Inclusionary Zoning (IZ) Lease Up Tools

Each project owner must initially and annually certify to the City of Minneapolis that it has complied with the income, rent, and student status (if applicable) for the Inclusionary Zoning Program.

All households occupying units included in the Inclusionary Zoning Program must be certified for initial eligibility before move-in. Some Inclusionary Zoning units require verification of student status while some require verification of income. The City of Minneapolis Inclusionary Zoning Compliance Manual is the best resource for all things IZ.

Marketing IZ units:

Rental IZ Unit availability opportunities are required to be advertised on HousingLink concurrent with other public or private advertising for a minimum of 10 consecutive days. A file must be maintained with all marketing efforts related to the property. Records may be reviewed by the City to ensure that all efforts follow Inclusionary Zoning requirements.

Renting IZ units:

Each rental IZ Unit must be occupied by a household earning no more than the applicable income limit adjusted for household size. Units must be leased at a rent that the City has determined to be affordable to households as laid out in the Declaration of Affordable Housing Covenants (Declaration of Covenants).

Income requirements:

All applicants for IZ Units shall be advised early in their initial visit to the property that there are maximum income limits that apply to such Units.

Income Limits can be found on the City’s Inclusionary Zoning website page at https://www2.minneapolismn.gov/government/projects/cped/inclusionary-zoning/
**Household Income will be reviewed:**
Applicants shall be made aware that the anticipated income of all persons expecting to occupy the IZ Unit must be verified prior to occupancy and that household income will be reviewed annually. The applicant eligibility, including income eligibility, must be verified.

In working with applicants and residents, the owner warrants compliance with applicable data privacy laws and regulations, including the Minnesota Government Data Practices Act (GDPA). A Data Practices Act Statement form must be kept in each IZ Unit as a household’s permanent file.

**Forms for program-assisted units:**

- **Government Data Practices Act Disclosure Statement**
  - This is a required form. It is used to inform the tenant that their household composition, income, or other information will be reported to the City of Minneapolis. It must be signed and dated by all household members aged 18 and older.

- **Head of Household Demographic Information Form**
  - This is a required form. All heads-of-household that have been approved for occupancy in units assisted with Inclusionary Zoning should complete this form. (If you are able to satisfy reporting requirements because the same data is collected on other forms you use, it is not necessary to also complete this form).

**Links to required documents:**
- ✓ Government Data Practices Act Disclosure Statement
- ✓ Head of Household Demographic Information Form

**Income and asset verifications:**
For guidance in determining tenant income, the HUD Handbook 4350.3, Occupancy Requirements of Subsidized Multifamily Housing Programs, is used and is recommended as a reference guide.

Income and Asset Verification samples can be located on Minnesota Housing Finance’s website under Tenant Certification, Sample Verifications, and other Occupancy Related Forms.

**Student Eligibility:**
For projects that are not student-eligible housing, the student eligibility requirements from the Minneapolis-St. Paul Housing Inclusionary Zoning Compliance Manual Finance Board Section 42 Housing Tax Credit Program Compliance Manual will apply. Under these requirements, most full-time students are not eligible, with a few limited exceptions.
There are five (5) exceptions to the limitation on households where all members are full-time students.

**Married**
- Or Entitled to file a joint tax return
- A married couple that has not filed, but is entitled to, still satisfies exception

**Single Parent**
- With child(ren)
- Parent is not a dependent of someone else

**Receipt of assistance under Title IV of the SS Act**
- At least one member of the household receives Family Investment Program (MFIP) assistance
- Formally, AFCD, now referred to as TANF

**Job Training Partnership Act (JTPA)**
- One member must participate in JTPA

**Previously in Foster Care**
- Foster Care is substitute care of child placed away from parents or guardians

To properly document student eligibility, the household can complete an Annual Student Self-Certification as a part of the initial certification and annually thereafter.

**Tenant Income Certification (TIC):**

From the verification forms obtained from each income source for each household member, the owner/management should enter the gross amount anticipated to be received in the 12 months from the effective date of the initial certification onto the Tenant Income Certification (TIC). After all verifications of income and/or assets have been received and calculated, each household member aged 18 or older must sign and date the Tenant Income Certification.

For move-in, it is recommended that the Tenant Income Certification be signed no earlier than five (5) days prior to the effective date of the certification.

**Determining rents:**

For rental properties, there are multiple potential income tiers permitted by the City of Minneapolis Unified Housing Policy that may apply to the project depending on the selected compliance path. Each rental IZ Unit must be occupied by a household earning no more than the applicable income limit adjusted for household size.

For applicable income and rent limits, please click on the Inclusionary Zoning Requirements link found on the City of Minneapolis website. Scroll down to the “What is affordable under
inclusionary zoning?” section and the maximum rent and income limits for both Rental units and For sale units will be published for the most current year.

**Utility Allowances (UA):**

Units must be leased at a rent that the City has determined to be affordable to households earning the target income inclusive of services, utility payments, or monthly allowances for services and other non-optional charges. The City will establish maximum monthly allowances for utilities and services (telephone and cable allowances will not be offered). Owners must update allowances annually.

For Units being counted and leased on a per bedroom basis in student-eligible housing projects, the rent limit will be set to 60% of the maximum rent for an efficiency Unit at the 60% AMI limit. The utility allowance for IZ Units being counted and leased on a per bedroom basis in student-eligible housing projects shall be calculated at 60% of the utility allowance for an efficiency Unit.

Allowances for IZ units in Minneapolis will use the Affordable Housing Trust Fund Utility Allowance Schedules, which can be found on the Affordable Housing Trust Fund website. A direct link to the most current Utility Allowances can be found here.

**Annual compliance form:**

Rental property owners will prepare and submit to the City, on or before March 31 of each year, an Annual Compliance Report evidencing that the project follows the Declaration of Covenants and the Inclusionary Zoning Compliance Manual.

The Annual Compliance Report shall be in the form available on the City’s website, as updated from time to time, or here for quick reference.
First time using HousingLink to list a vacancy?

You can either create an account and enter the listing yourself or contact us to work with you to connect with your property management software.

Enter your Listing

To enter your listing directly simple create an account by visiting www.housinglink.org/register.

Next follow the steps to enter your property and listing information.

Note: All the data you enter is saved and you can easily edit, close, and re-publish your listings at any time.

Connect to Property Management Software

Email info@housinglink.org and make sure that you state that you are a Minneapolis Inclusionary Zoning property that would like to set up a vacancy listing feed with HousingLink. Our team will connect with you and work with you to help get everything set up on your end to share the data.