



Updated: November 2017

Department of Health, Housing &
Community Services

**PARTICIPATION IN THE CITY OF BERKELEY
INCLUSIONARY HOUSING/BELOW MARKET RATE PROGRAM**

ACKNOWLEDGEMENT FORM

[Note to Property Owner: Please attach this form, signed by Property Owner or Representative and BMR Renter, as an addendum to the executed lease]

Dear BMR Renter:

You are eligible to participate in the City of Berkeley's Inclusionary Housing/Below Market Rate program and have been approved by the City of Berkeley and the Property Owner to live in a Below Market Rate (BMR) Unit located at

_____ (Address of Property/Unit Number).

The City's BMR Units are rent-restricted and are available at a rent that is affordable to very low and low-income households, as defined by the City of Berkeley Inclusionary Housing Ordinance and accompanying Inclusionary Housing/BMR Program Guidelines.

In order to participate in the program, you were required to certify your income to determine if you met the income limit for this particular unit. To ensure your continued participation, you will be required to meet the BMR requirements and to recertify your household income annually before your lease anniversary date. Refusal to comply with this requirement may result in your being disqualified from the program, and the rent for your unit may be increased to market-rate rent.

Please review the list of general program parameters and BMR Renter responsibilities below. Initial each line acknowledging you understand the program requirements.

General Program Parameters

_____ BMR Renter must comply with the executed lease, including House Rules for the Property.

_____ The initial lease term must be one year. Subsequent terms may be month-to-month, depending on the terms of the original agreement reached by the Property Owner and BMR Renter.

_____ Your unit may be subject to an annual rent increase on or after the original lease anniversary date, and only after the Property Owner has received City approval of your income recertification.

_____ Rent increases may only be implemented at the end of a 12-month period, regardless of the lease term, and are capped at the BMR Rent as approved by the City.

BMR Renter Responsibilities, Eligibility, and Annual Recertification

_____ I understand that the purpose of the Below Market-Rate Program is to provide housing for low- and moderate-income households.

_____ I understand that I must maintain eligibility for the entire period I have a BMR lease. Eligibility requires that I:

- Reside in the Inclusionary Unit at least 10 months of the year as my permanent, sole residence.
- Occupy the Unit as my sole, permanent residence within 60 days of lease execution and as long as I have the BMR lease.
- Have no ownership interest in any residence, either as an investment or alternate residence.
- Am legally able to execute contracts (i.e., at least 18 years old).
- Document that the Head of Household, including full-time students, cannot be claimed as a dependent on another person’s tax returns.
- Demonstrate that I am not employed by the property owner or property management company.
- Meet minimum occupancy standards (meaning the number of people for the unit size).
- Report changes in the members of my household and be recertified based on my new household composition.

_____ I agree to accurately report my income on the City-provided form every year, and I acknowledge that failure to do so is a substantial violation of a material term of my lease.

_____ I agree that for the first year and every five years thereafter, I will provide documentation of my income as part of my certification, and that failure to do so is a substantial violation of a material term of my Lease. I also agree to provide income documentation as may be requested by the City and/or Owner related to the annual recertification during the in-between years, if needed.

I understand that at the time of my annual recertification, my income may rise up to 200% of the limit at which I was originally certified and I will still be eligible for the Program (i.e., for 50% AMI units, household income may increase to 100%; for 80% AMI units, household income may increase up to 160%).

I understand that at the time of my annual recertification, if my income exceeds the BMR income limits of the level at which my BMR unit is designated, I am considered "Over-Income", and it is a substantial violation of a material term of my Lease.

I understand that I may be evicted pursuant to [BMC 13.76.130A2](#) for a substantial violation of a material term of my lease including, but not limited to, those listed in this Agreement, ("Participation In The City Of Berkeley Inclusionary Housing/Below Market Rate Program").

I understand the following procedures apply to Over-Income Households:

1. At the time of my annual income certification and finding that I am Over-Income, the Owner must give me notice of my Over-Income status.
2. The Owner will give me a 60-day notice to vacate the Unit so that s/he can return the building to compliance with his/her BMR contractual obligations to the City. I must then vacate the Unit within the 60-day period. The Owner may offer me a market-rate unit in the building, if available.

Print Name of Head of Household

Signature of Head of Household

Date

Property Address / Unit Number

For Property Management Staff Use Only

I have received the signed statement from the Head of Household and confirmed s/he understands the BMR Renter responsibilities per the City's Inclusionary Housing/BMR Program.

Signature of Owner or Representative

Date