



Lease to Locals

Program Guidelines

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Lease to Locals Program Guidelines

Table of Contents

1.	General	2
2.	Definitions	2
3.	Program Outreach & Marketing	3
4.	Conflict of Interest Requirements	3
5.	Non-Discrimination Requirements	3
6.	Program Administration	3
7.	Property Owner Participation Requirements	4
8.	Eligibility Requirements for Housing Units	4
9.	Eligibility Requirements for Tenant Household Groups	5
10.	Incentive Payment	5
11.	Contingencies	6

1. General:

The Town of Truckee Lease to Locals Program (the Program) offers cash incentives to homeowners who rent their homes to qualified local employees. The goal of the program is to increase the supply of housing available for employees working within the geographic boundaries of the Tahoe-Truckee Unified School District.

The target population served with the Lease to Locals Program are employees that work within the Truckee-North Tahoe Region and whose households earn no more than 150% of the area median income average per adult (per standards set by the California Department of Housing and Community Development for Nevada County).

2. Definitions:

- A. **Adult:** An individual who is 18 years or older.
- B. **Bedroom:** An enclosed habitable room planned and intended for sleeping, separated from other rooms by a door, and accessible without crossing another bedroom, closet space, or bathroom. A bedroom will have a built-in closet, emergency escape and rescue opening(s), and a minimum floor area of seventy (70) square feet, exclusive of a closet. Additionally, the construction of the room shall have been authorized by a building permit, and the room shall comply with all codes in effect at the time of construction or conversion into a bedroom.
- C. **Child:** An individual who is less than 18 years of age.
- D. **Eligible Housing Unit:** The home must be within the Town of Truckee limits and must have a certificate of occupancy. Units in a multi-family housing development with more than four units (unless individually owned condominiums), mobile homes, and units in newly-constructed housing developments are not eligible.
- E. **Long-Term Rental:** A property rented directly to full-time tenant(s) on a lease with a minimum term of 12 months.
- F. **Master Lease:** A lease of residential property which gives the lessee the right to sublease the property.
- G. **Qualified Household:** An individual renter or group of individual renters living together in one home as their primary residence, where at least half of the adults are Qualified Tenants. To be considered a Qualified Household, a renter group must be approved by the Program Administrator and the Town of Truckee through the application process laid out in these Program Guidelines. Qualified Households must meet one of the following income qualifications:
 - a. The average annual income of all adult residents of a household (related or unrelated) can be no more than 150% of the area median income as set by the California Dept. of Housing and Community Development. Adult tenants who are full-time students are not included when determining if 50% of the adults in the household are Qualified Tenants or when calculating average household income.
 - b. The income qualification for single parent households with one adult and at least 50% child custody is a household income of 1.5 times of 150% of the area median income for

a single person income as set by the California Dept. of Housing and Community Development, which includes all income, including child support.

- H. **Qualified Tenant:** An adult who is not of blood relation to the Property Owner who works at least 20 hours a week (or equivalent amount over a period of a year) for an employer located within the geographic boundaries of the Tahoe Truckee Unified School District.
- I. **Truckee-North Tahoe Region or Tahoe-Truckee Unified School District Geographic Scope:** Includes the Town of Truckee, Eastern Placer County (Kings Beach, Tahoe City, Northstar, Olympic Valley, West shore) and the Eastern Nevada County/Donner Summit area as seen in the map at the following link:
<https://www.ttusd.org/cms/lib/CA01902804/Centricity/Domain/33/School%20Boundaries%20Map.pdf>
- J. **Seasonal Rental:** a property rented directly to full-time tenant(s) on a lease with a term between 5 and 12 months.
- K. **Underutilized Housing Unit:** A unit that is occupied less than full-time and has not been rented full-time in the past 12 months. Examples include short-term rentals, vacation homes, empty second homes, and ski leases.

3. Program Outreach and Marketing

- A. Town staff will post application information and materials on the Town's website. Town staff will also issue a press release and Program information will be provided to all interested parties.
- B. The Fair Housing logo will be placed on all outreach materials and applications.
- C. The Program Administrator ("the Administrator") will work closely with local homeowners and members of the workforce providing information for Program eligibility.
- D. All Program information will be offered in English and Spanish.

4. Conflict of Interest Requirements

Town employees excluded from participation in the Program include the Town Manager and the Assistant to the Town Manager and members of the Town Council. Other Town employees are eligible to participate in the Program.

5. Non-Discrimination Requirements

The Program will be implemented in ways consistent with the Town's commitment to nondiscrimination. No person shall be excluded from participation in, denied the benefit of, or be subject to discrimination under any Program or activity funded in whole or in part with Town funding on the basis of age, ancestry, color, creed, physical or mental disability or handicap, marital or familial status, medical condition, national origin, race, religion, gender or sexual orientation or any other arbitrary cause.

6. Program Administration

Town of Truckee Role: The Town will administer the Program with support from a third-party administrator. The Town is responsible for managing the contract with the Administrator, issuing

incentive payments, and Program evaluation.

Program Administrator Role: The Administrator is responsible for operating the customer-facing side of the Program and providing the following services for the Town's Rooted Renters Program: Program development, customer service, marketing, and processing applications per Program Guidelines. The Administrator is responsible for meeting with Town Staff regularly and for providing an annual update to Town Staff and Council Members on the status and progress of the Program.

7. Property Owner Participation Requirements

The Program offers incentives to property owners who are willing to commit to renting their property to a Qualified Household as a Long-Term Rental or Seasonal Rental.

A. Program Eligibility:

- a. The applicant must be the owner of the property or able to represent the owner or ownership group legally.
- b. The home cannot have been rented full time within the last twelve months.
- c. If property owner applicant has previously participated in any Town of Truckee housing incentive program, property owner must have remained in compliance with all requirements of that program for the full program term.
- d. Homeowners must submit a complete application to the Program Administrator.

B. Lease Requirements:

- a. Lease Length: The lease must be for a Long-Term Rental or a Seasonal Rental.
- b. Rental Affordability Cap: The homeowner must not charge rent exceeding \$3,500/month.
- c. Signed Lease Agreement and Complete Lease Packet: The homeowner must complete the Lease Packet and sign a Lease Agreement with qualified tenants.
- d. Monitoring Requirements: Homeowners must successfully meet lease agreements for the full length of the lease and will be checked for compliance by Program Administrator via phone/emails interviews, at the half way point for long term leases and at end of lease term for all participants. Failure to meet lease requirements at either of these points could disqualify the homeowner for grant payments.
- e. Failure to Comply with Lease: If the homeowner does not meet lease agreements at the halfway mark, the Program Administrator will work with homeowners to rectify the situation. If an agreement cannot be reached, the homeowner will be disqualified from receiving the second installment of the grant disbursement but will not be required to pay back the first installment of the grant.

8. Eligibility Requirements for Housing Units

- A. The home must be within the Town of Truckee limits
- B. The home must be deemed habitable according to California Health and Safety Code Division 13. Housing, Part 1.5. Regulation of Buildings used for Human Habitation, Chapter 2. Rules and Regulations.
- C. Units in a multi-family housing development with more than four units (unless individually owned condominiums), mobile homes, and units that are deed restricted or have a similar use restriction based on income or local workforce requirements are NOT eligible.

- D. If multiple rooms in a home are rented on separate leases, all rooms must be included on a single application and all move in dates must be within thirty (30) days of each other.

9. Eligibility Requirements for Tenant Household Groups

Household Group Eligibility and Participation

To participate in the Program, property owners must provide housing to Qualified Households as outlined in Section 2. Program Definitions. All household groups must submit applications outlined below to participate in the Program.

Tenant Applications

Each adult applicant in the Qualified Household must submit income documentation as part of applications in order to determine total household income and local employment. Self-employed and business-owning tenants will be required to provide sufficient documentation to substantiate income and local employment for at least 20 hours per week. The documentation required is based on the applicant's employment circumstances, and the Program Administrator will work with property owners and tenants to collect the required materials. Required documentation will consist of some or all of the following:

- A. Copy of driver's license or other photo ID for each adult
- B. Tax returns (prior year)
- C. Two recent paystubs (past three months) and/or a letter or email from the employer that verifies employment status, location of work, wages and hours worked or offered
- D. Summary of unemployment benefits for the year
- E. Business license
- F. Tenants with a business registered in Truckee must be verifiable via secretary of state business registration
- G. Tenants with a business registered outside of Truckee Town limits must provide County issued business license registered within TTUSD geographic boundaries
- H. If business has been operational for more than 1 year: tax returns
- I. If business has been operating for less than one year, tenant is self-employed via gig work, tenant does not have a business but works for clientele (as a nanny, for example), the following documentation will be accepted
 - Schedule C - Form 1065 or
 - Profits and Losses statement (P&L) or
 - Employer letter (from clientele that employee works for) or
 - At least 3 recent contracts that show volume of work/pay
- J. Other explanation of income in a written format
- K. Custody and child support documentation, if applicable

10. Incentive Payment

Property owners participating in the Program are eligible to receive the incentive payments listed in the table below. The total incentive available is based on the lease term and number of Qualified Tenants. Incentives will be paid to property owners in two installments, 50% upon Program qualification and lease signing and 50% after successful completion of the lease term.

LEASE TIMEFRAME	1 regional employee	2 regional employees or 1 employee with a child or children	3 regional employees or 2 employee with a child or children	4 regional employees or 3 employee with a child or children
5 month or greater lease (seasonal)	\$2,000	\$4,000	\$6,000	\$8,000
*12-month or greater lease (long term)	\$4,500	\$9,000	\$13,500	\$18,000

11. Contingencies

- A. Sale of property: If the property is sold during the Program term, the property owner is disqualified from the Program and no further payments will be made. In this case, the new owners may submit an application to the Program and qualify for incentives as new Program participants if they rent to a Qualified Household with a new lease. The selling property owner will still be eligible for any remaining incentive payments for other properties they own.
- B. Short-Term Renting a Participating Property: Short-term renting or renting as a Hosted Rental is not allowed under any circumstances. If the property is short-term rented or rented as a Hosted Rental, it will be disqualified from Lease to Locals and from receiving subsequent incentive payments.
- C. Master Leases: Participation in the Program is not available for any property which is subject to a Master Lease.
- D. Property condition: If the Housing Unit is deemed in violation of California and/or Town of Truckee law or regulations the incentive payment(s) may be withheld.