

Inclusionary Housing

Annual Income

Re-Verification Procedures

Rentals

The City of Evanston



The City of Evanston Inclusionary Housing Annual Income Re-Verification Procedures



Leasing Agent (“Management”)

The City of Evanston (“the City”)

The City of Evanston’s Designee (“City’s designee”)

Leaseholder(s) (“Tenant and Co-tenant”)

I. Purpose

To ensure that tenants renting inclusionary housing units are not over the allowable income limit. Income will be re-verified annually as part of the lease renewal process. Increases in household income may affect eligibility. Decreases in household income will not affect eligibility.

II. Process

Annual income re-verification for the City inclusionary units will commence 75 days ahead of lease renewal. Leaseholders will be provided a short form asking for basic information about household members (outlined below) and notified of the documentation required 75 days ahead of lease renewal. Leaseholders will be expected to respond to the request for information and documentation within 15 days of receiving the request thereby giving Management sufficient time to conduct lease renewal.

III. Required Information and Documentation

Annual income re-verification will require Leaseholder to provide the following information and documentation that is applicable to the City or the City’s Designee:

- Names and birthdates of all persons living in the household. College students who live at school are considered members of the household. Additional information may be required.
- Income of each household member.
- 2 months of pay stubs for each job held by each adult member of the household. Adults are defined as 18 years of age and over.
- Previous years filed taxes for each adult in the household.
- Previous years W2s or 1099s for each job held by each adult in the household.
- Updated social security statements stating monthly benefits for those in the household who receive social security or disability.
- Child support and maintenance documentation.
- Additional income documentation as needed to verify household income. (For example, if a tenant is self-employed, business statements may be requested if necessary to verify income.)
- 6 months of bank statements from each account held by each adult in the household.

Employer verification forms from employers are not required for income re-verification. Household and income information will be used to determine household size and to calculate the combined gross household income. Debt to income and housing ratios are not part of the income re-verification process.

IV. Results of Re-Verification:

A. Changes in household size or income:

1. When household income remains in the same or lower AMI bracket (for the leaseholder's household size) as when the household was originally qualified, then the leaseholder maintains its income qualification for the affordable apartment.
2. When household income increases above the initial lease up AMI category, but stays below the 100% AMI limit for their household size, then the leaseholder maintains its income qualification.
3. When household income increases above the 100% AMI limit for their household size, the leaseholder will be given one 12-month extension of its lease. Leaseholder will be encouraged to seek open market housing to move to when the lease terminates at the end of the one-time 12-month extension. If household income decreases during the one time 12-month renewal period, please refer to Paragraph B below.

Being income re-verified is not a guarantee that a lease will be renewed. That decision is made by Management.

B. If household income decreases during the one time 12-month extension:

If the household income decreases during the course of the 12-month extension, the Leaseholder may notify the City or the City's Designee, NO LATER THAN 60 DAYS before the end of the 12-month extension, that it wishes to be have its income re-evaluated for the purpose of possible lease extension. Income verification including employer verification forms and other household information including proof of household size and income will be required in accordance with the City of Evanston's Inclusionary Housing Policies and Procedures. The City or the City's Designee reserve the right to request additional information that might be necessary to confirm the decrease in household income. If upon examination of household size and income, household income is found to have decreased to below 100% of AMI for the household size, the lease may be extended beyond the 12-month extension that was issued the previous year.

Leaseholders will be asked to sign a statement that the representations and income verification provided are true. Misrepresenting income or other household information will be grounds for lease termination.

*The applicable income limits for each household size are established by the U.S. Department of Housing and Urban Development (HUD), 24 CFR Part 5, for the appropriate household size, as updated and amended annually and are based on the Chicago-Naperville-Joliet Area Median Income (AMI) by household size, as determined by HUD, CFR 24 Part 5. U.S. Department of Housing and Urban Development (HUD.)