

Policies and Procedures for Monitoring Inclusionary Zoning Units

Policies

- 1) Working with Community & Economic Development Office (CEDO) Director, CEDO's Housing Program Manager (or their designee) shall be responsible for overseeing the monitoring and compliance for Inclusionary Zoning (IZ) units.
- 2) All known IZ units shall be monitored annually per the below with the exception of any unit which has been encumbered by a permanent (99 year) affordability covenant by another funding and monitoring agency if CEDO has been confirmed that the income, rent, and purchase price limits are at least as restrictive as the IZ ordinance. For rental housing, this includes the permanent affordability covenants of the Vermont Housing & Conservation Board. For homebuyer projects, this includes the shared equity covenants of the Champlain Housing Trust and Green Mountain Habitat for Humanity. It is expressly understood that these units are in compliance with the IZ ordinance unless CEDO has any evidence to the contrary.
- 3) The income requirements for IZ units are understood to apply to initial occupancy only. If tenant or homebuyer household income rises above the qualifying threshold after initial occupancy, this shall not trigger the termination of a tenant lease.

Procedures

Project Completion & Initial Occupancy Monitoring

- 1) Household income for the IZ units per the executed Housing Subsidy Covenant must be at or below the applicable annual median income limit (100% for rental and 75%/80% for homebuyers). Household income shall include all sources of income for all prospective occupants 18 or older.
- 2) Total rent and or sale price shall not exceed the maximum per the executed Housing Subsidy Covenant.
- 3) For rental housing, once the IZ units are fully occupied with income eligible tenants, owner shall send to Housing Program Manager the following information for each IZ unit:
 - a. Names of tenant(s)
 - b. Unit address
 - c. Total household income

- d. Total rent paid by tenant
 - e. Date lease was signed
- 4) For homebuyer housing, prior to conveyance the seller/buyer shall send to Housing Program Manager the following information for each IZ unit:
- a. Names of tenant(s)
 - b. Unit address
 - c. Total household income
 - d. Proposed sale price
- 5) Housing Program Manager shall examine the submitted materials and check for compliance.

Post-Completion Monitoring

Owner-occupied units

- 1) Upon a change in occupancy, owner shall follow the requirements of “Initial Occupancy” above.
- 2) Annually, CEDO shall monitor for occupancy per the same self-certification form used for HOME and CDBG monitoring. CEDO shall confirm that the owner information matches our records and that the owner is aware of the IZ requirements.
- 3) Housing Program Manager (or their designee) shall examine the submitted materials and check for compliance.

Rental units

- 1) Upon a change in occupancy, owner shall follow the requirements of “Initial Occupancy” above.
- 2) Annually, CEDO shall send to the owner income and rent limits after U.S. Department of Housing and Urban Development releases local data.
- 3) Annually, CEDO shall contact the owner reminding them of requirements and requesting information regarding current occupants and tenant(s) to confirm that the unit is in compliance with IZ requirements. This may include, but not be limited to, collecting information such as copies of leases.

- 4) Annually, CEDO shall contact the tenant to confirm rent and occupancy information.
- 5) Housing Program Manager (or their designee) shall examine the submitted materials and check for compliance.