



# Troy Plus One ADU Program Homeowner Application

Released August 2024

## PROGRAM INFORMATION

Please adhere to these instructions in completing and submitting this application. All information provided will remain confidential. Failure to properly complete and submit this application could result in denial of services. Filling out this application does not guarantee that you will be eligible for the program.

Eligible homeowners can use the \$120,000 Plus One ADU grant for project administration, pre-development, and construction. Pre-development and other soft costs include items such as technical assistance fees, land survey, permits, and payments to architects/other vendors. A homeowner contribution will likely be needed to complete construction, once the grant funds are exhausted. Proof of additional homeowner funding will be required once the project budget is finalized.

The program aims to deliver additional rental housing units in the selected census tracts within Troy, NY (see flyer) while also creating additional income opportunities for low to moderate income homeowners that are at or below 100% of the Area Median Income (AMI), supporting them to remain in their homes long-term or occupy the ADU with family members that would benefit from their own space.

## THINGS TO KEEP IN MIND

- Homeowners need to complete pre-development and be ready to file permits within 90 days of having their application accepted.
- All required documentation to be obtained within a 2-week period from time of submitting an application. Failure to do so will lead to the application being denied or postponed for another round of review.
- Additional funds will be necessary if the project budget exceeds grant award amount.

For assistance contact:  
(518) 274-3050  
or  
admin@tapinc.org

**SECTION A: HOMEOWNER INFORMATION**

a1. Owner's Applicant's Name: \_\_\_\_\_

a2. Co-Owner's Applicant's Name: \_\_\_\_\_

a3. Property Address: \_\_\_\_\_

a4. Section-Block-Lot Number: \_\_\_\_\_

a5. Mailing Address:  
(if different than property's) \_\_\_\_\_

a6. Applicant Phone Number: \_\_\_\_\_ Co-Applicant: \_\_\_\_\_

a7. Applicant E-Mail: \_\_\_\_\_ Co-Applicant: \_\_\_\_\_

**SECTION B: HOUSEHOLD COMPOSITION AND INCOME**

b1. # of People Living at Property:  
(including applicant) \_\_\_\_\_

b2. Provide Name and Age of ALL Household Members including Applicant(s) (as "self"):

| Name | Age | Date of Birth | Relationship |
|------|-----|---------------|--------------|
|      |     |               |              |
|      |     |               |              |
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b3. How many household members attend college full-time? \_\_\_\_\_

b4. Gross Annual Household Income from all Household Members: \_\_\_\_\_  
(before taxes and deductions, include all sources)

Gross Annual Household Income can not exceed the income limits listed below:

| Annual Income Limits (\$) by Household Size (# of People) |        |         |         |         |         |         |         |
|---|--------|---------|---------|---------|---------|---------|---------|
| 1   | 2      | 3       | 4       | 5       | 6       | 7       | 8       |
| 82,500  | 94,300 | 106,100 | 117,800 | 127,300 | 136,700 | 146,100 | 155,500 |

Limits based on the 2024 HUD Program 100% AMI Income Limits for Albany-Schenectady-Troy

**SECTION C: PROPERTY INFORMATION**

- c1. Is the home the primary residence for one of the owner-applicant(s)?  Yes  No
- c2. Is there a mortgage on the property?  Yes  No
- c3. Do you have a home equity loan, home equity line of credit, or second mortgage on this property?  Yes  No
- c4. If yes, please list all that apply : \_\_\_\_\_
- c5. Is there a reverse mortgage on the property?  Yes  No
- c6. Have you entered into foreclosure proceedings within the past 2 years?  Yes  No
- c7. Do you have homeowner's insurance?  Yes  No

**SECTION D: DESIRED ACCESSORY DWELLING UNIT (ADU) DETAILS**

- d1. What type of ADU are you applying for?  Conversion of existing ADU  Construct a new ADU
- d2. Desired square footage of the ADU: \_\_\_\_\_  
*Limit of 800 square feet unless a carriage house retrofit*
- d3. Please describe the reason are to create an ADU or convert an existing ADU on your property:  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

d4. For new ADUs, please describe where you would like it to be located on the property:

- New construction of Second Unit:  Attached to Existing Home  Detached from Existing Home
- Conversion of an existing on-site Building:  Garage  Carriage House  Other: \_\_\_\_\_

- d5. Are you seeking the creation or conversion of an ADU in order to house person(s) considered disabled or over the age of 65?  Yes  No
- d6. The construction of a new ADU may exceed the \$120,000 grant amount, depending on site conditions and project scope. If this occurs, are you able to access additional funds (i.e. savings) or willing to explore additional financing options (i.e. construction loan, home-equity loan)?  Yes  No

**SECTION E: POTENTIAL RENTAL INCOME**

- e1. Do you intend to receive rental income from the Accessory Dwelling Unit?  Yes  No

*NOTE: You are not required to charge ANY rent from the tenants of the completed ADU. However, if you do intend to and can commit to charging rents considered to be affordable, your application will receive higher scoring points for priority selection.*

- e2. Will you commit to charging rents considered to be affordable?  Yes  No  
(not exceeding the rent limits listed below) (it is not a requirement that rents be affordable)

| ADU Size    | Monthly Rent Limit |
|-------------|--------------------|
| Studio      | \$1,011            |
| 1 - Bedroom | \$1,131            |
| 2 - Bedroom | \$1,374            |

*NOTE: The rent limits are based on the 2024 Fair Market Rent Limits in Albany-Schenectady-Troy established by the U.S. Department of Housing and Urban Development (HUD)*

**SECTION F: REQUIRED SUPPORTING DOCUMENTS**

*Please enclose the following copies, with your application. Failure to do so will delay review of your application. Place a checkmark next to each item that you enclosed or "N/A" if not relevant to your finances. The office may require more documentation for verification.*

- \_\_\_\_\_ Copy of current deed that lists the homeowner/co-owners name(s)
- \_\_\_\_\_ Copy of the latest property tax bill of the primary household
- \_\_\_\_\_ Complete, signed copy of federal income tax returns from last year, including ALL attachments, for ALL household members.
- \_\_\_\_\_ Copy of W-2 statements for the previous year for all employed household members
- \_\_\_\_\_ Copy of current mortgage/home equity statement with outstanding balance & last payment made.

**SECTION G: APPLICATION REVIEW AND SELECTION PROCEDURES**

Applications received by the deadline date will be reviewed and scored against the Basic Thresholds and Project Feasibility criteria presented below by TAP, Inc. and the City of Troy. The scoring system for the applications will be used to better determine how well an application fits within our goals. TAP, Inc. and the City of Troy may also place low-scoring applicants on a waiting list for approval while earlier awarded applications complete construction or pending additional grant allocations from the State.

**g1. BASIC THRESHOLDS**

- Property must be located within the eligible census tracts of Troy (see program flyer)
- Property is the primary residence of the homeowner(s) submitting this application
- Household income at or under 2024 100% Area Median Income limits of Albany-Schenectady-Troy
- Property must not host more than one ADU, upon completion of the project
- Property cannot have a Reverse Mortgage
- Completed ADU cannot be a Short-Term Rental
- Property does not have any open property maintenance code violations, unless applying to resolve violations applicable to an existing ADU
- Property must be current on all Property Taxes and up to date on all applicable debts (i.e mortgages, HELOCs, etc.)
- ADU is permitted in project property’s zoning district either “by-right” or through a Zoning Board of Appeal Special Use Permit
- Owner must be willing to maintain ADU occupancy and follow good-faith solicitation practices for ADU when unit is vacant for the duration of the regulatory term (10 years)
- Owner must be willing to sign a restrictive covenant that is recorded with the county’s office which stipulates that the house has an ADU assisted by the state and that in the case of any sale to a homeowner other than 100% AMI then there will be a balance due back to the state.

## g2. PROJECT FEASIBILITY

### a. Zoning

Site of the project must be within a land use district that allows for an ADU (25 points).

### b. Level of Need - Occupancy & Affordability

Priority for award will take into consideration the housing of vulnerable populations, providing an affordable housing unit, or the ability of the owners to finance the construction of an ADU independently (up to 20 points).

*i) Owner-Applicant has a familial need for the ADU to host person(s) over the age of 65; a disabled person; or a veteran relative (10 points)*

*ii) Owner-Applicant household is considered Low-to-Moderate Income (at or under 80% Area Median Income) and can demonstrate through financial information submitted the rental income from the ADU will reduce their housing cost burden (10 points).*

### c. Expected Project Cost & Financial Assistance

Priority for award will focus on projects that can be developed under the grant maximums (without additional assistance) or where applicants can demonstrate their ability to fund the gap for construction (up to 10 points).

*i) Project can be constructed under the maximum award of \$120,000, including soft costs (10 points).*

*ii) For projects expected to be over the maximum grant award of \$120,000, including soft costs, owner-applicants who can demonstrate enough savings or qualification for other financing tools to meet the projects gap (10 points).*

### d. Affordable Tenancy

Additional points will be awarded to projects that house tenants/households that are considered low-to-moderate income or a vulnerable population (20 points).

*Projects where the ADU rent is established within affordable thresholds (see Occupancy and Affordability), and the Owner(s) commit to submit annual documentation confirming unit occupancy is housing a:*

*i. Low-to-Moderate income household(s) (under 80% AMI); or*

*ii. Person(s) over the age of 65 or considered disabled.*

### e. Proximity to Public Transportation

Additional Points will be awarded for proposed projects within a half mile of a bus stop (CDTA)

## SECTION H: TERMS AND CONDITIONS

i) Verification of Owner-occupancy – owners must submit a signed statement with supporting documentation annually acknowledging they still own and occupy the principal dwelling-unit on the property.

ii) Verification of ADU Occupancy – owners must submit documentation verifying the ADU's occupancy year-round (utility bills, licenses, leases, etc.). If un-occupied at the time of verification, see iii below.

iii) Good-Faith Efforts for Rental Advertising - if the ADU is unoccupied, owners must provide documentation of efforts made seeking tenants to occupy the unit.

iv) ADU Household Income and Affordable Rent Verification – if project was selected on the basis of providing an affordable unit, documentation will be required annually verifying the household income and lease value for the ADU.

v) Restrictive Covenant – Homeowner's must record the Program's Restrictive Covenant on the property, following the completion of construction whereby the final construction figure and grant amount is known and entered in the Restrictive Covenant (attached).

vi) Special Use Permit Renewal – if the ADU was permitted according to a Special Use Permit, the permit must remain in good-standing for the entirety of the ADU's occupancy.

vii) Insurance - Homeowners are required to maintain adequate homeowner's insurance on the principal structure and the accessory dwelling unit

viii) Missing Application Materials - If an application is missing document(s); applicant will have 2 weeks to provide documents in order to preserve their place on the waitlist

viv) Branding - Owner must agree to have a branding element on their ADU

## SECTION I: GENERAL PROCEDURE

1. Applications are received by TAP, Inc. and checked for completeness. Clarifying questions may be asked of Applicants.
2. Applications are reviewed by staff against Basic Threshold Criteria, including verification of income and property ownership, applicable zoning district, status of property taxes and mortgage payments, and potential code-violations. Applicants will be contacted by staff for additional supporting information if necessary.
3. Applications that move on to the Project Feasibility stage will be evaluated by staff for consideration by staff. Staff will score the applications and may schedule a site visit with the applicant to view the existing property prior to scoring.
4. Up to 4 high-scoring Applications of each category (new or rehab ADU) will be selected as potential awardees. Lower scoring applications may be placed on the waiting list to either be funded at a later time or compete against applications received in a second application round.
5. Preliminary Awardees will undergo environmental review by the staff to identify compliance with applicable environmental laws and standards. In some cases testing may be ordered for lead-based paint or potential asbestos containing materials.
6. Awardees will be paired with a pre-qualified Program Architect to start the ADU design and zoning compliance requirements. Awardees will be required to sign-off on the final design prior to bidding.
7. Program Architect's will prepare the Construction Drawings and Bid Package based on the final homeowner approved design. The Program's Construction Manager will then assist the homeowner in soliciting construction bids.
8. Homeowner's will be required to execute the construction agreement contract with the lowest and most qualified bidder (of bids deemed reasonable). DO NOT SIGN A CONTRACT UNTIL YOU RECEIVE WRITTEN NOTICE TO DO SO. Town staff/Construction Manager verifies Contractor's insurance coverage.
9. A "Notice and Order to Proceed" will be issued to the Contractor by the Program's Construction Manager. PAYMENT WILL NOT BE MADE FOR ANY WORK BEGUN PRIOR TO THE ISSUANCE OF A "PROCEED ORDER".
10. Contractor obtains necessary building permits and begins work. Construction Manager oversees progress and Town Building Inspectors conduct inspections during applicable times. Progress payments are made for completed work signed-off on by Homeowner and Construction Manager. Town issues checks for payment directly to the Contractor.
11. Work is completed. Construction Manager arranges for final inspections and walk-throughs, energy-efficiency and clearance tests, verifies completed work to a satisfactory level.
12. Certificate of Occupancy is issued. Homeowner is given any guarantees or warranties by the Contractor. Program photos are taken for promotional materials.

