

INCOME AND DEMOGRAPHIC REPORT FOR CDBG-FUNDED MARKET-RATE RENTALS IN DOWNTOWNS AND NPPS

When CDBG dollars are used to rehabilitate multi-unit rental properties, the Department of Housing and Urban Development (HUD) requires that at least 1 in a 2 unit structure or at least fifty-one percent (51%) of the units in a structure with 3 or more units are affordable at initial occupancy, meaning the tenants' income is limited to 80% of the area median income (AMI), and the rents cannot exceed the HUD fair market rents (FMRs).

HUD allows up to forty-nine percent (49%) of the units in the structure to be market-rate, meaning that neither the income of the tenants nor the rents are restricted. MSHDA's Office of Community Development allows up to forty-nine percent (49%) of the units to be market-rate as well, **but only** for CDBG-funded rental properties located in downtowns or Neighborhood Preservation Program (NPP) areas.

Regardless of whether the unit is affordable or market-rate, HUD considers all units in the structure to be assisted, even unimproved units within the structure. Therefore, grantees are required to report income and demographic information for the tenants living in all of the units. The income verification process outlined in MSHDA OCD Policy Bulletin #11 must be utilized for the affordable units. HUD requires only minimal information to be reported for the market-rate units.

Landlords are required to submit one original of the attached document for each market-rate unit to the Grantee. Tenants may complete the form themselves, or the landlord may obtain the information from documentation collected during the tenant application process. Either way, the tenant must sign the form permitting this information to be shared. Although the tenants are required to sign the form, **their names will not be entered into HUD's IDIS or MSHDA's OPAL system.**

Complete the form on the reverse side.

Disclaimer: This sample draft document was developed by MSHDA Office of Community Development, to incorporate CDBG and MSHDA Rental Rehabilitation policy into the document. However, a MSHDA Grantee should consult with their attorney and amend this document as needed to insure that it is in compliance with any appropriate local, state, or federal laws applicable. Any amendments are subject to MSHDA OCD review.

AUTHORIZATION TO RELEASE REQUIRED INFORMATION

As the head of household for the address below, I hereby give permission for the following information to be shared with the Michigan State Housing Development Authority (MSHDA), and ultimately the U.S. Department of Housing and Urban Development (HUD). I understand that this information is being collected for statistical purposes only. I also understand that my name will not be reported to MSHDA or HUD.

Signature of the Head of Household

Date

Tenant Name:

Market
First

Rate
Last

Unit Address:

Street Address

Unit/Apt. #

City

MI
State

Zip

of Persons Living in Unit: _____

Annual Household Income: \$ _____

Total Gross income for all adult household members (age 18 or older)

Ethnicity of Head of Household is Hispanic or Latino:

Yes

No

Enter Race of the Head of Household from the list below: # _____

- (11) White
- (12) Black/African American
- (13) Asian
- (14) American Indian/Alaskan Native
- (15) Native Hawaiian/Pacific Islander
- (16) American Indian/Alaskan Native & White
- (17) Asian & White
- (18) Black/African American & White
- (19) American Indian/Alaskan Native & Black/African American
- (20) Other Multi-Racial

Enter Household Type from the list below: # _____

- 1. Single, Non-elderly
- 2. Elderly
- 3. Single Parents
- 4. Two Parents
- 5. Other