When Recorded Return To:
Blaine County Housing
Authority
P.O. Box 4045
Ketchum, ID 83340

BLAINE COUNTY HOUSING AUTHORITY

Community Housing Administrative Policies Adopted July 16, 2025

We are committed to equal housing opportunities. We do not discriminate based on race, color, religion, national origin, sex, gender, sexual orientation, disability (physical or mental), familial status, or creed.

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Section 1. Introduction

A. Mission Statement

The Blaine County Housing Authority's (BCHA) mission is to advocate for, promote, plan, and preserve the long-term supply of desirable and affordable housing choices in all areas of Blaine County to maintain an economically diverse, vibrant, and sustainable community.

B. Purpose of Policies

1. The purpose of these Policies is to define and describe the process and qualifications of renting, purchasing, and selling Community Homes within Blaine County. These are the parameters by which BCHA administers Deed Covenants and Community Homes in its programs. BCHA staff are required to follow, implement, and enforce these Policies: Any Exceptions can only be approved by the BCHA Board of Commissioners.

2. These Policies are supplemented by professional guidance available from BCHA staff.

3. These Policies are also intended to assist government staff, the development community, Applicants, and the public in understanding the priorities and processes governing Community Housing development and administration in Blaine County.

4. These Policies are intended to support the achievement of BCHA goals and to supplement the Deed Covenant, land use and building codes used by the County and Cities. These Policies are used to review land use applications, to establish affordable rental rates and sales prices, and to establish criteria for admission and occupancy.

5. These Policies will be reviewed and updated annually, at a minimum.

6. In the event of any conflict between Policies and the Deed Covenant, the Deed Covenant will prevail.

C. Role of The Blaine County Housing Authority

Blaine County Housing Authority (BCHA) is a public entity and has administered Community Homes and provided housing policy advice to local Blaine County governments since its inception in 1997. The role of BCHA, as transferred to Blaine County, is determined by BCHA's Creating Resolution 2007-33 (amended 2010-36). It states, "*Recognizing that the Wood River Valley is one social and economic unit, the Board of County Commissioners believes it can better fulfill the affordable housing needs of the*

County's residents by creating a county housing authority that represents all of its citizens through participation by the County and all of the Cities in the County as members of its governing body. By granting each governmental jurisdiction a more direct voice in the selection of the Board members, we believe the organization will be more representative and more effective fulfilling the housing needs of each jurisdiction and the county as a whole….The County Board desires that the Housing Authority prioritize its services in the following areas:

1. *Assist the County, cities and private developers with planning affordable housing.*

2. *Perform periodic needs assessments and program studies to assure that Agency programs are productive and effective and advise the county and Cities of any policies and programs changes that would facilitate development of affordable housing.*

3. *Act as a clearing house for the delivery of housing product and placement of qualified applicants by maintaining a current list of applicants, qualifying purchasers and renters and aiding applicants with the purchase or rental of available Community Housing.*

4. *Generate, maintain and update Community Housing Guidelines (Policies) and deed restrictions; and monitor compliance by developers, buyers and renters.*

5. *For its own account, or in concerts with others, develop affordable housing within the County.*

Nothing in this section shall preclude BCHA from undertaking other projects as authorized by Idaho Code. (Blaine County Resolution 2007-33)" Additional responsibilities and direction, as adopted by the BCHA Board of Commissioners, are described in BCHA's long-term Strategic Plan and Annual Action Plans.

D. Authority of the Blaine County Housing Authority

BCHA is an independent public body, corporate and politic created by Blaine County and has all the powers and authority bestowed upon a housing authority pursuant to Title 31, Chapter 42 and Title 50, Chapter 19, Idaho Code. BCHA is not a certified Public Housing Authority associated with, or managed by, the U.S. Department of Housing and Urban Development (HUD).

E. Income Categories

1. Income Categories are used by BCHA to determine which Applicants must be considered for specific Community Homes. These Income Categories are based on percentages of the Area Median Income (AMI) and adjusted on an annual basis, informed by HUD-adjustments and as adopted by the BCHA Board.

2. The most current chart for Household Income Categories is available at www.bcoha.org.

Income, assets, and debts for all adult household members must be disclosed to determine the Applicant's Income Category.

3. The actual dollar amount of income and net worth limits per category change annually and are listed as Income Limits published by BCHA on its website for the Income Category and Household Size.

4. The Income Category of the Household is determined by total Gross (pre-tax) Income of all members of the Household and must not exceed the maximum Household Income specified.

5. BCHA will not qualify a Tenant for the rental of a Community Home designated Category 1 through 6 to an Applicant whose income category is higher or lower than the unit's designated category. BCHA will not qualify a buyer for the sale of a Community Home designated Category 1 through 6 to an Applicant whose income category is higher than the unit's designated category.

F. Definitions

Throughout the document, terms with definitions are capitalized, including in the definition section. For example, the definition for Local Employee includes two additional defined terms: Employee and Local Employer: "**Local Employee** - A person who meets the definition of Employee for their work with one or more Local Employer(s)."

1. **Administration Fee** – The fee charged by BCHA in connection with a purchase and sale transaction of a Community Home as compensation for administering the lease-up and sales process, describing and enforcing program requirements, and monitoring compliance with the Deed Covenants.

2. **Adult** – A person 18 years of age or older.

3. **Applicant/Applicant Household** – Persons or households that have completed the BCHA application process to obtain, either through purchase or rental, a Community Home or other housing administered or managed by BCHA.

4. **Applicant Database** – The official BCHA record of Applicants who have completed the Common Intake Form. Except for transitional housing placement, the date that an Applicant joins the Applicant Database is the date that an Applicant submitted a complete application (if prior to 2023) or the Common Intake form determines Waitlist prioritization.

5. **Area Median Income** – Area Median Income (AMI) is the midpoint of the county's income distribution. It represents the income level where half of the households in the county earn more and half earn less.

6. **Assets** - Anything owned by an individual that has commercial or exchange value. Assets consist of specific property or claims against others, in contrast to obligations due others. Assets used to provide equity in the purchase of a Community Home are considered Assets for BCHA's purposes. Assets in retirement accounts that will be taxed or penalized for retrieval prior to retirement will not be considered Assets for BCHA's purposes.

7. **Common Intake Form** - Initial Application to enter BCHA's Applicant Database and be considered for BCHA's housing and referred to other housing providers.

8. **Capital Improvements** - Unless otherwise defined in the Deed Covenants on the Community Housing unit, any fixture erected as a permanent improvement to real property that enhances the value of the property, excluding repair, maintenance costs, and standard depreciation when applicable. A fixture is any personal property attached to or installed on land or a structure thereon to become part of the real property. For Capital Improvements to be included in the Maximum Sales Price calculation, they must be approved by BCHA during annual review and not considered luxury or for a limited population group.

9. **Community Housing/Home** - Dwelling units, for sale or rent, restricted typically via deed covenant for households meeting assets, income and/or minimum occupancy policies approved by BCHA. Homes that first prioritize or are restricted to employees of specific employers are not considered Community Housing (see Employer Housing).

10. **Deed Covenant** - A legally enforceable provision in a deed that restricts use, occupancy, alienation, and other attributes of real property ownership or imposing affirmative obligations on the owner or Tenant of the real property.

11. **Employer Housing** - Housing which is required to be developed or administered in conjunction with an organization and is intended for sale or rental by the employees of the enterprise.

12. **Employee** - A person who is employed or offered employment and is working for a minimum of 1,500 hours worked per calendar year (average of 30 hours per week) for one or more employers (or self-employed). Exceptions to the minimum work hours include teachers and active-duty military personnel. Breaks in these employment requirements that do not disqualify applicants include temporary physical or mental disability, family medical leave, and education or training.

13. **Exception** - A review of a petition to waive any provision of these Policies due to special circumstances.

14. **Full Application -** The final determination of eligibility and priority for a current housing opportunity, which requires documentation.

15. **Grievance** - Any dispute that an Applicant, purchaser, seller, or Tenant may have with BCHA

with respect to an alleged action or failure to act in accordance with the complainant's rights, duties, welfare, or status under these Policies or Deed Covenant.

16. **Gross Income** - The total income derived from a business, trust, employment, and income-producing property and investments, before deductions for expenses, depreciation, taxes, and similar allowances. Gross Income must also include alimony, child support, retirement pension, and social security benefits.

17. **Household** - All individuals who are occupying or intend to occupy the Community Home.

18. **Household Income** – The total Gross Income of all adults who are or will be occupying the Community Home.

19. **Income Category** –
    (a) For a household, the classification of a household's annual income as a percentage of the Area Median Income, adjusted for household size and defined by BCHA.
    (b) For a Community Home, the classification is a designation determined by the Deed Covenant and/or relevant land use agreements.

20. **Joint Tenancy** – Ownership of real property by two (2) or more unmarried persons, each of whom has an equal undivided interest in the property.

21. **Debt** - Monetary obligations and liabilities owed by an Applicant.

22. **Local Person with a Disability** - A person who meets the definition of "Person with a Disability" and who either
    (a) lived in Blaine County at least nine (9) out of every twelve (12) month period for the previous two years or
    (b) was a Local Employee immediately prior to their disability.

23. **Local Employee** - A person who meets the definition of Employee as defined herein and for their work with one or more Local Employer(s) as defined herein.

24. **Local Employer** - A business whose business activity is primarily located within Blaine County, is licensed in Blaine County, and whose business employs person(s) physically working within Blaine County. Employers that create and manage short-term rentals are not considered a Local Employer.

25. **Local Senior** – A person 65 years or older who meets at least one of the following definitions:
    (a) was a Local Employee for at least five of the six years prior to reaching age 65 (or older) and continued living at least nine (9) out of every twelve (12) month period in Blaine County since reducing work hours or retirement; and/or
    (b) was a Local Employee for at least ten of the fifteen years prior to reaching age 65 (or

older), and continued living at least nine (9) out of every twelve (12) month period in Blaine County since reducing work hours or retirement.

26. **Luxury –** Any item or feature of an item that is not essential or necessary but is an amenity or desired bonus that adds pleasure, comfort, or convenience to either aesthetics or function and which may increase the market values of the unrestricted properties.

27. **Maintenance and Repair** – Work done that keeps a property in a normal efficient operating condition.

28. **Maximum Housing Costs** - The maximum monthly cost (including but not limited to the rental or mortgage fees, utilities, internet, management fees, taxes, dues, snow removal, pet fees, HOA fees, etc.) paid by a qualified Tenant of a community home. The Maximum Housing Cost is the upper limit of total allowed housing costs and is not a guarantee of Applicant interest at that price.

29. **Maximum Sale Price** – The allowable sale price of a Community Home, as calculated by the formula set forth in the applicable Deed Covenant. This price includes Capital Improvements. Other Fees not charged by BCHA and not specified in the applicable Deed Covenant are not incorporated into the base price from which appreciation starts, unless the total of those fees when added to the purchase price is less than the Maximum Sale Price and buyer agrees.

30. **Mobile Home** - A manufactured home built to the federal HUD Code (Manufactured Home Construction and Safety Standards), built on a steel chassis and fitted with wheels, that is designed to be used as a dwelling with or without a permanent foundation when connected to required utilities.

31. **Net Worth/Household Net Worth** - Combined net worth (all Assets minus all Debt) of all individuals who may be occupying the Community Home. Households with Senior(s) have a higher maximum Net Worth. See bcoha.org for current Net Worth limits. For Applicants near the limit of maximum Net Worth for their Income Category, upon request, BCHA staff have discretion in determining if Assets used for closing costs in the purchase of a Community Home not be considered Assets for BCHA's purposes.

32. **Person with a Disability** - A person who is any (1) a person who has a physical or mental impairment that substantially limits one or more major life activities; (2) a person who has a history or record of such an impairment; or (3) individual who is perceived by others as having such an impairment.

33. **Primary Residence** - The sole and exclusive place of residence for at least nine (9) out of every twelve (12) month period.

34. **Regular Dues.** Recurring payments owed to a Homeowners Association (HOA) to cover

Operating Expenses and Capital Reserves.

(a) Operating Expenses: Recurring, day-to-day costs to run the HOA and maintain shared property or services. Examples include landscaping/snow removal, utilities for common areas, property management, maintenance, insurance, legal and accounting fees.

(b) Capital Reserves (Reserve Fund): Savings set aside for repairs or replacements of shared property and infrastructure in the future.

35. **Senior** – A person 65 years or older.

36. **Special Assessment –** One-time charges levied on homeowners when an HOA does not have enough Capital Reserves to cover an unexpected or underfunded major expense. Special Assessments are calculated and assessed separately and in addition to HOA Regular Dues.

37. **Special Waitlist** – A Waitlist established for a development that intends to house a specific, restrictive population (i.e., Employees of a specific entity).

38. **Tenant** - A person who is leasing or can lease a Community Home that is subject to these Policies, and any qualifying potential lessee or past lessee of any such home, but only with respect to any issue arising under these Policies.

39. **Waitlist** – Applicants from the Applicant Database that meet screening criteria for a specific property and ordered by priority.

Section 2. Qualifying to Rent or Purchase Community Housing

A. Basic Qualifications and Prioritization for the Rental or Purchase of Community Housing

1. To qualify to rent or purchase a Community Home, the Applicant/Applicant Household must meet the following criteria:
   (a) At least one (1) adult is either an Employee, a Senior, or Person with a Disability.
   (b) The Applicant/Applicant Household must confirm that they will occupy the Community Home as their Primary Residence and will physically reside in the unit at least nine (9) out of any consecutive twelve (12) month period.
   (c) No member of the Household may own developed residential real estate or a mobile home, in or outside the United States (including shared inheritance of more than 50% ownership). If Applicant currently owns a home but plans to sell, Applicant must provide adequate proof of marketing and a listing agreement with an agent. BCHA may require additional documentation.

2. Applicant/Applicant Household will be prioritized if at least one (1) adult meets the following criteria:
   (a) Local Employee.
   (b) Local Senior.
   (c) Local Person with a Disability.

3. For Transitional Housing, prioritization will also be determined by the following criteria, in order of priority. If an Applicant meets more than one criterion, their highest priority criteria will determine their location on the Waitlist.
   (a) Applicants with children and pregnant women who have been residing in a place that is uninhabitable, not meant for human habitation or in an emergency shelter.
   (b) Applicants who have been residing in a place that is uninhabitable, not meant for human habitation or in an emergency shelter when a member of the Applicant household has a disability, enhanced service need or has experienced multiple periods of homelessness over the last 3 years.
   (c) Domestic violence survivors: Applicants with at least one person who identifies domestic violence experience as the primary reason causing their housing crisis.
   (d) Applicants in the early stages of alcohol and other drug addiction recovery-individuals and families with at least one person who recently began receiving services to assist in their recovery from alcohol or other drug addiction.
   (e) Other Applicants residing in a place that is uninhabitable, not meant for human habitation or in an emergency shelter.
   (f) Other Applicants with children, based on date entered the Applicant Database.

(g) Other Applicants, based on date entered the Applicant Database.

4. For Bluebird Village, prioritization criteria are set by Ketchum City Council and Idaho Housing and Finance Association and is available on BCHA's website. Additional qualification requirements apply.

B. Applying to Rent or Purchase of a Community Home

1. Common Intake Form
   (a) Anyone wishing to rent or purchase a Community Home in BCHA's portfolio or to be referred to other Community Homes managed by other housing providers must submit a completed Common Intake Form to BCHA. Next steps are outlined in B.2. and B.3..
   (b) BCHA's Application system will automatically notify the applicant if they are eligible for BCHA's Community Housing, if they will be prioritized, and what other non-BCHA housing they might be eligible for.
   (c) For referrals to Bluebird Village, BCHA will also require verification of local employment or local status. If referred, Applicants must work directly with Syringa Property Management to be considered for their properties, including but not limited to filling out their application.
   (d) For BCHA-administered Employer Housing, see Section 2.G. for addition.
   (e) For other housing not in BCHA's portfolio, Applicants must work directly with the property managers to be considered for their properties, including but not limited to filling out their application.

2. Emergency placement for transitional housing: Applicants who have become unhoused because of a traumatic and sudden, extreme event – such as a residential fire, physical violence, or sudden health crisis – may be temporarily placed in transitional housing after submitting a Common Intake Form. Determination of eligibility for emergency placement is at the discretion of BCHA staff. Eviction does not qualify applicants for this alternative process. For these scenarios, the following process will be followed:
   (a) Households in an emergency housing situation submit BCHA's common intake form and is either referred to BCHA or contacts BCHA directly explaining their situation.
   (b) BCHA determines whether the event is traumatic or extreme and determines initial eligibility.
   (c) BCHA and Applicant work to complete and review a Full Application within the ten (10) business days. This will be used to determine long-term rent and confirm eligibility.
   (d) Household provides security deposit and pro-rated rent to date.
   (e) If there are any fixable (curable) criteria that makes the Applicant ineligible, Applicant will sign an agreement outlining the steps needed to become eligible along-side the month-to-month lease. If the Applicant does not sign the agreement or they cannot cure the ineligibility, then they will be asked to leave at the end of the weeklong period.

(f) If Applicant has not become eligible within thirty (30) days, BCHA will provide a thirty (30) day notice to move.

3. Full Application and Applicant Selection Process

(a) BCHA will contact Applicants from the Applicant Database when an opportunity arises that meets the following:

I. The Applicant's Income Category. Maximum Housing Costs for rentals are based on the unit's Income Category and are available on BCHA's website. Maximum sale prices are dependent on the appreciation equation and designated Income Category in the unit's Deed Covenant.

II. The Applicant's household size for units designated Categories 1 through 6. These units must be filled by Applicants that meet the following Occupancy Standards (except Category Local and owner-occupied roommate arrangements that meet the criteria in Section 4.J.). Per fire code, the maximum occupancy is the lesser of the maximum listed below and 125 square feet per person. HOA regulations may establish more restrictive maximum occupancy limits.

# of bedrooms	**# of people in the Applicant household**
studio	1 to 2 person
1 bedroom	1 to 3 people
2 bedroom	2 to 5 people
3 bedroom	3 to 7 people
4 bedroom	4 to 9 people

III. The Applicant's stated interest in renting and/or owning and whether the Applicant has pets.

(b) Once an Applicant is contacted by BCHA about a specific opportunity and confirms their interest, they will be asked to complete the Full Application.

I. BCHA, the landlord, or seller are not obligated to delay the lease-up or sale of a Community Home for more than ten (10) business days to allow an Applicant to complete or update their Full Application.

II. Applicants will then be placed on a Waitlist if the following conditions are met:

1. The Applicant has completed their Full Application, and
2. The Applicant is qualified by BCHA for the property based on the criteria listed in 2.A. Please see Section 2.C. Verifying General Application Information for more details.

III. Prioritization of Applicants on the Waitlist will be ordered using the following parameters:

1. By Applicants that meet the local priority in Section 2.A., followed by those that do not.
2. Within those two local and non-local groups, by date of Common Intake Form (or initial Application submission prior to 2023).

(c) For Rentals: The property manager will be provided contact information for the top three Applicants. The property manager is the primary contact for property showings and for the remainder of the rental process. They may conduct their own screening and may require additional documentation, including social security numbers or ITINs, credit checks and background checks. Applicants who are not selected will maintain their position within the Applicant Database.

(d) For Sales: Applicant will be invited to submit an offer based on their order on the Waitlist. If no offer is submitted or the offer is rejected, the next Applicant on the Waitlist will be invited to submit an offer. Policies related to purchasing a Community Home are in Section 4.

I. In the event the Waitlist of the Community Home's income designation is exhausted, a new Waitlist will be generated to include the Income Categories below the Community Home's designation, and ordered using the following parameters:
    1. By Applicants that meet the local priority in Section 2.A. of the Community Home's designated Income Category, followed by those locals of lower Income Categories (ordered by high to low Income Categories).
    2. Within each Income Categories, by date of Common Intake Form (or initial Application submission prior to 2023).

II. In the event this second Waitlist is exhausted, a new Waitlist will be generated that still prioritizes based on I.1. and I.2 but adds Applicants that do not meet the local priority in Section 2.A.. This will also be ordered by high to low Income Categories – with the Community Home's Income Category as the maximum. Within each Income Category, the Waitlist will be ordered by the date of Common Intake Form (or initial Application submission prior to 2023).

C. Verifying Full Application Information for Permanent Community Housing

BCHA requires additional documentation for BCHA's qualification, such as proof of Blaine County residency, income, assets, and employment. BCHA will require updated documentation if previously submitted documents are 3 months old or more. All information and documentation submitted must be held confidential to the extent allowed by law. Such documentation is used to determine that an Applicant meets the criteria set forth in Sections 2.A and 2.B, Information that will be requested may include but is not limited to the following:

1. Current income verification
    (a) Four most recent paystubs to verify employment and hours in Blaine County; or
    (b) If self-employed, Schedule C for gross business revenue (less approved expenses), a financial statement of the business, a notarized statement by the business owner, or other financial documentation acceptable to BCHA.

2. Historic income verification:
   (a) Federal income tax returns for the two most recent years.
   (b) W-2s or 1099s.

   Note that when the current income is twenty percent (20%) more or less than reported income on tax returns, BCHA will request an explanation. BCHA will use the explanation to more accurately project anticipated income over the next twelve (12) months.

3. If the Applicant is recently divorced, receives court-ordered alimony, spousal support, or child support, a certified copy of the court order must be provided and relevant executed agreements, including all exhibits, supplements, and modifications to the decree.

4. Verification of Net Worth and Mortgages: Documentation of assets and debts, including a soft pull credit report.

5. Verification of Local preference: Affidavit of Local Employment, Local Senior or Local Disability

6. If purchasing, this additional documentation is also required:
   (a) A pre-qualification letter from the Applicant's lender.
   (b) An email or letter from the Applicant's lender stating the Applicant's annual income and net worth.
   (c) If a first-time home buyer, evidence of completion of a first-time home buyer's course.

7. Any other documentation that BCHA deems necessary to determine eligibility.

D. Verifying Full Application Information for Transitional Housing

BCHA requires additional documentation for BCHA's qualification for transitional housing, such as proof of Blaine County residency, income, assets, and employment. All information and documentation submitted must be held confidential to the extent allowed by law.

1. Current income verification
   (a) Minimum of two, preferably four most recent paystubs to verify employment and hours in Blaine County; or
   (b) If self-employed, Schedule C for gross business revenue (less approved expenses), a financial statement of the business, a notarized statement by the business owner, or other financial documentation acceptable to BCHA.

2. Preferred, but not required documentation
   (a) Federal income tax returns for the two most recent years; or
   (b) If independent contractors, W-2s or 1099

   When the current income is twenty percent (20%) more or less than reported income on tax

returns, BCHA will request an explanation. BCHA will use the explanation to more accurately project anticipated income over the next twelve (12) months.

3. If the Applicant is recently divorced, receives court-ordered alimony, spousal support, or child support, a certified copy of the court order must be provided and relevant executed agreements, including all exhibits, supplements, and modifications to the decree.

4. Verification of Net Worth: Documentation of assets and debts.

5. Verification of Local preference: Affidavit of Local Employment, Local Senior or Local Disability

6. Any other documentation that BCHA deems necessary to determine eligibility.

E. Staying in BCHA's Applicant Database

1. If Common Intake Form is incomplete, Applicant will not enter BCHA's Applicant Database.

2. If any information is deemed, in the sole opinion of BCHA, to be inaccurate and the Applicant is unable or unwilling to provide corrected information or documents, the Applicant will be removed from the Applicant Database. If any information is deemed to be falsified, the Applicant will also be Terminated from BCHA's Housing Programs.

3. On an annual basis, as part of the cull process to clear out uninterested Applicants and outdated information, BCHA will email a request to update the Common Intake Form. If information is not updated by the deadline provided in BCHA's email, the applicant will be removed from the Applicant Database.

4. When an Applicant rents a Community Home, the Applicant will remain in the Applicant Database.

5. When an Applicant purchases a Community Home, their Common Intake Form is removed from the Applicant Database. If an owner of a Community Home is experiencing an extreme hardship and to purchase or rent another Community Home, they must complete a new Common Intake Form, and their initial application date will be honored. Eligibility determined by BCHA Staff. BCHA will work with the Applicant to ensure that their current Community Home is sold as they transition to their new home.

6. Applicants will also be removed from the Applicant Database if the following occurs:
   (a) Applicant does not respond to BCHA's request for additional information within the deadline designated in the request.
   (b) Applicant failed to do either of the following:

i. Respond to two requests for information, or to provide, within the necessary time limits, the required verification to determine eligibility/ continued eligibility.
ii. Failed to appear at two appointments.

(c) For BCHA's Transitional Housing occupants: If an Applicant declines or fails to respond to three (3) opportunities that align with their income category, household size, location, and interest in renting or ownership, the Applicant will be automatically removed from BCHA's waitlist. Applicants that are interested in both renting and ownership will be offered three opportunities in total.

F. Termination Policy for Housing Programs

In addition to the eligibility criteria, BCHA is not required or obligated to serve Applicants or program participants who:

1. Have engaged in abusive, violent or threatening behavior directed toward BCHA staff or neighbors. Applicants who have a history of such behavior may be denied participation in BCHA's programs for a minimum period of ten (10) years.
2. Have, within the prior ten (10) years, been in violation of BCHA's Community Housing Policies, a BCHA Lease, Lease Addendum or Deed Covenant.
3. Currently owe rent or other money to BCHA or to another affordable housing program.
4. Have failed to respond to two written requests for information, two requests to declare continued interest in the program, or failed to show to two appointments. Have failed to provide, within the necessary time limits, the required verification to determine eligibility/ continued eligibility. Such requests include, but are not limited to, required documentation for application review, the annual homeowner questionnaire and rental recertification paperwork.
5. Have misrepresented any material fact to BCHA at any point, including during the BCHA Application or compliance review process.
6. Have committed fraud or bribery in connection with any federal housing assistance program, including the intentional misrepresentation of information relating to their housing benefits.
7. Lack the ability to maintain their housing in a decent and safe condition where such habits could adversely affect the health, safety, or welfare of other residents.
8. Whose conduct in present or prior housing has been such that admission to the program would adversely affect the health, safety, or welfare of other residents, or the physical environment, or the financial stability of the project. A record of any of the following may be sufficient cause for BCHA to deny eligibility:

   (a) A record of non-payment of rightful obligations, including rent and utilities.
   (b) A record of disturbance of neighbors or destroying property.

(c) A record of poor living or housekeeping habits which could adversely affect the health, safety or welfare of other tenants.
(d) A determination by BCHA that the use of alcohol or drugs by an applicant would likely result in conduct that would adversely affect the project environment.

Any Applicant or program participant who is denied will be notified by BCHA. An Applicant may request a review of any such denial pursuant to the steps set forth in Section 6. "Procedures for Exceptions and Grievances."

G. Special Waitlist for Employer Housing

1. Some housing units are constructed by or made available by a government agency or by a private developer for a particular group of employees (e.g. Blaine County School District). In those instances, a Special Waitlist may be established for that development. When an Employer Housing Unit in such a development becomes available for sale or rent, BCHA will first use the Special Waitlist for that development to find Applicants.

2. BCHA may employ the system creating a Waitlist in accordance with the steps outlined in Section 2.B. of these Policies with special prioritization as required by the Deed Covenant and approved by BCHA. Prioritization may include the current employees of an employer.

3. Prioritization must not be given based on race, color, religion, sex, gender, sexual orientation, familial status, national origin, disability, sexual orientation, gender identity, veteran status, or geographic boundary smaller than Blaine County, except as allowed when participating in a federal program that prioritizes senior citizens, Persons with a Disability, or Veterans in its housing programs.

4. The procedure for qualifying an Applicant from a Special Waitlist must follow the same procedures as outlined in this section, with the additional first-tier prioritizations.

5. Should the Special Waitlist be exhausted, without an Employer Housing unit being sold or rented, BCHA will create a second tier of Applicants on the Waitlist for the specific unit.

Section 3. Renting Community Housing

All Applicants interested in long-term renting Community Housing must follow the process outlined in Section 2, "Qualifying to Rent or Purchase Community Housing." BCHA, as the program administrator, will facilitate the rental of a Community Home and provide a Waitlist of qualified Applicants to the rental property manager. The Property manager is responsible for conducting any additional checks that they require to determine eligibility, so long as their review doesn't violate these Policies, landlord-tenant law, or the Fair Housing Act.

A. Ongoing Requirements for Tenants Renting Community Housing

1. The eligibility of Tenants to lease and occupy Community Housing must be reviewed and verified annually (i.e., re-certified) to ensure that they continue to meet (a) the priorities and income category that they initially qualified for the Community Home with and (b) the requirements outlined in Section 2.A.

2. To begin this re-certification process, approximately sixty (60) days prior to lease expiration, BCHA will send a Rental Renewal Approval Notice to Tenants with instructions for re-certification.

3. To re-qualify Tenants for continued program eligibility, BCHA will annually send a Compliance Monitoring Form with instructions. The Tenant must, within 10 business days of receipt, complete the required form and provide the required documentation. Failure to do so after BCHA has attempted to contact the Tenant a second time, by the deadline provided, will result in a $300 fee. Failure to respond to BCHA's third contact attempt is considered a default of the program and will result in the Tenant's lease not being renewed, removal from BCHA's Applicant Database, and terminated from all BCHA Housing Programs.

4. Tenants are required to abide by all terms of the lease completely and these Policies. If they do not, their lease will not be renewed, or they may be given a thirty (30) day Notice to Vacate. See Exhibit A for BCHA's Lease Addendum of required, program-related terms.

5. Should it be determined that a tenant was justly evicted from a Community Housing Unit, the tenant will also be terminated from the BCHA's permanent housing program. See Termination Policy in Section 2.F.

B. Income Limits differing at Re-Certification

1. If, upon re-certification, BCHA determines that the Tenant no longer meets the Income Category requirements (up to 2 income categories over deed restriction category), the Tenant may execute a new lease on the same Community Home with exceptions. The Tenant and Property manager can elect to convert the lease to month-to-month.

2. Community Housing Tenants remain in BCHA's Applicant Database, meaning that the date that the Tenant first entered the Applicant Database determines their Waitlist priority, should they choose to or are required to move.

3. Tenant's Income Exceeds Unit's Income Designation
   I. With an income increase at 1 category higher than the Community Home's designated income category, the Tenant's housing costs cannot exceed the Maximum Housing Cost for the Community Home's designated income category.
   II. When the Tenant's income increases two (2) categories or more above the Community Home's designated income category, the tenant can choose to execute a new twelve (12) months lease. The property manager can charge the Tenant up to the Maximum Housing Cost of the Community Home's designated income category. Additionally, the Tenant will pay the difference between that amount and the Maximum Housing Cost of their new income category to BCHA.
      A. For example, if a Tenant leases a Community Home designated Income Category 3 and, upon re-certification is determined by BCHA to now be in Income Category 5, the Tenant will continue to pay rent to the property manager based on Income Category 3 Maximum Housing Costs. BCHA would also invoice the Tenant for Maximum Housing Costs of Category 5 (same unit size as the Tenant's Community Home) minus the Maximum Housing Costs of the Income Category 3 Community Home.
      B. During the subsequent lease term(s), the BCHA team will work with the Tenant to identify alternate housing. If during this subsequent lease(s) term an over-income Tenant declines or fails to respond to three (3) opportunities that align with their income category, household size, location, and interest in renting or ownership, and their income has remained two (2) or more income categories above the Community Home's income category then the lease will not be renewed.

4. Tenant's Income Falls Below Unit's Income Designation
   I. In the event a Tenant's income falls below the Community Home's income designation at recertification, BCHA will begin providing opportunities – as they arise – at the Tenant's new income category and that meet the other criteria in Section 2.

C. Maximum Housing Costs (Rentals)

1. Maximum Housing Costs are based on an amount equal to or less than thirty percent (30%) of the Household Income per month. This cost includes rent, any fees charged to the Tenant, and essential utilities. Essential utilities include electricity, gas, water, sewer, trash and internet.

2. The Maximum Housing Costs for Community Housing are published by BCHA online and updated annually.

3. Lease terms must account for estimated or actual utilities and charge less than the Maximum Housing Cost associated with the income level and unit size. For tenant-paid utilities or new developments, property managers must use a BCHA- approved analysis or use BCHA's Utility Allowance Analysis. BCHA's Utility Allowance Analysis estimates costs based on each unit's size, appliances, and heat source and is available on BCHA's website.

Section 4. Community Housing Ownership

All Applicants interested in purchasing a Community Housing must follow the process outlined in Section 2, "Qualifying to Rent or Purchase Community Housing".

A. Policies for the Purchase and Sale of a Community Home

1. Any co-ownership interest other than community property must be approved by BCHA. Co-signers may be approved for financial purposes of purchasing the Community Home. Co-borrowers may be approved but may not jointly occupy the Community Home unless qualified by BCHA. No person occupying the Community Home may own developed residential real estate, aside from the Community Home being purchased.

2. BCHA will facilitate the real estate transaction and describe expectations and obligations. An Applicant or seller may, but is not required to, engage the services of a licensed Real Estate Agent or Broker in the transaction. Any fees charged by the Real Estate Broker is the responsibility of the party that engaged in the service. BCHA staff and contractors are not acting as licensed brokers or real estate agents representing any party to the transaction, but solely as representatives of BCHA and its interests.
   (a) If a real estate broker is used by the buyer or seller to represent them, the broker must, *prior to the execution of the listing agreement for the Community Home*, sign an Acknowledgement and Acceptance Agreement with BCHA that the sale must be conducted in accordance with the terms of the Deed Covenant on the Community Home and these Community Housing Policies.
   (b) If the seller consults with legal counsel, licensed real estate brokers, or such related services, the fees are at the respective parties' own expense. BCHA Administration Fees and other fees are to be paid regardless of any expenses incurred by the seller or purchaser in connection with the sales transaction.

3. Offers cannot exceed the Maximum Sales Price unless the seller agrees to pay the buyer's closing costs (up to 3%). For purposes of appreciation for the new owner, the base purchase price would remain the Maximum Sales Price. The Seller makes the final determination to accept an offer, with exceptions.
   (a) The Maximum Sales Price is not a guaranteed price. Offers can be below that amount.
   (b) Seller must accept the first offer at the Maximum Sales Price, if all other terms are within the normal terms of a purchase.
   (c) If the seller and Applicant cannot reach an agreement, the steps outlined in C (above) may be repeated with the next Applicant on the Waitlist.
   (d) If the seller denies three offers, the owner will be reminded of the Fair Housing Act and be required to provide written justification for each denial for BCHA's review. If

BCHA finds the reasons to be discriminatory or unreasonable, BCHA will require payment of the 3% Administration Fee regardless of whether a sale occurs.

4. If the priority Applicant fails to perform in the time allowed, the next Applicant will be invited to make an offer.

5. Each purchaser must execute the following for recording with the Clerk's Office of Blaine County, concurrent with the closing of the sale:
   (a) Acknowledgement and Acceptance of the Terms and Restrictions set forth in the Deed Covenant (A&A) to be bound by the recorded Deed Covenant covering the Community Home and these Policies. The A&A is a summary of key criteria of the Deed Covenant.
   (b) The applicable, current Deed Covenant covering the Community Home and these Policies.
   (c) BCHA's subordinate mortgage instrument.

6. Once an Applicant successfully purchases a Community Home, they must comply with all provisions of the applicable Deed Covenant, current Policies, any updated Policies, and must adhere to the Ongoing Requirements (Section 4.G.).

B. Seller-Initiated Sales Process

BCHA will market and identify qualified Applicants but does not guarantee the sale of the home, nor an offer at the Maximum Sales Price. The Owner of a Community Home is responsible for the sale of the Community Home throughout the process.

1. Notifying BCHA of Intent to Sell
   (a) A Community Homeowner interested in selling their Community Home must:
      i. Communicate with BCHA as early as possible – and prior to entering into any agreement such as a purchase offer. Staff can then inform the seller of a potential timeline and market conditions and collaborate with the seller on a smooth transition from one home to another, without being considered out of compliance or becoming unhoused. Options include the following:
         (a) Community Homeowner will market their Community Home and can enter into a purchase and sale agreement that is contingent on purchasing another home.
         (b) Community Homeowner can enter into a purchase and sale agreement for a non-Community Home that is contingent on selling the Community Home.
         (c) Any other BCHA-approved arrangement.
      ii. When the seller is ready to move forward, request the preliminary Maximum Sales

Price and other applicable provisions from BCHA staff. There is no guarantee that the seller will receive an offer at the Maximum Sales Price.

iii. Upon receipt of the Maximum Sales Price, execute and deliver to BCHA a "Notice of Intent to Sell" in the form provided on BCHA's website (or requested by email), $500, and two keys. These can be delivered to Ketchum City Hall or BCHA's Hailey office (above Java), or mailed to BCHA at P.O. Box 4045, Ketchum, ID 83340. The sales process will not start until the form, check, and keys have been received.

iv. BCHA will order a home inspection to determine the condition of the home. Sellers are expected to address, at a minimum, deferred maintenance and any health and safety issues. Deficiencies may result in a lower Maximum Sales Price.

v. The selection of the purchaser and terms of the transaction are described in the Community Housing Policies in effect on the date BCHA receives the Notice of Intent to Sell.

2. Purchasers must follow the process in Section 2, be qualified by BCHA, and be first priority on the Waitlist to make an offer. The selection of the purchaser, the sale price, and the terms of the purchase and sale will be monitored and must be approved by BCHA.

C. Forced Sale Due to Owner Non-Compliance

In the event an owner is out-of-compliance with their Deed Covenant or these Policies, BCHA will provide written notice of the out-of-compliance and how to "cure" the issue. If the issue is not cured within the timeframe specified in the letter, BCHA will consider the owner to be in default of their Deed Covenant and will force the sale of their Community Home. In addition to requirements in the Deed Covenant and Policies in Section 4.A. and 4.B., the owner must make the following good faith effort to sell the Community Home. BCHA may require the owner to take any of the following actions:

1. Execute a listing agreement with BCHA's real estate contractor or execute a listing agreement with a Blaine County licensed real estate agent and pay the listing agent's Selling Office Commission.
   (a) If the seller chooses to list with BCHA's real estate contractor, the Administration Fee will be adjusted accordingly and as determined by BCHA staff.

2. After 90 days of marketing, offer a credit to buy-down the buyer's interest rate for 1% of the listing price. Any offers made that meet these new conditions must be accepted.

3. After 90 days of marketing, reduce the listing price by 10%. Any offers made that meet these new conditions must be accepted.

D. Sale Fees

1. Unless otherwise instructed in the Deed Covenant, the seller must pay a non-refundable prepayment of $500 to BCHA at the time the owner delivers the signed Notice of Intent to Sell to BCHA. This amount will be deducted from the total Administration Fee due to BCHA at closing and will be used to offset costs of radon testing and a home inspection. The home inspection may be critical in finalizing the Maximum Sale Price of the home.

2. At the closing of the sale of the Community Home, the seller must pay BCHA an Administration Fee, minus the $500 pre-payment. In the event of three unreasonable denials and no sale, BCHA will invoice the Community Homeowner for this Administration Fee.

E. Calculation of Maximum Sales Price

1. For existing Community Homes, the Maximum Sales Price at resale is determined by the initial purchase price of the seller adjusted for the following:
   (a) Add allowable appreciation (as described in the recorded Deed Covenant).
   (b) Add BCHA-approved Capital Improvements.

2. For new homeowners, newly constructed and newly acquired Community Homes: The sales price is determined by what is affordable to that income level and is adjusted based on interest rates, HOA fees, and utilities.

F. Reserving a Newly Constructed Community Home

BCHA may use all reasonable efforts to show newly constructed Community Housing to Applicants prior to the issuance of the certificate of occupancy. A qualified Applicant who is successfully matched with a Community Home may be given the opportunity to enter into a Reservation Agreement for that Community Home. Upon the filing of the final plat the Reservation Agreement may be converted to a Purchase and Sale Agreement in accordance with the terms of the Reservation Agreement.

G. Ongoing Requirements for Community Home Ownership

1. The eligibility of owners to occupy Community Housing must be reviewed and verified annually (i.e., re-qualified) to ensure that they continue to meet the following criteria:
   (a) The priorities and requirements that they initially qualified for when purchasing the

Community Home.

(b) The requirements outlined in these Policies and subsequent Policy updates.

(c) The Deed Covenant associated with the Community Home. This includes requirements of occupying the home as a Primary Residence (such as physically residing in the home at least nine (9) out of any twelve (12) month period) and continuing to qualify as a Local Employee, Local Senior, or Local Person with a Disability.

2. The owner and household members must not acquire developed residential real estate (including shared inheritance of more than 50% ownership).

3. The owner must not offer any portion of the home as a short-term or vacation rental.

4. The owner must not offer any portion of the home as a long-term rental without the prior approval of BCHA, as outlined in Section 4.H and 4.I. Category Local owners may long-term rent to a roommate so long as the following criteria are met:
   (a) The roommate meets BCHA's priorities outlined in Section 2.A.;
   (b) The owner continues to occupy the Community Home for at least nine (9) months out of every twelve (12) month period.

5. To re-qualify owners for continued program eligibility, BCHA will send a Compliance Monitoring Form with instructions. The owner must, within 10 business days of receipt, complete the required form and provide the required documentation. Failure to do so after BCHA has attempted to contact the owner a second time, by the deadline provided, will result in a $300 fee. Failure to respond to BCHA's third contact attempt is considered a default of the Deed Covenant and may result in the forced sale of the Community Home.

6. If the owner conducted Capital Improvements since the last re-qualification, the owner must provide the Capital Improvement form that lists improvements, along with receipts, to BCHA at each annual compliance for evaluation and approval. If the owner must get a building permit for the Capital Improvement and want it to be added to their Maximum Sales Price, BCHA review in advance is required. If these improvements are not reported by the annual compliance monitoring each year, the owner will not be given credit for the improvement.

7. The owner must cooperate with BCHA to regularly review the condition and maintenance of the Community Home to ensure compliance with provisions of the Deed Covenant and Policies. This may require a tour of the property by BCHA staff and an inspection, should staff desire. Deferred maintenance may result in the inability to realize the Maximum Sale Price allowable by the Deed Covenant.

8. Upon death of an owner, the Community Home must be transferred to the decedent's

estate within 6 months of the date of death. Upon that transfer, the Community Home would be considered in default as a result of the Judicial Process and subject to the terms and conditions contained in Section 4.C. However, if any heir(s) to the estate wishes to occupy the Community Home, they may submit the Common Intake Form. If the information provided in the Common Intake Form can reasonably demonstrate that the heir(s) may meet eligibility requirements, BCHA will request the heir(s) submit a Full Application. This application will be prioritized as follows:

(a) If the heir(s) meets BCHA's priorities and requirements outlined in 2.A., then they will have the right to immediately occupy the Community Home, however a new Deed Covenant, A&A, and subordinate mortgage must be executed prior to occupancy.

(b) If the heir(s) meet BCHA's requirements only as outlined in 2.A., they will be moved to the Waitlist behind Applicants who meet both BCHA's priorities and requirements, but ahead of Applicants who meet BCHA's requirements only. The Community Home may be sold to any Applicant ahead of the heir(s) on the Waitlist under the terms and conditions outlined in Section 4.C.

(c) If the heir(s) do not meet BCHA's priorities or requirements, they are not eligible to occupy the Community Home and it must be sold under the terms and conditions outlined in Section 4.C.

9. The Homeowner's Exemption must be utilized on the Community Home, as confirmed by the tax assessor.

10. Homeowners who do not comply with the terms of the home deed and/or program expectations, as described within these Policies, may be required to sell the home. The Deed Covenant may include fees or other enforcement tools that BCHA would apply.

H. Long-Term Absences, Only with Board Approval

The Community Home must be physically occupied by the homeowner for the time period specified in the Deed Covenant. The owner must also continuously meet the prioritization criteria by which they accessed the home, specifically the local preference. If a homeowner is anticipating, or does not currently, meet that criteria then they must notify BCHA and either sell the Community Home or request an Exception. See Section 6 for Exception Requests.

I. Long-Term Rental Options during Board-Approved Long-term Absences

1. If an owner of a Community Home desires to rent the Home during a BCHA Board approved absence, the owner must include the reason for renting in the Exception Request for permission to rent the home at least thirty (30) days prior to leaving (see Section 6. for

Exception Requests).

2. The Community Home can only be rented to a BCHA- qualified Tenant.

3. If approved by the BCHA Board, the leave of absence may be for up to one year.

4. The Rental Rate must be approved by BCHA and must be within the published monthly affordability described in the Deed Covenant and in no event may exceed the published Maximum Housing Cost of the designated Income Category, unless the Deed Covenant specifies otherwise. The Category Local rental rate is determined by BCHA staff and must be at least 10% below advertised rental rates.
   (a) The Community Home must be rented in accordance with the Policies during the authorized period so long as other Deed Covenants covering the home permit the rental. Any perspective Tenant must be qualified by BCHA *prior* to the execution of a lease.
   (b) Should the owner re-occupy the home again as the owner's Primary Residence, then the owner must give the Tenant a minimum of thirty (30) days' notice prior to the conclusion of any lease.
   (c) Lease terms must be for more than 90 days and 1 year or less. The lease is non-renewable. If – within 10 months of the lease – a second Exception is approved by the Board to extend the rental beyond one year, the tenant must first be provided a buy-out option that does exceed the Maximum Sale Price.

5. A copy of the executed lease must be provided by the owner to BCHA.

6. The owner must provide the tenant with the HOA CC&Rs, Bylaw, Rules and Regulations and is responsible for their enforcement.

J. Long-Term Rental Options During Owner Occupancy

1. If an Owner of a Category Local Community Home seeks a roommate while they continue to occupy the Community Home, the roommate must be reviewed and approved by BCHA for local priority prior to lease execution and occupancy.

2. If an Owner of a Community Home with Income Category 1 through 6 seeks a roommate while they continue to occupy the Community Home, they must first notify BCHA of the intent.
   (a) Only Income Category 1 qualified Applicants will be considered.
   (b) At least ninety (90) days' notice must be given, so that BCHA can request permission from the local government that created the Community Home and designated the

Income Category.

(c) If the local government approves, any potential roommate must be reviewed and approved by BCHA for local priority prior to lease execution and occupancy. Annual compliance requirements must be followed, as with any other BCHA Tenant. Upon request, BCHA can assist in finding a roommate by contacting potentially eligible Applicants in its Applicant Database.

(d) The following conditions will also apply:

I. The owner must continue to use the Community Home as a Primary Residence.

II. Minimum of 12-month lease.

III. Housing costs for the Tenant must not exceed the maximum housing costs of Income Category 1, as determined annually by BCHA.

IV. The owner must notify BCHA if the Tenant falls out of compliance with the Policies.

V. Owner must notify BCHA when a Tenant plans to vacate so that the replacement search can begin.

(e) If a potential buyer can only qualify for a Community Home and meet the applicable occupancy standards by having a roommate, the occupancy standards will continue to apply for a five-year period after purchase. Over that five-year period, the occupancy standards could be met by having a BCHA-qualified roommate or by growing the owner's household (relative, partner/spouse/significant other).

Section 5. Developer Owners & Property Management

A. Development Guidance

New Community Homes must meet building and fire code, as well as any applicable development agreement and deed covenant. Ketchum, Hailey, and Blaine County's zoning codes require BCHA review of development applications that use their Community Housing zoning incentives. Ketchum and Blaine County require oversight by BCHA or another third-party administrator approved by the local government. BCHA strongly recommends that a third-party, such as BCHA, be responsible for Application review, compliance checks and enforcement and that every deed covenant reflect this responsibility.

In addition, BCHA provides the following guidance to consider in the design and development of Community Homes. BCHA requests that developers meet with staff and provide materials in advance of submission of pre-application/design review to Blaine County's local Planning and Zoning Commissions. At that time, BCHA staff can review project specificities for compliance with this guidance and describe Community Housing requirements. BCHA recommends that Community Homes meet the following guidelines:

1. A Community Home is located above ground level.

2. For buildings without direct entrances to units, every Community Home is accessed via the same entrance as the market rate homes. Alleyway access is not preferred.

3. A Community Home has adequate natural light, with a minimum of 10% of the floor area covered by windows or skylights. This means that for every 100 square feet of floor space, at least 10 square feet of wall or ceiling area should be dedicated to light-transmitting windows.

In addition, the number of bedrooms in a Community Home directly impacts the maximum achievable rent. A bedroom, for the purposes of BCHA's Maximum Housing Costs and occupancy standards, is defined as an area that meets fire code for sleeping, has a door that closes, and has floor to ceiling walls. Prior to marketing a Community Home, BCHA will conduct an inspection to confirm the number of bedrooms.

B. Homeowners Association Assessments, Dues & CC&Rs (Ownership Community

Homes)

1. To preserve the affordability of Community Homes for ownership in new developments with a mix of income categories or Community Homes and market units, the Covenants, Conditions and Restrictions (CCRs), or like governing documents, must meet certain standards. BCHA must review CCRs that will be recorded for a development that includes Community Homes for ownership as well as any subsequent amendments thereto for compliance with the following standards and affordability concepts of these Policies.

2. Homeowners Association Regular Dues and Special Assessments must be calibrated for Community Homes based on and limited to a Community Home's proportional value to the total value of all units in a development. Market rate unit Regular Dues and Special Assessments can be allocated among market rate units as determined by the HOA, but the maximum allowable percentage for Community Homes may not exceed the proportional value of each Community Home to the whole development.

   For the purposes of this calculation, the value of each unit type will be determined as follows:

   (a) Market Units: The value of each market unit in a development is the Blaine County Assessor's assessed value for the unit. If in the first year of the development that Homeowners Association Regular Dues are assessed the unit does not yet have an assessed value, the value of each market unit is its original sale price or listing price established by the developer.

   (a) Community Homes: The value of each Community Home in a development is the Blaine County Assessor's assessed value for the unit. In the first year that Homeowners Association Regular Dues are assessed the value of each unit is the Maximum Sales Price, as determined by BCHA.

3. Financial impact of Special Assessments on Community Homeowners must be further reduced. BCHA options for Special Assessments include the following:
   (a) Option 1: Exempt Community Homes from Special Assessments. Some HOAs with Community Housing Units (e.g. Elkhorn Springs) exempt those units from Special Assessments entirely.
   (b) Option 2: BCHA-approved hard cap on Special Assessments for Community Homes. Special Assessments could be capped so as not to be overly burdensome on community homeowners. Allow for amortized Special Assessment payments for Community Homes at no additional interest. CC&Rs can require that Special Assessments for Community Homes must be amortized over a period such that the maximum payment requirement is no more than a percentage of the annual

obligation for the HOA Dues.

i. For example: In any given year, the maximum Special Assessment for a Community Housing Unit cannot exceed a percentage of the annual HOA dues for that unit.

(c) Option 3: Any other BCHA-approved reduction.

4. In addition, the CC&Rs must contain the following:
   (a) Capital reserves must be funded with at least 25% of annual operating costs or an amount determined by a reserve study and approved by BCHA.
   (b) HOA Regular Dues cannot be increased by more than 5% annually for Community Homes.
   (c) Community Homes are exempt from Special Assessments on the following:
      i. Luxury improvements and items.
      ii. Limited common areas or exclusive use common areas & amenities that are not accessible for use by Community Homeowners.
   (d) HOA must provide Community Homeowners or BCHA with the Regular Dues structure, upon request.
   (e) Any changes to the CC&Rs or other governing documents impacting the calculation of Regular Dues or Special Assessments for Community Homes require BCHA's approval.
   (f) Community Homeowners must be offered a position on the HOA Board.

C. Calculation of Maximum Sales Price

1. The sales price is determined by what is affordable to that income level and is adjusted based on interest rates, HOA fees, utilities, and other housing costs.

D. Maximum Housing Costs (Rentals)

1. BCHA does not accept Category 6 (140% AMI) rentals. Category Local has no maximum income and must follow the Category 5 Maximum Housing Costs.

2. Maximum Housing Costs are based on an amount equal to or less than thirty percent (30%) of the Household Income per month. This cost includes rent, any fees charged to the Tenant, and essential utilities. Essential utilities include electricity, gas, water, sewer, trash and internet.

3. The Maximum Housing Costs for Community Housing are published by BCHA online and updated annually.

4. Lease terms must account for estimated or actual utilities and charge less than the Maximum Housing Cost associated with the income level and unit size. For tenant-paid utilities or new developments, property managers must use a BCHA- approved analysis or use BCHA's Utility Allowance Analysis. BCHA's Utility Allowance Analysis estimates costs based on each unit's size, appliances, and heat source and is available on BCHA's website.

E. Property Manager /Owner Lease-up Obligations

1. BCHA receives a Notice of Intent to Rent from the owner of the Community Home. Owner is required to provide BCHA with their tenant selection criteria or policy. Tenant selection criteria must be reasonable.

2. BCHA will follow the Applicant Selection Process outlined in Section 2.

3. Property manager must provide the lease for Applicant review at least 48 hours before lease execution, unless the Applicant waives this right by notifying BCHA.

4. The final determination and offer of tenancy to an Applicant is the decision of the owner, not BCHA. However, the following applies:
   (a) The property manager must follow the Fair Housing Act in their selection of the tenant.
   (b) The property manager must not deny a tenant because of source of income, such as tenant-based rental assistance (also known as housing vouchers or Section 8).
   (c) If criminal history is considered, property manager must consider how long ago a conviction occurred, the severity of the crime, the specific type of crime, and whether such a crime impacts the physical building or health and safety of neighbors and staff.
   (d) If credit history is considered, the credit score must not be the sole cause for denial but one of other factors such as timely payments or property manager reference.
   (e) If property manager /owner denies an Applicant, they must provide written justification and evidence (criminal background check, credit history, landlord reference), if any, explaining the denial and provide the Applicant an opportunity to appeal. This will assist BCHA in facilitating housing access for that Applicant.

5. If the property manager is provided five qualified Tenants for one unit and there is no interest in renting because of the rental rate plus utilities, then BCHA can require the total housing cost to be reduced in 5% increments.

F. Ongoing Obligations for Property Managers / Rental Owners

1. Once an Applicant secures a rental Community Home through BCHA, the Property manager

must provide a copy of the lease with BCHA. The lease must contain the following provisions:

(a) Beginning and end dates of the lease.
(b) Names of all unit occupants.
(c) Security deposit amount and all fees.
(d) Rent amount and how/where to be paid.
(e) Owner's right of entry.
(f) Repairs and Maintenance.
(g) What utilities are paid by the tenant.
(h) What appliances are provided by the Property manager.
(i) Tenant Requirements.
(j) Protection of the Lease upon Sale.
(k) Terms of BCHA's Lease Addendum (see Exhibit A).

2. All leases must be for a 12-month period or more, except for exceptions outlined in these Policies or if both the Property manager and the Tenant mutually agree on alternative terms. Both Property manager and Tenant must directly communicate with BCHA confirming the voluntary terms of the lease.

3. Sixty (60) days prior to lease renewal, the Property manager must submit to BCHA all Community Home leases to verify total housing costs and lease dates. The property manager must submit the requested information and a copy of the new lease, to the BCHA within ten (10) business days of receipt of the Rental Renewal Notice.

4. If a Tenant falls out of compliance, BCHA will notify the property manager of whether they must provide a thirty (30) day notice to vacate or not renew the tenant's lease. A copy of the Notice to Vacate must be provided to BCHA.

5. The property manager must notify BCHA within ten (10) business days of receiving a notice from a tenant that they will vacate, or have vacated, the unit. Failure to work in good faith to lease the unit within thirty (30) days of BCHA providing a Waitlist will result in a fee equal to the Maximum Monthly Housing Cost for the unit for every thirty (30) day period the unit is unoccupied beyond that first thirty (30) days.

6. If BCHA is notified or suspects that the Owner might be leasing to an unqualified Tenant, the BCHA will notify the Owner and request documentation and clarification. If the BCHA confirms occupation by an ineligible Tenant, monetary damages must be paid to the BCHA that equal the difference between the Maximum Housing Cost and the following:
   (a) The monthly rent charged, confirmed by bank statements, a signed lease, a signed tenant statement, or other documentation accepted by the BCHA for the duration of

the violation; or

(b) If (a) is unavailable, Market Rent, as determined by BCHA (Median Advertised Rent per bedroom size and location), for the number of months in violation.

Upon that determination, the Owner must work with the BCHA on transitioning out the current unqualified Tenant to a qualified Tenant. Depending on the unqualified Tenant's situation, BCHA may determine that the Owner must pay relocation expenses to the Tenant in an amount equal to up to four (4) times the unqualified tenant's monthly rent.

7. Failure to provide the required documentation in the timeframe provided by BCHA will result in a $500 fee.

8. Should the developer/owner decide to sell the Community Home, the owner must notify BCHA immediately and the following applies:
   (a) Any lease of a Community Home must remain intact after the sale.
   (b) The seller is obligated to pay an administrative fee to BCHA, equal to 1% of the Maximum Sales Price for a Community Home(s) of that income level and unit size due at closing.

9. The owner and property manager must comply with these Policies and any Exceedance Agreement, Development Agreement, and Deed Covenant that applies to the Community Home. The property manager must work in partnership with BCHA on all compliance matters. Failure to do so can result in BCHA seeking legal remedies, including but not limited to the following:
   (a) Seek specific performance of the legal agreement.
   (b) Fees, as referenced above.
   (c) The right to void any contract for lease, conveyance or other transfer of the Home in violation of the provisions of these Policies, Exceedance Agreement, Development Agreement, or Deed Covenant.
   (d) BCHA- and municipal government-approved buy-out option, if applicable.

G. BCHA's Code of Conduct for Participating in Community Housing Programs

In addition to the eligibility criteria and requirements outlined in other agreements, BCHA is not required or obligated to serve or enter into new Deed Covenants with developers, owners, or property managers who:

1. Have received a letter of non-compliance from BCHA and not cured their out-of-compliance within the time period specified.

2. Have engaged in abusive, violent or threatening behavior directed toward BCHA staff or neighbors. Persons and entities who have a history of such behavior may be denied application to BCHA's programs for a minimum period of ten (10) years.
3. Have, within the prior ten (10) years, been in violation of BCHA's Community Housing Policies, a BCHA Lease, Lease Addendum, Deed Covenant, or agreement with a local jurisdiction, such as an FAR Exceedance Agreement or Development Agreement.
4. Currently owe fees or other money to BCHA, to another affordable or community housing program, or government entity.
5. Have failed to respond to a written request for information with the information requested.
6. Have failed to provide, within the necessary time limits, the required verification to determine their eligibility and compliance.
7. Have misrepresented any material fact to BCHA during application, lease-up, sale, or compliance.

Any person or entity who is denied will be notified by BCHA. They may request a review of any such denial pursuant to the steps set forth in Section 6 "Procedures for Exceptions and Grievances."

Section 6. Procedures for Exceptions and Grievances

Situations may arise where a special review is appropriate to allow for Exceptions to the application of these Policies, or to address grievances against BCHA for its actions or failure to act in accordance with these Policies. Board members, person(s) submitting an Exception or Grievance and any related parties are strongly discouraged from meeting outside of the formal hearings because it substantially increases legal risk and the validity of any decision made by the Board.

A. Exception Request

1. Exceptions to any provision of these Policies may be granted by the BCHA Board when, because of unique circumstances, the strict application of the policy places an undue hardship or burden on a particular Applicant, Tenant, or owner. An undue hardship or burden is not merely an inconvenience or issue of preference but must be burdensome or restrictive enough to create a significant difficulty or expense for the Applicant, Tenant, or Owner.

2. Any Applicant, Tenant, or Owner may file a request for an Exception with BCHA, by completing the Exception Request form that requires the following information:
   (a) The Specific BCHA Policy or Policies which the Applicant, Tenant, or Owner is requesting to waive or alter.
   (b) The personal and specific circumstances constituting an undue hardship or burden which are the basis for the Exception request.
   (c) The action requested to resolve the undue hardship or burden (i.e., partial waiver, complete waiver, or modification of the Policy or Policies).
   (d) The name, address, and telephone number of the person making the request and their representative, if any.

3. Upon receipt of a request for Exception, the BCHA staff must:
   (a) Review, investigate, and request clarification or additional documentation.
   (b) Prepare for the BCHA Board a staff report analyzing and making a recommendation on the requested Exception. Staff will redact extraneous information to focus the report solely on the personal and specific circumstances constituting an undue hardship or burden.
   (c) Forward the staff report to the Board and all parties involved. The person making the request can provide clarification, but the staff are the ultimate author of the staff report and additional information provided after the deadline provided will not be integrated into the report. However, if relevant, staff may include this additional information in their verbal presentation at the Exception Hearing.
   (d) Add to the agenda of an upcoming regular Board meeting – or schedule a Special

Meeting at staff's discretion – an Exception Hearing for the Board to review and make a decision on the request. The meeting must take place within forty-five (45) days after receipt by BCHA staff of the request for Exception and all required information and documentation.

4. The Board may approve, approve with conditions or alterations, or deny a request for an Exception. A decision to approve a request for an Exception must based on the request and any supplemental documents or information considered that meet the following requirements:
   (a) The strict application of the Policies to the Applicant, Tenant, or Owner *causes an undue hardship or burden, and not merely an inconvenience or issue of preference*, which is unique to the person and circumstances for which the request is made.
   (b) The strict application of the Policies to the Applicant, Tenant, Owner *is the primary cause of* the undue hardship or burden, such that the remedy of any other contributing factors would not relieve the Applicant, Tenant, or Owner of the undue hardship or burden.
   (c) Approval must be consistent with the spirit, purpose, and intent of the Policies.
   (d) Approval will not give the person requesting the Exception an undue or unfair advantage over another person, but will merely relieve them of the undue hardship or burden.
   (e) Approval must not conflict with any provisions of the BCHA Deed Covenant on the property subject to the request.
   (f) Approval is the only reasonably available remedy to the undue hardship or burden, and the exception is not overly broad in its scope.

5. At the Exception Request hearing, staff present the report, the person making the request and any party involved can voluntarily and verbally present additional information, staff can clarify, and the requester can rebut before the Board responds to the request. Prior to deciding on the request, the Board may continue the meeting as it deems necessary to obtain additional information or for further deliberations, but absent exigent circumstances the Board must provide a decision within thirty (30) days of the hearing.

6. The Board will make every effort to render a decision within sixty (60) days after the filing of the complete request and all requested additional information. Staff will provide the person making the request and all parties involved the Board's written decision and findings.

B. Appealing an Exception Request

1. Applicants to whom a request for Exception is denied may appeal the decision in

accordance with the procedure described below. An appealed Exception Request is filed by filling out the form provided by BCHA staff, along with any additional evidence, which requires the following information:

(a) Which request for Exception is being appealed.
(b) Evidence demonstrating that the findings necessary to approve a request for Exception, as described in 8.A.5, are present, and that denial was therefore improper.
(c) The action requested to "cure" (or fix) the allegedly improper denial.
(d) The name, address, telephone number, and email of the grievant and their representative, if any.

2. An appeal of the denied request for Exception shall be heard in the same manner described in 6.A. If the request is again denied on appeal, the grievant may submit a final appeal that follows the Grievance Hearing process, in writing, within thirty (30) days after the date the decision is rendered.

C. Filling a Grievance

1. A Grievance may be filed by any Applicant, Tenant, or Owner as a means of appealing a denied request for Exception or based on an alleged violation by BCHA of one or more provision of this Policy or the Deed Covenant.
2. A Grievance based on an alleged failure of BCHA to act in accordance with its Policies is filed by filling out the form provided by BCHA staff, along with any additional evidence, which requires the following information:
   (a) The specific Section and language of this Policy which the Applicant, Tenant, or Owner alleges BCHA to be in violation of.
   (b) The specific BCHA action or omission which the Applicant, Tenant, or Owner alleges to be the violation.
   (c) The action requested to "cure" (or fix) the violation.
   (d) The name, address, telephone number, and email of the grievant and their representative, if any.

D. Grievance Hearing procedure

1. The grievant must be afforded a fair hearing providing the basic safeguards of due process, including notice and an opportunity to be heard in a timely, reasonable manner, and to present evidence.

2. In the event that this grievance procedure is not an appropriate or reasonably achievable means of resolving the matter, any of the following alternative methods for dispute

resolution may be utilized:

(a) Use of a certified mediator in Blaine County, or as nearby as reasonably practical.
(b) Through the Idaho Human Rights Commission.
(c) Through a civil court proceeding. The grievant may be eligible for pro bono legal assistance through Idaho Legal Aid.
(d) If a Fair Housing violation is suspected, the local jurisdiction may be contacted to conduct an investigation. If the grievant disagrees with the findings of that investigation, they may appeal to the Idaho Human Right's Commission.

3. Notice of the Grievance Hearing must be provided to the Board, the grievant, and any other parties involved, to be held as soon as practicable and convenient to the Board, staff, and the grievant, but must take place within forty-five (45) days after receipt by BCHA staff of the grievance and complete documentation.

4. At least fourteen (14) days prior to the hearing, and at the expense of the grievant, the grievant and BCHA must have the opportunity to examine and to copy all documents, records, and regulations of BCHA and the grievant that are relevant to the hearing.

5. If, after written request for production of such, any document, record, or regulation is not made available by BCHA or the grievant within the required timeframe, said document may not be relied upon at the hearing.

6. If any of the above requirements cannot be reasonably fulfilled by the originally scheduled date of the Grievance Hearing, the matter may be continued, with or without request by the grievant, and at the discretion of BCHA. Any decisions to continue the hearing shall be provided, in writing, to the grievant as soon as reasonably practicable. Any continued hearing must be rescheduled for a date within thirty (30) days after the originally scheduled hearing.

7. Staff will review the grievance, investigate, and request clarification or additional documentation. Staff will then prepare for the BCHA Board a staff report analyzing and making a recommendation on the Grievance. Staff will redact extraneous information to focus the report solely on the alleged violation.

8. Staff will send the staff report to the Board and all parties involved. The grievant can provide clarification, but the staff are the ultimate author of the staff report and additional information provided after the deadline provided will not be integrated into the report. However, if relevant, staff may include this additional information in the verbal presentation at the Grievance Hearing.

9. At the Grievance Hearing, the grievant can present their argument and the evidence in support of it before the Board. The agenda will follow these steps:
   (a) Staff presents their investigation and analysis to set the context.
   (b) The grievant is then invited to state their case. The grievant has the right to be represented by counsel.
   (c) Oral or documentary evidence may be received without strict compliance with the rules of evidence applicable to judicial proceedings.
   (d) Staff can defend or clarify, in response to the grievant's statement. Grievant can then rebut.
   (e) The opportunity to cross-examine may be afforded or denied at the discretion of the BCHA Board, and, if afforded, must be regulated by BCHA as it deems necessary for a fair hearing.

10. If the grievant fails to appear at the scheduled hearing, BCHA may make a determination to continue the hearing, dismiss the grievance, or make a determination based upon the written documentation and the evidence submitted.

11. Following the conclusion of the grievance hearing and based on the records of proceedings, BCHA will provide a written decision and include therein the reasons for its determination. Prior to making the decision, the Board may continue the meeting as it deems necessary to obtain additional information or for further deliberations. However, every attempt must be made to settle a Grievance with BCHA within six months after the date the Grievance is filed, and any decision must be issued within six months after the date the Grievance is filed.

12. BCHA will make its determination on the basis of these Policies and Deed Covenants associated with the unit. The decision of BCHA will be binding on all parties involved, and BCHA and/or the grievant must take all actions necessary to carry out the decision following its issuance as soon as reasonably practical. BCHA must have the authority to enforce its determinations, as provided by law and put forth in these Policies and BCHA-drafted Deed Covenants attached to the land.

13. If the grievant disagrees with the decision issued by BCHA, they may appeal the decision to the Blaine County Board of Commissioners, in writing, within thirty (30) days after the date the decision is rendered.

Exhibit A. Blaine County Housing Authority's Lease Addendum

1. Owner cannot charge above the Maximum Housing Costs. The owner is obligated to ensure that no more than the Maximum Rent is charged, accounting for the estimated cost of essential utilities and all other fees.

2. Rent Increases are Limited.
   (a) The Owner cannot increase the rent by more than the greater of 4% of current rent every twelve (12) months at lease renewal, without pre-approval of BCHA.
   (b) The Owner is obligated to first give the BCHA sixty (60) days written notice of intent to raise above the allowable amount and respond in a timely manner to BCHA's requests for documentation that justifies such an increase. Then, if approved, the Owner must give the Qualified Tenant at least ninety (90) days written notice.
   (c) If, upon annual re-certification, BCHA determines that the Tenant is two (2) income categories above the unit's designated income category, Tenant will continue to pay the Maximum Housing Cost associated with the unit's income level directly to the property manager. BCHA will charge the difference between the unit's income level and the Maximum Housing Costs associated with the Tenant's new income. This additional rent will be paid directly to BCHA.

3. Tenant and Owner are obligated to adhere to BCHA's Community Housing Administrative Policies and the Deed Covenant tied to the unit. If Tenant falls out of compliance with the Priorities and requirements outlined in Section 2.A., BCHA may require that the Tenant vacate the Community Home (with 30 days' notice) or the lease will not be renewed.

4. Owner may not Evict or not Renew Lease without Just-Cause or Mediation. Idaho's Landlord Tenant Manual provides the minimum protection for tenants https://www.ag.idaho.gov/content/uploads/2023/07/LandlordTenant.pdf. Given the difficulty with finding alternative affordable housing, Community Housing rentals with a Deed Covenant managed by the BCHA only allow for just cause eviction under the following circumstances:
   (a) Just-cause for eviction and non-renewal of leases is allowed of a Qualified Tenant after the following conditions are met:
      I. Notice of Default or Non-Compliance was provided to the Qualified Tenant and BCHA; and
      II. Owner makes a reasonable effort to participate in the mediation process in advance of, or as required by, court order and adheres to any resulting mediation agreement.
   (b) Just-causes for eviction and non-renewal of leases, with a 30-day written notice is

provided the Qualified Tenant and BCHA, includes the following:

I. Repeated violations of the lease terms or Property's Rules and Regulations.
II. Refusal to accept reasonable changes in the terms and conditions of the lease.
III. Conviction of a drug use committed on the property.
IV. The Owner or BCHA determines that the tenant falsified eligibility with program criteria.
V. Tenant no longer meets BCHA's prioritization criteria by which Tenant accessed the Community Home or BCHA's other program eligibility requirements.

(c) Just-causes for eviction, with a 15-day written notice is provided the Qualified Tenant and BCHA, include the following:

I. Failure to pay rent or habitual late payment of rent.
II. Repeated disorderly conduct.

(d) Just-causes for eviction, with a 3-day written notice is provided the Qualified Tenant and BCHA, include the following:

I. Qualified Tenant is engaged in the unlawful delivery or production of a controlled substance on the premises of the leased property during the tenancy.
II. Qualified Tenant damages or commits waste upon the property, verbally or physically assaults or threatens the Property manager or its employees, or other tenants.

(e) If the Qualified Tenant or their visitors are committing acts of domestic violence and/or sexual assault, then the Owner or Property manager must (1) notify BCHA and (2) follow the Violence Against Women Act.

(f) Owner may not coerce or harass tenants to waive their rights, lease-terms, or move out.

5. Capital Improvements are limited during occupancy if any of the following circumstances are met:

(a) Work exceeds more than a single eight-hour day.
(b) Work requires packing, moving, or storing belongings.
(c) Continued occupancy constitutes a danger to the Qualified Tenant's health or safety and/or the nature of the improvement creates an undue burden or unnecessary hardship.
(d) The Qualified Tenant does not have access to functional kitchen or bathroom facilities.

If an owner seeks to make improvements that meet any of the above, they must provide BCHA with a plan for in-place rehabilitation or relocation. Except for health and safety emergencies, work cannot commence without the prior written consent of BCHA. Consent may be withheld in BCHA's sole and absolute discretion or may include notice and relocation assistance requirements.

6. The Owner is required to disclose defects and necessary repairs when the Community Home is turned over by the following, or similar, method:
   (a) Providing the Applicant with an Inspection Checklist (either BCHA's or a BCHA approved Inspection Checklist) and walking through the Community Home prior to executing the lease.
   (b) Determining repair timelines, if needed, in the Inspection Checklist.
   (c) Including the Inspection Checklist in the lease agreement.