



**BELOW MARKET RATE (BMR) RENTAL UNIT SELECTION PROCESS
COLONNADE APARTMENT HOMES LOS ALTOS**

Colonnade BMR Program Overview

Colonnade Apartments offers 17 BMR rental units in the city of Los Altos.

These 17 apartment homes have been designated at lower than market rental rates for various household income levels. Households that lease a BMR rental unit will be required to sign lease agreement with Colonnade and re-qualify on an annual basis.

If an affordable unit becomes available at Colonnade, all efforts will be made to notify the community and provide an opportunity for interested households to submit preliminary applications and be included in the lottery process. There will be a set deadline for preliminary applications to be submitted in order to be considered for the lottery.

The Colonnade management team with assistance from the City of Los Altos will determine the household’s eligibility for the BMR program and apartment. In the case that a unit does become available, all applicants must meet the following criteria and complete the steps in the order that they are listed below to be considered for a BMR apartment at Colonnade.

Basic BMR Program Qualifications & Requirements

1. Maximum Household Income Limits - table below
2. Pass a screening process that considers rental history, credit worthiness, rent to income ratios and debt to income ratios.
3. Meet the eligibility requirements as outlined by the Priority Ranking Policies and Procedures.

Current Maximum Household Incomes and rent limits for the Santa Clara County BMR program***

Very Low Income (50%) 16 units designated		Low Income (80%) 1 unit designated	
Income Limits	Rent Limits***	Income Limits	Rent Limits***
1 Person - \$41,800	1 Bedroom:	1 Person - \$59,400	1 Bedroom:
2 People - \$47,800	\$1,133 - \$156 = \$977*	2 People - \$67,900	\$1,813 - \$156 = \$1,657*
3 People - \$53,500		3 People - \$76,400	
4 People - \$59,700	2 Bedroom:		
5 People - \$64,500	\$1,275 - \$188 = \$1,087*		

**As determined by the State of California’s Housing & Community Development Department. **These are the 2017 maximum household annual gross income limits for BMR program eligibility. Limits will be updated annually upon availability.*

****Rent limits are reduced in consideration of utility costs which are paid separately to management and utility providers.*

STEP 1: Submit a “Preliminary Application” to determine your eligibility for the program based on your household income and your position as it applies to the Priority Ranking Policies.

A preliminary application must be completed by each household in order to be considered for a BMR unit at Colonnade. Preliminary applications can be submitted electronically by visiting www.leasealtos.com and completing the online version of the preliminary application.

A printable version of the preliminary application can also be downloaded at www.leasealtos.com which must be submitted by certified mail to:

Colonnade Los Altos BMR Program
4750 El Camino Real
Los Altos, CA 94022

STEP 2: Selection process and policy for unit assignment

After the deadline for the submission of preliminary applications has passed, a lottery will be held to select households for the available BMR units. All lotteries will be done privately. In order to protect the privacy of the prospective renter and the program's integrity, there will be representatives present from the City of Los Altos and a staff member of the Colonnade management team. All parties present for the drawing will be required to sign an affidavit to confirm the fairness and transparency of the lottery process.

A separate lottery will be held for each priority ranking tier beginning with tier 1. A lottery for households in other tiers will be completed upon necessity to ensure that all BMR units are assigned to qualified applicants, in order of their priority ranking.

All households that have submitted a preliminary application, but were not selected in the draw will be re-assigned to a BMR notification list. If and when a unit becomes available, the notification list will be contacted via email with availability status.

When a BMR unit becomes available, the unit will be advertised for 30 days to the general public via The Los Altos Town Crier and information sent to Los Altos Unified School District and City employees.

Step 3: Reservation of a BMR Unit Holding Deposit and home assignment

If an applicant has been chosen in the lottery and eligibility has been determined, they will be offered a unit based on their priority criteria and unit availability. A holding deposit will be required to reserve the assigned unit and continue the application approval process. The holding deposit is considered fully refundable if for any reason the applicant's household is determined ineligible for the BMR program.

If the applicant is approved and found eligible for the BMR program, the holding deposit will be applied to their move in costs.

If an approved applicant chooses not to rent the home offered to them, they will be reassigned to the notification list (regardless of priority criteria status) and may not have another opportunity to rent at Colonnade due high demand for BMR homes and the City's requirement to re-advertise each unit to the general public if and when it becomes available.

Step 4: Verification of Priority Ranking Eligibility

All households selected in the lottery and applying for a BMR unit will be required to submit a full application and income package. Documents will be required to verify the information listed on their preliminary application in regards to priority ranking. If the applicant is unable to provide the necessary documentation to verify their eligibility, or if the information listed on the preliminary application is inaccurate, the applicant will not qualify for the program and the application process will not continue.

Step 5: Income and Financial Verification

Once the priority ranking eligibility has been established, applicants will be required to provide extensive details on any income sources for their household including but not limited to: employment, investments, assets, retirement, disability, familial support, spousal support, and child support.

This information will be reviewed and verified, if the total household income exceeds the maximum allowable under the BMR limits than the applicant will not qualify for the program and the application process will not continue.

Step 6: Credit and Screening Process

All applicants over the age of 18 will be subject to approval through a third party applicant screening agency. Approvals of all applicants are based on an empirical system that incorporates various credit factors along with other non-statistical factors to determine overall applicant worthiness.

Some of the indicators used may derive from income relationships, including rent-to-income and debt-to-income ratios based on calculations determined from the application and the credit record. Other indicators may consider credit worthiness as determined by national credit scores and other proprietary credit calculations more specific to the apartment industry.

In addition, other factors may impact the overall rental decision of an applicant including criminal background checks, rental and eviction histories, check-writing histories, as well as other indicators.

If the applicants do not pass the screening process, they will not qualify for the program and the application process will not continue.

Step 7: Final Application Review and Approval

A final review of all applications and supporting documents will be completed. This is to verify that all criteria is met and the applicant's household is eligible based on the requirements of the BMR program.

Annual Re-Certification

Each year, on the anniversary of their occupancy date, all BMR households must requalify for the program and prove their continued eligibility based on the priority ranking and income limits. They will be required to re-submit a full application package and supporting documents.

If for any reason it is found that the household no longer qualifies for the program, they will be required to return possession of the unit.

The City of Los Altos may change the program or selection process at their sole discretion at any time without notice. Person submitting any documents containing misrepresentations or falsifications will be subject to immediate disqualification from this and any future housing programs administered by The City of Los Altos.

