



FINANCE NEW ORLEANS

AFFORDABLE HOUSING MONITORING PLAN

Finance New Orleans

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DESCRIPTION

This monitoring plan outlines the approach used by Finance New Orleans (FNO) to ensure ongoing compliance with affordability, occupancy, and property quality requirements for subsidized affordable rental developments. Depending on the source of funds used to subsidize a project, FNO has discretion to require and enforce various mechanisms to ensure public benefit is achieved in exchange for the public subsidy. Therefore, projects may receive their own individual monitoring plan to align with and specify the terms of their written Agreement with FNO. Specific requirements for each project will not be outlined in this Monitoring Plan but rather in each individual Agreement.

SECTION 1. DEFINITIONS

Agreement – A written legal document between FNO and the Project Owner that provides details about the restrictions and requirements of the project.

Minimum Standards – Refer to baseline program requirements the Project Owner must satisfy as a condition of their Agreement. Minimum Standards will be outlined in the Agreement and may be different depending on the project.

Project Owner – The individual or entity that received a benefit from FNO in exchange for offering a public benefit. E.g., the Lessee of a PILOT project is a Project Owner.

Subsidy – A benefit received by the Project Owner from FNO or another entity.

SECTION 2. MONITORING OBJECTIVES

- Ensure compliance with affordability and income restrictions.
- Confirm eligible tenants occupy the affordable units.
- Verify rent levels do not exceed allowable limits.
- Maintain property quality, habitability, and accessibility standards.
- Evaluate management practices and marketing for fairness and transparency.

SECTION 3. MONITORING ACTIVITIES and SCHEDULE

Activity	Timing	Responsible Party
Initial compliance review (affordability covenant, rent limits, marketing plan/materials)	At closing	FNO Compliance Manager
Review for compliance with and minimum development standards	At or before COO	FNO Compliance Manager

Lease-up monitoring and tenant income certification review	Within 12 months of lease stabilization	FNO Compliance Manager and Property Manager
Annual monitoring report review	Every 12 months	FNO Compliance Manager
Physical Inspection (interior and/or exterior)	Every 12 months. More often if notified by other entities	FNO Compliance Manager and FNO Property Maintenance.

SECTION 4. KEY METRICS

- A.** Number of affordable units maintained under restriction for the agreement term.
Depending on the FNO program, each project subject to affordable units, will be required to maintain a certain number of affordable units for a specific length of time. The number of units and the term will be described in the Project Owner's agreement, e.g. a PILOT Lease or other agreement, as applicable.
- B.** Tenant income eligibility.
 - A tenant's income eligibility is based on the household's total Adjusted Gross Income (AGI) as reported on the annual IRS Form 1040 or corresponding schedule for all adult household members that are listed on the lease. Typically, tenant households must have an annual income that is 60, 80 or 100 percent of the area median income (AMI). The agreement and/or Board of Trustees resolution will provide details on the specific restrictions for each property.
 - Unless otherwise required, FNO will allow project owners to collect self-certification of annual income if using FNO's Self-Certification of Income form (Appendix A).
- C.** Rents align with the relevant Program Policy or the FNO Board of Trustees approval.
 - In addition to household income, rental rates are set at a percentage of the area median incomes based on the U.S. Department of Housing and Urban Development's (HUD) calculations which are updated annually in the spring.
- D.** Vacancy rate among affordable units $\leq 5\%$.
- E.** Unit turnover rate and re-leasing compliance.
- F.** Property maintenance and physical inspection results (no critical deficiencies).
 - FNO reserves the right to physically inspect properties and will do so, as deemed necessary.
 - If FNO is notified of code deficiencies or delinquent payments, FNO will require follow-up from the project owner in conjunction with addressing the matter with the initiating party.
- G.** Affirmative marketing compliance (outreach to eligible populations).
 - FNO may request copies of project owners' marketing materials and/or workflow that demonstrate their affirmative marketing efforts.

SECTION 5. RISK FACTORS and TRIGGERS for ENHANCED MONITORING

The following factors have the potential to influence FNO's decision to increase monitoring frequency or intensity for any given project.

- Repeated rent or income violations in tenant files.
- Ownership or management changes.
- High vacancy (>10%) or prolonged unit turnover.
- Health and safety violations.
- Evidence of renting above affordability thresholds.
- Failure to complete corrective actions within required timeline.
- Failure to make timely payments, as applicable.

SECTION 6. REPORTING and FOLLOW-UP PROCEDURES

1. After each completed monitoring review, either in person and/or a desk review, FNO will notify the Project Owner and Property Manager to summarize any issues or concerns.
2. Issues will be documented and treated in accordance with the lease requirements.
3. Follow-up inspections or desk reviews will confirm resolution of issues.
4. Continued issues of non-compliance or defaults may trigger penalties such as suspension of funding, repayment obligations, termination of the Agreement or public notice.
5. A summary of compliance performance may be shared with the FNO Board of Trustees and may be included in annual reporting to relevant stakeholders.

SECTION 7. DOCUMENTATION and RECORDKEEPING

All monitoring documentation (inspection reports, rent rolls, income certifications, correspondence, etc.) will be retained in electronic form for a minimum of three (3) years after the affordability period ends, unless a longer period is required by updated record retention policies of a funder.

APPENDIX A

Self-Certification of Income Form



Dear prospective tenant,

The attached Self-Certification of Income form is required because the unit for which you are applying is part of a rent-restricted housing development that received public financing from Finance New Orleans (FNO). As such, some of the units in this development have an affordability requirement. Completion of this form helps the property owner confirm eligibility for occupancy in some of the units in accordance with applicable program and funding requirements.

If you have concerns about the validity of the form, you may contact Finance New Orleans at (504) 524-5533.



SELF CERTIFICATION OF ANNUAL INCOME

Effective Date:

INSTRUCTIONS: This is a written statement from the tenant documenting the definition used to determine "Annual (Gross) Income" and the number of tenant members in the household. To complete this statement, fill in the blank fields below, and check only the boxes that apply to each member. Each household member that is party to the lease must sign this statement to certify that the information is complete and accurate, and that source documentation will be provided upon request.

Definition of Income: For purposes of this certification, 'Annual Income' means the household's total Adjusted Gross Income (AGI) as reported on the annual IRS Form 1040 or corresponding schedule for all adult household members listed on the lease. FNO reserves the right to request federal or state tax returns, W-2 statements, paystubs, or other third-party verification at any point.

Tenant Information

Last Name (HH):

Household Information

First Names:	HH	CH	<18

HH = Head of Household; **CH** = Co-Head of Household; **<18** = Child under the age of 18 years

Project Information

Project Name:	City:	
Address:	State:	Zip Code:

Income Information

Annual AGI (total of all household members) = \$ _____



Certification

I/we understand that knowingly providing false, misleading, or incomplete information may result in denial or termination of eligibility, repayment obligations, and referral to law enforcement for violation of Louisiana Revised Statute 14:133 (filing or maintaining false public records) or any other applicable law.

I/we hereby authorize FNO, its agents, and program administrators to verify any information contained in this self-certification through employer verification, public records checks, tax return verification, or third-party data sources as permitted by law.

Information provided on this form is subject to Louisiana Public Records Law unless otherwise exempt. Confidential financial information will be handled in accordance with applicable privacy and data-security requirements.

HEAD OF HOUSEHOLD		
Signature	Printed Name	Date

Signatures continue next page

OTHER TENANT ADULTS* (<i>Only adults that are included on the lease must sign</i>)		
Signature	Printed Name	Date
Signature	Printed Name	Date

* Attach another copy of this page if additional signature lines are required.

For Property Manager Use Only:

Form submitted: ____/____/____

Percent of Household's Area Median Income (AMI): _____%

Eligible to lease a rent restricted unit: ☐ Yes ☐ No

Reviewed by: _____ (Print) _____ (Date)



Dear prospective tenant,

The attached Self-Certification of Income form is required because the unit for which you are applying is part of a rent-restricted housing development that received public financing from Finance New Orleans (FNO). As such, some of the units in this development have an affordability requirement. Completion of this form helps the property owner confirm eligibility for occupancy in some of the units in accordance with applicable program and funding requirements.

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INSTRUCTIONS: This is a written statement from the tenant documenting the definition used to determine "Annual (Gross) Income" and the number of tenant members in the household. To complete this statement, fill in the blank fields below, and check only the boxes that apply to each member. Each household member that is party to the lease must sign this statement to certify that the information is complete and accurate, and that source documentation will be provided upon request.

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Project Information

Project Name:	City:	
Address:	State:	Zip Code:

Income Information

Annual AGI (total of all household members) = \$ _____



Certification

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I/we hereby authorize FNO, its agents, and program administrators to verify any information contained in this self-certification through employer verification, public records checks, tax return verification, or third-party data sources as permitted by law.

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OTHER TENANT ADULTS* (<i>Only adults that are included on the lease must sign</i>)		
Signature	Printed Name	Date
Signature	Printed Name	Date

* Attach another copy of this page if additional signature lines are required. Only adults that are included on the lease must sign.

For Property Manager Use Only:

Form submitted on: ____/____/____

Percent of Household's Area Median Income (AMI): _____%

Eligible to lease a rent restricted unit: ☐ Yes ☐ No

Reviewed by: _____ (Print) _____ (Date)