

City of Oakland Income Determination Guidelines
Non-HOME Units
(Revised May 2023)

This document provides guidance for certifying the income of tenant households in affordable housing or below-market-rate units subject to a City of Oakland (**City**) regulatory agreement or restrictive covenant.

For units regulated under the HOME Investment Partnerships Program (*HOME*), please refer instead to [24 CFR Part 92](#), the [Technical Guide for Determining Income and Allowances for the HOME Program](#), and the City's Income Determination Guidelines for HOME units.

For units regulated under Section 42 of the Internal Revenue Code, please refer instead to the income determination guidelines set forth in the compliance manual published by the California Tax Credit Allocation Committee (*CTCAC*), available [here](#). If units are regulated under both Section 42 and HOME, the City shall enforce HOME standards.

The City reserves the right to amend or modify these guidelines as needed.

I. General

These guidelines are intended as a broad overview of the income determination process. Except where otherwise indicated in this document, other City documents, or a project's regulatory agreement, the City follows the administrative guidelines set forth in the CTCAC Compliance Manual (Section IV of the CTCAC compliance manual covers income verification.) For income determination topics not discussed below, please refer to the CTCAC compliance manual or contact City staff for more detailed guidance.

Please note that while the City generally follows the income verification procedures set forth by CTCAC, the City's income and rent limits may differ from CTCAC's income and rent limits. Please find the City's income and rent limits, along with a memo explaining our methodology, [here](#).

Tenant household income must be verified at the time of move-in and annually thereafter. Income verification consists of three components: (1) summary forms (2) direct income, and (3) income from assets.

II. Summary Forms

Summary forms are a convenient way of collecting and displaying tenant income information at a glance. CTCAC forms are recommended. Forms provided by the Department of Housing and Urban Development (**HUD**) or another agency are an acceptable alternative.

The following CTCAC summary forms, available [here](#), are recommended for all households:

- Tenant Income Certification (**TIC**)

- The TIC serves as a cover sheet for the entire household’s income. It is completed once all source documents have been collected and the household’s gross income can be calculated.
- Page 1 of the TIC should be completed by the property manager and signed by all adult household members. Pages 2-3 are not needed for the City’s purposes, and pages 4-7 are instructional.
- All fields related to Student Status are not relevant to the City and may be left blank. Unlike CTCAC, the City does not enforce a student rule.
- For instructions on filling out the asset section of the TIC, see Section IV - Verification of Income from Assets.
- See sample completed TIC for reference at the end of this document.
- Tenant Income Certification Questionnaire (**TICQ**)
 - The TICQ provides a comprehensive checklist of potential income and assets for review.
 - Each adult household member should complete a separate TICQ.

In addition, the Under \$5,000 Asset Certification form is recommended for all tenant households who have less than \$5,000 in total assets. If this form is completed and the household has less than \$5,000 in total assets, no additional asset verification is required.

Beginning in 2024, CTCAC may update its guidelines to increase the threshold for self-certification from \$5,000 to \$50,000. If this policy is enacted, the City will follow suit.

III. Verification of Direct Income

Owner or management agent must collect source documents verifying the tenant gross household’s direct income. Wages, social security benefits, unemployment benefits, and self-employment income all count as direct income. Documents must be dated from within 120 days prior to move-in date or annual recertification date.

Common forms of income are listed below with their appropriate documentation for verification.

Table 1: Common Forms of Income

Form of Income	Source Documents	Notes
Social Security, SSI, General Assistance, TANF, or other public benefits	One benefits award letter from agency	
Employment Income	Completed employer verification form AND/OR three months of consecutive pay stubs	13 stubs if paid weekly, 7 stubs if paid biweekly, 6 stubs if paid bimonthly
Unemployment income	One benefits award letter from agency	To calculate, multiply weekly amount by 52 (regardless of approved duration of benefits)
Self-employment income	One year of tax returns;	May include income from ridesharing, delivery services,

	a profit and loss statement, signed by applicant/tenant, showing expected earnings for next 12 months; and any available supporting documentation such as receipts or bank deposits	and informal employment or day labor.
Gift income	Verification form completed by donor	Any ongoing financial assistance, including from friends or family members not living with tenant, qualifies as gift income
Pension or retirement income	One statement or benefits letter from institution	
EBT, Section 8, or other forms of non-cash assistance	None needed – does not qualify as income	
No reported income	Certification of zero income form	If no household members claim earned income, additional due diligence is required

Calculate annual income in the following three ways, and use the highest calculation:

- 1) Calculate the average paycheck amount, and multiply by the number of pay periods per year
- 2) Multiply the hourly amount by the estimated number of hours worked per year
- 3) Divide the Year To Date amount by the number of weeks that have occurred so far in the year, and multiply by 52. (Please note that Year To Date amounts often include weeks from the previous year. Review pay period start date and adjust calculation accordingly.)

IV. Verification of Income from Assets

If household has under \$5,000 in total assets, tenant household can fill out and sign the Under \$5,000 Asset Certification form. No other source documents are required for the assets section in this situation.

If household has more than \$5,000 in assets, collect the forms of verification listed below in Table 2.

A list of items to include and exclude from verification of assets is listed below in Tables 2 and 3.

Table 2: Common Forms of Assets

Assets	Source Documents	Notes
Checking Account	Six months of consecutive bank statements or bank	Calculate average monthly balance

	verification showing six-month average	
Savings Account	Most recent bank statement or bank verification showing current balance	Use most recent balance
Retirement Account or 401(k) account	Most recent statement	Use most recent statement, and deduct any prepayment penalties or fees to determine current balance. Use average rate of return over past 3 months to calculate income.
Stocks	Most recent statement or balance from within 120 days of move-in or annual recertification date	Use most recent balance. Use average rate of return over past 3 months to calculate income.
Real Estate	Current appraisal or three online estimations from realty websites such as Zillow, Redfin, or Realtor.com.	Use the highest estimate.
Collectibles not held for personal use	Current appraisal	Examples may include a classic car not driven for personal use or a collection of vintage furniture held in storage.

Table 3: Common Asset Exclusions

Cash on hand of less than \$250
Personal vehicle for regular use
Clothing, jewelry, or other personal items
Household furniture

To calculate income from assets, perform these steps:

1. If the asset earns interest, multiply the cash value of the asset times the interest rate.
2. If the asset is an investment account with an uncertain growth rate, use the change in value over the past quarter to calculate the average annual interest rate. Deduct any early withdrawal penalty from the value of the asset.
3. For all assets, multiply the value of the asset times the passbook savings rate as determined by HUD. The current rate as of 2023 is 0.06%.
4. Determine the greater of the actual or the imputed value of the income from assets. Add this amount to the total household income.

See the sample completed TIC form at the end of this document for reference. Note that for most households, income from assets is very minor and does not typically impact eligibility.

V. Forms

CTCAC forms may be accessed [here](#). Commonly used forms include the following:

- Tenant Income Certification Questionnaire (each household member)
- Tenant Income Certification (1 per household)
- Verification of Employment (as needed)
- Under \$5,000 Asset Certification (as needed)
- Zero Income Certification (as needed)
- Child/Spousal Support Affidavit (as needed)
- Live-in Aide Verification Form (as needed)
- The Tenant Household Information Form may not be used as an alternative to the TIC unless otherwise directed by the City.

Other forms:

- A self-employment affidavit provided by the California Health and Human Services Agency may be accessed [here](#). Other templates may be used instead.
- A sample gift income verification form may be accessed [here](#). Other templates may be used instead.

VI. Organization

File certification paperwork in the following order:

1. TIC
2. TICQ
3. Income source documents
4. Asset source documents (or Under \$5,000 Asset certification)

Tenant/Unit Files

- Keep the following documents in the tenant file, divided by tabs or sections:
 - Fully executed lease agreement with any addendums
 - Initial move-in certification and first anniversary recertification
 - Most recent recertification
 - Program documents
 - Correspondence with tenant
- Older recertifications (apart from initial certification and first recertification) may be archived.
- Any tenant medical information (such as pertaining to a reasonable accommodation request) should be held separately in a confidential file.

Files may also be stored digitally. Electronic signatures on documents are accepted if obtained through a reliable third-party application such as Adobe DocuSign.

Questions?

For additional questions or guidance, contact the City of Oakland's Housing Development Services division at 510-238-3502, or email the following:

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