



City of Falls Church Department of Housing & Human Services
AFFORDABLE DWELLING UNIT (ADU)
APPLICATION INSTRUCTIONS



300 Park Avenue 102W, Falls Church, VA 22046
 Office Hours: 8am - 5pm; Monday - Friday
 Tel: 703-248-5005, TTY 711 Fax: 703-248-5149
 Email: HHSInfo@FallsChurchVA.gov Website: www.fallschurchva.gov/HHS

Please Read All of These Important Instructions Carefully

Affordable Dwelling Unit Applications are available and accepted at Falls Church City Hall, Housing and Human Services, 300 Park Avenue, 102W, year round.

Please complete all applicable blanks on the Application Part I and Part II and submit all the required documentation listed on the next page. This information will be used to determine your eligibility for the program; all information will be kept confidential. **Incomplete applications will not be accepted.** Applications will be stamped with the date of submission.

When the City determines an applicant is ineligible, the City shall promptly notify the participant of this decision in writing, this correspondence will contain information on how to request an appeal of the decision. If the applicant is not qualified for the program, the household may reapply at any time when they become eligible for the program. If the application is incomplete, staff will return it to the household with comments on what is missing and the household may reapply at any time with the complete or corrected content.

Special Notes on Eligibility for the ADU Purchase and Rental Program

- You **are not eligible** for the ADU Purchase program if you or any member of your household has owned a house in the past three years.
- You **are not eligible** for either ADU program if you have more than **\$40,000** in total liquid assets.
- ADU rental applicants with a credit score below 620 will be subject to a final leasing decision from the leasing office.

*****If you exceed the below income limits for your household size, please note you will not be eligible for the program.*****

2021 HUD Median Income Limits by Household Size								
Household Size	1	2	3	4	5	6	7	8
HUD AMI % & \$	\$90,300	\$103,200	\$116,100	\$129,000	\$139,320	\$149,640	\$159,960	\$170,280
30% of AMI	\$27,090	\$30,960	\$34,830	\$38,700	\$41,796	\$44,892	\$47,988	\$51,084
40% of AMI	\$36,120	\$41,280	\$46,440	\$51,600	\$55,728	\$59,856	\$63,984	\$68,112
50% of AMI	\$45,150	\$51,600	\$58,050	\$64,500	\$69,660	\$74,820	\$79,980	\$85,140
60% of AMI	\$54,180	\$61,920	\$69,660	\$77,400	\$83,592	\$89,784	\$95,976	\$102,168
70% of AMI	\$63,210	\$72,240	\$81,270	\$90,300	\$97,524	\$104,748	\$111,972	\$119,196
80% of AMI	\$72,240	\$82,560	\$92,880	\$103,200	\$111,456	\$119,712	\$127,968	\$136,224
90% of AMI	\$81,270	\$92,880	\$104,490	\$116,100	\$125,388	\$134,676	\$143,964	\$153,252
100% of AMI	\$90,300	\$103,200	\$116,100	\$129,000	\$139,320	\$149,640	\$159,960	\$170,280
110% of AMI	\$99,330	\$113,520	\$127,710	\$141,900	\$153,252	\$164,604	\$175,956	\$187,308
120% of AMI	\$108,360	\$123,840	\$139,320	\$154,800	\$167,184	\$179,568	\$191,952	\$204,336

Documentation Requirements for the ADU Program

You must submit a complete and original signed application with photocopies of all the required documents. Applications without the required documentation will be returned and not accepted.

1. First-Time Homebuyer Status (Purchase Only): Each member of the household age 18 years or older must submit a notarized statement stating that he or she has not owned a home within the last three years. (see First- Time Homebuyer Statement attached and make copies if needed). Any individual who is divorced and owned a home with his or her spouse or resided in a home owned by the spouse is considered to be a first-time homebuyer and must submit a copy of divorce documents.

2. Household Composition Status (Purchase and Rental): If an individual is listed as a member of the household on the application but is not currently living with the applicant, then the individual must **sign a notarized statement certifying that they will be living in the ADU** (see the Household Composition Statement attached and make copies if needed). This also applies to an applicant and a co-applicant that do not live together at the time of application. If the individual is a child, the guardian of the child must sign a notarized statement indicating that the child will be residing at the ADU.

A copy of photo identification for each member of the household must be provided with the application. Acceptable forms of photo identification include a state issued **driver's license, ID card, or U.S. Passport**. For children under 18 years old who do not have an ID card, **the birth certificate** will be sufficient proof of identification.

3. Household Income Information: The annual gross income is defined by the Part 5 definition of the federal HOME program, which is the gross amount (before any deductions) of income of all adult household members that are anticipated to be received (using a household's expected ability to earn) during the coming 12-month period. The following documentation must be provided from each wage earner age 18 or older in the household, if it is applicable:

A) Three-years of tax transcripts (Purchase Only): Each wage earner needs to complete **Form 4506-T, Request for Tax Transcript** and submit it to IRS (see form enclosed and make copies if needed). Copies of the tax transcripts for past three years must be submitted with the ADU application. The tax transcripts will only be used as a reference to get a better understanding of the household's income history. Do not submit the 4506-T form as part of your application.

B) Six consecutive pay stubs (Purchase and Rental): from the last three months if they are bimonthly (paid 2 times a month) payments, **12 consecutive pay stubs for weekly payments**, or **three consecutive pay stubs for monthly payments**, or the **attached employment verification form** completed by the employer, or a **copy of business tax returns** from the previous year. If a wage earner cannot provide the correct number of consecutive pay stubs, then it is required that he or she must submit an employment verification form completed by an employer. *The documents will be used to calculate the household gross annual income.*

C) Copies of statements of other income (Purchase and Rental): This includes, but shall not be limited to unemployment benefits, worker's compensation, severance pay, social security benefits, disability benefits, annuities, pensions, retirement payments, alimony, child support payments, or any other similar types of funds from which you receive periodic payments. The documents will be used to calculate the household gross annual income.

Staff can only calculate the applicant's gross household income based on factual and third party documents; income cannot be based on verbal or written statements from the applicant. Members of the applicant's household who are currently not earning any income must **sign a notarized statement of their unemployment status** (see *unemployment statement attached and make copies if needed*).

4. Assets Information (Purchase and Rental): Liquid assets shall be defined as any item of value that can be readily turned into cash. Liquid assets shall include, but shall not be limited to, cash gifts, stocks, bonds, certificates of deposit, and savings accounts. Retirement accounts recognized by the Internal Revenue Service shall be excluded from the definition of liquid assets except, however, any payout from retirement accounts as monthly or lump-sum disbursements will be counted as part of the household income. Applicants must submit **two (2) most recent bank or account statements for each asset** for each adult member of the household.

5. Pre-Approval letter (Purchase Only): Applicants must **submit a pre-approval letter** from a bank or lender stating that they have been approved for a loan between **\$150,000 to \$215,000**. Applicants cannot have a loan co-signer.

6. Priority/Selection Criteria Status (Purchase and Rental): In order to receive priority preference, **the applicant or co-applicant** must meet the program selection criteria and be able to provide supporting documentation. The following criteria are applied when establishing the order of priority for the ranking of eligible buyers. Below is the full description of each preference criteria:

Senior: a person who is sixty-two (62) years of age or older at the time of application. **Applicants must include documentation indicating the date of birth, such as driver's license or birth certificate, or copy of the Social Security Benefits Statement.**

Person with disabilities: a person who is unable to engage in any substantial gainful activity because of any physical or mental impairments that are expected to result in death or have lasted or can be expected to last continuously for at least 12 months. **Applicants must include a copy of the Social Security Disabilities Benefits Statement or submit the attached Verification of Disability Form to their doctor for completion.**

City Resident: a person who lives in the City of Falls Church (i.e. has a city address) at the time of application. The length of time that a person has resided in the City is not factored in the application. **Applicants must provide a copy of their lease or a letter from their landlord stating the current residency at the time of application.**

Work for or in the City: a person whose physical place of work is located in the City of Falls Church or who is currently employed by the City of Falls Church or its schools. **Applicants must include a letter from their employer stating location of work or submit the attached ADU Verification of Employment Form to be completed by their employer.**

7. VHDA Homeownership Education Program (Purchases Only): Applicants must enroll in the Virginia Housing Development Authority (VHDA) Homeownership Education Program and submit a recent copy of the certificate of completion at the time of application. Please contact AHOME at (703) 527-3854 for class schedule in Arlington and the Falls Church City area. Visit <https://www.virginiahousing.com/> for Virginia Housing class schedules in other areas in Northern Virginia.

8. ADU Consent & Release Form (Purchase and Rental): Each member of the household must sign and submit the ADU Consent & Release Form with application (see enclosed form and make copies). The ADU Consent & Release Form will allow the city to conduct third party verification on the household's income, assets, and other financial records.

AFFORDABLE DWELLING UNIT (ADU) PROGRAM CHECKLIST

Documentation Checklist: All items must be completed and submitted at the time of accepting an offered unit.

- ADU Program Application (if applicable, this is generally submitted to be added to the waitlist)
- Household Composition Statement form (if applicable)
- Photo Identification (see Application Requirements page 2)
- Pay Stubs, Verification of Employment Form for each adult, and proof of Fairfax County Housing Voucher Program, if applicable. (see Application Requirements page 2)
- Other Income documentation (see Application Requirements page 2)
- Unemployment Statement form (if applicable)
- Bank statements for all accounts (see Application Requirements page 3)
- Social Security Disabilities Benefits Statement or Verification of Disability Form (if applicable)
- Lease or Letter from Landlord (if applicant(s) lives in the City of Falls Church)
- Employer Letter or Verification of Employment form (if applicant(s) work in the City of Falls Church)
- ADU Consent & Release form (for each adult applicant)
- Divorce Decree (if applicable)

Homeownership Documentation Checklist: All items must be completed and submitted at the time of application

- First Time Homebuyer Statement form (**Purchase Only**)
- VHDA Homeownership Education Class Completion Certificate (**Purchase Only**) (for at least one applicant)
- Loan Pre-Approval Letter (**Purchase Only**) (see Application Requirements page 3)
- Tax Transcripts for the past three years (**Purchase Only**) (see Application Requirements page)

Policy of Non-Discrimination on the Basis of Disability

The City of Falls Church does not discriminate on the basis of disability in its employment practices or in the admission to, access to, or operation of its services, programs, or activities. Cindy Mester, 300 Park Avenue, Falls Church, Virginia, has been designated to coordinate compliance with the ADA non-discrimination requirements. The City of Falls Church complies with the Americans with Disabilities Act. This document will be made available in an alternate format upon request. Call 703-248-5005, (TTY 711).