenant Selection Plan specific to the property which describes the methods and procedures for receiving applications and screening applicants for eligibility? If no, please provide an explanation below: ☐ Yes ☐ No ☐ NA
- b. The Owner/Manager certifies that all applicants were provided the opportunity to complete an application. If no, please provide an explanation below: ☐ Yes ☐ No ☐ NA
- c. Has the Owner/Manager developed and maintained a waiting list in compliance with the requirements outlined in the Rental Compliance Manual? If no, please provide an explanation below: ☐ Yes ☐ No ☐ NA





## City of Boulder Housing & Human Services

### Part III. Determination of Eligibility

|    |   |                              |                             |                             |
|----|---|------------------------------|-----------------------------|-----------------------------|
| a. | Has the Owner/Manager made a proper determination of eligibility of all households upon initial occupancy and annually thereafter upon lease renewal? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| b. | Has the Owner/Manager maintained adequate documentation in each tenant file which demonstrates eligibility?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| c. | Has the Owner/Manager completed third party verification of all sources of income and assets at initial occupancy and every other year thereafter?    | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| d. | Has the Owner/Manager used tenant self-certification to document eligibility during intervening years?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |

### Part IV. General Compliance Requirements

|    |  |                              |                             |                             |
|----|--|------------------------------|-----------------------------|-----------------------------|
| a. | Has the Owner/Manager refused to lease a permanently affordable unit to a Section 8 voucher holder or any household that receives a comparable rental housing assistance subsidy?                | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| b. | Does the Owner/Manager maintain a capital reserve account for the property? If no, please provide an explanation below:  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| c. | Does the current lease used by the Owner/Manager of permanently affordable units meet the requirements outlined in the Rental Compliance Manual? If no, please provide an explanation below:     | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| d. | The Owner/Manager certifies that all applicants and tenants were provided the opportunity to self-report their race and ethnicity which is documented in each tenant file.                       | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| e. | The Owner/Manager certifies that a Declaration of Citizenship has been completed by all members of the household occupying HOME-assisted units and maintained documentation in the tenant files. | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| f. | The Owner/Manager certifies compliance with the city's Student Policy.   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| g. | The Owner/Manager compliance with the city's Income & Asset Policy.  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |

### Part V. Property Standards

|    |   |                              |                             |                             |
|----|---|------------------------------|-----------------------------|-----------------------------|
| a. | During the reporting period, did the Owner/Manager conduct a physical inspection of each permanently affordable unit to ensure that the property continues to meet federal, state and local property standards? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
|----|---|------------------------------|-----------------------------|-----------------------------|



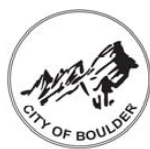
**City of Boulder**  
**Housing & Human Services**

- b. The Owner/Manager certifies compliance with Lead Based Paint regulations at 24 CFR Part 35 and requirements outlined in the Rental Compliance Manual? ☐ Yes ☐ No ☐ NA

**Part VI. Reporting Requirements**

- a. Has the Owner/Manager submitted all required reports to the Division of Housing compliance staff in order to be considered active and in good standing. ☐ Yes ☐ No ☐ NA
- b. Has the Owner/Manager submitted all reports in the format required by Division of Housing compliance staff. ☐ Yes ☐ No ☐ NA
- c. Has the Owner/Manager submitted all reports within the timeline required by Division of Housing compliance staff. ☐ Yes ☐ No ☐ NA

**Part VII. Compliance Staff Review Notes**



**City of Boulder**  
**Housing & Human Services**

**Office Use Only:**

Reviewed by: \_\_\_\_\_

Review Date: \_\_\_\_\_

# Affirmative Marketing Compliance Report

Property Name: \_\_\_\_\_ Address: \_\_\_\_\_  
Staff Completing Report: \_\_\_\_\_ Phone: \_\_\_\_\_  
# Units: \_\_\_\_\_ # HOME Units: \_\_\_\_\_ # Accessible Units: \_\_\_\_\_

## Section I. Resident Data

| Demographic Characteristics               | Total Number of Residents in 2021 |
|---|-----------------------------------|
| White                                     |                                   |
| Black or African American                 |                                   |
| Asian                                     |                                   |
| American Indian or Alaska Native          |                                   |
| Native Hawaiian or Other Pacific Islander |                                   |
| Hispanic or Latino                        |                                   |
| Female Head of Household                  |                                   |
| Elderly/Senior Head of Household (55+)    |                                   |
| Person with Disabilities                  |                                   |
| Families with Children (under age 18)     |                                   |
| Other ( <i>specify</i> ):                 |                                   |

## Part II. General Compliance

- |   |                              |                             |                             |
|---|------------------------------|-----------------------------|-----------------------------|
| a. Is there an Equal Opportunity Fair Housing Poster prominently displayed in the rental office?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| b. Is the Fair Housing Logo displayed on all applications, program and marketing materials?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| c. Is there a copy of the Owner's Affirmative Fair Housing Marketing Plan (AFHMP) in the office or wherever prospective tenants may apply for rental housing?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| d. Does the Owner/Property Manager regularly review the AFHMP (every five years or when there are significant changes in the demographics of the property or the local market area) to ensure it is current and applicable? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| e. What is the date of the last AFHMP update?   | _____                        |                             |                             |
| f. Does the Owner/Property Manager use the "Affirmative Marketing Outreach List" provided by the city to market the property?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| g. Of the total number of accessible units in the property, how many are occupied by persons with disabilities?   | _____                        |                             |                             |



## City of Boulder Housing & Human Services

### Part III. Tenant Selection Plan

- |  |                              |                             |                             |
|--|------------------------------|-----------------------------|-----------------------------|
| a. Does the Owner/Manager have an approved Tenant Selection Plan on site for applicant and tenant review?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| b. Does the project's Tenant Selection Plan include procedures for taking applications, selecting from the waiting list, and policy for opening, closing and maintaining the waiting list? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| c. Does the Tenant Selection Plan include policies for Fair Housing, Section 504, and assigning accessible units?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| d. Does the Tenant Selection Plan include policies for preferences?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |

### Part IV. Property Management Staff Training

- |   |                              |                             |                             |
|---|------------------------------|-----------------------------|-----------------------------|
| a. Has the Owner/Property Manager provided training to property management staff regarding fair housing laws and the Affirmative Fair Housing Marketing Plan?           | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| b. How often does the Owner/Property Manager provide training to property management staff regarding fair housing laws and the Affirmative Fair Housing Marketing Plan? | <input type="text"/>         |                             |                             |

### Part V. Record-Keeping & Reporting

- |  |                              |                             |                             |
|--|------------------------------|-----------------------------|-----------------------------|
| a. Does the Owner/Property Manager maintain a record of Fair Housing Complaints?   | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| b. Does the Owner/Property Manager collect and maintain data on race, ethnicity, gender, age, and disability for applicants? | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| c. Does the Owner/Property Manager collect race and ethnicity data from applicants and residents?                            | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |

### Part VI. Owner/Property Manager's Demographic Analysis

- |  |                              |                             |                             |
|--|------------------------------|-----------------------------|-----------------------------|
| a. Does any of the demographic data show a low representation of any protected groups in either the properties applicants or residents?          | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |
| b. What reasons have you identified for these low numbers? <i>(if applicable)</i>  | <input type="text"/>         |                             |                             |
| c. What actions have been taken to correct the reasons for the low numbers? Please provide documentation of action taken. <i>(if applicable)</i> | <input type="text"/>         |                             |                             |
| d. Has the Owner/Property Manager set-up and maintained records to reflect any studies or action taken?  | <input type="checkbox"/> Yes | <input type="checkbox"/> No | <input type="checkbox"/> NA |

| Item                        | Condition |          | Cost to Correct |
|-----------------------------|-----------|----------|-----------------|
|                             | Move-In   | Move-Out |                 |
| <b>DINING ROOM</b>          |           |          |                 |
| Floor/Coverings             |           |          |                 |
| Walls/Coverings             |           |          |                 |
| Ceiling                     |           |          |                 |
| Windows/Coverings           |           |          |                 |
| Lighting <sup>1</sup>       |           |          |                 |
| Electrical outlets          |           |          |                 |
|                             |           |          |                 |
|                             |           |          |                 |
| <b>KITCHEN</b>              |           |          |                 |
| Range                       |           |          |                 |
| Refrigerator                |           |          |                 |
| Sink/Faucets <sup>3</sup>   |           |          |                 |
| Floor/Coverings             |           |          |                 |
| Walls/Coverings             |           |          |                 |
| Ceiling                     |           |          |                 |
| Windows/Coverings           |           |          |                 |
| Lighting <sup>1</sup>       |           |          |                 |
| Electrical outlets          |           |          |                 |
| Cabinets                    |           |          |                 |
| Closets/Pantry <sup>2</sup> |           |          |                 |
| Exhaust fan                 |           |          |                 |
| Fire alarms/equipment       |           |          |                 |
|                             |           |          |                 |
|                             |           |          |                 |
| <b>BEDROOM(S)</b>           |           |          |                 |
| Doors and locks             |           |          |                 |
| Floor/Coverings             |           |          |                 |
| Walls/Coverings             |           |          |                 |
| Ceiling                     |           |          |                 |
| Windows/Covering            |           |          |                 |
| Closets <sup>2</sup>        |           |          |                 |
| Lighting <sup>1</sup>       |           |          |                 |
| Electrical outlets          |           |          |                 |
|                             |           |          |                 |
|                             |           |          |                 |

| Item  | Condition |          | Cost to Correct |
|---|-----------|----------|-----------------|
|   | Move-In   | Move-Out |                 |
| <b>BATHROOM(S)</b>  |           |          |                 |
| Sink/Faucets <sup>3</sup>   |           |          |                 |
| Shower/Tub <sup>3</sup>   |           |          |                 |
| Curtain rack/Door   |           |          |                 |
| Towel rack  |           |          |                 |
| Toilet  |           |          |                 |
| Doors/Locks   |           |          |                 |
| Floor/Coverings   |           |          |                 |
| Walls/Coverings   |           |          |                 |
| Ceiling   |           |          |                 |
| Windows/Coverings   |           |          |                 |
| Closets <sup>2</sup>  |           |          |                 |
| Cabinets  |           |          |                 |
| Exhaust fan   |           |          |                 |
| Lighting <sup>1</sup>   |           |          |                 |
| Electrical outlets  |           |          |                 |
|   |           |          |                 |
|   |           |          |                 |
| <b>OTHER EQUIPMENT</b>  |           |          |                 |
| Heating Equipment   |           |          |                 |
| Air-conditioning unit(s)  |           |          |                 |
| Hot-water heater  |           |          |                 |
| Smoke/Fire alarms   |           |          |                 |
| Thermostat  |           |          |                 |
| Door bell   |           |          |                 |
|   |           |          |                 |
|   |           |          |                 |
| <b>TOTAL</b>  |           |          |                 |
| 1. Fixtures, Bulbs, Switches, and Timers<br>2. Floor/Walls/Ceiling, Shelves/Rods, Lighting<br>3. Water pressure and Hot water |           |          |                 |

| <b>Move-In</b>   | <b>Move-Out</b>  |       |      |          |       |       |          |       |       |          |       |       |          |       |       |  |  |    |      |          |       |       |          |       |       |          |       |       |          |       |       |
|--|--|-------|------|----------|-------|-------|----------|-------|-------|----------|-------|-------|----------|-------|-------|--|--|----|------|----------|-------|-------|----------|-------|-------|----------|-------|-------|----------|-------|-------|
| <p>This unit is in decent, safe and sanitary condition. Any deficiencies identified in this report will be remedied within 30 days of the date the tenant moves into the unit.</p> <p>_____</p> <p>Manager's Signature</p><br><p>I have inspected the apartment and found this unit to be in decent, safe and sanitary condition. Any deficiencies are noted above. I recognize that I am responsible for keeping the apartment in good condition, with the exception of normal wear. In the event of damage, I agree to pay the cost to restore the apartment to its original condition.</p> <p>_____</p> <p>Resident's Signature</p><br><p>_____</p> <p>Resident's Signature</p>   | <p>_____</p> <p>Manager's Signature</p><br><p>___ Agree with move-out inspection</p> <p>___ Disagree with move-out inspection</p><br><p>If disagree, list specific items of disagreement.</p> <p>_____</p> <p>_____</p> <p>_____</p><br><p>_____</p> <p>Resident's Signature</p><br><p>_____</p> <p>Resident's Signature</p> |       |      |          |       |       |          |       |       |          |       |       |          |       |       |  |  |    |      |          |       |       |          |       |       |          |       |       |          |       |       |
| <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;"></th> <th style="width: 35%; text-align: center;">By</th> <th style="width: 50%; text-align: center;">Date</th> </tr> </thead> <tbody> <tr> <td>Prepared</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Reviewed</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Prepared</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Reviewed</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> </tbody> </table> |  | By    | Date | Prepared | _____ | _____ | Reviewed | _____ | _____ | Prepared | _____ | _____ | Reviewed | _____ | _____ | <table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 15%;"></th> <th style="width: 35%; text-align: center;">By</th> <th style="width: 50%; text-align: center;">Date</th> </tr> </thead> <tbody> <tr> <td>Prepared</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Reviewed</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Prepared</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> <tr> <td>Reviewed</td> <td style="text-align: center;">_____</td> <td style="text-align: center;">_____</td> </tr> </tbody> </table> |  | By | Date | Prepared | _____ | _____ | Reviewed | _____ | _____ | Prepared | _____ | _____ | Reviewed | _____ | _____ |
|  | By   | Date  |      |          |       |       |          |       |       |          |       |       |          |       |       |  |  |    |      |          |       |       |          |       |       |          |       |       |          |       |       |
| Prepared   | _____  | _____ |      |          |       |       |          |       |       |          |       |       |          |       |       |  |  |    |      |          |       |       |          |       |       |          |       |       |          |       |       |
| Reviewed   | _____  | _____ |      |          |       |       |          |       |       |          |       |       |          |       |       |  |  |    |      |          |       |       |          |       |       |          |       |       |          |       |       |
| Prepared   | _____  | _____ |      |          |       |       |          |       |       |          |       |       |          |       |       |  |  |    |      |          |       |       |          |       |       |          |       |       |          |       |       |
| Reviewed   | _____  | _____ |      |          |       |       |          |       |       |          |       |       |          |       |       |  |  |    |      |          |       |       |          |       |       |          |       |       |          |       |       |
|  | By   | Date  |      |          |       |       |          |       |       |          |       |       |          |       |       |  |  |    |      |          |       |       |          |       |       |          |       |       |          |       |       |
| Prepared   | _____  | _____ |      |          |       |       |          |       |       |          |       |       |          |       |       |  |  |    |      |          |       |       |          |       |       |          |       |       |          |       |       |
| Reviewed   | _____  | _____ |      |          |       |       |          |       |       |          |       |       |          |       |       |  |  |    |      |          |       |       |          |       |       |          |       |       |          |       |       |
| Prepared   | _____  | _____ |      |          |       |       |          |       |       |          |       |       |          |       |       |  |  |    |      |          |       |       |          |       |       |          |       |       |          |       |       |
| Reviewed   | _____  | _____ |      |          |       |       |          |       |       |          |       |       |          |       |       |  |  |    |      |          |       |       |          |       |       |          |       |       |          |       |       |

**Public reporting burden** - HUD is not requesting approval of any burden hours for the move-in/move-out inspection report since use of move-in/move-out inspection reports are a standard business practice in the housing rental industry. This information is required to obtain benefits and is voluntary. HUD may not collect this information, and you are not required to complete this form, unless it displays a currently valid OMB control number. The owner/management agent and tenant together conduct a move-in/move-out inspection to document the condition of the unit at the time of move-in/move-out. Conducting move-in/move-out inspections are a standard business practice in the housing rental industry and are used for determining damages caused by the tenant during tenancy and allowable deductions from the tenant's security deposit held by the owner. This information is authorized by 24 CFR 5.703 and 5.705, 886.123, 886.223 cover unit inspections. This information is considered non-sensitive and does not require any special protection.

# Household Self-Certification Questionnaire

|                        |              |
|------------------------|--------------|
| Head of Household Name | Unit Number: |
| Phone Number           | Email        |

The information on this form is needed to certify your household. Please complete this **entire** form and **leave no blanks**. If there are any questions that you do not understand, please call the apartment manager. Thank you for your cooperation.

## Part 1 Household Composition

| HHMBR   | Full Name | Relationship To Head Of Household (HoH) | Date Of Birth                     | Student (Y or N) | Social Security Number                                   |
|---|-----------|---|-----------------------------------|------------------|--|
| 1   |           | HoH                                     |                                   |                  |  |
| 2   |           |   |                                   |                  |  |
| 3   |           |   |                                   |                  |  |
| 4   |           |   |                                   |                  |  |
| 5   |           |   |                                   |                  |  |
| 6   |           |   |                                   |                  |  |
| 1. In the previous 12 months, or in the next 12 months, are/ will there be any changes to your household composition?<br>a. If yes, please explain: |           |   |                                   |                  | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| Name of Household Emergency Contact   |           | Relationship to Household               | Phone Number of Emergency Contact |                  | Address of Emergency Contact                             |
|   |           |   |                                   |                  |  |

## Part 2 Current Household Income

| HHMBR   | Source of Income (wages, SS, etc) | Gross Amount, Per  |
|---|-----------------------------------|--|
|   |                                   | \$<br>Per:   |
|   |                                   | \$<br>Per:   |
|   |                                   | \$<br>Per:   |
|   |                                   | \$<br>Per:   |
|   |                                   | \$<br>Per:   |
|   |                                   | \$<br>Per:   |
| 2. Have there been any significant changes in your household income since the previous certification?<br>a. If yes, please explain: |                                   | <input type="checkbox"/> Yes <input type="checkbox"/> No |



### Part 3 Current Household Assets

| HHMBR   | Type of Asset | Cash Value of Asset | Interest Rate | Liquid or Non-Liquid (L or NL)                           |
|---|---------------|---------------------|---------------|--|
|   |               | \$                  | %             |  |
|   |               | \$                  | %             |  |
|   |               | \$                  | %             |  |
|   |               | \$                  | %             |  |
|   |               | \$                  | %             |  |
|   |               | \$                  | %             |  |
| 3. Have there been any significant changes in your household's assets since the previous certification?<br>a. If yes, please explain: |               |                     |               | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 4. Does this household own liquid assets in excess of \$15,000?   |               |                     |               | <input type="checkbox"/> Yes <input type="checkbox"/> No |
| 5. Does this household own real estate?<br>a. If yes, please record address of real estate below:                                     |               |                     |               | <input type="checkbox"/> Yes <input type="checkbox"/> No |

### Part 3 Student Status Certification

Students include individuals attending public or private elementary schools, middle or junior high schools, senior high schools, colleges, universities, technical, trade or mechanical schools. Students do not include individuals participating in on-the-job training or correspondence courses.

Please choose **one** option below that best describes your **household**

|                          |  |
|--------------------------|--|
| <input type="checkbox"/> | The household contains <b>no adult occupants, who are also considered students</b> . No occupants have been a student within the last calendar year and no occupants will be students within the next 12 months. |
|                          | List non-student here:<br><br>   |
| <input type="checkbox"/> | The household contains <b>adult student occupant(s)</b> , but we believe they may be qualified because they each meet at least one student status exception. <i>Approval by City of Boulder required</i>         |
|                          | List all adult student occupants here:<br><br>   |

**Signatures- All household members ages 18 or over must sign and date.**

**Under penalties of perjury, I certify that the information presented on this form is true and accurate to the best of my/our knowledge. The undersigned further understands that providing false representations herein constitutes an act of fraud. False, misleading, or incomplete information will result in the denial of application or termination of the lease agreement.**

|                                   |   |
|-----------------------------------|---|
| Resident 1: Name, Signature, Date | Resident 2: Name, Signature, Date                     |
| Resident 3: Name, Signature, Date | Resident 4: Name, Signature, Date                     |
| Resident 5: Name, Signature, Date | Reviewed by (Signature of Owner/Representative), Date |





|  |
|--|
| <p><b>Office Use Only:</b></p> <p>Review Date: _____</p> <p>Reviewed by: _____</p> |
|--|

[illegible]

