

---

**THE RESIDENCES  
UNIT 7C EVERGREEN WALK  
SOUTH WINDSOR, CONNECTICUT**

---

**Housing Affordability Plan for Household  
Income and Rental Price Restrictions for HOD  
for Workforce Housing**

**Submission Draft  
August 22, 2023**

**Submitted by Longleaf Developers, L.L.C. to the  
Town of South Windsor Planning & Zoning Commission**

**PREPARED BY:**  
Alter & Pearson, LLC  
701 Hebron Avenue  
P.O. Box 1530  
Glastonbury, CT 06033

## **Introduction**

Longleaf Developers, L.L.C., submits this Housing Affordability Plan, with its Site Plan Application, to the Town of South Windsor Planning and Zoning Commission (the “Commission”), for the proposed 165-unit multi-family residential rental community located on real property known as Unit 7C, Evergreen Walk, South Windsor, Connecticut (the “Community”). Twenty-one of the units will be preserved as workforce housing.

Under this plan, 21 of the residential rental units will qualify as “affordable housing” as defined by the Connecticut Department of Housing and will be counted on the Department’s Ten Percent list of affordable and deed-restricted housing units as directed by Connecticut General Statutes §8-30g. All 21 units will be maintained as affordable units for 40 years to families earning eighty percent (80%) or less of the area or state median income, whichever is less. This Housing Affordability Plan (“Plan”), which is proposed as a condition of Site Plan approval by the Commission, satisfies these requirements and describes how the affordable housing apartment homes will be administered.

### **I. Apartment Homes Designated as “Housing Opportunity Development Units”.**

21 Units will be designated as “Housing Opportunity Development Units” (“HOD Units”). The initial designation of the HOD Units is set forth in Schedule B attached hereto.

### **II. Forty (40) Year Period.**

The HOD Units shall be designated as affordable for forty (40) years after the initial occupation of the Community. The 40 years shall be calculated for each HOD Unit beginning on the date that the certificate of occupancy is issued for each HOD Unit.

### **III. Construction and Dispersion.**

All 21 HOD Units will be built and offered for rental within the time that market-rate units are completed and offered for rental in proposed Buildings 10 and 11.

### **IV. Nature of Construction of HOD Units.**

All HOD Units shall have the same quality and features as the market rate units; see Schedule A. All units shall be constructed in substantial conformance with the site plans and floor plans approved in the zoning approval for the Community, as may be modified based on the requirements of the South Windsor Building Official, Town of South Windsor Building Department or other Town staff in signing off on administrative permits or approvals.

**V. Entity Responsible for Administration and Compliance.**

This Plan will be administered by LONGLEAF DEVELOPERS, L.L.C., or its successors and assigns (the “Administrator”). LONGLEAF DEVELOPERS, L.L.C. hereby represents that its staff has the experience necessary to administer this Plan. The initial principal point of contact under this Plan shall be Howard S. Rappaport. Contact information for the principal point of contact shall be provided to the Town of South Windsor and the Commission prior to the issuance of Certificates of Occupancy.

The Administrator shall submit annually by January 31 a written status report, demonstrating compliance with the affordability and occupancy rules as provided herein, to the Commission and/or its designee.

The role of Administrator may be transferred or assigned to another entity, provided that such entity has the experience and qualifications to administer this Plan. In the event of any assignment of the role of Administrator, LONGLEAF DEVELOPERS, L.L.C., or its successors, will provide prior written notice to the Commission.

**VI. Notice of Initial Rental of HOD Units.**

Except as provided in Section X of this Plan and subject to Section VIII, during the initial lease-up of the Community, the Administrator shall provide notice of the availability for rental of each HOD Unit. Such notice shall be provided, at a minimum, by advertising at least two times in a newspaper of general circulation in the Town of South Windsor. The Administrator shall also provide such notice to the Commission and to the Clerk of the Town of South Windsor. Such notice shall include a description of the available HOD Unit(s), the eligibility criteria for potential residents, the maximum rental price (as hereinafter defined), and the availability of application forms and additional information. All such notices shall comply with the federal Fair Housing Act, 42 U.S.C. §§ 3601 et seq. and the Connecticut Fair Housing Act, C.G.S. §§ 46a-64b et seq. (together, the “Fair Housing Acts”).

**VII. Resident Eligibility.**

Eligibility of applicants to lease a HOD Unit in the Community shall be determined by the Administrator in accordance with this Plan.

**VIII. Affirmative Fair Housing Marketing Plan.**

The rental of both HOD Units and market-rate units in the Community shall be publicized, using State regulations for affirmative fair housing marketing programs as guidelines. The purpose of such efforts shall be to apprise residents of municipalities of relatively high concentrations of minority populations of the availability of such units. The Administrator shall have responsibility for compliance with this section. Notices of initial availability of units shall

be provided, at a minimum, by advertising at least two times in a newspaper of general circulation in such identified municipalities. The Administrator shall also provide such notices to the Commission and the local or regional housing authority. Such notices shall include a description of the available HOD Unit(s), the eligibility criteria for tenants, and the availability of application forms and additional information.

Using the above-referenced State regulations as guidelines, dissemination of information about available HOD Units and market-rate units shall include:

- A. Analyzing census, Connecticut Department of Economic and Community Development town profiles, and other data to identify racial and ethnic groups least likely to apply based on representation in South Windsor's population, including Asian Pacific, Black, Hispanic, and Native American populations.
- B. Announcements/advertisements in publications and other media that will reach minority populations, including newspapers and radio stations serving South Windsor and other towns in the metropolitan statistical area and regional planning area, and advertisements or flyers likely to be viewed on public transportation or public highway areas.
- C. Announcements to social service agencies and other community contacts serving low-income minority families (such as churches, civil rights organizations, the housing authority, and other housing authorities in towns represented in South Windsor's metropolitan statistical area and regional planning agency, legal services organizations, etc.).
- D. Assistance to minority applicants in processing applications.
- E. Marketing efforts in the geographic area of high minority concentrations within the housing market area and metropolitan statistical area.
- F. Beginning affirmative marketing efforts prior to general marketing of units and repeating again during initial marketing and at fifty percent (50 %) completion and thereafter at reasonable period intervals with respect to re-rentals.

All notices shall comply with the federal and State Fair Housing Acts.

## **IX. Application Process.**

A person seeking to rent one of the HOD Units ("Applicant") must complete an application to demonstrate eligibility. The application form and process shall comply with the Fair Housing Acts.

*A. Application Form.*

The application form shall be provided by the Administrator and shall include an income certification form. In general, “income” for purposes of determining an Applicant’s qualification shall include the Applicant family’s total anticipated income from all sources for the twelve (12) month period following the date the lease commences (the “Lease Begin Date”). If the Applicant’s financial disclosures indicate that the Applicant may experience a significant change in the Applicant’s future income during the twelve (12) month period, the Administrator shall not consider this change unless there is a reasonable assurance that the change will in fact occur.

In determining what is and is not to be included in the definition of annual family income, the Administrator shall use the criteria set forth by HUD and listed on Schedule C, attached.<sup>1</sup>

*B. Applicant Interview.*

The Administrator shall interview an Applicant upon submission of a completed application. Specifically, the Administrator shall, during the interview, undertake the following:

1. Review with the Applicant all the information provided on the application.
2. Explain to the Applicant the requirements for eligibility, verification procedures, and the penalties for supplying false information.
3. Verify that all sources of family income and family assets have been listed in the application. Make clear that the term “family” includes all individuals who are to occupy the home, and that no relationship by blood or marriage is required.
4. Request the Applicant to sign the necessary release forms to be used in verifying income. Inform the Applicant of what verification and documentation must be provided before the application is deemed complete.
5. Inform the Applicant that a decision as to eligibility cannot be made until all items on the application have been verified.

*C. Verification of Applicant's Income.*

Where it is evident from the income certification form provided by the Applicant that the Applicant is not eligible, additional verification procedures shall not be necessary. However, if the Applicant appears to be eligible, the Administrator shall require verification of the Applicant’s reported income.

---

<sup>1</sup> See 24 C.F.R. § 5.609. Federal regulations are subject to change, and it is the intent of this Plan to follow HUD regulations with respect to income certification as such regulations may be amended from time to time.

If applicable, the Applicant shall provide the documentation listed on Schedule D, attached hereto, to the Administrator. This list is not exclusive, and the Administrator may require any other verification or documentation as the Administrator deems necessary.

A sample rider to the lease agreement for HOD Units is attached hereto as Schedule E.

**X. Prioritization of Applicants for Initial Rental.**

If the number of qualified Applicants exceeds the number of HOD Units, then the Administrator shall compile a waiting list, from which Applicants will be selected on a first-come, first-served basis. For purposes of this section, an application shall be considered received when a completed and signed application form is submitted with the applicable application fee.

**XI. Maximum Rental.**

Calculation of the maximum rental (“Maximum Rental”) for a HOD Unit, calculated in accordance with CGS §8-30g, shall utilize the lesser of the area median income for the Town of South Windsor or the statewide median income as published by HUD as in effect on the day a lease is signed by the lessee of the HOD Unit (“Resident”). Such income shall then be adjusted for household size assuming occupancy by 1.5 persons per bedroom and using the adjustment formula adopted by HUD. The Maximum Rental Price shall be calculated as follows:

**ONE BEDROOM RENTAL UNIT FOR  
FAMILY EARNING LESS THAN 80 PERCENT  
OF STATEWIDE MEDIAN INCOME**

**SAMPLE  
COMPUTATIONS BASED  
ON FY 2023 DATA**

- |    |  |           |
|----|--|-----------|
| 1. | Determine lower of relevant year (2023) area median income for Hartford-West Hartford-East Hartford, CT HUD Metro FMR Area (\$118,100) or statewide median income (\$119,500), adjusted for family size (family of 4), as published by HUD | \$118,100 |
| 2. | Determine adjusted income for a household of 1.5 persons by calculating 75 percent of Item 1   | \$88,575  |
| 3. | Calculate 80 percent of Item 2   | \$70,860  |
| 4. | Calculate 30 percent of Item 3, representing maximum portion of a family's income that may be used for housing   | \$21,258  |
| 5. | Divide Item 4 by 12 to determine maximum monthly housing expense   | \$1,772   |
| 6. | Compare HUD 2022 Fair Market Rents for Hartford-West Hartford-East Hartford, CT HUD Metro FMR Area (\$1,054) times 120 percent   | \$1,449   |
| 7. | Use lesser of calculated maximum monthly expense (Item 5) and HUD fair market rent (Item 6)  | \$1,449   |
| 8. | Determine by reasonable estimate monthly expenses for heat and utility costs, excluding telephone and cable television but including any fee required for all tenants (tenant responsible for such expenses).                              | \$125     |
| 9. | Subtract reasonable monthly expenses (Item 8) from maximum housing expense (Item 7) to determine maximum amount available for rent.  | \$1,324   |

**TWO BEDROOM RENTAL UNIT FOR  
FAMILY EARNING LESS THAN 80 PERCENT  
OF STATEWIDE MEDIAN INCOME**

**SAMPLE  
COMPUTATIONS BASED  
ON FY 2023 DATA**

1. Determine lower of relevant year (2023) area median income for Hartford-West Hartford-East Hartford, CT HUD metro FMR area (\$118,100) or statewide median income (\$119,500), adjusted for family size (family of 4), as published by HUD	\$118,100
2. Determine adjusted income for a household of 1.5 persons by calculating 75 percent of Item 1	\$106,290
3. Calculate 80 percent of Item 2	\$85,032
4. Calculate 30 percent of Item 3, representing maximum portion of a family's income that may be used for housing	\$25,510
5. Divide Item 4 by 12 to determine maximum monthly housing expense	\$2,126
6. Compare HUD 2022 fair market rents for Hartford-West Hartford-East Hartford, CT HUD metro FMR area (\$1,054) times 120 percent	\$1,799
7. Use lesser of calculated maximum monthly expense (Item 5) and HUD fair market rent (Item 6)	\$1,799
8. Determine by reasonable estimate monthly expenses for heat and utility costs, excluding telephone and cable television but including any fee required for all tenants (tenant responsible for such expenses)	\$150
9. Subtract reasonable monthly expenses (Item 8) from maximum housing expense (Item 7) to determine maximum amount available for rent	\$1649



**XII. Principal Residence.**

HOD Units shall be occupied only as a Resident's principal residence. Notwithstanding any zoning, subdivision or other regulation to the contrary, subleasing of HOD Units shall be prohibited.

**XIII. Requirement to Maintain Condition.**

All Residents are required to maintain their units. The Resident shall not destroy, damage, or impair the unit, or allow the unit to deteriorate, or commit waste on the unit. When a HOD Unit is offered again for rental, the Administrator shall cause the unit to be inspected.

**XIV. Change of Income or Qualifying Status of Resident.**

In the event that a Resident's income changes so as to exceed the qualifying maximum, or if the Resident otherwise becomes disqualified, such Resident must provide notice to the Administrator within seven (7) days of the disqualification. When a resident becomes disqualified, the Administrator may require the Resident to vacate the HOD Unit within sixty (60) days. The Administrator (or owner, if the Administrator is not the owner) may, in their sole discretion, elect to move the Resident to a market-rate unit, if the Resident satisfies the Administrator's (or owner's) normal criteria for such unit.

**XV. Enforcement.**

A violation of this Affordability Plan shall not result in a forfeiture of title, but the Commission shall otherwise retain all enforcement powers granted by the Connecticut General Statutes, including Section 8-12, which powers include, but are not limited to, the authority, at any reasonable time, to inspect the property and to examine the books and records of the Administrator to determine compliance of HOD Units with this Plan and applicable state statutes and regulations. Such records are confidential and not subject to disclosure under the Freedom of Information Act.

## **SCHEDULE A**

### **MINIMUM SPECIFICATIONS FOR EACH RESIDENTIAL APARTMENT HOME IN THE SOUTH WINDSOR UNIT 7C COMMUNITY**

#### **1. ROOF / CEILING**

- ✓ FIBERGLASS ASPHALT SHINGLES W/ GALVANIZED PRE-FORM METAL DRIP EDGE
- ✓ LAYER OF 15lb. ROOF FELT
- ✓ 1/2" OR 7/16" EXT. GRADE APA RATED O.S.B. PLYWD. SHEATHING EXPOSURE 1
- ✓ PRE-ENG. ROOF TRUSSES
- ✓ ICE AND WATER SHIELD (AT ALL EAVES, HIPS, AND VALLEYS TPY. 36")
- ✓ R-40 BLOWN IN CELLULOSE INSULATION
- ✓ 1/2" DEEP FURRING CHANNEL
- ✓ 1 LAYER 5/8" TYPE "X" GYP.
- ✓ AT EAVE:
- ✓ WD. FASCIA BOARD ALUM. WRAP
- ✓ PERFORATED VINYL SOFFIT

#### **2. EXTERIOR ENVELOPE**

- ✓ HORIZONTAL VINYL SIDING AND VERTICAL VINYL SIDING AS PER DESIGN WITH DIMENSIONAL VINYL TRIM COMPONENTS
- ✓ WEATHER RESISTANCE BARRIER
- ✓ 1/2" OSB EXT. SHEATHING
- ✓ 2 x 6 WOOD EXTERIOR WALL FRAMING AT 16" O.C.
- ✓ R-19 BATT INSULATION
- ✓ 5/8" TYPE "X" GYPSUM BOARD
- ✓ VINYL SINGLE-HUNG WINDOWS, DOUBLE GLAZED

#### **3. INTERIOR WALLS**

- ✓ 2 x 4 OR 2 X 6 WOOD STUDS AT 16" O.C. PER PLANS
- ✓ R-13 BATT INSULATION OR SOUND-ATTENUATION BLANKETS AS PER PLANS
- ✓ 5/8" TYPE "X" GYPSUM WALL BOARD AS PER PLANS

#### **4. ROOF FRAMING**

- ✓ PREMANUFACTURED WOOD TRUSS SYSTEM

#### **5. TYPICAL FLOOR CONSTRUCTION**

- ✓ 3/4" T&G PLYWOOD OR OSB
- ✓ MANUFACTURE WOOD FLOOR TRUSSES

- ✓ R-13 BATT INSULATION
- ✓ SOUND ATTENUATION
- ✓ 5/8" TYPE "X" GWB

**6. CONCRETE SLAB ON GRADE**

- ✓ 4" CONCRETE SLAB W/ 6 x 6 – 1.4 x 1.4
- ✓ VAPOR BARRIER PER SPECS LAP JOISTS 6" – 12" AND TAPE
- ✓ 2" THK PERIMETER INSULATION / THERMAL BREAK (MIN.R-10)  
APPLIED VERTICALLY FROM TOP OF SPREAD FOOTING TO TOP OF  
SLAB
- ✓ 6" WASHED STONE ON COMPACTED OR VIRGIN SOIL

**7. VERTICAL CONVEYANCE SYSTEM**

- ✓ PINE WOOD BOX WITH PINE TREADS AND OAK TREADS

**8. MECHANICAL HEATING AND COOLING**

- ✓ GAS FIRED A / C UNITS
- ✓ INSULATED FLEX DUCTS
- ✓ CEILING SUPPLY DIFFUSERS
- ✓ GAS PIPE

**9. ELECTRICAL**

- ✓ BUILDING ELECTRICAL SERVICE – HOUSE PANEL
  - VOLTAGE – 120 / 240 V
  - WIRE – FOUR
  - PHASE – 3 PHASE
  - AMPS – 2000
- ✓ BUILDING UNIT ELECTRICAL SERVICE – APARTMENT PANEL
  - VOLTAGE – 120 / 240V
  - WIRE – THREE
  - PHASE – SINGLE
  - AMPS -100
- ✓ EMERGENCY FIRE ALARM SYSTEM
  - FIRE ALARM ADA COMPLIANT HORN / STROBE DEVICE
  - FIRE ALARM PULL STATION
  - HEAT, SMOKE, AND CARBON MONOXIDE DETECTORS
  - APARTMENT CEILING SMOKE AND CARBON MONOXIDE DETECTOR  
WITH BUILT IN ALARM

**10. PLUMBING AND FIRE  
PROTECTION**

- ✓ FULLY AUTOMATIC SPRINKLER SYSTEM HYDRAULICALLY DESIGNED  
TO BE CONFORMING WITH NFPA-13R

- ✓ WATER METER ASSEMBLY CONFORMING TO THE LOCAL WATER COMPANY REQUIREMENTS WITH METER ASSEMBLY AND HIGH / LOW FLOW PRESSURE REGULATORS

## **11. UNIT FIT-OUT**

### Kitchen

- ✓ DROP-IN SINGLE BOWL SINK AND FAUCET
- ✓ DISHWASHER
- ✓ RANGE / OVEN
- ✓ MICROWAVE / ADA HOOD
- ✓ REFRIGERATOR

### Bathroom

- ✓ VANITY SINK AND FAUCET
- ✓ TOILET BOWL
- ✓ FIBERGLASS TUB / SHOWER SINGLE UNIT

### Unit Laundry

- ✓ WASHING
- ✓ DRYER

## **12. TYPICAL INTERIOR FINISHES**

### Hallway

- ✓ FLOOR – CARPET OR SHEET VINYL OR VINYL PLANK
- ✓ WALLS – GYP. BD.
- ✓ BASE – WOOD
- ✓ CEILINGS – GYPSUM WALL BOARD

### Living / Dining Room

- ✓ FLOOR – SHEET VINYL OR VINYL PLANK
- ✓ WALLS – GYP. BD.
- ✓ BASE – WOOD
- ✓ CEILINGS – GYP BD.

### Kitchen

- ✓ SHEET VINYL OR VINYL PLANK
- ✓ WALLS – GYP. BD.
- ✓ BASE – WOOD
- ✓ CEILINGS – GYP. BD

### Bedroom

- ✓ FLOOR – CARPET OR SHEET VINYL OR VINYL PLANK
- ✓ WALLS – GYP. BD.

- ✓ BASE – WOOD
- ✓ CEILINGS – GYP. BD.

Bathroom

- ✓ FLOOR – SHEET VINYL OR VINYL PLANK OR CERAMIC
- ✓ WALLS – GYP. BD.
- ✓ BASE – WOOD
- ✓ CEILINGS – GYP. BD.

ALL GYPSUM WALL BOARD WALLS AND CEILINGS TO BE PAINTED

**SCHEDULE B  
DESIGNATION OF HOD UNITS**

**Total Number of Apartment Homes:**

Market Rate Apartments	144
HOD Units	21
Total	165

**Number of Market-Rate and HOD Units by Number of Bedrooms:**

Number of Market-Rate and HOD Units by Bedroom Count			
	One Bedroom	Two Bedrooms	Total
Market Rate Apartments	55	89	144
HOD Units	8	13	21
Sub-total	63	102	165

The specific apartment units initially designated as HOD Units are as follows:

**ONE BEDROOM UNITS: 8 units**

			8 units at 80 percent
Building 10	4 units	10-102, 10-103, 10-203, 10-308	10-102, 10-103, 10-203, 10-308
Building 11	4 units	11-102, 11-103, 11-203, 11-302	11-102, 11-103, 11-203, 11-302

**TWO BEDROOM UNITS: 13 units**

			13 units at 80 percent
Building 10	6 units	10-107, 10-208, 10-302, 10-307, 10-402, 10-407	10-107, 10-208, 10-302, 10-307, 10-402, 10-407
Building 11	7 units	11-107, 11-205, 11-208, 11-308, 11-402, 11-403, 11-407	11-107, 11-205, 11-208, 11-308, 11-402, 11-403, 11-407

## UNIT DISPERSAL

### **Building Type**

### **Building No.**

37 units

Building 10: 10 HOD Units

4 – One Bedroom HOD Units

6 – Two Bedroom HOD Units

38 units

Building 11: 11 HOD Units

4 – One Bedroom HOD Units

7 – Two Bedroom HOD Units

**SCHEDULE C**  
**DEFINITIONS AND ELEMENTS OF ANNUAL FAMILY INCOME**

1. Annual income shall be calculated with reference to 24 C.F.R. § 5.609, and includes, but is not limited to, the following:
  - a. The full amount, before any payroll deductions, of wages and salaries, overtime pay, commissions, fees, tips, bonuses, and other compensation for personal services;
  - b. The net income from operations of a business or profession, before any capital expenditures but including any allowance for depreciation expense;
  - c. Interest, dividends, and other net income of any kind from real or personal property;
  - d. 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 payments;
  - e. Payments in lieu of earnings, such as unemployment and disability compensation, worker's compensation, and severance pay;
  - f. Welfare assistance. If the welfare assistance payments include an amount specifically designated for shelter and utilities that is subject to adjustment by the welfare assistance agency in accordance with the actual cost of shelter and utilities, the amount of welfare assistance to be included as income consists of the following:
    - (1) The amount of the allowance or grant exclusive of the amounts designated for shelter or utilities, plus
    - (2) The maximum amount that the welfare assistance agency could in fact allow the family for shelter and utilities;
  - g. Periodic and determinable allowances, such as alimony and child support payments, and regular contributions or gifts received from organizations or from persons not residing with the Applicant (e.g., periodic gifts from family members, churches, or other sponsored group, even if the gifts are designated as rental or other assistance);
  - h. All regular pay, special pay and allowances of a member of the Armed Forces, except combat pay as in 2.h, below;



- i. Any assets not earning a verifiable income shall have an imputed interest income using a current average annual savings interest rate.
- 2. Excluded from the definition of family annual income are items identified in 24 C.F.R. § 5309(c), including the following:
  - a. Income from employment of children (including foster children) under the age of 18;
  - b. Payments received for the care of foster children or foster adults;
  - c. 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;
  - d. Amounts received by the family that are specifically for, or in reimbursement of, the cost of medical expenses for any family member;
  - e. The full amount of scholarships paid directly to the student or to the educational institution (subject to 24 C.F.R. § 5.609(b)(9)).
  - f. Amounts received under training programs funded by HUD;
  - g. Income of a live-in aide, as defined in 24 C.F.R. § 5.403;
  - h. The special pay to a family member serving in the Armed Forces who is exposed to hostile fire;
  - i. Temporary, nonrecurring or sporadic income (including gifts that are not regular or periodic);
  - j. Reparation payments paid by a foreign government pursuant to claims filed under the laws of that government by persons who were persecuted during the Nazi era;
  - k. Earnings in excess of \$480 for each full-time student 18 years old or older (excluding the head of household and spouse);
  - l. Adoption assistance payments in excess of \$480 per adopted child;
  - m. Deferred periodic amounts from supplemental security income and social security benefits that are received in a lump sum amount or in prospective monthly amounts;
  - n. Amounts received by the family in the form of refunds or rebates under State or local law for property taxes paid on the dwelling unit;

4. Net family assets do not include the following:

- e. Assets that are not accessible to the Applicant and provide no income to the Applicant.

## **SCHEDULE D DOCUMENTATION OF INCOME**

The following documents shall be provided, where applicable, to the Administrator to determine income eligibility:

1. Employment Income.

Verification forms must request the employer to specify the frequency of pay, the effective date of the last pay increase, and the probability and effective date of any increase during the next twelve (12) months. Acceptable forms of verification (of which at least one must be included in the Applicant file) include:

- (a) An employment verification form completed by the employer.
- (b) Check stubs or earnings statement showing Applicant's gross pay per pay period and frequency of pay.
- (c) W-2 forms if the Applicant has had the same job for at least two years and pay increases can be accurately projected.
- (d) Notarized statements, affidavits or income tax returns signed by the Applicant describing self-employment and amount of income, or income from tips and other gratuities.

2. Social Security, Pensions, Supplementary Security Income, Disability Income.

- (a) Benefit verification form completed by agency providing the benefits.
- (b) Award or benefit notification letters prepared and signed by the authorizing agency. (Since checks or bank deposit slips show only net amounts remaining after deducting SSI or Medicare, they may be used only when an award letter cannot be obtained.)
- (c) If a local Social Security Administration ("SSA") office refuses to provide written verification, the Administrator should meet with the SSA office supervisor. If the supervisor refuses to complete the verification forms in a timely manner, the Administrator may accept a check or automatic deposit slip as interim verification of Social Security or SSI benefits as long as any Medicare or state health insurance withholdings are included in the annual income.

3. Unemployment Compensation.

- (a) Verification form completed by the unemployment compensation agency.

- (b) Records from an unemployment office stating payment dates and amounts.

4. Government Assistance.

- (a) All Government Assistance Programs. Agency's written statements as to type and amount of government assistance the Applicant is now receiving, including but not limited to assistance under the federal Section 8 program, and any changes in such assistance expected during the next twelve (12) months.
- (b) Additional Information for "As-paid" Programs: Agency's written schedule or statement that describes how the "as-paid" system works, the maximum amount the Applicant may receive for shelter and utilities and, if applicable, any factors used to ratably reduce the Applicant's grant.

5. Alimony or Child Support Payments.

- (a) Copy of a separation or settlement agreement or a divorce decree stating amount and type of support and payment schedules.
- (b) A letter from the person paying the support.
- (c) Copy of latest check. The date, amount, and number of the check must be documented.
- (d) Applicant's notarized statement or affidavit of amount received or that support payments are not being received and the likelihood of support payments being received in the future.

6. Net Income from a Business.

The following documents show income for the prior years. The Administrator must consult with Applicant and use this data to estimate income for the next twelve (12) months.

- (a) IRS Tax Return, Form 1040, including any:  
Schedule C (Small Business)  
Schedule E (Rental Property Income)  
Schedule F (Farm Income)
- (b) An accountant's calculation of depreciation expense, computed using straight-line depreciation rules. (Required when accelerated depreciation was used on the tax return or financial statement.)
- (c) Audited or unaudited financial statement(s) of the business.

- (d) A copy of a recent loan application listing income derived from the business during the previous twelve (12) months.
- (e) Applicant's notarized statement or affidavit as to net income realized from the business during previous years.

7. Recurring Gifts.

- (a) Notarized statement or affidavit signed by the person providing the assistance. Must give the purpose, dates, and value of gifts.
- (b) Applicant's notarized statement or affidavit that provides the information above.

8. Scholarships, Grants, and Veterans Administration Benefits for Education.

- (a) Benefactor's written confirmation of amount of assistance, and educational institution's written confirmation of expected cost of the student's tuition, fees, books, and equipment for the next twelve (12) months. To the extent the amount of assistance received is less than or equal to actual educational costs, the assistance payments will be excluded from the Applicant's gross income. Any excess will be included in income.
- (b) Copies of latest benefit checks if benefits are paid directly to student. Copies of canceled check or receipts for tuition, fees, books, and equipment, if such income and expenses are not expected to change for the next twelve (12) months.
- (c) Lease and receipts or bills for rent and utility costs paid by students living away from home.

9. Family Assets Currently Held.

For non-liquid assets, collect enough information to determine the current cash value (i.e., the net amount the Applicant would receive if the assets were converted to cash).

- (a) Verification forms, letters, or documents from a financial institution, broker, etc.
- (b) Passbooks, checking account statements, certificates of deposit, bonds, or financial statements completed by a financial institution or broker.
- (c) Quotes from a stockbroker or realty agent as to net amount Applicant would receive if Applicant liquidated securities or real estate.
- (d) Real estate tax statements if tax authority uses approximate market value.
- (e) Copies of closing documents showing the selling price, the distribution of the sales proceeds and the net amount to the borrower.

- (f) Appraisals of personal property held as an investment.
  - (g) Applicant's notarized statements or signed affidavits describing assets or verifying the amount of cash held at the Applicant's home or in safe deposit boxes.
10. Assets Disposed of for Less Than Fair Market Value ("FMV") During Two Years Preceding Lease Begin Date.
- (a) Applicant's certification as to whether it has disposed of assets for less than FMV during the two (2) years preceding the Lease Begin Date.
  - (b) If the Applicant states that it did dispose of assets for less than FMV, then a written statement by the Applicant must include the following:
    - (i) A list of all assets disposed of for less than FMV;
    - (ii) The date Applicant disposed of the assets;
    - (iii) The amount the Applicant received; and
    - (iv) The market value of the asset(s) at the time of disposition.
11. Savings Account Interest Income and Dividends.
- (a) Account statements, passbooks, certificates of deposit, etc., if they show enough information and are signed by the financial institution.
  - (b) Broker's quarterly statements showing value of stocks or bonds and the earnings credited to the Applicant.
  - (c) If an IRS Form 1099 is accepted from the financial institution for prior year earnings, the Administrator must adjust the information to project earnings expected for the next twelve (12) months.
12. Rental Income from Property Owned by Applicant.
- The following, adjusted for changes expected during the next twelve (12) months, may be used:
- (a) IRS Form 1040 with Schedule E (Rental Income).
  - (b) Copies of latest rent checks, leases, or utility bills.

- (c) Documentation of Applicant's income and expenses in renting the property (tax statements, insurance premiums, receipts for reasonable maintenance and utilities, bank statements or amortization schedule showing monthly interest expense).
- (d) Lessee's written statement identifying monthly payments due from the Applicant and Applicant's affidavit as to net income realized.

13. Full-Time Student Status.

- (a) Written verification from the registrar's office or appropriate school official.
- (b) School records indicating enrollment for sufficient number of credits to be considered a full-time student by the school.



**SCHEDULE E**  
**SAMPLE LEASE RIDER FOR HOUSING OPPORTUNITY (HOD) UNITS**

**2023 RIDER TO THE LEASE AGREEMENT**  
**FOR AFFORDABLE INCOME APARTMENTS (80%)**

**1. TERM AND PROVISIONS**

The annexed Lease Agreement for an affordable residential rental unit is for a term of at least (1) year.

This unit is being rented as an "affordable housing unit" and is also referred to as "set aside" housing as defined by §8-30g of the Connecticut General Statutes, and is to be rented at or below the lesser of 80 percent of the area median income for the Town of South Windsor, Connecticut, or 80 percent of the State Median Income as determined by the U.S. Department of Housing and Urban Development ("HUD"). (Rates are determined on an annual basis.) This unit is therefore subject to a limitation at the date of leasing and occupancy on the maximum annual income of the household that may occupy the unit and is subject to a limitation on the maximum monthly rent. These limitations shall be strictly enforced and may be enforced by the zoning enforcement authority of South Windsor. This development has been approved by the Planning & Zoning Commission of the Town of South Windsor, Connecticut, based in part on the condition that a defined percentage of residential rental units will be rented as affordable housing apartment homes. The Landlord is required by law to strictly enforce these restrictions.

**2. INCOME LIMITS**

Prior to the commencement of the lease term, resident must provide Landlord with a copy of his or her most recently filed Federal Income Tax Return (Form 1040 or 1040A) or any other proof requested or allowed by law for the purpose of verifying income. Resident must certify that such proof is true and accurate and that the total annual income of all the members of Resident's family who will occupy the unit subject to this lease does not exceed the amount set forth below which applies to the number of persons in Resident's family who will be residing in the subject unit:

FAMILY SIZE:

1	2	3	4
\$_____	\$_____	\$_____	\$_____

### 3. MAXIMUM RENTS

Notwithstanding anything in the Lease Agreement to the contrary, the total rent for the affordable housing residential rental units shall not exceed the amounts set forth below:

	MAXIMUM RENT	ACTUAL RENT	(Less a Utility Allowance)*
<u>1 bedroom:</u>			
Annual	\$ _____		
Monthly	\$ _____		\$ _____
<u>2 bedroom:</u>			
Annual	\$ _____		
Monthly	\$ _____		\$ _____

### 4. UTILITY ALLOWANCE

The monthly rent for an affordable rental unit includes a monthly allowance for utilities, which are heat, hot water, electricity, trash but excluding telephone and cable television. Heat and utility costs are calculated by a reasonable estimate.

### 5. CERTIFICATION OF INCOME

Prospective residents will be required to fill out an application form containing detailed instructions for calculating their family income and allowing the Administrator to verify the information. Applicants will be required to sign a verification of their review and understanding of the income maximums, the penalties for false information, and the applicable procedures in the event that their income increases at some future time above the allowable maximum. Applicants will also be required to provide appropriate documentation to verify their income. Incomes of resident(s) in each affordable unit will be re-verified annually at the time of the lease renewal.

This Agreement shall terminate, and the Resident may be evicted for failure to qualify, if the Resident has falsely certified family income or family composition. Such false certification constitutes material noncompliance under the Lease Agreement. Resident is obligated to provide such subsequent re-certification of income as the Landlord shall require.

The Town of South Windsor will be entitled to inspect the income statements of the residents of the affordable units upon which the Administrator bases the certification.

## **6. CHANGE OF INCOME**

In the event that an affordable unit resident's income changes so as to exceed the qualifying maximum or if the resident otherwise becomes disqualified, such resident must provide notice to the Landlord's representative within seven (7) days of the disqualification. When a resident becomes disqualified, the Administrator shall require the Resident to vacate the affordable housing Unit within sixty (60) days. The Administrator (or owner, if the Administrator is not the owner) in his sole discretion may elect to move the Resident to a market rate unit if the Resident satisfies the Administrator's (or owner's) normal criteria for such unit.

## **7. LANDLORD'S RIGHT TO INCREASE RENT**

In the event that the Resident's residence is no longer being subsidized under Section 8 of the United States Housing Act of 1937, the Landlord's right to increase the monthly rent shall be conditioned upon the Landlord's furnishing Resident with a notice at least sixty (60) days prior to such increase.

## **8. LANDLORD'S RIGHT TO REASSIGN PREMISES**

Whereas the monthly rent for this unit is calculated on the basis of the number of bedrooms in the unit, Resident may, during the term of the Lease, be reassigned to different premises if an increase or decrease in the number of Resident's family members residing in the unit warrants such a change under applicable statutes and regulations. In the event of such reassignment, Resident's monthly rent shall be based upon the size of the unit occupied for the remaining Lease term.

## **9. NO SUBLETTING OR ASSIGNMENT**

Subletting of affordable units shall be prohibited. In addition, the affordable unit shall be occupied only as the resident's principal residence.

## **10. RESTRICTIONS ON USE**

No portion of the unit may at any time during the term of this Agreement be used on a transient basis, for example, as a hotel, motel, fraternity house, sorority house, rooming house, hospital, nursing home, sanitarium, or rest home.

## **11. ACCESS TO COMMON FACILITIES**

Residents shall be given equal access with all other Residents, at an equal charge if any, to all on-site and all off-site common facilities of the Community. The Landlord shall ensure that handicapped or disabled individuals are afforded equal access to all facilities of the Community.

## **12. INTERPRETATION**

Unless otherwise indicated, the terms used herein shall have the same meaning ascribed to them in the main body of this Lease Agreement. This rider shall control any conflict between terms herein and the Lease Agreement.

## **13. PROCEDURES FOR INITIAL DESIGNATION AND LEASING OF HOD UNITS**

Attached to this Lease Agreement is the developer's initial designation of the units that shall be rented as HOD units. These units shall remain vacant until a qualified family is found.

In the event that the development is fully leased, and the development contains the minimum number of affordable units containing income-qualified families, if one of the families occupying these units vacates voluntarily or otherwise, this unit will be kept vacant until another qualified family is found.

**RIDER TO THE LEASE AGREEMENT  
FOR HOUSING OPPORTUNITY UNITS**

IN WITNESS WHEREOF, the parties hereto have executed this Rider to the Lease Agreement  
on the \_\_\_\_\_ day of \_\_\_\_\_ Year \_\_\_\_\_.

RESIDENT(S):

\_\_\_\_\_

PRINT NAME(S)

\_\_\_\_\_

DATE

\_\_\_\_\_

LONGLEAF DEVELOPERS, L.L.C.

SIGNATURE MANAGEMENT REPRESENTATIVE

\_\_\_\_\_