

# INFORMATION PACKET



*This packet contains specific information for the 38 affordable apartments located at 635 Amherst Road in Sunderland, MA 01375. For more detailed information, please refer to the Tenant Selection Plan for Sugarbush Meadow LLC or the HUD 4350.3 Handbook.*

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## **Property Overview and Rents**

Sugarbush Meadow LLC was approved under Chapter 40B to have 38 affordable apartments. Chapter 40B Housing is a program created by the Commonwealth of Massachusetts in 1969 to increase the stock of affordable housing in municipalities where less than 10% of the housing stock is defined as affordable. The goal of Chapter 40B is to allow working families and seniors to remain in their communities when they might otherwise be priced out of the conventional housing marketing.

The property, referred to as North 116 Flats, located at 635 Amherst Road in Sunderland, MA 01375, will have 150 one, two and three bedroom apartments. Of which, 38 will be affordable and will be rented to households with incomes at or below 80% of the area median income. Expected occupancy is late August 2020.

The 18-acre property will include an expansive 8,000 SF clubhouse complete with strength training and cardio center, yoga studio, community spaces, and onsite leasing and management. Outdoor amenities include green space, dog parks, outdoor fireplaces, grilling stations, and sports courts. All units will include stone countertops, faux hardwood floors, and in-unit washer/dryers.

The unit mix of the affordable units is as follows:

| <b># of Bedrooms</b> | <b># of Bathrooms</b> | <b>Average Size</b> | <b>Rents</b>       | <b># of Units</b> |
|----------------------|-----------------------|---------------------|--------------------|-------------------|
| 1                    | 1                     | 536 Square Feet     | \$1,243 to \$1,331 | 8*                |
| 2                    | 2                     | 937 Square Feet     | \$1,420 to \$1,597 | 23                |
| 3                    | 3                     | 1,112 Square Feet   | \$1,598 to \$1,845 | 7                 |

*\*Two one bedroom apartments are set-aside for the required DMH/DDS program.*

Rents and Income Limits are based on U.S. Department of Housing and Urban Development (HUD) rent and income limits for 2019, which are effective until new income limits for 2020 are published by HUD (typically in mid to late March of 2020). Therefore rents are subject to change and are not based upon the applicant/residents gross income.

Heat, hot water and electricity are included in the affordable rents.

Since it is possible that there will be more interested and eligible applicants than available units, a lottery will be conducted to rank the eligible applicants. The application and lottery process as well as the eligibility requirements are described in this information packet.

Appleton Corporation, acting as Affordable Housing Consultant for the Property, does not discriminate on the basis of race, color, religion, sex, national origin, ancestry, sexual orientation, gender identity, age, familial status, children, marital status, veteran status or membership in the armed services, the receiving of public assistance, or physical or mental disability in the access or admission to its programs or employment, or in its programs' activities, functions or services.

Persons with disabilities are entitled to request a reasonable accommodation in rules, policies, practices, or services, or to request a reasonable modification in the housing, when such accommodations or modifications may be necessary to afford a person with disabilities an equal opportunity to use and enjoy the housing.

## **Eligibility Requirements**

In order to be eligible for an affordable apartment:

1. Households must have income and assets below 80% of the Area Median Income for Franklin, MA as published by the U.S. Department of Housing and Urban Development (HUD)
2. Income from assets will be counted as follows: the greater of the actual income earned on the assets or .06% of the current asset value (for total assets over \$5,000.00). If an applicant divests him/herself of an asset for less than full and fair cash value within the two years prior to applying, the full and fair cash value of the asset will be included for purposes of calculating eligibility.
3. At move-in no household member can own a home. All homes must be sold prior to being approved to lease an affordable unit.
4. Household members or their families, who have a financial interest in the development or are considered a Related Party, are not eligible to lease an affordable unit.
5. Households must occupy the unit as their principal residence.
6. The 40B affordable units are not intended to be used as student assistance. Therefore, there are specific rules about the types of students who are eligible to rent the affordable units. A household which contains an ineligible student is not eligible to lease an affordable unit. The eligibility of students will be verified at move-in, initial certification and annually thereafter.

To be eligible, a student attending an “institution of higher learning” (full or part-time) must meet all screening criteria and be:

- a) Living with parents/guardians currently receiving or applying for Section 8; or
  - b) At least 24 years of age; or
  - c) A veteran; or
  - d) Married and lives with the spouse; or
  - e) Custodial parent of a dependent child living in the unit at least 50% of the time; or
  - f) A person with disabilities and was receiving Section 8 assistance as of November 30, 2005; or
  - g) Individually income-eligible and have parents or guardians who are income eligible for the Section 8 program, and
  - h) Be able to prove independence from parents, which means that the student...
    1. Is of legal contract age under state law, and
    2. Has had a household separate from parents/guardians/dormitory for at least one year before applying, and
    3. Is not claimed as a dependent on his/her parents/guardians taxes, and
    4. Provides a certificate of the amount of financial assistance provided by parents, signed by the parent(s) - even if the parents don't provide any assistance
7. At initial rent up, a preference for Sunderland residents and employees of the Town of Sunderland and its school district will be given to 70% of the affordable apartments. Documentation of residency or employment will be required.

8. If, after initial occupancy, the annual income of the affordable household increases to greater than 80% of AMI but less than 140% of AMI, the household's rent will increase to the higher of allowable affordable rent or 30% of the household's annual income.
9. If, after initial occupancy, the annual income of the affordable household increases to more than 140% of AMI, the household will no longer be counted as an affordable unit and the rent will increase to market level.

## **Income (Maximum and Minimum)**

Households must have income and assets below 80% of the Area Median Income for Franklin, MA as published by the U.S. Department of Housing and Urban Development (HUD)

### **2019 INCOME LIMITS FOR AFFORDABLE UNITS**

| <b>Household Size</b> | <b>Maximum Allowable Income</b> |
|-----------------------|---------------------------------|
| 1                     | \$49,700                        |
| 2                     | \$56,800                        |
| 3                     | \$63,900                        |
| 4                     | \$70,950                        |
| 5                     | \$76,650                        |
| 6                     | \$82,350                        |
| 7                     | \$88,000                        |
| 8                     | \$93,700                        |

*\*Income Limits are based on U.S. Department of Housing and Urban Development (HUD) income limits for 2019, which are effective until new income limits for 2020 are published by HUD (typically in mid to late March of 2020).*

### **Minimum Income**

In order for the rent to be considered affordable the applicant's monthly income must be approximately 2.5 times the monthly rent, in other words, the rent to income ratio should be at least 40%. Households may have income less than 2.5 times the monthly rent if they have sufficient savings, otherwise the applicant will not be eligible.

**Applicant households who have a housing voucher are not subject to the minimum income requirement but, will need to pass the required eligibility and screenings (credit, criminal and landlord).**

| <b># of Bedrooms</b> | <b>Minimum Income<br/>(if no housing voucher)</b> |
|----------------------|---|
| 1                    | \$37,250  |
| 2                    | \$42,600  |
| 3                    | \$47,950  |

## **Household Size and Composition**

Occupancy is usually based on two people per bedroom unless the square footage allows or requires otherwise. A husband and wife, or those in a similar living arrangement, shall be required to share a bedroom, unless the consequence of sharing would be a severe adverse impact on his or her mental or physical health and Management receives reliable medical documentation as to such impact of sharing. Household size must comply with unit size based on the current State Sanitary Code Minimum Square Footage Requirements or any applicable Federal regulations or requirements.

|                                      | <b>1 Bedroom</b> | <b>2 Bedrooms</b> | <b>3 Bedrooms</b> |
|--------------------------------------|------------------|-------------------|-------------------|
| Average Square Footage of Bedroom(s) | 121              | 152               | 139               |
| Minimum # of Occupants               | 1                | 2                 | 3                 |
| Maximum # of Occupants               | 2                | 4 – 6*            | 6-8*              |

\*Exact square footages of the bedrooms will be calculated upon construction completion to determine maximum occupancy for the 2 and 3 bedroom units.

*Acceptance of a unit at maximum occupancy does not give the tenant the right to claim overcrowded conditions and request a transfer to a larger unit, unless the family size changes.*

## **Process and Timeline**

1. The 1<sup>st</sup> step is to fill out and submit an affordable application. The property will begin accepting applications for the affordable units on December 19, 2019.
2. Complete and eligible applications received between December 19, 2019 and February 27, 2020 will be placed in the lottery for order placement on the waiting list.
3. Complete and eligible applications received after February 27, 2020 will be placed on the waiting list(s) they are eligible for after the lottery applicants.
4. The lottery drawing will be held March 26, 2020.
5. Around the middle of April 2020 letters will be sent to applicants at the top of each waiting list to meet in May 2020 to start processing the applicant household for a unit. During this meeting 3<sup>rd</sup> party verification of income, assets and household composition will be done.
6. Once the application has passed the eligibility and screening process an approval letter will be sent to the applicant household.
7. Approved households will reserve their units based on their position on the waiting list.
8. Move in is expected for late August 2020.
9. Verification forms are only valid for 120 days, if they expire prior to move in, the applicant will be required to go thru the application approval process again.
10. As part of the 40B program residents are required to certify their income, assets and household composition annually.

## **Application**

Anyone interest in an affordable unit at North 116 Flats will be required to fill out an affordable application. The application must be filled out completely, with all questions answered and the application signed and dated by all household members 18 and older. Supporting documentation for income and assets is not required with the application, it will be required later.

Verification of local preference will be required at the time the application is submitted. The property will have a local preference for:

- (1) Current residents: A household in which one or more members is living in Sunderland at the time of application. Acceptable documentation of residency include: rental lease, rent receipts, utility bills, street listing or voter registration listing.
- (2) Municipal Employees: Employees of the municipality, such as teachers, janitors, firefighters, police officers, librarians, or town hall employees. Acceptable documentation of employment is a current pay stub. Preference will also be made available not only to applicants who are current municipal employees, but also to applicants who have a current employment offer from the municipality.

In order for your application to be entered in the lottery for wait list placement it must be received by February 27, 2020. Complete and eligible applications received after February 27, 2020 will be placed on the waiting list(s), they are eligible for, after the lottery applicants.

Appleton Corporation will review all applications to determine eligibility. Applicants whose household income is above the maximum allowable income level will not be entered into the lottery and their applications will be referred to the leasing agent for the market units. Applicants whose income is below the minimum income limits and who do not have a housing voucher will be sent a rejection letter.

*Please note that entrance into the lottery and/or placement on the waiting list does not guarantee final approval of the applicant household.*

## **Informational Meeting**

An informational meeting will be held on Thursday, January 30, 2020 at 235 Triangle Street in Amherst, MA at 6:00PM. The purpose of this meeting is to answer any questions that applicants may have, provide information on the lottery process, applicant eligibility and details about the property. Applications will be available during that informational meeting. Attendance at this meeting is NOT required.

## **Lottery**

The Lottery will be held at 6:00PM on Thursday, March 26, 2020 in the leasing office located at 235 Triangle Street in Amherst, MA. Applicants do not have to attend the lottery drawing. All applicants will be notified in April of the Lottery results.

The Lottery procedure is as follows:

- (1) Upon receipt of an application, Appleton Corporation will conduct a completeness review and if complete the application will be date /time stamped and initialed. Incomplete applications will be returned with a list of deficiencies and a deadline for resubmission of required information.

- (2) Once applicable eligibility requirements have been determined to have been met, based on the applicant's self-certification, and any appeals related to the application process have been completed, the applicants will be assigned a registration number and placed on a ballot.
- (3) After the application deadline has passed, Appleton Corporation will determine if at least 8% of the applicants in the local preference pool are minorities. If the local preference pool has less than 8% of minorities, the following adjustments will be made to the local preference pool:
  - a) A preliminary lottery will be conducted. This lottery will be comprised of all minority applicants who did not qualify for the local preference pool, and rank the applicants in order of drawing.
  - b) Minority applicants will then be added to the local preference pool in order of their rankings until 8% of the local preference pool is made up of minority applicants.
  - c) Minorities will be identified in accordance with the classifications established by HUD and the U.S. Census Bureau, which are the racial classifications: Black or African American; Asian; Native American or Alaska Native; Native Hawaiian or Pacific Islander; or other (not White); and the ethnic classification Hispanic or Latino.
- (4) Ballots with the registration number for the applicant households will be placed into all lottery pools for which they qualify. In other words, applicants eligible for the local pool will also be placed in the general open pool. The ballots will be randomly drawn and listed in the order drawn, by pool.
- (5) Applicants for all bedroom sizes will then be screened in the order drawn from the pool. Management will screen approximately twice as many applicants as units to ensure a sufficient number of approved applicants.
- (6) Applicants chosen to be screened will be contacted via U.S. mail to inform them of their location on the waitlist and inform them they have five (5) business days to contact the Management Agent to arrange a date to process their application. The applicant shall be informed at this time that a final decision on eligibility cannot be made until all verifications and screenings are complete.

## **Yearly Eligibility and Rents**

All residents must be recertified on an annual basis to re-determine eligibility for the affordable units. Household composition and all financial information will be verified each year.

Approximately 120 days prior to expiration of the lease affordable residents will receive a First Reminder notice and be asked to schedule an appointment. If the resident does not keep a scheduled appointment, and provide all information listed in the letter, they will receive a Second Reminder notice. Failure to keep this scheduled appointment and provide all required information by the date listed in the letter, will mean the resident forfeits their right to a 30-day notice of a rent increase, if one is needed.

Failure to complete the annual income certification process will result in non-renewal of the lease and the affordable resident will either have to vacate by the end of the lease or they will go to the market rate rent.

If the annual income of the affordable household increases to greater than 80% of Area Median Income (AMI) but is less than 140% of AMI, the household's rent will increase to the higher of allowable affordable rent or 30% of the household's annual income.

If the annual income of the affordable household increases to more than 140% of AMI, the household will no longer be counted as an affordable unit and the rent will increase to the market rent.

## **Accessible & Set Aside Units**

North 116 Flats will have one affordable 1 bedroom apartment and one affordable 2 bedroom apartment that will have adaptive features (also commonly referred to as "adaptable" units), for occupancy by persons with mobility impairments. First preference (regardless of applicant pool) for those units shall be given to persons with disabilities who need the features of such units, including single person households, in conformity with state and federal civil rights laws.

Separate 1 and 2 bedroom adapted waiting lists will be maintained for applicants who need the features of an adapted unit. If the need for the features of the adapted unit is not known to management, verification with the applicant's medical provider will be required.

Note: if there are not enough qualified applicants on the adapted waiting lists, the apartments will be made available to the top applicants on the corresponding waiting lists for units of the same size (and, if applicable, local preference priority will apply).

The Mass Access Housing Registry will be utilized to reach applicants with disabilities who are looking for an affordable accessible apartment.

The DMH/DDS Set-Aside program requires that 3% of a development's low and moderate income units be set aside for referrals from the Departments of Mental Health and Developmental Services. North 116 Flats is required to set aside two (2) of the one bedroom affordable units for this program.