



TROUBLESHOOTING TIPS FOR BELOW MARKET RATE (BMR) RENTAL UNITS: HOUSEHOLD CHANGES

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TRAINING GOALS

This training provides staff with solutions to common issues with BMR household changes.

Notes on key terms in this training:

- “BMR” refers to BMR rental housing, not the BMR Ownership Program for first time homebuyers
- “Staff” refers to property management staff

RELATED TRAININGS IN BMR SERIES



INTRODUCTION
TO BMR RENTAL
HOUSING



INCOME
ELIGIBILITY



REPORTING BEST
PRACTICES



TROUBLESHOOTING
ASSISTANCE



WAITLIST
REASONABLE ACCOMMODATIONS
PROGRAM MANAGEMENT

HOUSEHOLD CHANGES

- These are changes to household income or member size after moving into a BMR unit
- Each year, at the time of recertification, the BMR household must provide updated information on its household income and member composition

GENERAL TIPS FOR PROCESSING HOUSEHOLD CHANGES

1. Collect verification of household change
2. Review Affordable Regulatory Agreement to verify property rules regarding the change
3. If necessary, contact the City to discuss options available to the household
4. Communicate options to household

Note: Notify the household early in the discussion if any changes or moves will result in their rent changing.

GOOD TENANT COMMUNICATION

Send written notification whenever a decision is made regarding a household change. Well-written notices contain the following:



Date



Household name/
applicant ID
number



Deadline for a
response



Appeal process
for a decision (if
applicable)



Contact
information for
the preferred
method of
response.
e.g. An email address or
mailing address



Name of the
property staff
member who
prepared the
notice

BEST PRACTICES SCENARIOS FOR: INCOME CHANGE

INCOME CHANGES: INCREASE

Scenario: A household's income increases so much that the household is no longer eligible for the unit.

- **Step 1:** Verify the income level change by calculating household gross annual income using income verification documents
 - Refer to the Income Eligibility for BMR Rental Units for guidance on calculating income
 - If a household's annual gross income is above the applicable income limit for the unit, the household MAY no longer qualify
 - Review your Affordable Regulatory Agreement for guidance on next steps. Some allow:
 - Tenant's income to go up to 140% AMI
 - Tenant to move up to another affordable housing set-aside category

INCOME CHANGES: INCREASE

- **Step 2:** Review other vacant BMR units to determine if the household's current gross annual income falls below the applicable income limit maximums of those units
 - If so, the household may transfer to another affordable category:
 - The household is not required to transfer to another unit
 - The property must submit a request to the City to designate a replacement BMR unit for the previous Affordable category

INCOME CHANGES: INCREASE

- **Step 3:** If the household is not eligible for another vacant BMR unit on the property, the household may be offered a vacant market rate unit
 - If the household declines to vacate the unit or move into a market rate unit, the BMR unit may technically transform to a market rate unit 60 days after the income change
- **Always contact the City to discuss available options prior to transitioning a BMR unit to a market rate unit or requesting that a household vacate the property**
 - Refer to the Troubleshooting Tips for BMR Rental Units: Program Management training for guidance on converting a BMR unit to market rate

BEST PRACTICES SCENARIOS FOR: HOUSEHOLD SIZE CHANGE

HOUSEHOLD SIZE CHANGE: DECREASE

Scenario: A household member moves out of the unit and the household no longer meets the occupancy standards for the size of their unit.

- **Step 1:** Verify the occupancy standards for the BMR unit by reviewing the property's Marking and Leasing Plan
 - If the household does not meet the minimum number of household members for the unit, verify whether the household has a reasonable accommodation for a unit of its size

HOUSEHOLD SIZE CHANGES: DECREASE

- **Step 2:** If the household does not have a reasonable accommodation for this larger unit, review vacant BMR units to locate a unit of the size needed
 - If a matching vacant BMR unit is available, the household may transfer to that unit

HOUSEHOLD SIZE CHANGE: DECREASE

- **Step 3:** If there is no matching vacant BMR unit, do not ask the household to move to a market rate unit or vacate the property
- Instead, contact the City to discuss if an exemption to the occupancy standard is possible to prevent displacement
 - If there a market rate unit available with the appropriate bedroom size, request the City allow for the transfer of the BMR status to the market rate unit
- Always provide written notification of a new unit's rent prior to allowing move-in

HOUSEHOLD SIZE CHANGES: INCREASE

Scenario: Due to the birth of additional children, household size is greater than what it was at move-in.

- There are no occupancy maximums, so a household cannot exceed the occupancy standards
- Contact the City for help with any additional questions

WHERE TO SUBMIT QUESTIONS

- Please submit any questions to:
 - City of Emeryville Economic Development and Housing Division
 - Email: housing@emeryville.org or Emeryville@hellohousing.org