

Utica Center for Development

**ACCESSORY DWELLING UNIT (ADU)
PROGRAM**

APPLICATION FORM

Return to:

Utica Center for Development
Attn: ADU Program
726 Washington Street
Utica, NY 13501
(315) 765-0975

Applications are open all year round

Name: _____ Address: _____

Date Application Received: _____ Date Deemed Complete: _____

<p align="center">Utica Center for Development</p> <p align="center">Accessory Dwelling Unit Program</p>
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APPLICANT INFORMATION

Owner Applicant's Name:

Last

Co-Owner Applicant's Name:

Last

Property Address:

Street Name

ZIP Code

Section-Block-Lot Number:

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Mailing Address (if different):

Street Name

ZIP Code

Applicant Phone(s): (Home)

(Cell)

(Office)

Applicant E-mail(s):

**Please select your preferred method(s) of contact using the checkboxes to the right of phone or email information.*

HOUSEHOLD COMPOSITION AND INCOME

Number of People Living at the Property: _____ Household Members (Including Applicant)

Provide Name and Age of **ALL** Household Members **including** Applicant(s) (as "Self"):

[illegible]

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Annual Household Gross Income from all Household Members (Before taxes and Deductions)? \$ _____

(Include all sources, such as: Earned Income, Self-Employment Income, Unemployment Insurance, Public Assistance, Social Security Benefits, Pension, Periodic Insurance Payment, Rental Income, Union Benefits, Veterans Benefits, Disability Compensation, Alimony, Child Support, Other, etc.)

Total Annual Household Gross Income (from all household members) cannot exceed the following limits:

Household Size	1 Person	2 Persons	3 Persons	4 Persons	5 Persons	6 Persons	7 Persons
Annual Household Income	\$61,600	\$70,400	\$79,200	\$87,900	\$95,000	\$102,000	\$109,000

Select the Employment Status(es) of All Household Members:

- | | |
|--|---|
| <input type="checkbox"/> Working | <input type="checkbox"/> Receiving Social Security / SSI |
| <input type="checkbox"/> Unemployed | <input type="checkbox"/> Receiving Pension |
| <input type="checkbox"/> Receiving Unemployment | <input type="checkbox"/> Receiving Workman's Compensation |
| <input type="checkbox"/> Receiving Public Assistance | <input type="checkbox"/> Other _____ |

Employer's Name and Address of All Household Members Over 18:

Are any members of the household disabled or handicapped? ☐ Yes ☐ No

Are any members of your household a veteran? ☐ Yes ☐ No

Are any household members an employee of the City of Utica? ☐ Yes ☐ No

If yes, you may need to submit a conflict-of-interest statement and have it approved by the Town Attorney's Office.

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PROPERTY INFORMATION

Does one of the Owner-Applicant(s) live in the home? ☐ Yes ☐ No If yes: ☐ Year Round, or ☐ Seasonally

Names Listed on the Deed: _____

**Upload or attach a copy of the deed with the application.*

Year Property Purchased: _____ Square Footage of the Principal Home: _____

Is the property listed on the New York State or National Register of Historic Places? ☐ Yes ☐ No

Is there a mortgage on the property? ☐ Yes ☐ No

Do you have a home equity loan, home equity line of credit, or second mortgage on this property?

☐ Yes, List all applicable: _____ ☐ No

Do you have a reverse mortgage on this property? ☐ Yes ☐ No

Are your mortgage and/or home equity loan payments up-to-date?

☐ Yes ☐ No ☐ Not Applicable (No current loan)

Have you received a loan modification within the past 12 months due to delinquent payments?

☐ Yes ☐ No ☐ Not Applicable (No current loan)

Have you entered into foreclosure proceedings within the past 2 years? ☐ Yes ☐ No

Are your current property taxes paid in full? (*Town, County, & School*) ☐ Yes ☐ No

Do you have homeowners insurance? ☐ Yes ☐ No

Number of Residential Units currently on the Property: _____

Is any part of the property currently rented as a Short-Term Rental (i.e. AirBnB)? ☐ Yes ☐ No

DESIRED ACCESSORY DWELLING UNIT (ADU) DETAILS

What type of ADU are you applying for? ☐ Establish a new ADU ☐ Rehab an existing ADU

Please describe the reason are you seeking to create or rehabilitate an Accessory Dwelling Unit on your property:

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For new ADU's, please describe where you would like it to be located on the property (see examples below):

- ☐ Within Existing Living Space: ☐ Second Floor ☐ Attic ☐ Basement ☐ Other _____
- ☐ New Construction Addition of Second Unit: ☐ Attached to Existing Home
- ☐ Detached from Existing Home
- ☐ Conversion of an existing on-site Building: ☐ Garage ☐ Barn ☐ Other _____

Desired Square Footage of the ADU? _____

Note: Please attach photos of the property and a sketch of the desired location for a new addition ADU. For sketch purposes, draw on a copy of your property survey. You received a copy of your survey when you purchased your property.

Please describe any other details of your ADU that you envision (i.e. how many stories, studio or # bedrooms, proposed exterior entrance, proposed off-street parking location, etc.):

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For renovation/rehab of an existing ADU, please describe the location of the current ADU on the property and the work that you are proposing to have completed (e.g. code compliance, health and safety issues, roof, plumbing, ADA accessibility, energy efficiency, other upgrades, etc.):

The ADU created or rehabilitated through this program must be occupied for a 10-year term. Do you commit to maintaining the unit's occupancy for the duration of that term? (i.e. seek renters or other occupancy arrangements upon vacancy) ☐ Yes ☐ No

Are you willing to have pictures taken of your ADU for program promotional purposes? ☐ Yes ☐ No

Are you seeking the creation or rehab of an ADU in order to house person(s) considered disabled or over the age of 65?
(Answer yes if you meet either of these criteria and intend to live in the ADU and rent out the principal structure)
☐ Yes ☐ No

POTENTIAL RENTAL INCOME

Do you intend to receive rental income from the Accessory Dwelling Unit? ☐ Yes ☐ No

Please note: You are not required to charge rent from the tenants of the completed ADU. However, if you do intend to and can commit to charging rents considered to be affordable for the Utica Market Area, your application will receive higher scoring points for priority selection. See Application Review and Program Procedures for details.

Will you commit to charging rents considered to be affordable (under the thresholds provided below)? ☐ Yes ☐ No

Maximum Monthly Rent Limits in order to be considered an Affordable ADU for additional application points:

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ADU Size	Household Earning 65% Area Median Income
Studio/Efficiency	\$785
1 Bedroom	\$790
2 Bedroom	\$992

Note: Monthly Rent Limits are based on unit size and HUD Fair Market Rent Area Limits, which are recalculated by HUD annually.

INCOME VERIFICATION

Were you required to file a federal and/or state income tax return this year? ☐ Yes ☐ No

List current household income from **ALL** sources for **ALL** household members. Also indicate the household member receiving income or benefits by name. Example: Parent receiving monthly social security benefits for one or more of their children, applicant would list amount(s) under "Aid to Dependent Children" per "month."

<u>Check if Applicable</u>	<u>Type of Income</u>	<u>Current Amount Received</u>	<u>Recipient Name</u>
<input type="checkbox"/>	Wages, Salary	\$_____ per _____	_____
<input type="checkbox"/>	Wages, Salary (Secondary, Other)	\$_____ per _____	_____
<input type="checkbox"/>	Social Security/SSI	\$_____ per _____	_____
<input type="checkbox"/>	Social Security/SSI (Secondary, Other)	\$_____ per _____	_____
<input type="checkbox"/>	Public Assistance ¹	\$_____ per _____	_____
<input type="checkbox"/>	Unemployment Benefits	\$_____ per _____	_____
<input type="checkbox"/>	Veterans Benefits	\$_____ per _____	_____
<input type="checkbox"/>	Pension/Retirement	\$_____ per _____	_____
<input type="checkbox"/>	IRA Distribution	\$_____ per _____	_____
<input type="checkbox"/>	Disability Payment	\$_____ per _____	_____
<input type="checkbox"/>	Worker's Compensation	\$_____ per _____	_____
<input type="checkbox"/>	Child Support	\$_____ per _____	_____
<input type="checkbox"/>	Alimony Payment	\$_____ per _____	_____
<input type="checkbox"/>	Interest/Dividends from Investments	\$_____ per _____	_____
<input type="checkbox"/>	Aid to Dependent Children	\$_____ per _____	_____
<input type="checkbox"/>	Rental Income	\$_____ per _____	_____
<input type="checkbox"/>	Income From Business/Self-Employment	\$_____ per _____	_____
<input type="checkbox"/>	Other Income _____	\$_____ per _____	_____

¹ Note: Food Stamps are **NOT** counted as income and doesn't need to be disclosed.

Total Income This Year: _____

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Any other financial situation the office should be made aware of?

If you are creating a new ADU through an addition to the primary residence the total construction cost may exceed the \$125,000 grant amount, depending on site conditions and project scope. If this occurs, are you able to access additional funds (e.g. savings) or willing to explore additional financing options (e.g. construction loan, home-equity loan)? ☐ Yes ☐ No ☐ Not Applicable If yes, please explain _____

REQUIRED SUPPORTING DOCUMENTATION

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 as part of verification. You are responsible for obtaining and submitting all required documents – refusal to comply (in a timely manner) may result in a disqualification.***

- _____ Documentation of U.S. citizenship or legal resident status for the Property Owners
(submit copies of social security card or birth certificate or green card or passport or nexus.)
- _____ Copy of current homeowners insurance policy.
- _____ Copy of last three (3) months of bank statement for **ALL** accounts for **ALL** household members.
- _____ Complete, signed copy of federal income tax returns from last year, including **ALL** attachments, for **ALL** household members. *Must also be signed by 3rd party tax preparer. If you **rent out property**, are **self employed**, or **have investments**, you must submit **three (3) years of tax returns**.*
- _____ Copy of W-2 statements for the previous year for all employed household members.
- _____ Copy of last two (2) months of consecutive pay stubs for all employed household members.
- _____ Copy of year-end or current statements for all investments/IRAs for all household members.
- _____ Copy of current mortgage/home equity statement with outstanding balance & last payment made.

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- _____ Copy of child support award or divorce decree with alimony stating amount of support received.
- _____ Copy of form DD-214 for honorable discharge from military service, if applicable.
- _____ Copy of college schedule or transcript for household members attending college full-time.
(Full-time College students are not counted towards household income)
- _____ Copy of your property survey (most recent available is sufficient).
(A property survey can be found in your property purchase closing documents)

Please place check marks next to the relevant sources of income. You must provide **annual statements or benefit reports** for each benefit received during the past 6 months for **all** household members for the following:

- | | | |
|-----------------------------|----------------------------|--------------------------|
| _____ Social Security / SSI | _____ Pension / Retirement | _____ Veteran's Benefits |
| _____ Worker's Compensation | _____ Disability Benefits | _____ Public Assistance |
| _____ Unemployment Benefits | _____ Aid to Dependents | _____ Other Income |

****Your eligibility for the ADU Pilot Program is primarily based on your gross annual household income, which includes income for ALL household members from ALL sources, even nontaxed income. This income will be calculated by the Program based on the documentation submitted, additional documents may be requested following review.***

You must be in good standing with the Town and Town Court (unless applying to resolve code violation).

APPLICATION REVIEW and SELECTION PROCEDURES

- 1. APPLICATION REVIEW.** Applications received by the deadline date for the ADU Pilot Program will be reviewed and scored against the Basic Thresholds and Project Feasibility criteria presented below. The highest scoring applications will be awarded, pending acceptance of program terms. Lower scoring applications that were not awarded from the first round may be reconsidered in the second application round. The Town may also place low-scoring applicants on a waiting list for approval while earlier awards complete construction or pending additional grant allocations from the State.

In order to be approved, the following Basic Thresholds must be met:

- Property must be located within the City of Utica.
- Owner-occupancy within the primary household, for at least 60% of the year.
- Household income under 100% Area Median Income limits.
- 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).

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- Property must not host more than one ADU, upon completion of the project.
- Property must be current on all Property Taxes and up to date on all applicable debts (i.e mortgages, HELOCs, etc.).
- Property cannot have a Reverse Mortgage.
- Property does not have any open property maintenance code violations, unless applying to resolve violations applicable to an existing ADU.
- Completed ADU cannot be a Short-Term Rental.

If the above thresholds are met, the application will then be scored by the Program Selection Committee according to the following Project Feasibility priorities:

A. Zoning: *All proposed ADUs must meet zoning code and dimensional standards, whether allowed “by-right” or requiring a Special Use Permit depending upon the zoning district the host property is located within (up to 35 points).*

- i) ADU is permitted “by-right” (15 points) or requires a Special Use Permit (10 points).
- ii) Envisioned ADU’s ability to meet zoning standards for setbacks (5 points); off-street parking (5 points); and, lot coverage limits (5 points) based on the limitations of the current lot/property without variances.
- iii) Suitable conditions of the host property, including such considerations as conforming to minimum lot dimensions; no slope or easement limitations; or other factors creating or adding to existing nonconformities (5 points).

*For existing ADUs seeking rehab, points will be awarded for 1 and 2 based on whether or not the use may be continued as-is with proposed renovations or is non-conforming.

***Site Visits will be conducted by the Program Selection Committee to confirm host property’s conditions.*

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 30 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) ADU’s intended rent is considered affordable according to HUD Fair Market Rent - Maximum Rent Limits for the City of Utica (10 points).
- iii) Owner-Applicant household is considered Low-to-Moderate Income (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).*

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- i) Projects that can be constructed under the maximum award of \$125,000, including soft costs (10 points).
- ii) For projects expected to be over the maximum grant award of \$125,000, including soft costs, Owner-applicants can demonstrate enough savings or qualification for other financing tools to meet the projects gap (5 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. This criteria differs from Occupancy and Affordability scoring in that it expects affordable units to be directed/marketed to tenants in need of affordable housing, if rental income will be generated (20 points).*

- i) Projects where the ADU rent is established within affordable thresholds and the Owner(s) commit to submit annual documentation confirming unit occupancy is housing a:
 - a. Low-to-Moderate income households (under 80% AMI); or
 - b. 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 (5 points).*

- i) Projects within a ¼ mile of a bus stop.

***If additional information or clarifications are necessary in order to properly score the application, staff will reach out to Applicants for additional details.*

- 2. PRELIMINARY GRANT AWARDS.** Up to 20 applications will be selected for award (approx. 10 for New ADUs and 10 for Rehabilitated ADUs) from the Project Feasibility scoring in each application round.

Successful Homeowners will be required to attend an Awardee Pre-Design Meeting to review and ask questions ++on the Program Process, environmental review requirements, ADU Pilot Program Agreement, Restrictive Covenant, and any other forms that must be executed in order to move to design stage.

- 3. ENVIRONMENTAL REVIEW.** Planning Department staff must undertake environmental reviews prior to expenditure of funds on selected projects. Environmental review will include State criteria, City of Utica requirements, and possibly Federal NEPA requirements (if HUD loan funds are involved).

If select environmental conditions are found the project may be considered in-eligible and the homeowner agreement will be terminated, OR corrective actions may be incorporated into the ADU Scope-of-Work to correct the environmental conditions (i.e. removal of asbestos containing materials).

**A summary of the environmental review categories can be found on the Program's website, as well as a description of common elements discovered and their typical corrective fixes.*

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4. **DESIGN.** Upon successful completion of environmental review, each awardee will be assigned a pre-qualified local architect to work with to develop design documents.

A. Architectural: *After an initial consult design meeting, the architect will prepare a schematic design where homeowners will be allowed up to 4 rounds of revisions prior to final sign-off.*

- i) “By-right” Zoning Projects - Following sign-off on the final design by the homeowner, construction drawings and specifications will be prepared.
- ii) Special Use Permit Zoning Projects – Following sign-off on the final design by the homeowner, the architect will prepare an application to the Utica Zoning Board. Revisions or additional conditions may be requested by the board in order to grant the Special Use Permit. If so, a secondary sign-off on the revised plans may be necessary by the homeowner.

B. Other Technical Needs/Components: *Other technical components of development will be prepared as necessary to aid design or construction (depending on project type), such as a property survey; soil borings; engineered beam/load calculations; easement research; concrete testing; etc.*

Also, depending on the project type, additional upgrades to the principal structure or property may be necessary to accommodate the ADU or to bring the property into code compliance. These upgrades may include increased electrical load service, furnace or hot-water tank upgrades; secondary exits or egress windows; hard-wired CO2 detectors; grading/property stormwater drainage improvements; and the correction of improper storm water-to sanitary sewer connections. Such improvements will be considered eligible construction costs under the grant.

C. Preliminary Estimation of Costs & Addressing Financing Gaps: *Early in the design process a preliminary development budget will be prepared based on market area construction costs per square foot. As the project moves closer to final design, the budget will be refined. If the preliminary budget or refined budgets come close to or over the maximum grant award of \$125,000, approved applicants will be required to demonstrate the ability to absorb the overage, either through cash-on-hand, construction loan or other financing tool approved by a lender, or (if applicable) a HUD Homeowner Rehab Loan from the City of Utica.*

******If estimated project funding gaps are not resolved, the project will not move forward******

5. **BIDDING.** Once each project completes final design (and Special Use Permitting as necessary), architects will prepare construction specs and materials for Belmont to assist homeowners in bidding the project to contractors licensed to work in the City of Utica. The Utica Center for Development will manage the bidding process with the homeowner and homeowner will select the contractor from lowest bidder (or within 10% of bid).

The homeowner is then required to execute the prepared AIA construction agreement with the selected contractor. A Notice to Proceed will be issued by The Utica Center for Development upon confirmation that all the proper insurance forms have been received.

A. MBE/WBE or SDVOB Requirements: *NYS requires 20% of the total grant award to utilize Minority-Business*

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Enterprises (MBEs), and 10% of the total grant award to utilize Women-business enterprises (WBEs), or Service Disabled Veteran-Owned Businesses (SDVOBs). Bids submitted within 15% of the lowest bid price with MBE, WBE, or SDVOB certified construction firms (or employing sub-contractors with these certifications) will be allowed for selection by the homeowner despite not being lowest bidder.

6. **CONSTRUCTION STAGE & MANAGEMENT.** Upon receipt of the Notice to Proceed, the Contractor will file for building permits with the City of Utica; coordinate with the assigned Construction Manager from The Utica Center for Development and the Homeowner(s) regarding construction staging locations, daytime operations, and points by which utilities may be shut-off for short periods. Contractors shall also coordinate with tenants on such disruptions as well, if applicable.

A. Construction Management Oversight: *The Utica Center for Development's Construction Manager will oversee contractor's day-to-day construction activities and work completed; update the Program Staff on progress of the project; coordinate inspection appointments by City Building Inspectors; approve satisfactory progress payments to the contractor; address any concerns brought up by the homeowner; and confirm if change orders are necessary.*

B. Construction Invoicing: *Construction stage invoices will be paid by the Utica Center for Development directly to the contractor or subcontractor, with signature approval required by the homeowner, the Program Construction Manager, and The Utica Center for Development ADU Program Director. The remaining 10% of the construction contract shall be held aside pending final inspections and receipt of a Certificate of Occupancy from the Utica Codes Building Department.*

- i) For projects exceeding the \$125,000 grant allowance (requiring Homeowner contributions), invoices will be paid by the ADU grant allowance first until exhausted, then the remaining costs will be paid by the homeowner directly (via cash or other financing tool).

C. Change Orders: *A certain percentage of change orders will be outlined upfront in the construction bid documents, however additional changes arising from unforeseen circumstances may be covered by the ADU grant award if there is capacity on the grant limit. Cost increases from change orders due to homeowner's material or finishing fixture grade changes (that occur after the project was put out to bid) must be covered by the Homeowner.*

7. **OCCUPANCY APPROVAL.** The new ADU may be occupied following the receipt of a Certificate of Occupancy (COO). Once construction is complete, the final steps to receive the COO include:

A. Special Clearances: *The Construction Manager will arrange an energy efficiency blower test, duct-clearance test, and/or a lead-based paint clearance test (if applicable).*

B. Walk-through & Punch-List: *The Construction Manager will arrange a walk-through with the homeowner and contractor to develop a punch-list of any outstanding minor fixes/corrections necessary before final inspections.*

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C. Final Inspection & Issuance of Certificate of Occupancy: Following completion of any punch-list items, Town Building Inspectors will complete the final inspection to issue the Certificate of Occupancy and close any open permits, upon which the Construction Manager and homeowner may sign-off on the final invoice for payment.

8. MISCELANEOUS REQUIREMENTS & OBLIGATIONS.

A. Restrictive Covenant & Lien. The Grant Program requires Homeowner's 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).

B. On-going Monitoring. To ensure grant terms are met during the 10-year term, the Town will require:

- 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 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) 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.

C. Insurance. Homeowners are required to maintain adequate homeowner's insurance on the principal structure and the accessory dwelling unit and include the "Utica Center for Development 726 Washington St Utica, NY 13501" as additionally insured on the policy.

9. APPLICATION ATTACHMENTS.

- NYS Plus One Accessory Dwelling Unit Program - Photo Release Form
- ADU Program Restrictive Covenant (for reference)

GENERAL PROCEDURES OUTLINE

1. Applications are received by Planning Department Staff and checked for completeness. Clarifying questions may be asked of Applicants.

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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 the Program Selection Committee. The Committee will score the applications and may schedule a site visit with the applicant to view the existing property prior to scoring.
4. Up to 20 high-scoring Applications (new or rehab ADU) will be selected for Preliminary Grant Awards and Homeowners are expected to execute the Program's Grant Agreement. 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 conducted by Utica Center for Development Planning Department 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. 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".
11. Contractor obtains necessary building permits and begins work. Construction Manager oversees progress and City Building Inspectors conduct inspections during applicable times. Progress payments are made for completed work signed-off on by Homeowner and Construction Manager. Utica Center for Development issues checks for payment directly to the Contractor.
12. Work is completed. Construction Manager arranges for final inspections and walk-throughs, energy efficiency and clearance tests, verifies completed work to a satisfactory level.

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13. Certificate of Occupancy is issued. Homeowner is given any guarantees or warranties by the Contractor. The final check to the Contractor is issued by the Utica Center for Development. Program photos are taken for promotional materials.
14. Homeowner and any others listed on the deed record the ADU Program's Restrictive Covenant with the Oneida County Clerk's Office, the City of Utica, and sign a HUD Lien Agreement (if HUD gap funding was sought for the project).

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WHAT TO EXPECT AND WHAT NOT TO EXPECT FROM THE ADU PROGRAM

Homeowner Responsibilities

The program will help homeowners during the design, zoning approval, permitting, bidding and construction process, but homeowners are responsible for participating in the program, making choices and completing the items listed below:

1. Homeowners participate in the program in a timely manner and make the property available for scheduled construction work as needed/reasonable.
2. Homeowners help inspect their house and point out problems or concerns upfront that may be relevant to the ADU's design and construction to the Architect.
3. Homeowners sign the Construction Agreement with the contractor; and sign and record the Program's Restrictive Covenant.
3. Homeowners inspect and approve work performed by their contractors, and approve payments made to their contractors.
5. Homeowners work with the construction manager and contractors to settle disagreements during the job.
6. Homeowners call/write their contractors to ask them to correct problems covered by contractor warranties during the first few years after the job has been completed (for items subject to warranties).

What Homeowners Should Understand Before Participating in the Program

1. Don't expect all floors, walls, ceilings, doors, windows, etc. in older houses to be completely plumb, level and square when work is completed.
2. Sometimes it can be stressful living in a house while a contractor is performing work.
3. Very few times in life is anyone completely satisfied with things they buy or have repaired. Buying a house or having a house renovated is no different.
4. Contractors will be using homeowner's utilities (electricity, water) at certain times during construction, which may result in higher monthly bills. There may be times where utilities are shut off for short periods to complete electrical, plumbing or heating work.
4. Houses built over 50 years ago are subject to a State Historic Preservation Office (SHPO) review. Interior and exterior photos of the property may be required. Restrictions may be placed on renovations related

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to placement of windows or materials used if they are found to have an impact on SHPO designated historic features.

5. Finally, the program is *NOT* a contractor, does *NOT* recommend contractors and *CANNOT* guarantee that homeowners will be satisfied with the work done by their contractors.

CERTIFICATION

I hereby certify that I am the owner and occupant of the property to be improved. I certify that the information provided in this application is true and correct to the best of my knowledge and contains no willful misrepresentations. I have received and read a written description of the Utica Center for Development Accessory Dwelling Unit Pilot Program. I agree to cooperate with the Town in complying with all specified procedures.

Caution: Anyone who misrepresents his, her, or their primary residence or income shall be prohibited from receiving the Accessory Dwelling Unit Pilot Program funds, and may be subject to criminal prosecution.

I understand under the False Claims Act, 31 U.S.C. §§ 3729-3733, those who knowingly submit, or cause another person or entity to submit, false claims for payment of government funds are liable for three times the government's damages plus civil penalties of \$5,500 to \$11,000 per false claim.

I understand that any contract for construction or renovation work financed in whole, or in part by this program, will be between the contractor and me. I also understand that I should not sign any contract for rehabilitation work to be accomplished under this program until I am authorized to do so by the Utica Center for Development. I also understand that the Utica Center for Development will not be responsible or liable for any breach of contract, faulty workmanship, product and material defects, accidents or damage which may arise from my relationship with any contractor, and the Utica Center for Development does not guarantee or warranty the work of any contractor.

I understand that all owners of record will be required to sign and record a Restrictive Covenant on my property for the total forgivable grant amount awarded by the Utica Center for Development Accessory Dwelling Unit Program. The Restrictive Covenant is forgiven over a period of 10 years, and requires on-going occupancy for the ADU during that 10-year term, as well as restrictions on the sale or transfer of the property during the 10-year term. If these requirements are not met, the remaining amount of the forgivable grant will need to be repaid to the Utica Center for Development.

I have received and read the attached "General Procedures Outline" and "What to Expect and Not Expect from the ADU Program".

I hereby grant the Utica Center for Development permission to inspect my property, located at:

_____ in conjunction with my application for an Accessory Dwelling Unit. Property
Address

Utica Center for Development

Accessory Dwelling Unit Program

Applicant

Date

Co-Applicant

Date

PLEASE RETURN THE APPLICATION & ALL REQUIRED DOCUMENTS TO:

**Utica Center for Development
726 Washington Street
Utica, NY 13501**



**Homes and
Community Renewal**

Plus One ADU Program Property Release Form

For valuable consideration received, I, _____ (**print property owner name**), give to the New York State Housing Trust Fund Corporation ("HTFC"), the unrestricted right to use, for any lawful purpose, any photographs taken of the Accessory Dwelling Unit (ADU) as well as the exterior and yard of the property listed below, which I own and/or for which I have the authority to grant such permission, and to use my name in connection therewith if it so chooses.

I release and discharge HTFC from any and all claims or causes of action arising from the use of such photographs, including, without limitation, claims for libel or invasion of privacy.

I am eighteen years of age or older. I have read this release and understand its contents. This release is binding upon me, my heirs, successors, and assigns.

Property Address: _____

Signed: _____

Date: _____

Witness: _____ (print name)

Signed: _____

Date: _____

Plus One ADU Program

Restrictive Covenant

Program funds granted by [ENTER LPA NAME], with an address of [LPA ADDRESS] to:

OWNER(S): [_____]

PROPERTY STREET ADDRESS: [_____]

[MUNICIPALITY], [_____] County

SECTION/BLOCK/LOT: [_____]

AMOUNT OF GRANT ASSISTANCE: [_____]

UNIT ASSISTED: [_____]

DESCRIPTION OF ASSISTED IMPROVEMENTS: [_____]

This Restrictive Covenant is made and executed this [_____] day of [____], [YEAR].

WHEREAS, the undersigned is/are the owner(s) (“Owner”) of the premises described above (“Premises”); and

WHEREAS, the Owner is an “Eligible Participant” in the Plus One ADU (“Program”), defined as being at or below 100% of the area median income (AMI) as determined from time to time by the United States Department of Housing and Urban Development for the county in which the property is located and as adjusted for family size; and

WHEREAS, the Owner acknowledges that the Premises have been improved with [_____] in grant assistance (“Grant Assistance”) provided by the New York State Housing Trust Fund Corporation (“HTFC”) to [LPA NAME] under the Program; and

WHEREAS, this Declaration also secures the Owner’s performance and observance of all the provisions, obligations, and covenants under this and other instruments delivered in connection with the Program including the Grant Agreement executed by and between the Owner and [LPA NAME]; and

NOW, THEREFORE, the Owner hereby declares that for a period of ten (10) years (“Regulatory Period”), which commenced on [_____] [YEAR] and terminating [_____] [YEAR] (“Termination Date”), the Premises shall be occupied by the Owner as their primary residence and shall at all times be maintained in good operating order and condition, and all necessary repairs, renewals, replacements, additions, and improvements shall, from time to time, be promptly made.

Owner further declares that, during the Regulatory Period, the Premises shall not be sold (unless to an Eligible Participant whose eligibility to participate in the Program has been confirmed by [LPA NAME]), moved, demolished, or materially altered without the prior written consent of HTFC. In the event of an approved sale or otherwise permitted transfer, the Eligible Participant shall execute an Affirmation assuming the regulatory requirements and responsibilities found herein. Failure to execute such Affirmation may result in the recapture of Program funds in accordance with the simple declining balance outlined herein.

Owner further declares that the accessory dwelling unit improved with Program funds (the “ADU”) shall be occupied by a permanent tenant for the duration of the Regulatory Period; that the ADU shall not be used as a short-term rental, including as a vacation and/or seasonal rental; and that should the ADU become vacant during the Regulatory Period, the Owner shall make good faith efforts to market the ADU to potential permanent tenants.

Owner further declares that for the duration of the Regulatory Period, any first position mortgage given by the Owner for the purpose of construction or permanent financing of the Premises shall not be refinanced without the prior written consent of HTFC.

This Declaration is expressly subject and subordinate to any mortgage given by the Owner for the purpose of construction or permanent financing of the Premises, whether or not such mortgage is recorded prior to the date of this Declaration.

All the grants, covenants, terms, provisions, and conditions contained herein shall run with the land, binding all subsequent owners, encumbrances, and tenants of the Premises. In the event the Owner shall breach any such grant, covenant, term, provision, or condition, the Owner must return the outstanding balance of Loan Funds to [LPA NAME] for recapture by HTFC. The amount to be repaid and recaptured shall be determined by reducing the original amount of Grant Assistance disbursed to the Owner by one-tenth (1/10th) for each year of the Regulatory Period the Owner was in compliance hereunder. Repayment will be calculated in accordance with the following schedule:

Months 0-12:	100% repayment due
Months 13-24:	90% repayment due
Months 25-36:	80% repayment due
Months 37-48:	70% repayment due
Months 49-60:	60% repayment due
Months 61-72:	50% repayment due
Months 73-84:	40% repayment due
Months 85-96:	30% repayment due
Months 97-108:	20% repayment due
Months 109-120:	10% repayment due
Months 121 and beyond:	0% repayment due

This Restrictive Covenant shall be recorded in the Office of the Clerk of the County in which the Premises are located and shall automatically lapse on the Termination Date.

IN WITNESS WHEREOF, this instrument has been signed the day and year set forth above.

OWNER(S):

MAILING ADDRESS:

Owner 1 Print Name

_____]

Owner 1 Sign Name

Owner 2 Print Name

_____]

Owner 2 Sign Name

STATE OF NEW YORK)

COUNTY OF _____) ss.:

On the _____ day of _____, in the year _____, before me, the undersigned, a Notary Public in and for said State, personally appeared _____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity (ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

NOTARY PUBLIC

[LPA NAME]

By: [_____]]
Name: [_____]]
Title: [_____]]

STATE OF NEW YORK)

COUNTY OF _____) ss.:

On the _____ day of _____, in the year _____, before me, the undersigned, a Notary Public in and for said State, personally appeared

_____, personally known to me or proved to me on the basis of satisfactory evidence to be the individual(s) whose name(s) is (are) subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their capacity (ies), and that by his/her/their signature(s) on the instrument, the individual(s), or the person upon behalf of which the individual(s) acted, executed the instrument.

NOTARY PUBLIC