



Inclusionary Housing Ordinance Implementation Guidelines 2025

City of Detroit

Housing & Revitalization Department

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1. PURPOSE

The City of Detroit enacted an Inclusionary Housing Ordinance (“Ordinance”) in 2017 and made substantive amendments in 2023 so that housing developments receiving public subsidy would provide housing affordable to a range of income levels. The Ordinance does not include fully detailed instructions for administration; it tasks the Housing and Revitalization Department (HRD) to establish implementation guidelines (“Guidelines”) that describe administrative policies and procedures.

This document is intended to satisfy the requirements of the Ordinance adopted by the Detroit City Council (Section 22-3-2 through 22-3-20 of the Detroit City Code) and constitute the Guidelines referred to within the Ordinance. These Guidelines supplement but do not reiterate the entire Ordinance. If there is any conflict between these Guidelines and the Ordinance, the Ordinance shall control.

2. DEFINITIONS

Affordable means, as generally defined by the U.S. Department of Housing and Urban Development, housing for which the occupants are paying no more than 30% of their income for gross housing costs, including utilities.

Area Median Income (AMI) means the median family income for the Detroit-Warren-Livonia Metropolitan Statistical Area, as published by the U.S. Bureau of Census and the U.S. Department of Housing and Urban Development.

Consumer Price Index means the U.S. Department of Labor Bureau of Labor Statistics Consumer Price Index for all Urban Consumers for the Detroit metropolitan area, or some other comparable index stated in the administrative procedures promulgated by the Director of the Housing and Revitalization Department in accordance with Section 22-3-9 of this Code.

Developer means the legal or beneficial owner or the representative thereof, of a parcel of land proposed for inclusion in a development, including the holder of an option or contract to purchase who performs the functions necessary to obtain land control and financing to construct or rehabilitate a property and expects to assume the risks and rewards upon completion of the project. For purposes of this article, developer does not include a governmental entity or a commercial lending institution other than a commercial lending institution affiliated with the developer.

Development or develop means the construction, reconstruction, conversion, structural alteration, relocation, or enlargement of any residential buildings; any use or change in use of any buildings or land; any extension of any use of land or any clearing, grading, excavation or other movement of land, for which permission may be required pursuant to the City of Detroit zoning ordinance.

Director means the director of the City of Detroit Housing and Revitalization Department.

Dwelling unit means a building or portion of it designed for or occupied in whole or in part as the home, residence, or sleeping place of one or more individuals, either continuously, permanently, temporarily, or transiently. Dwelling does not include a hotel, motel, bed and breakfast, hostel, or other lodging facilities.

Residential housing project means one or more buildings that collectively contain at least 20 dwelling units offered for rent on one or more tax parcels or lots marketed as a single or unified project or sharing common elements. This includes, but is not limited to, dwelling units within a mixed use development or in a planned development district as set forth in the City of Detroit zoning ordinance.

Subrecipient means an organization receiving pass-through dollars from the City of Detroit to administer housing investments on behalf of the City.

Tax abatement certificate means a certificate for a tax abatement issued by the City or approved by the City Council that has the effect of reducing all or a portion of ad valorem property taxes for property within a City Council approved tax abatement district or zone.

Tenant paid utilities means services and/or resources that are the residential tenant's obligation to pay for including natural gas and/or electricity used for home heating/cooling, cooking, and water heating; water and sewage service; and trash collection services.

3. APPLICABILITY OF ORDINANCE

A. Qualifying Transaction Types

The Ordinance applies to any project containing at least 20 rental dwelling units that receives City subsidy as described below:

Discounted Land Sale (Type 1 transactions as defined in Section 22-3-2 of the Ordinance): The Ordinance will apply to any residential housing project that involves the purchase of City owned land or vacant structures at a discounted price. The Ordinance applies to all discounted property sales, regardless of the size of the discount. The method of determining whether a purchase price is discounted is described in Section 5 of these Guidelines.

Direct Investment of City or Pass-Through Dollars (Types 2-5 as defined in Section 22-3-2 of the Ordinance): The Ordinance applies to any project that receives direct monetary investment from the City of Detroit or investment of City dollars through a Subrecipient of the City. The investment threshold of the Ordinance is provided in Section 1(B) of these Guidelines and will be adjusted annually using the method described in Section 5 of these Guidelines. The funding sources that require compliance with the Ordinance are:

- City of Detroit General Funds, including the Affordable Housing Development & Preservation Fund
- Community Development Block Grant (CDBG) housing construction and acquisition activities through the U.S. Dept of Housing & Urban Development (HUD)
- HOME Funds through HUD
- Community Development Block Grant CARES Act (CDBG-CV) through HUD
- American Rescue Plan Act (ARPA) through the U.S. Dept. of Treasury

Issuance of a Tax Abatement Certificate (Type 6 as defined in Section 22-3-2 of the Ordinance):

As of 2023 revisions, the Ordinance applies to any project receiving certain tax abatement certificates that abate all or a portion of ad valorem property taxes. The Ordinance applies to the projects using the following tax abatement programs that applied for the tax abatement district after September 26th, 2023.

- Neighborhood Enterprise Zone Act (Public Act 147 of 1992; MCL 207.771, et seq.)
- Obsolete Property Rehabilitation Act (Public Act 146 of 2000; MCL 125.2781. et seq.)
- Commercial Rehabilitation Act (Public Act 210 of 2005; MCL 207841, et seq.)

B. Qualifying Investment Threshold

The level of Direct Investment of City or Pass-Through Dollars qualifies a project as an eligible transaction under this Ordinance for 2025 is **\$533,870.00**. This threshold is adjusted annually following the method described in Section 5(B) of these Guidelines.

Discounted property sales and tax abatements of any value qualify as eligible transactions.

C. Exemptions

The Ordinance’s affordable housing requirements do not apply to the following types of projects:

- Ownership/for sale projects;
- Projects smaller than 20 units;
- Nursing homes, residential care facilities, dormitories, and assisted care living facilities;
- Hotels, motels, hostels, bed and breakfasts, and other transient-occupied lodging; and
- Cases where the developer or owner have previously agreed to provide affordable housing subject to an agreement approved by the City Council.

D. Waivers

The Director of HRD (the “Director”) may request that City Council grant waivers to the Ordinance on behalf of, and at the request of, Developers for certain transactions. If HRD determines that a waiver is appropriate, it will prepare a report for the City Council justifying its conclusion and post this report on its website. The request for a waiver will then be brought to the City Council. The following circumstances are eligible for waivers:

- The affordable requirements produce a result inconsistent with the purpose and intent of the Ordinance;
- The developer or owner provides satisfactory assurance that the affordability requirements applicable to the structure comprising the residential housing project are satisfied by the provision of affordable dwelling units in one or more substitute structures; or
- The affordable housing requirements, including offsite production options, would render the project economically infeasible.

4. AFFORDABLE UNIT REQUIREMENTS

A. Number of Affordable Units Required

In computing the total number of inclusionary units required in a residential project, fractions of one-half (1/2) or greater are rounded up to the next highest whole number, and fractions of less than one-half (1/2) are rounded down. For example, a 52-unit development would provide 42 market-rate units and 10 affordable units ($52 \times 0.2 = 10.4$, rounded down to 10). This unit calculation does not supersede unit calculations required by HOME funding. If a project includes public support of multiple types, the type with the stricter affordability requirements will be used. Specific unit requirements are:

- Projects receiving direct monetary support from the City’s general fund must include a minimum of 20% of total units that are restricted and affordable to households earning below 80% of Area Median Income.
- Projects that include the purchase of City-owned property at less than market value must include a minimum of 20% of total units that are restricted and affordable to households earning below 80% of Area Median Income.
- Projects utilizing CDBG, CDBG-CV or HOME funding through the City will be required to provide a minimum of 15% of total units that are restricted and affordable to households earning below 60% of Area Median Income, and at least 5% of total units that are restricted and affordable to households earning below 50% of Area Median Income. The AMI restrictions will be applied to affordable units as follows:
 - First unit: 60% AMI
 - Second unit: 60% AMI
 - Third unit: 50% AMI
 - Fourth unit: 60% AMI
 - Fifth Unit: Repeat from one
- Projects utilizing unspecified State or Federal sources will be required to follow affordability requirements associated with those programs, or an alternate affordable housing mix at the discretion of HRD.
- Projects utilizing a tax abatement will be required offer a minimum of 20% of total units that are restricted and affordable to households earning below 80% of Area Median Income or follow affordability requirements set forth in the applicable tax abatement certificate agreement as negotiated with HRD and approved by City Council.

B. Income Limits

The City uses the most recent household income limits as published by the Michigan State Housing Development Authority for Wayne County, adjusted for household size. These income limits are derived from the Detroit-Warren-Livonia MSA Area Median Income issued by the U.S. Department of Housing and Urban Development (HUD). If these income limits are no longer published annually by the MSHDA, the Director will determine an alternate method of

computing income limits for eligible households using Area Median Income data published by HUD. Additional guidelines for determining and documenting household income are included in Exhibit B of these Guidelines.

C. Maximum Rents

The ordinance calls for rents to be affordable to households of various income levels. Maximum rents should be set at the maximum rent published by MSHDA (or any other applicable regulating agency, i.e. HUD), minus tenant-paid utilities, rounded to the closest dollar.

To determine the rent that may be charged to tenants of inclusionary units, the monthly utility allowance is deducted from the affordable rent if the tenant pays for utilities. Any mandatory fees charged for use of the property must also be deducted from the affordable rent.

Note: for projects that are subject to inclusionary requirements solely because of a tax abatement (Type 6 Qualifying Transaction), deduction of a utility allowance from the affordable rent is encouraged but not required of projects receiving tax abatement approvals prior to December 31, 2025.

Income & maximum rent tables can be found on the [Income Rent and Utility Limits page](#) on the Michigan State Housing Development Authority website—see “04-01-2025 Income Limits” or the most recent maximum rent table available. Utility allowances may be found on the [LIHTC Utility Allowances page](#) on the Michigan State Housing Development Authority website-- see “Current MSHDA PHA Utility Allowances.”

D. Term of Affordability

Units developed under this Ordinance will remain affordable for a minimum of thirty (30) years unless the sole public investment is a tax abatement, in which cases the units developed will remain affordable until at least the expiration of the tax abatement certificate. The term of affordability will begin when the first affordable unit receives its Certificate of Occupancy.

E. Substitute Structures/Offsite Production

The ordinance allows developers to produce some or all of their units in substitute structures. With permission from the Director and City Council, developers may produce the required affordable housing units in a separate building under the following conditions:

- The units must be developed within 24 months of the first structure of the residential housing project’s completion. If the new units are not placed into service within 24 months, the developer will rent the equivalent number of units in the main project at affordable levels, as would have been required if the developer did not pursue the offsite alternative.
- The developer must provide a detailed project plan for proposed off-site affordable housing units to demonstrate that the affordable project has sufficient resources to meet short- and long-term management expenses and capital needs.
- The developer may develop/sponsor affordable units in a substitute structure or may request to satisfy Inclusionary Housing requirements by making an eligible financial investment in the development of affordable units by another developer/sponsor. The

threshold of financial investment necessary to satisfy the substitute structure provision will be determined based on HRD underwriting at an amount that is deemed necessary to produce the number and type of affordable housing units required of the project by the Ordinance.

- The substitute structures or offsite units must meet one of the following location requirements:
 - 1) Be within ¼ mile of the qualifying transaction project;
 - 2) If the qualifying transaction project is in the Downtown/Central Business District, as defined by the district boundary of the Downtown Development Authority (the “DDA Boundary”), the substitute structures or offsite units may be anywhere within the DDA Boundary or within ¼ miles of the DDA Boundary.
 - 3) If the substitute structure/off site units are proposed greater than ¼ mile away from the qualifying transaction, the developer must demonstrate neighborhood comparability and that residents of affordable units will have access to amenities comparable to that of the qualifying transaction. There is no one indicator of a comparable neighborhood, the Director will make a decision based on the totality of factors. A request to provide substitute structure/off site units under this provision should include, at minimum, the following information for both the qualifying transaction and the substitute structure:
 - Employment centers within 1 mile
 - Major bus or transit stops within ¼ mile (major transit lines are light rail stops or bus stops with 12 minute or less headways between buses)
 - Parks within ½ mile
 - Schools within ½ mile
 - Percent of abandoned homes in the neighborhood
 - Retail amenities within 1 mile
 - Information about alignment of the substitute structure with neighborhood/community plans.

5. PENALTIES

The Affordable Housing Agreement will include provisions for penalties to be paid by the owner/developer in the event that the affordability terms are not met or maintained. Penalties will generally be set such the owner/developer will pay to the City:

- (a) The difference between the actual rent received by the owner/developer and the affordable rate that would otherwise apply;
- (b) A penalty for each unit not in compliance in the amount not less than 25 percent of the affordable monthly rate for each month or part of a month of non-compliance;
- (c) The enforcement costs of the City; and
- (d) Any other sanctions or penalties under applicable laws, rules, or regulations.

Prior to the issuance of a penalty, the owner/developer will have 60 days to cure the noncompliance. If the owner fails to become compliant, the penalty will be assessed from the first day of non-compliance.

The 60-day cure period may be extended by the Director for a reasonable, specifically-stated period for good cause shown.

6. PROCEDURES

I. Creation of Affordable Housing Plan

Developers are required to produce an Affordable Housing Plan for all transactions covered by the Ordinance. The City's goal in requiring the plan is to ensure that inclusionary housing is considered early in the planning process. If a Developer submits detailed information inclusive of the required contents of the Affordable Housing Plan as part of an application to a City-issued Notice of Funding Availability, that submission will satisfy this requirement.

The required contents of the Affordable Housing Plan are specified in **Exhibit A**. HRD reserves the right to request additional information from Developers as needed. Where the initial Affordable Housing Plan does not provide sufficient detail to determine compliance with the Ordinance, the City may require additions to the Plan as part of later planning approvals.

II. Presentation to City Council

All funding commitments and land sales made by the City in support of development activities require approval by City Council. As part of these approval processes, HRD will provide a description of the project and its affordable housing mix to Council.

III. Execution of Contracts

HRD will negotiate and execute a contract or contracts, which may include a Purchase Agreement, Development and Loan Agreement, an Affordable Housing Restriction, and/or other contractual agreements as deemed necessary by HRD, for projects that are required to comply with the Ordinance. These contracts will contain affordability requirements, obligations, and penalties. The contract(s) will be recorded with the Wayne County Register of Deeds at the time of the transaction that triggers the Ordinance. The affordability provisions must run with the land and be binding on all subsequent owners of the residential housing project.

IV. Affordable Unit Creation/Timing

Affordable units should be built concurrently with market rate units. If a project is to be built in phases, the affordable units should be developed during each phase, at a pace equal to the market rate development. Further, a Developer shall apply for building permits and inspections for affordable units concurrently with any market rate units.

V. Verification of Tenant Income

The owner/developer is responsible for verification of tenant income at lease-up of affordable units and at subsequent leasing cycles in accordance with the terms of Affordable Housing Restriction and/or other contractual agreements between developer and HRD. Applicants' household annual gross income should be calculated in accordance with the Technical Guide for Determining Income and Allowances for the HOME Program published by HUD. The HOME Guide is available for download at the following link:

<https://www.hudexchange.info/resource/786/technical-guide-for-determining-income-and-allowances-for-the-home-program/>

Exhibit B provides the definition of what income sources are included and excluded from the determination of annual gross income and requirements for documentation.

Exhibit C provides additional guidance for verification of tenant income for instances in which the head of household is a student.

VI. Reporting & Compliance

Ongoing compliance terms will be specified in the Notice of Funding Availability and in Contracts established between the City and the Developer, but generally will include at least an annual certified rent-roll; annual re-certification of tenant income; lease status and rental amount for each property; tenant income, household composition, and other information required to document eligibility; and information sufficient to document compliance with any other conditions of the funding allocation.

7. CITY PROCESSES FOR DETERMINING FUNDING THRESHOLDS

A. Land Sale Discounts

A discounted land sale regardless of the size of discount will trigger the Ordinance. HRD will be responsible for establishing a valuation of a property and notifying a purchaser of their obligations related to this ordinance when the purchase price is less than the property's valuation.

HRD may use one of several methods to establish a valuation including but not limited to:

- An appraisal
- A broker's opinion
- An internally conducted analysis of comparable land sales

B. City Funding

The Ordinance established a City investment threshold of \$500,000 as the amount of funding (regardless of source) that would trigger the terms of the Ordinance. It further describes a process by which HRD will annually adjust this threshold based on the Consumer Price Index. This process is as follows:

- I. Each December, HRD will look up the Consumer Price Index for All Urban Consumers (CPI-U) for all items in Detroit-Warren-Dearborn, MI, not seasonally adjusted as published by the U.S. Bureau of Labor Statistics (Data Series ID CUURS23BSA0). HRD will use the most recent month available (typically October). If this data series is no longer available, HRD will use its discretion to identify an alternate data source.
- II. HRD will compare the CPI-U to the CPI-U twelve months prior and establish a percentage change.

- III. HRD will multiply the investment threshold used in the current year by the CPI-U percentage change calculated in step II above. The resulting figure will be established as the funding threshold in the following calendar year.

8. APPEALS

Developers who disagree with the implementation of these Guidelines or associated Procedures may appeal to the Director. The decision of the Director may be appealed according to appeals procedures for rule making processes identified in the Detroit City Charter. The City may charge fees to recover their costs in processing these appeals.

9. AFFORDABLE HOUSING DEVELOPMENT AND PRESERVATION FUND

The Ordinance calls for the creation of the Affordable Housing Development and Preservation Fund ("Fund") to serve as a public investment tool for affordable housing projects. The Fund will be administered according to the following terms.

A. NOTICE OF FUNDING AVAILABILITY

The resources available through the Fund will be made available publicly through HRD's bi-annual Housing Rehabilitation & Development Program Notice of Funding Availability. This NOFA will contain eligibility requirements, application requirements, and other details regarding the availability of resources through the Fund.

B. PRIORITY ACTIVITIES

While the Ordinance provides a larger list of eligible activities, at this time the Fund will focus on the following activities:

- Development and construction of new affordable housing, including supportive housing
- Preservation of existing affordable housing
- Conversion of existing market-rate housing to affordable housing units
- Administration and disbursement of funds for homelessness prevention

C. AFFORDABILITY REQUIREMENTS

At least 70% of the expenditures from the Fund in any given three-year period will be directed to projects that provide housing units to households making up to 30% of the Area Median Income. The remainder of Fund expenditures will support projects that provide housing units to households making 50% or below of AMI.

The AMI will be calculated as described in the income limits section (Section 2) of these Guidelines.

Units receiving funds from the Trust Fund shall remain affordable for at least 30 years from the date of completion of construction, with priority given for proposals that are likely to be affordable in perpetuity, either by deed restriction or the nature of the developer.

D. LOCATION REQUIREMENTS

Not less than 70% of Fund monies shall be allocated in areas that are located in areas of persistent poverty, as identified by the U.S. Census Bureau, and/or are located within identified Housing and Revitalization Department Multi-Family Target Areas. An area of persistent poverty is defined as a Census Tract where the majority of households are living below the Federal poverty line for two or more decennial Census.

E. FUNDING & ADMINISTRATION

The Ordinance requires an annual contribution by the City to the Fund. The amount is expected to be not less than 40% of the net receipts of all commercial property sales during the previous fiscal year plus any penalties/fees generated as a result of the Ordinance. Commercial land sales are defined as land zoned or intended for nonresidential use. Net receipts are calculated by subtracting expenses from the final sale price of the commercial land. Expenses that may be deducted include costs associated with the sale of the land (e.g. commission) or other costs incurred in the 12 months prior to the sale.

During the City's annual budgeting process, HRD will submit a budget request to capitalize the Fund based on commercial property sales completed during the preceding calendar year.

HRD may elect to use a portion of the Fund, not to exceed 15% of funds disbursed annually, to cover administrative costs of the Fund.

10. CITY REPORTING REQUIREMENTS

HRD will prepare and submit an annual report to the Mayor and the City Council that includes, at a minimum, the following information:

1. The number of qualifying transactions presented to City Council in the preceding year;
 - a. The number of qualifying transactions approved by City Council; and
 - b. The number of qualifying transactions denied by City Council.
2. The number of dwelling units created that meet the affordability requirements;
3. The level of compliance in maintaining the affordability of dwelling units created in previous years;
4. The number of written notifications issued for noncompliance with the Ordinance;
5. The total amount of penalties issued and collected for failure to cure noncompliance;
6. The number and circumstances of each extension granted under Section 22-3-6(b)(3) of the Ordinance;
7. The list of itemized expenditures from the Detroit Affordable Housing Development and Preservation Fund.

Reports will be posted to the HRD website for public access.

EXHIBIT A - Affordable Housing Plan Content

Where the initial Affordable Housing Plan is not at sufficient detail to determine compliance with the Ordinance, the City may require additions to the Affordable Housing Plan as part of later planning approvals, or as part of the Affordable Housing Agreement. The Affordable Housing Plan must include at the minimum the content below. The Department reserves the right to request additional information from Developers.

Minimum Affordable Housing Plan Content:

- Name of the developer or borrower
- Address of proposed development
- Development cost
- Total number of dwelling units in the residential development
- Total number of affordable housing units in the development
- Number of units at each AMI percentage in the residential development
- Number of units per bedroom type (1-bedrooms, 2-bedrooms, etc.) in the residential development
- Commitment to maintain affordability of affordable units for at least 30 years (or, for projects that are qualified transactions solely due to a tax abatement, a commitment to maintain affordability of affordable units for at least the term of the abatement).
- Phasing timeline and site plans for affordable units and market-rate units
- If the project is requesting an alternative, e.g. offsite compliance, provide a description of the alternative explaining how the alternative complies with each of the requirements for that alternative contained in Section 5

EXHIBIT B - Documentation to Verify Income

The gross annual incomes of all household members age 18 or older are considered when determining eligibility. The types of income to be verified and the type of documentation that will be requested may include:

- 2 months most recent pay stubs
- Signed copies of federal tax returns for the three most recent years
- W2 forms for the most recent year
- 1099 forms for the most recent year
- Self-employed, the net income from the operation of the business
- 3rd party verification of employment
- Other sources of earnings such as child support, alimony, social security, etc.

All income documentation is based primarily on the applicant’s income for the past year as evidenced by the documents listed above and additional verification, if requested, as listed below. Assumptions about bonuses, overtime, or other speculative or uncertain projections of income will be based on what was earned in the previous year, unless clear documentation is presented supporting a variation.

Where major changes have occurred in life circumstances since the applicant’s last year of employment, including only such major changes as retirement, job loss, or disability or death of a wage earner, the projected income losses may be deducted from the applicant’s income for the past year. The City may require verification of the change in life circumstances.

Additional income verification may also be requested as follows:

Source of Income	Documentation
Salaries and Wages	Verification from employer
Business Income	Verification of income by a certified public accountant or bookkeeper including most recent quarterly profit/loss statement. For self-employed individuals or sole proprietor’s, the City may use the most recent 1099 and tax returns.
Interest and dividend income	Current bank statements or dividend statements
Retirement and insurance income	Verification from source
Unemployment and disability income	Verification from source
Welfare assistance	Verification from source
Alimony, child support, gift income	Verification from source
Armed forces income	Verification from source
Other	Verification from source

Household income includes all payments from all sources received by all adult members of the household. The income of minors (household members less than 18 years old) and live-in aides is excluded.

For self-employed persons, the net income from the operation of the business is considered as the annual income, excluding deductions for expenses, capital expenditures and depreciation as documented in their tax returns. Similarly, net income from property rental is considered as annual income, also excluding deductions for expenses, capital expenditures and depreciation.

EXHIBIT C -- Student Income Verification Policy

Students enrolled in an accredited higher education institution on a full-time or part-time basis and have incomes at or below 80% AMI are eligible to be protected under the City of Detroit's Tenant Retention Standards.

If any students currently comprising a household in an occupied building plan to stay and/or renew their lease, the entire student household must self-certify as low-income to be protected under these standards. Incomes of each individual student planning to stay in a household must be considered to determine if the household as a whole makes less than or equal to 80% AMI. Households are entitled to alter their composition to remain eligible but should have their composition in place before recertification begins.

Students who are under the age of 24 and do not have full-time employment must do at least one of the following to be classified as low-income:

- Provide documentation showing they are financially independent from their parents and that the student's income is equal to or below 80% AMI. To show financial independence from parents, students can provide:
 - Evidence that they filed for FAFSA as an independent student
 - Proof they are married or support dependent children,
 - Proof of veteran or active military status
- Provide documentation showing that both the student and their parents/guardian's household make incomes equal to or below 80% AMI
- Provide documentation that they have an exemption that allows them to be automatically qualified as low-income, namely receipt of SSI or Section 8 assistance.

Students who are 24 years old and older do not need to provide financial information for their parents or evidence they are financially independent from their parents. The same is true for students who are under 24 but who do have full-time employment.

Financial assistance from their higher education institution **that is in excess of tuition and does not** take the form of loans or income-based financial aid should be counted as income.

Tenant communication plans must include information for students notifying them of their right to undergo income verification, and the process by which they can complete verification.