

Procedures for Submitting a New Tenant for Income Certification

All new tenants of affordable units are required to be “income-certified” by the City of Pacific Grove prior to taking occupancy of an affordable unit.

The procedure is as follows:

1. The prospective tenant selected by the property owner/manager to occupy the affordable unit shall complete a *Tenant Income Certification* form and provide evidence of income as specified on page 2 of the form.
2. The *Tenant Income Certification* form along with copies of the evidence of income shall be submitted to the City by the owner/manager for review.
3. The City will conduct its review to determine if the income documentation provided by the tenant is complete and verifies that the prospective tenant meets the income requirements of the affordable unit.
4. The City will review and verify if the reported rent falls within the allowable limits for the unit.
5. The City will notify the owner/manager in writing if the prospective tenant has met the income requirements and if the rent meets the allowable rent limits required for the affordable unit.

***Note:** The City recognizes the importance of providing decisions about tenant eligibility as quickly as possible. If the information provided by the tenant is complete, a review and determination of eligibility is usually made within 24-48 hours. Additionally, the City will call or email the property owner/manager with our determination so that he/she does not have to wait to receive the notification in the mail.

CITY OF PACIFIC GROVE

COMMUNITY DEVELOPMENT DEPARTMENT- HOUSING DIVISION

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TENANT INCOME CERTIFICATION

SECTION 1: PROPERTY INFORMATION - OWNER COMPLETES THIS SECTION

Address of unit/apt # to be rented _____

Name/Address/Phone of Landlord _____

Rent charged per month \$ _____ Does tenant pay utilities? Yes No

SECTION 2: TENANT COMPLETE THIS SECTION: TENANT(S) INCOME INFORMATION

Names of each household member

Dates of Birth

Day Time Phone&Email _____

For purposes of determining eligibility in accordance with income guidelines, your household **ANNUAL INCOME MUST** be determined. **ANNUAL INCOME will include the following, for all adult members of the household.** For clarification of what is included/excluded in annual gross income see attached Exhibit 3.1 & 3.2.

1. Gross wages and salary before deductions.
2. Net money income from self-employment.
3. Cash income received from such sources as rental units, child support, alimony, Social Security benefits, pensions, and periodic income from insurance policy annuities.
4. Periodic cash benefits from public assistance and other compensation, including Cal Works, SSI, Worker's Compensation, State Disability Insurance and Unemployment benefits.
5. Interest earned on savings and investments.

SOURCE	ACTUAL RECEIVED LAST YEAR	CURRENT MONTHLY	PROJECTED CURRENT ANNUAL
Applicant's Employment	\$ _____	\$ _____	\$ _____
Co-applicant's Employment	\$ _____	\$ _____	\$ _____
Social Security	\$ _____	\$ _____	\$ _____
Unemployment/SDI	\$ _____	\$ _____	\$ _____
Pension/Retirement	\$ _____	\$ _____	\$ _____
Other Income	\$ _____	\$ _____	\$ _____
Other Income	\$ _____	\$ _____	\$ _____
TOTALS:	\$ _____	\$ _____	\$ _____

SECTION 3: TENANT PROVIDES EVIDENCE OF INCOME

In order to determine the tenants' income eligibility copies of the following documents are required from each adult tenant in the household that is 18 years or older. **Failure to complete and/or submit items A-E will cause a delay in the certification of your application.**

Description of Evidence	Check the appropriate box below	
A. Copies of most current 6 months of bank statements.	<input type="checkbox"/> Yes, I have attached this information.	<input type="checkbox"/> No, I do not have checking or savings accounts.
B. Copies of last 2 years Federal income tax returns.	<input type="checkbox"/> Yes, I have attached this information.	<input type="checkbox"/> No, I am not required to file Federal tax returns.
C. Copies of Social Security annual benefit statement.	<input type="checkbox"/> Yes, I have attached this information.	<input type="checkbox"/> No, I do not receive this benefit.
D. Copy of SSI/SSD annual benefit statement	<input type="checkbox"/> Yes, I have attached this information.	<input type="checkbox"/> No, I do not receive this benefit.
E. Copies of 3 months paycheck stubs from all employers.	<input type="checkbox"/> Yes, I have attached this information.	<input type="checkbox"/> No, I am not employed.

SECTION 4: ASSETS

List all of the assets owned by members of this household. Complete all of the blanks for any questions answered with a YES. (Attach additional sheets if necessary.)

ACCOUNTS	YES	NO	NAME ON ACCOUNT	ACCOUNT NUMBER	ACCOUNT VALUE	BANK/SOURCE/ NAME/ADDRESS/PHONE
Checking Account						
Savings Account						
Money Market Account						
Certificate of Deposit						
Trust Accounts						
Stocks or Bonds						
IRA/KEOGH						
Other Retirement						
Rental Property						
Other Real Estate						
Other						

Have you and/or any household members disposed of any real property within the past three years? **Yes** [] **No** []
 Type of real estate property disposed: _____ Value of real property: \$ _____

SECTION 5: TENANT(S) CERTIFICATION AND AUTHORIZATION

I/We have provided evidence of income with this application (as required in Section 3).

I/We authorize the City of Pacific Grove to request and obtain verifications of my/our income if necessary.

I/We certify that the above information and statements are true, accurate and complete to the best of my/our knowledge and are given under the penalty of perjury under the laws of the State of California.

I/We also understand and agree to participate in any monitoring conducted by the City of Pacific Grove to determine if the occupancy and income requirements for this rental unit are being met. Monitoring may include review of rent increases and tenant income information.

Applicant Signature

Date

Co-Applicant Signature

Date

This section to be completed by city personnel.

Application approved.

Maximum allowable monthly rent (including/not including utilities) is \$_____.

Note: Rent for this unit shall not be increased during the first year of occupancy. All rent increases must be reviewed by the City of Pacific Grove.

Application denied. Applicant(s) income exceeds income limits.

Other_____

Housing Program Manager

Date

**YOUR FINANCIAL INFORMATION WILL REMAIN CONFIDENTIAL &
WILL ONLY BY USED TO DETERMINE INCOME ELIGIBILITY**

Title 25 Section 6914 Gross Income Inclusions

“Gross income” shall mean the anticipated income of a person or family for the twelve-month period following the date of determination of income.

“Income” shall consist of the following:

(a) Except as provided in subdivision (b), “Exclusions”, all payments from all sources received by the family head (even if temporarily absent) and each additional member of the family household who is not a minor shall be included in the annual income a a family. Income shall included, but not be limited to:

- (1) The gross amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips and bonuses;
- (2) The net income from operation of a business or profession or from rental or real or personal property (for this purpose, expenditures for business expansion or amortization of capital indebtedness shall not be deducted to determine the net income from a business);
- (3) Interest and dividends;
- (4) The full amount of periodic payments received from social security, annuities, insurance policies, retirement funds, pensions, disability or death benefits and other similar types of periodic receipts;
- (5) Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation and severance pay
- (6) Public Assistance. If the public assistance payment includes an amount specifically designated for shelter and utilities which is subject to adjustment by the public assistance agency in accordance with the actual cost of shelter and utilities, the amount of public 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 and utilities, plus
 - (B) The maximum amount which the public assistance agency could in fact allow for the family for shelter and utilities,
- (7) Periodic and determinable allowances such as alimony and child support payments, and regular contributions or gifts received from persons not residing in the dwelling;

All regular pay, special pay and allowances of a member of the Armed Forces (whether or not living in the dwelling) who is head of the family or spouse.

Title 25 Section 6914 Gross Income Exclusions

- (b) The following items shall not be considered as income:
- (1) Casual, sporadic or irregular gifts;
 - (2) Amounts which are specifically for or in reimbursement of the cost of medical expenses;
 - (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;
 - (4) Amounts of educational scholarships paid directly to the student or to the educational institution, and amounts paid by the government to a veteran for use in meeting the costs of tuition, fees, books and equipment. Any amounts of such scholarships, or payments to veterans not used for the above purposes of which are available for subsistence are to be included in income;
 - (5) The special pay to a serviceman head of a family away from home and exposed to hostile fire;
 - (6) Relocation payments made pursuant to federal, state, or local relocation law;
 - (7) Foster child care payments;
 - (8) The value of coupon allotments for the purchase of food pursuant to the Food Stamp Act of 1964 which is in excess of the amount actually charged the eligible household;
 - (9) Payments received pursuant to participation in the following volunteer programs under the ACTION Agency:
 - (A) National Volunteer Antipoverty Programs which include VISTA, Service Learning Programs and Special Volunteer Programs.
 - (B) National Older American Volunteer Programs for persons aged 60 and over which include Retired Senior Volunteer Programs, Foster Grandparent Program, Older American Community Services Program, and National Volunteer Program to Assist Small Business Experience, Service Corps of Retired Executive (SCORE) and Active Corps of Executives (ACE).