

Township of Livingston

# Affordability Assistance Program

Polices & Procedures Manual



**CGPH**

Community Grants, Planning & Housing  
*Good People. Great Results.*

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# Affordability Assistance Program

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## *Policies & Procedures Manual*

### **Introduction**

The purpose of this Manual is to describe the policies and procedures of the Affordability Assistance Program. This Manual describes the basic content and operation of the various affordable assistance programs. It has been prepared with a flexible format allowing for periodic updates of its sections, when required, due to revisions in regulations and/or procedures.

Where it is found that a new procedure may be more effective or can eliminate a recurring problem, that procedure may be incorporated into the program operation by amending this Operating Manual. In addition, this manual may be periodically revised to reflect changes in local, state, and federal policies and regulations relative to implementation of the Affordable Housing Programs described herein.

### **Types of Affordability Assistance**

The three types of affordability assistance are listed below. The specifics of each type are summarized in Appendix A.

1. ***First Months Rent*** – When applicants of affordable rental housing move into an affordable rental unit, they experience financial hardship resulting from paying the security deposit and first month's rent at the same time. To address this hardship, Livingston Township will pay for the first month's rent for renters moving into deed restricted affordable units. This assistance is a grant and does not need to be paid back. The Township has elected to pay for the first month rent rather than the security deposit so the tenant will have an incentive to maintain the unit in order to receive the security deposit back when they move out.
2. ***Create Additional Very Low Income Units***– Affordability assistance will be utilized to create additional very low income units by converting a moderate or low income unit into a very low income unit in new developments. The affordability assistance will result in additional very low income units beyond what is required by state affordable housing rules. Livingston will negotiate with developers of inclusionary developments to determine the appropriate amount of subsidy required to make the unit affordable to a very low income household. This subsidy amount may be determined by the following method outlined in N.J.A.C. 5:97-8.8 (2) but it is not required:

*A 100-unit development in a municipality consists of 80 market-rate rental units, 10 moderate-income rental units and 10 low-income rental units. Two of the low-income units are priced to be affordable to a household earning 30 percent of regional median*

*income (RMI). The remaining eight low-income units are priced to be affordable to households earning 45 percent of RMI. The rental rate established for the units priced at a 45 percent level of affordability is \$603.00 per month while the rental rate established for units priced at a 30 percent level of affordability is \$353.00 for a difference of \$250.00 per month or \$3,000 per year. Assuming a capitalization rate of 8.5 percent would establish a 30-year present value of \$35,294 on the reduced rental income. Therefore, a developer might consider re-pricing low-income units to provide additional very low income units in exchange for an up-front lump sum payment of \$35,294 for each unit re-priced.*

3. **Other** – Livingston will identify other mechanisms to make units more affordable in the Township. **If assistance is directly provided to an existing tenant or owner of affordable housing, the applicant will be income certified at the time of the application.**

### **Annual Budget**

The annual budget for the first month's rent program is \$6,000 per year.

### **Eligibility**

Applications submitted for affordability assistance will be provided on a first-come, first-served basis according to the following criteria:

1. There are Affordability Assistance Funds remaining in the budget for the year. This will include whether sufficient funds have been allocated to very low-income households.
2. The applicant rents a deed-restricted affordable unit in Livingston Township that they maintain as their primary residence.
3. The applicant has not received an affordability assistance grant in the past. (Only one award per household is permitted. This requirement can be waived with justification.)
4. The applicant is income certified. Applicants for assistance with first month's rent will have already been income certified. Applicants applying for all other types of assistance will require income certification at the time of application.

### **Maximum Amount**

The maximum amount of assistance that may be provided is in Appendix A.

### **Repayment Terms & Repayment Agreement**

Recipients of assistance through the first month's rent assistance program will not be required to pay back the assistance. Therefore there is no repayment term or repayment agreement.

### **ADMINISTRATION**

The Municipal Housing Liaison will be responsible for administering the program. Questions about the Program should be directed to the Municipal Housing Liaison.

**Jackie Coombs-Hollis**

**Township of Livingston**

**Planning Administrator and Municipal Housing Liaison**

**Phone: 973-535-7955 / Ext. 5511**

**Fax: 973-535-7989**

**Email: [jhollis@livingstonnj.org](mailto:jhollis@livingstonnj.org)**

## APPENDICES

## APPENDIX A: Summary of First Month Rent Program Terms

<b>Rental – First Month Rent</b>	
<b>Purpose</b>	Assist renters of affordable units by paying the first month's rent.
<b>Max. Amt.</b>	Up to 1 month's rent
<b>Terms</b>	The assistance is a grant and does not need to be returned.
<b>Additional criteria</b>	Priority to very low-income households
<b>Assistance paid to</b>	Landlord
<b>Advertising</b>	Landlord will inform applications at the time they apply.
<b>Budget (approximate)</b>	\$6,000 per year
<b>Eligibility criteria:</b>	<ol style="list-style-type: none"> <li>1. There are Affordable Assistance Funds remaining in the budget for the year. This will include whether sufficient funds have been provided to very low income households.</li> <li>2. The applicant owns or rents a deed restricted affordable unit in Livingston Township that they maintain as their primary residence.</li> <li>3. The applicant has not received an affordability assistance grant in the past. (Only one award per household is permitted. This required can be waived with justification.)</li> <li>4. The applicant is income certified. Applicants applying for first months rent will have already been income certified. Applicants applying for all other types of assistance will require income certification at the time of application.</li> </ol>

## Appendix B: Affordability Assistance Application



**APPLICATION FOR AFFORDABILITY ASSISTANCE IN LIVINGSTON TOWNSHIP**

This application must be fully completed so that it can be accepted and processed. This application is not transferable. If you require assistance, please call Jackie Coombs-Hollis at **973-535-7955, extension 5511**. If your application is complete and you are approved to receive affordability assistance, you will be certified by CGP&H and notified by mail. **IT IS YOUR RESPONSIBILITY TO MAKE CERTAIN YOUR APPLICATION IS COMPLETE AND THE INFORMATION PROVIDED IS TRUE AND ACCURATE.**

The information in this application and any other information that is required to complete this application are kept confidential. **NO PART OF THIS APPLICATION OR YOUR APPLICATION FILE WILL BE GIVEN TO ANY PERSON, ENTITY OR BUSINESS NOT RELATED TO THE TOWNSHIP OF LIVINGSTON, OR THEIR AGENTS WITHOUT YOUR WRITTEN REQUEST OR CONSENT.**

“Family” includes all persons living in a single unit whether they are related by blood, marriage or otherwise. The information requested includes information about all persons intending to reside in the Affordable Rental Unit.

Applications submitted for affordability assistance will be provided on a first-come, first-served basis according to the following criteria:

1. There are Affordable Assistance Funds remaining in the budget for the year.
2. The applicant owns or rents a deed- restricted affordable unit in Livingston Township that they maintain as their primary residence.
3. The applicant has not received an affordability assistance grant in the past. (Only one award per household is permitted.)
4. The applicant is income certified.

**Part I. All Applicants must complete this section**

Date: \_\_\_\_\_

Name: \_\_\_\_\_

1. Please indicate what type of assistance you are applying for (Choose one):

	First Month Rent	<ul style="list-style-type: none"> <li>• Up to one month's rent</li> </ul>
	Other: PLEASE DESCRIBE BELOW:	<ul style="list-style-type: none"> <li>• Other types of assistance may be available under special circumstances such as a special assessment by the homeowner's association.</li> </ul>

2. \$ Amount of Request (Please see above for maximum amounts): \_\_\_\_\_

3. Please explain the reason why you need assistance (attach additional paper if needed):

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***CERTIFICATION***

I hereby certify that the above information concerning my family size, actual gross income as well as all other information contained herein is true and accurate to the best of my knowledge. I further understand that Livingston Township is relying upon this information in order to determine whether I qualify for affordability assistance. I further certify that the copies of the documents attached to this application are true and accurate copies of the originals of such documents. I further certify that I intend to personally occupy the unit as my primary residence except for reasonable periods of vacations and illnesses. I understand that I cannot sublet or re-rent the unit.

I authorize Livingston Township or their agents to check for accuracy on any and all statements and representations made in this application. This may include calls to employers to verify income, contact with banks, etc.

Applicant \_\_\_\_\_

Co-Applicant \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

**Part II: Only complete this section if you are applying for assistance other than first months rent.**

Please list your estimated monthly expenses:

	Monthly Expense
<b>Auto</b>	
Loan	
Insurance	
Maintenance/Repairs	
<b>Housing</b>	
Rent/Mortgage	
Home owners association	
Property Tax	
Insurance	
<b>Medical</b>	
Health Insurance	
Co-pays	
Other (medications, glasses, etc.)	
<b>Utilities</b>	
Internet/phone/cable	
Electricity/heating	
Water Sewer	
Trash	
Cell Phone	
<b>Other</b>	
Childcare/day care	
Child Support/Alimony	
Credit card debt	
Education	
Food	
Gas/tolls/parking	
Public Transportation	
Student loan	
Tuition	
Other: (please specify)	
<b>TOTAL Expenses</b>	

If your total monthly expenses, exceed your monthly income, how will you pay your household expenses in the future: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

### **HOUSEHOLD COMPOSITION**

Name of Household Member filling out this form \_\_\_\_\_ Sex: M/F

Date of Birth \_\_\_\_\_ SS# \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Name of Second Household Member \_\_\_\_\_ Sex: M/F

Date of Birth \_\_\_\_\_ SS# \_\_\_\_\_ - \_\_\_\_\_ - \_\_\_\_\_

Home Phone ( ) \_\_\_\_\_ Work Phone ( ) \_\_\_\_\_

Current Street Address \_\_\_\_\_ Apt # \_\_\_\_\_

Town \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

County \_\_\_\_\_

Mailing Address if different from above:

\_\_\_\_\_

Please list all other household members, excluding the person filling out this form, who will live in the unit.

<b>NAME</b>	<b>RELATIONSHIP</b>	<b>GENDER</b>	<b>BIRTH DATE</b>	<b>SOCIAL SECURITY #</b>

### **HOUSING REQUIREMENTS**

How many persons presently live in your home? \_\_\_\_\_

How many are less than 18 years of age? \_\_\_\_\_

**EMPLOYMENT INFORMATION**

Please fill out the information below for every household member who receives income from employment and is 18 years of age or over. (Also include any part-time employment)

1. Household Member Name \_\_\_\_\_  
 Employer Name \_\_\_\_\_  
 Employer Address \_\_\_\_\_ County \_\_\_\_\_  
 Years at Job \_\_\_\_\_ Job Title \_\_\_\_\_  
 Phone # \_\_\_\_\_ Immediate Supervisor \_\_\_\_\_
2. Household Member Name \_\_\_\_\_  
 Employer Name \_\_\_\_\_  
 Employer Address \_\_\_\_\_ County \_\_\_\_\_  
 Years at Job \_\_\_\_\_ Job Title \_\_\_\_\_  
 Phone # \_\_\_\_\_ Immediate Supervisor \_\_\_\_\_
3. Household Member Name \_\_\_\_\_  
 Employer Name \_\_\_\_\_  
 Employer Address \_\_\_\_\_ County \_\_\_\_\_  
 Years at Job \_\_\_\_\_ Job Title \_\_\_\_\_  
 Phone # \_\_\_\_\_ Immediate Supervisor \_\_\_\_\_
4. Household Member Name \_\_\_\_\_  
 Employer Name \_\_\_\_\_  
 Employer Address \_\_\_\_\_ County \_\_\_\_\_  
 Years at Job \_\_\_\_\_ Job Title \_\_\_\_\_  
 Phone # \_\_\_\_\_ Immediate Supervisor \_\_\_\_\_

**INCOME DOCUMENTATION**

Please use a separate income information section for every household member who is 18 years of age or over and receives income of any kind.

**ATTACH THE FOLLOWING REQUIRED DOCUMENTS FOR EACH APPLICANT:**

- 1) Copies of federal and state tax returns for the previous 3 consecutive years.
- 2) Copies of 4 consecutive/current pay stubs: including overtime, bonuses or tips.
- 3) Copies of 6 months current bank statements for all accounts.
- 4) Copies of child support court documents and custody verification, if applicable, are required.

**INCOME CALCULATION**

Please state the amount of your current annual projected gross income from each applicable source. Use additional pages if necessary if there are more than two incomes.

	ADULT #1	ADULT #2
Gross Salary or Wages	\$ _____	\$ _____
Pension	\$ _____	\$ _____
Social Security	\$ _____	\$ _____
Unemployment Compensation	\$ _____	\$ _____
Child Support received	\$ _____	\$ _____
(Added to income)		
Child Support paid	\$ _____	\$ _____
(Subtracted from income)		
Disability Payment	\$ _____	\$ _____
Welfare	\$ _____	\$ _____
Tips/Commissions	\$ _____	\$ _____
Alimony	\$ _____	\$ _____
Other	\$ _____	\$ _____
<b>Total</b>	\$ _____	\$ _____

**TOTAL OF GROSS INCOMES**                      **Total \$** \_\_\_\_\_  
**INTEREST AND DIVIDEND INCOME**

Please list all checking and savings accounts, CD's, Money Market Funds, Mutual Funds and any other assets held by financial institutions below, whether or not you gain interest from them for all members.

Name and address		Current	%	Projected
Financial Institution	Account Number	Balance/value	interest	Annual Interest Income

**Total Projected Interest Income a year** \$ \_\_\_\_\_

**Please list all stocks, bonds and other income producing assets.**

<i>Name and address</i> <b>Financial Institution</b>	<i>Number of Shares</i>	<i>Current Value</i>	<i>Projected</i> <b>Annual Income</b>

Total Projected Income from dividends \$ \_\_\_\_\_

**Other Income**

Do you own a business or income producing real estate? Yes No

Do you receive income/rents from these assets? Yes No

If Yes: Value the yearly net income less valid business expenses on this property or business?

**Total projected \$** \_\_\_\_\_

**Do you have any other sources of income?** Yes No

If yes: please describe \_\_\_\_\_ Gross yearly income \$ \_\_\_\_\_

**TOTAL HOUSEHOLD GROSS ANNUAL INCOME FROM ALL SOURCES:** \_\_\_\_\_

(Combination of sections 4 & 5 of this application)

**General**

Do you own a home or other real estate: \_\_\_\_\_