

Appendix P: Set-Aside Requirements by Washington State

Emerald Heights was financed with bonds issued by the Washington State Housing Finance Commission (WSHFC) prior to construction in 1992. In a separate regulatory agreement with the WSHFC Emerald Heights has agreed to set-aside 25% of defined units for lower-income households as defined by the Washington State Housing Commission in accordance with the King County median income. Those residents whose annual income qualifies for the “set-aside” requirement do not receive individual monthly rate reductions. However, their “set-aside” qualification does ensure all residents’ monthly service fees reflect the saving from a property tax exemption provided by this regulatory agreement. If your financial circumstances change during your life at Emerald Heights, please contact Marketing to see if you qualify as a “set-aside” household.

Who Qualifies?

1. Gross annual income limit is currently:
 - \$82,720 annual income for couples
 - \$72,380 annual income for a single
2. What do set-aside households pay?
 - The variety of sizes and styles of apartment and cottage homes available at Emerald Heights ensure that households whose income falls within the median income limits are able to live comfortably at Emerald Heights, paying the same monthly service fees and entrance fees as all other residents. Households that qualify at move-in as a ‘set-aside’ must still have monthly income and assets sufficient to provide a reasonable assurance that it will sustain them through their residency at Emerald Heights.
3. There are three opportunities for Emerald Heights to submit a qualifying “set-aside” application:
 - At initial move-in
 - When an existing resident has “spent down” income to below the qualifying levels--perhaps due to the death of a spouse, loss of income from pension or investment funds, or is experiencing extraordinary expenses related to medical issues.
 - When a 2-person household splits into two single households (i.e., one of a couple moves to Corwin Center and the other remains in residential.)
4. A residents’ annual income is able to be adjusted (lowered) by the amount of monthly service fee attributed to medical expense (\$13,341 per person in IL for 2017 or the full monthly service fee for AL/SNF)
5. Should Emerald Heights not have the required number of set-aside units occupied at the end of the year for the annual compliance report:
 - Vacant units that have been occupied by qualified households need to be held open until a qualified household can be found to move-in.
6. Potential consequences for failing to correct, or having frequent instances of non-compliance can include
 - loss of Emerald Heights’ property tax exemption

Why should I complete an application?

- Holding empty apartments vacant while trying to recruit ‘qualified’ households means expenses are shared between fewer residents.
- A loss of property tax exemption would result in an increase to monthly service fees in order to cover the tax assessment.