

Mammoth Lakes Housing, Inc. (MLH) Rental Workforce Housing Policies and Guidelines Summary

Mammoth Lakes Housing, Inc.'s (MLH) mission is to cause the creation of workforce housing for a sustainable and viable community. These Policies and Guidelines govern tenant eligibility criteria for workforce housing, as well as waiting list procedures for workforce housing units, controlled by MLH. Rental rates for workforce housing units are intended to be affordable to persons and households earning very low to above moderate incomes. Rents are based upon actual bedroom sizes set by the Tax Credit Allocation Committee of the State of California (TCAC) for Mono County. Rents are published annually. The Tax Credit Committee also republishes adjusted Area Median Income (AMI) data for Mono County, furnished by the US Department of Housing and Urban Development. The data serves as the basis for affordability levels and incomes. The most recently published AMI is used in the calculations pertaining to these Guidelines.

Part I Workforce Housing Income Categories

Rental rates for MLH workforce housing are based upon a household's annual income, and bedroom size requirements. There are five (5) Levels of rental housing, which correspond to the current AMI. Each Rental Workforce Housing unit is assigned a Level (1-5). The Level of housing an individual or household qualifies for is based upon the number of people in the applicant's household (including all children, adults, and senior). The total combined annual income of the household is utilized to compute income.

Each Income Level (1-5) has an associated income and asset limit that cannot be exceeded at the time of admission. Each rental unit is assigned a level once constructed or acquired. Only households that do not exceed the income and asset limit of the designated level are eligible to rent the unit (refer to Table 1).

PART II

Renting Workforce Housing

Section 1

Qualifications to Rent Workforce Housing

1. Employment Qualification

All eligible rental applicants must have at least one household member who is a qualified employee. A qualified employee is defined as a person who:

- Works, and has worked, at least 30 hours per week, averaged over the previous year, in the Town of Mammoth Lakes.

2. Primary Residency

All household members over the age of 18 must occupy the unit as their primary residence. A primary residence is the sole and exclusive place of residence. If a renter accepts permanent employment outside of the Town of Mammoth Lakes, or resides in the unit fewer than nine (9) months out of any twelve (12) months, the unit is no longer their primary residence.

3. Developed or Undeveloped Residential or Commercial Property

No member of the household can own developed residential or commercial real estate or a mobile home in Mono or Inyo Counties.

If undeveloped (vacant) land is owned in Mono and/or Inyo Counties, while leasing an affordable workforce housing unit, the land must remain unimproved. If the land is improved with a residence or commercial structure, the property owner and dependents must then relinquish the workforce housing unit by vacating the rental unit.

4. Income and Asset limitations

A household's gross income and assets, and household size will be used to calculate their Level, as identified in *Table 1*. Gross income is defined as:

- The sum of all gross incomes from all occupants over 18, regardless of their legal status.
- Not more than 25% of a household income can come from non-employment sources.

Net assets in excess of limits set for each Level, as indicated in the bottom row of *Table 1* will be converted to income. Each \$20,000 in assets, above the published limit for the base income, is converted to \$1,500 in annual income.

For example: if you are a single person household earning \$40,000/yr (Level 4), and you own vacant property worth \$150,000, your assets are \$85,000 above the asset limit for your income category. That \$85,000 converts to an additional \$6,375 in annual income. The result of this calculation is that your annual gross household income is considered \$46,375, which places you in the Level 5 income category for the purposes of renting a workforce housing unit.

Table 1 – 2009 Levels, Including Income and Asset Limits for Various Household Sizes

Level	1	2	3	4	5
No. Persons	50%	60%	80%	100%	120%
1	\$23,483	\$28,125	\$37,500	\$46,875	\$56,250
2	\$26,813	\$32,175	\$42,900	\$53,625	\$64,350
3	\$30,156	\$36,188	\$48,250	\$60,313	\$72,375
4	\$33,500	\$40,200	\$53,600	\$67,000	\$80,400
5	\$36,188	\$43,425	\$57,900	\$72,375	\$86,850
6	\$38,875	\$46,650	\$62,200	\$77,750	\$93,300
7	\$41,531	\$49,838	\$66,450	\$83,063	\$99,675
8	\$44,219	\$53,063	\$70,750	\$88,438	\$106,125
Net Assets Not in Excess of :	\$40,000	\$45,000	\$55,000	\$65,000	\$65,000

Example:

Property Asset	\$150,000.00
Allowable Assets per Level 4	-\$65,000.00
Assets above limit –Level 4	\$85,000.00

\$85,000.00 divided by each \$20,000.00
in assets over the limit = 4.25

4.25 multiplied by \$1,500.00 conversion = \$6,375.00 additional income

Base income (\$40,000.00) + additional income = \$46,375.00 Total income

\$46,375.00 = Level 5

If an applicant has sold property within the last two years the net gain will be included in applicant’s income/asset calculation.

Section 2

Initial Qualification to Rent Process

MLH must have documentation on file to verify an applicant's eligibility for rental workforce housing. Documentation will be requested to provide proof of the applicant's residency, employment, income and assets.

Each applicant will need to complete the necessary forms and supply the requested documents that may include:

1. Income and Asset Verification

- Previous year's (or most current) Federal Income Tax return
- All W-2 forms from the current and/or previous years
- Wage stubs (if W-2's are not available)
- Current income and financial statement (including identification of any property, real or otherwise, owned in part or whole by any household member).

2. Employment Verification

- All W-2 forms from the current or previous years
- Wage stubs (if W-2's are not available)
- Employer(s) name, address, telephone and dates of employment
- Landlord verification of residency starting dates.
- Valid California drivers license
- Valid California voters registration
- Verification of telephone service in Mono or Inyo Counties
- A copy of the court filed final Divorce Decree or Separation Agreement, including all exhibits and supplements attached to the final document.

3. Certification of Accuracy

Applicants must sign a document that states all the information supplied is true and accurate. If it is determined not to be accurate, the applicant may be disqualified from the process, at the sole discretion of MLH, and face additional penalties as allowed by the law.

4. Qualification Process

Applications that are complete and eligible will be processed and assigned a position on an appropriate waitlist based on their income and household size.

Couples or roommates planning on living together may apply and be on a waitlist individually (they must qualify individually) or jointly, but not both.

5. Initial Qualification Fee

A non-refundable payment of \$25 must accompany all Applications.

Section 3 Unit Allocation for Rental Properties

Table 2 below, states the maximum and minimum occupancies for a unit size. The applicant's household size and income will be used to determine the unit size the applicant is qualified to rent.

For example: José and Monica have 4 people in their household and they earn \$40,000 per year. José and Monica are a Level 3 household and are eligible to rent any 2 or 3 bedroom unit that is designated a Level 3 unit.

This calculation will determine which waitlists applicants are placed on. Applicants may be placed on more than one waitlist.

Table 2 – Minimum and Maximum Occupancy for Rental Units

BEDROOMS	Minimum	Maximum
0BR	1	2
1 BR	1	2
2 BR	2	5
3 BR	4	6
4 BR	6	9

Section 4 Detailed Qualification to Rent Process

When a unit becomes available and the applicant chooses to rent it, a detailed check will be done prior to applicant occupying the unit. The unit's property manager will be responsible for the check.

The detailed check may include:

- Proof of continued employment in the Town of Mammoth Lakes per guidelines for the entire time the applicant was on the waitlist
- References and/or tenant history from past landlords
- Utility payment history
- Credit check
- Verify initial application information to ensure continued eligibility

1. Meeting Detailed Check Requirements

If an applicant does not pass the detailed check and the property manager does not consider the applicant eligible to rent a unit, one *decline* will be placed against the applicant's application.

If an applicant fails the detailed check, the applicant must remedy the problem before another unit is offered.

If an applicant does not want to be considered for a unit that applicant is eligible for, one *decline* will be placed against their application.

If an applicant fails a detailed background check three times, voluntarily declines an offered unit three times, or any combination of voluntary or involuntarily declination of a unit, three times, the applicant will be placed at the bottom of the waitlist.

Details on waitlist management are in Part III.

Section 5

Re-qualification for Rental of Workforce Housing

The status of renters/tenants of workforce housing units shall be reviewed and verified every year to ensure that they continue to meet the requirements of the Guidelines, including but not limited to: maximum occupancy, income and asset requirements, developed property, and employment.

Should a household not meet the requirements of the unit in terms of household size or developed property, the tenant shall have three weeks from the date of the notice to come into compliance or find another place to live. If the tenant fails to come into compliance in the three-week period they will be required to vacate the property.

If a household's income has increased above the Level of that unit, their rent **will be** increased to a rate based on their current income.

A household that has increased in size due to births or adoptions may stay in their current unit or request to be placed on the waitlist for a different unit based on their household income and new household size.

A fee of \$15 is charged to the Tenant for the Re-qualification.

Section 6

Rental Enforcement

The property manager will inspect all rental units at least once per year.

The property manager and MLH may also undertake random audits and investigate complaints or reports of non-compliance on an ongoing basis.

Only those on the lease are permitted to occupy a rental unit.

Except for births and adoptions, any new additions must be requested and approved in writing prior to moving in. [What about after they move in and new pregnancies](#)

Onsite managers must be notified of guests and family members staying longer than any five (5) days (consecutive or not) in any calendar month without prior notice and approval of MLH.

Section 7 Management of Rental Units

Private management companies manage most of the rental units administered by MLH. Each complex may differ in its specific procedures.

Section 8 Exceptions for Rental Eligibility

As per California and Federal law, special considerations may be given to certain households or individuals in need of rental housing. Exceptions may also be granted pursuant to Part VII below.

MLH reserves the right, in its sole discretion, to make variances or exceptions to eligibility requirements as it deems appropriate.

PART III Waitlist Management

Applicant may be on both rental waitlist(s) and purchase waitlist(s) at the same time.

MLH will update each waitlist once per year. All waitlisted applicants will be notified by current mailing address to update their information and confirm interest.

Applicants are responsible to keep their information current and to notify MLH if their family situation, income, etc. changes.

Applicants are responsible to keep their current mailing address and telephone number on file.

Applicants who do not respond within 1 month (2 weeks) of mailing out the yearly review and update will be removed from all waitlists.

Declining Offers

- An applicant who is on a rental unit waitlist is allowed three declines at which time they will be placed on the bottom of all applicable rental waitlist.
- An applicant who is not prepared for any reason to enter into an agreement to rent a unit when offered will be considered to have declined the unit.
- An applicant who is offered a unit but fails to meet the Detailed Qualification Process (Part II, Section 4) will be considered to have declined the unit.
- An applicant who has inaccurate information on file which may lead to failure of a Detailed Qualification Check (Part II, Section 4) will be considered to have declined a unit.
- No response to an offer to rent a unit is considered a decline.
- If an applicant purchases a unit, they will be removed from all rental waitlists they may be on.

- If an applicant rents a unit but wishes to remain in the waitlist system to purchase a unit, they will keep their current waitlist position on the Purchase waitlist.
- Applicants are responsible to keep track of how many declines they have against them.
- An applicant on a waitlist must be an eligible employee as per the Guidelines for the full time they are on the waitlist prior to occupying or purchasing a unit.

PART IV Rental Rates

Section 1 Setting Initial Rents

The initial maximum rent for each unit is based upon the unit's deed Level restriction, and published TCAC rent figures by bedroom size. Maximum initial rents are reflected in Table 3, below:

Table 3- 2005 Maximum Rent Levels by Bedroom Size and Level

Bedroom Size	Efficiency	1 BR	2BR	3BR	4BR	5BR
Level 1-50%	\$523	\$560	\$672	\$777	\$867	\$956
Level 2-60%	\$628	\$672	\$807	\$933	\$1041	\$1148
Level 3-80%	\$837	\$896	\$1075	\$1243	\$1387	\$1530
Level 4-100%	\$1046	\$1120	\$1344	\$1554	\$1734	\$1912
Level 5-120%	\$1255	\$1344	\$1613	\$1865	\$2081	\$2294

If utilities are not included in the rent, a standard utility allowance as provided by the Inyo/Mono Advocates for Community Action, or any other agency or nonprofit corporation that administers the Federal Housing Voucher Program in Mono County will be utilized to determine the appropriate utility allowance(s) and deducted from the maximum rent figure.

Section 2 Rental Increases

Rents shall only increase based upon new TCAC rent figures, or if actual household income increases by more than 20% of the target deed income level.

If actual household income increases by more than 20% of the target deed income level after an examination of a tenants income, the monthly rent shall be increased to equal thirty percent (30%) on the product of (a) the new actual annual income for the household, divided by (b) twelve (12), and thereafter, any rent collected by owner in excess of the then current target deed income level shall be paid to MLH for deposit into its Workforce Housing Fund.

Part V Procedures for the Rental of Workforce Housing

Section 1 Leases

Leases are subject to the individual property manager and may vary between each rental property, so long as not inconsistent with these guidelines. In the event of any ambiguity between the lease agreement and these guidelines, the MLH guidelines shall prevail.

Section 2 Security Deposit

Security deposits are subject to the individual property managers and may vary between each rental property.

Section 3 Number of Cars for Rental Property

Parking spaces and allocation and any associated restrictions on the number of cars each rental unit may park on site is subject to the individual property managers and may vary between each rental property.

Part VI Pet Policy

No pets are permitted in any MLH rental workforce housing unit, except those allowed by California or Federal Law.

Upon request, exceptions will be made for service animals that are required to assist people with disabilities.

Part VII

Special Review and Appeals

Section 1

Special Reviews

Special review requests for a variance from the Guidelines may be requested through MLH, and decisions regarding the requirements will be at the sole discretion of MLH as it deems appropriate.

There is a special review application fee of \$50.

Section 2

Public Employer

A qualified public employer may apply for a variance from the Guidelines on behalf of their employee. A qualified public employer includes: The Town of Mammoth Lakes; Mono County; Mono County Office of Education; Mammoth Unified School District; Mammoth Hospital District; Mammoth Lakes Fire District; Mammoth Community Water District; United States Forest Service; State of California; National Park Service; United State Postal Service.

There is a standard application fee of \$25.

Section 3

Priority Employer

MLH, at its sole discretion, may enter into special agreements with entities or organizations to help facilitate the provision of workforce housing. These agreements may allow for priority access to workforce housing controlled by MLH, and may allow MLH to modify or waive these Guidelines for such entities or organizations.

Section 4

Appeals and Grievances

There will be a process for Appeals or Grievances through MLH.

Part VIII

Amendments

The Guidelines will be amended as the need arises. All amendments will be adopted by the MLH Board of Director's at a publicly noticed meeting.

Written notice of all amendments adopted will be provided to each rental unit household and shall become effective 30 [as soon as legally allowed](#) days after the date of the notice. In addition, all amendments will be available for inspection and review at the MLH office after adoption.

PART IX

Glossary

Please note that this glossary defines some of the applicable terms. The glossary also contains additional provisions and requirements for the program. Please read carefully.

Applicant – The household that is applying for or on a waitlist for workforce housing.

Area Median Income – A Department of Housing and Urban Development statistic that reflects annual median for different sized families for each county. For purposes of these guidelines, the Area Median Income is for Mono County.

Assets – Anything owned by an individual that has commercial or exchange value. Assets consist of specific property or claims against others, in contrast to obligations due others. See also Gross Assets and Net Assets.

Capital Improvement – Unless otherwise defined in the deed restriction of the workforce housing unit, any MLH approved fixture erected as a permanent improvement to real property excluding repair, replacement, and maintenance costs.

Co-signer – A joint signatory of a promissory note who shall not occupy the unit unless qualified by MLH.

Deed Restriction – A contract entered into between the MLH and the owner or purchaser of real property identifying the conditions of occupancy and resale.

Deed Restricted Covenant – The document that contains the details the deed restriction.

Developed Property – Any real residential property within Mono and/or Inyo counties that has on it a dwelling unit or mobile home.

Employer – A business whose business address is located within the Town of Mammoth Lakes, whose business employs employees (as defined herein) within the Town of Mammoth Lakes, and whose business taxes are paid in the Town of Mammoth Lakes. If an employer is not physically based in Mammoth Lakes, an employee must be able to verify that they work in Mammoth Lakes a minimum of 20 hours a week on average in a calendar year.

Financial Statement – A statement detailing all personal assets, liabilities, and net worth (the difference between assets and liabilities) as of a specific date.

Gross Assets – Anything which has tangible or intangible value, including property of all kinds, both real and personal, includes among other things, patents and causes of action which belong to any person, as well as any stock in a corporation and any interest in the estate of a decedent; also, the entire property of a person, association, corporation, or estate that is applicable or subject to the payment of debts. Gross assets shall include funds or property held in a living trust or any similar entity or interest, where the person has management rights or the ability to apply the assets to the payment of debts.

Gross Income – The total income to include alimony and child support derived from a business, trust, employment, and from income producing properties, before deductions for expenses, depreciation, taxes, and similar allowances.

Household – All individuals who will be occupying the unit regardless of legal status, marital status, or relationship to one another.

Household Net Assets – Combines net assets of all individuals who will be occupying the unit regardless of legal status.

Household Income – Combined gross income of all individuals who will be occupying the unit regardless of legal status. Adjustments to the gross for business expenses can be made for persons who are self-employed.

Household Size – The number of all individuals regardless of age and legal status who will occupy the unit.

Income From Non Employment Sources – Income that is part of a household's total gross income that is not attributed to payment for work performed including but not limited to: investment dividends; trust funds; income from real property; and allowances.

Joint Tenancy – Ownership of real estate between two or more parties who have been named in one conveyance as joint tenants. Upon the death of one tenant, surviving joint tenant(s) have the right of survivorship.

Level – Corresponds to the income and assets limits for various household sizes.

- Level 1 = 50% AMI
- Level 2 = 60% AMI
- Level 3 = 80% AMI
- Level 4 = 100% AMI

Level 5 = 120% AMI

Mammoth Lakes Housing, Inc. or MLH – Non-profit corporation responsible for developing and managing workforce housing.

Net Assets – Gross assets minus liabilities. Retirement accounts will be reviewed on a case-by-case basis to determine whether or not they shall be included as a net asset.

Percent AMI or %AMI – A comparison of actual household incomes to the Area Median Income reflected as a percentage.

Primary Residence – The sole and exclusive place of residence. The owner or renter shall be deemed to have ceased to use the unit as his/her sole and exclusive place of residence by accepting permanent employment outside of the Town of Mammoth Lakes, or residing in the unit fewer than nine (9) months out of any twelve (12) months.

Qualified Employee – A person who is employed on the basis of a minimum of 20 hours worked per week on average over a 12-month period, in the community of Mammoth Lakes, and must reside in the unit a minimum of nine (9) months out of a year. If self employed, the worker must provide verification of the work done in the community of Mammoth Lakes.

TCAC- The Tax Credit Allocation Committee of the State of California.

Tenancy In Common – Co-ownership in which individuals hold an undivided interest in real property as if they were a sole owner.

Tenant – A person who is leasing or has leased a deed restricted unit which is subject to these Guidelines, and any qualifying potential lessee or past lessee of any such deed restricted unit, but only with respect to any issue arising under these Guidelines.

Undeveloped Property – Any real property within Mono and/or Inyo counties that is strictly bare land with no dwelling unit or mobile home.

Workforce Housing – Dwelling units restricted to the housing size and type for individuals meeting asset, income, and minimum occupancy guidelines approved by Mammoth Lakes Housing, Inc., Town of Mammoth Lakes Town Council, or other local agencies, whichever shall apply.