

Information Packet

THE KINLOCH

Affordable Rental Application
104 Turnpike Road
Chelmsford, MA 01824

This packet contains specific information on eligibility requirements, selection priority categories, and application process for the **35 affordable apartments** being offered for rent in the town of Chelmsford, MA, through a lottery process.

We invite you to read this information packet and submit an application if you think you meet the eligibility requirements. Please note that the lottery is the first step in the application process; should you be selected as a winner in the lottery, you are not automatically assured a unit as verification of financial claims made in the application must take place.

There will be an **Information Session** on **Thursday, April 25, 2019** at 7 p.m. at the Chelmsford Housing Authority, 10 Wilson St., Chelmsford, MA 01824. Attendance at the Informational Session is not required for participation in the lottery. You should, however, confirm attendance so that we may be sure we have enough room for all interested parties.

Applications due by June 4, 2019 at noon

Phone: 978-256-7425, ext. 21 or lottery@chelmsfordha.com



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General Overview

The Kinloch is a 168-unit rental development that will consist of 35 affordable units. The units feature a kitchen, bedroom, living room, and full bath. Other unit details include forced hot air by gas (96% efficiency rating), central air conditioning, oak cabinets and stainless steel appliances including refrigerator, gas stove, dish washer and microwave. All units will also feature garbage disposals and washer-dryer gas hookups. Flooring is laminate.

Tenants will pay the cost of utilities. As this is a non-smoking building, tenants will not be allowed to smoke in their units or anywhere on the premises. A cat or small dog is allowed, and off-street parking will be assigned.

The affordable rents are being set based upon the 2019 Town of Chelmsford/Lowell HUD Metro Area 50% area median income (AMI) limits to households earning no more than 50% of AMI. The rent is as follows, less an allowance for utilities paid by the household.

Bedroom Size	Baths	Number of Units	Gross Rent	Utility Allowance	Tenant Rent
1	1	15	\$1076	\$178	\$898
2	1	20	\$1211	\$245	\$966

Since it is anticipated that there will be more interested and eligible applicants than available units, the Chelmsford Housing Authority (CHA) and the Developer will be sponsoring an application process and lottery to rank the eligible applicants for the program. The application and lottery process, dates and eligibility requirements can all be found within this Information Packet.

The Kinloch does not discriminate based on race, color, national origin, religion, sex, familial status, sexual orientation or handicap (disability). Disabled persons are entitled to request a reasonable accommodation of rules, policies, practices or services, or to request a reasonable modification of the housing, when such accommodations or modifications are necessary to afford the disabled person equal opportunity to use and enjoy the housing.

Persons with disabilities who may require a reasonable accommodation in obtaining or completing an application may call the CHA to make special arrangements. The CHA uses Mass Relay to communicate with applicants who may be speech or hearing impaired. The Mass Relay number is 1-800-439-2370 for TTY and 1-800-439-0183 for voice.

GENERAL ELIGIBILITY REQUIREMENTS

Maximum Allowable Income

To be eligible to apply for the chance to rent an affordable unit, the combined annual income for all income sources of all income-earning members in the household must be at or below fifty percent of median income for the town of Chelmsford. The maximum incomes allowed for this program are:

50% AMI for Lowell, MA HUD Metro Area; effective 04/24/2018

HOUSEHOLD SIZE	INCOME LIMIT
1	\$37,700
2	\$43,050
3	\$48,450
4	\$53,800
5	\$58,150
6	\$62,450

Household Size Requirements

In order to make the best use of limited affordable housing resources, household size should be appropriate for the number of bedrooms in the home. Minimum household standards shall be established and shall conform with the following requirements. A “household” shall mean two or more persons who will live regularly in the unit as their principal residence and who are related by blood, marriage, law or who have otherwise evidenced a stable inter-dependent relationship, or an individual.

1. Preferences.

Lottery drawings shall result in each applicant being given a ranking among other applicants with households receiving preference for units based on the above criteria below.

a. First Preference

Within an applicant pool first preference shall be given to households requiring the total number of bedrooms in the unit based on the following criteria:

- (1) There is at least one occupant per bedroom.
- (2) A husband and wife, or those in a similar living arrangement, shall be required to share a bedroom. Other household members may share but shall not be required to share a bedroom.
- (3) A person described in the first sentence of (b) shall not be required to share a bedroom if a consequence of sharing would be a severe adverse impact on his or her mental or physical health and the lottery agent receives reliable medical documentation as to such impact of sharing.

(4) A household may count an unborn child as a household member. The household must submit proof of pregnancy with the application.

(5) If the applicant is in the process of a divorce or separation, the applicant must provide proof that the divorce or separation has begun or has been finalized, as set forth in the application.

b. Second Preference

Within an applicant pool second preference shall be given to households requiring the number of bedrooms in the unit minus one, based on the above criteria.

c. Third Preference

Within an applicant pool third preference shall be given to households requiring the number of bedrooms in the unit minus two, based on the above criteria.

2. Maximum Household Size

Household size shall not exceed, nor may maximum allowable household size be more restrictive than, State Sanitary Code requirements for occupancy of a unit (See 105 CMR 400).

Approximate Minimum Income

There is minimum income of at least \$31,650 for the one-bedrooms and \$35,580 for the two-bedrooms, annually. However, this minimum may be waived if you already have a subsidy for housing through the Section 8 Program or similar assistance. In addition, if you have assets that exceed \$31,650 (1BR) or \$35,580 (2BR) you may also apply.

Asset Limits

There is no limit on the amount of assets households may have. Income from assets, however, is counted as the greater of: actual income or the HUD Passbook rate at the time of application (.06% as of 2/1/15) of the net value of the assets valued over \$5,000. Assets may include cash, cash in savings and checking accounts, a home, net cash value of stocks, net cash value of retirement accounts (such as 401Ks), real property, bonds, capital investments, life insurance policies and foreign bank accounts.

Frequently Asked Questions – General Eligibility

Q: Who is eligible to apply for the affordable units?

A: In order to qualify for an affordable unit, households must meet each of the following criteria:

- 1.) The entire household's income and assets must be below the maximum allowable income limit.
- 2.) The household must be of appropriate size.
- 3.) The household must meet the minimum income requirement as outlined above.

Q: Do I need to be a resident of Chelmsford to apply?

A: No. There will be no local preference assigned to these units.

Q: Can I apply if own a home?

A: You may own a home when you apply; however, it does have to be sold before you move in.

Q: How is a household's income determined?

A: The Chelmsford Housing Authority will calculate the income of a household based upon the current income the household is earning including actual or imputed income from assets. In an effort to provide as accurate an income calculation as possible, the CHA must review all current and historical income data.

ALL SOURCES OF INCOME ARE COUNTED. Any monies you receive will be counted as income. This includes, but is not limited to, Social Security, alimony, overtime pay, bonuses, unemployment, severance pay part-time employment, matured bonds, monies to be received in court settlements and imputed interest and dividends on bank accounts and actual or imputed income from assets.

There are some exceptions under which income will not be counted, most notably income from employment of children under the age of 18.

The CHA will calculate the value of your assets pursuant to the formula set by the Department of Housing and Urban Development. This formula takes the greater of the actual income from an asset or the current market value of any asset multiplied by 1%. The amount derived from this calculation is then added to your income.

For example: Mrs. Smith is a mother of three children and earns \$25,000 a year at her job and receives \$12,000 a year in child support. Mrs. Smith also has a checking account valued at \$7,000 earning 1% interest and a CD worth \$20,000 earning 2.3%. Her income would be calculated as follows:

Employment	\$25,000	Checking (\$7,000 x 1%)	= \$70
Child Support	\$12,000	CD (\$20,000 x 2.3%)	= \$460
Total income = \$37,530			

Q: I have a 401K and am not taking any withdrawals. Do I have to include it when I list my assets?

A: Yes, you need to include the net cash value of all your current retirement funds. We realize that most retirement funds assess large penalties for early withdrawal, but this does not technically mean that you cannot withdraw your funds or don't have access to them. The "post-penalty" amount is what you need to provide along with supporting documentation.

Q: Are there eligibility exceptions for households that are barely over the income limit?

A: No, there are no exceptions to the income limits.

STEP-BY-STEP PROCESS AND TIMELINE

The following steps outline the entire process of applying for and purchasing an affordable unit. The following pages explain each step in greater detail.

Completed with the Guidance of the Chelmsford Housing Authority

Step 1:	Program Application	April 5, 2019 – June 4, 2019
Step 2:	Assignment of Lottery Ticket	April 5, 2019 - June 4, 2019
Step 3:	The Lottery	June 6, 2019
Step 4:	Notification of Lottery Results	June 7, 2019 – June 14, 2019
Step 5:	Formal Review of Eligibility	June 14, 2019 – July 13, 2019

Please note that there will be an Informational Session held for all interested applicants on Thursday, April 25, 2019 at 7 p.m. at The Chelmsford Housing Authority, 10 Wilson St., Chelmsford, MA. Attendance at the Informational Session is encouraged, but not required for participation in the lottery.

Step 1: Program Application

From **April 5, 2019** through **June 4, 2019**, the Chelmsford Housing Authority will be advertising and publicizing the availability of this affordable housing opportunity in Chelmsford and distributing applications and this Information Packet throughout the community and region.

After reading this Information Packet in its entirety, applicants will need to fill out a Program Application. The applying household must list all income and asset information for every person that will be residing in the unit. The Program Application must be signed and dated by all heads of household.

The Program Application must be received (not postmarked) by the CHA by **June 4, 2019**, at 12 p.m. All applications should be sent to:

Chelmsford Housing Authority
Re: The Kinloch
10 Wilson St.
Chelmsford, MA 01824

To ensure that applications arrive in time, the CHA recommends mailing them at least one full week prior to the application deadline and by certified mail. Late applications will not be entered into the lottery. The CHA is not responsible for lost or late applications.

Once a completed Program Application is received, eligible households will be assigned a lottery ticket. (See Step 2).

Q: What happens if I fail to correctly complete my application?

A: Households that submit incomplete applications will be notified of the omissions that must be corrected in order to make their applications complete. The application will remain in an “Incomplete Application Pool” until all requested information has been received.

Households with applications in the Incomplete Application Pool will not be entered into the Lottery. After the lottery has taken place, all incomplete applications will be deemed ineligible for placement on the waiting list.

Step 2: Lottery Ticket

Once the CHA has received the application, it will determine initial eligibility. Households deemed eligible for the lottery will receive a lottery ticket in the order in which their completed application was received.

Households that are deemed ineligible by the CHA will be notified by mail.

Eligibility for the lottery does not ensure eligibility for the program. (See Step 5).

Step 3: The Lottery

The Lottery will be held on **TBD** at 11 a.m. at the Chelmsford Housing Authority, 10 Wilson St., Chelmsford, MA 01824. Households do not have to attend the Lottery to remain eligible; results will be mailed to all participants.

The Process:

The Lottery: 15 One-Bedroom Units – All Eligible Households
 20 Two-Bedroom Units – All Eligible Households

The list generated from The Lottery will be compiled in the order in which each ticket is drawn. The Chelmsford Housing Authority will move down that list as people either move forward or not.

Step 4: Notification of Lottery Results

The Chelmsford Housing Authority will mail the results to every household that had a ticket in the lottery. Households in the Incomplete Application pool will not have had a lottery ticket and therefore will not have a position on an Offer List.

All applicants must go through additional screening prior to being made an offer. This screening will include income and asset verification, credit checks, and possibly third-party verification of information that was provided to the CHA office.

Households with positions lower on the Offer Lists will have to wait for the removal of households with a higher position before being given an opportunity to rent the unit. Households with lower positions on the Unit Selection List should still maintain readiness in case the households ahead of them do not finish the process.

Step 5: Formal Review of Eligibility

Households must submit all required income and asset documentation for every claim made in the application.

Before a household can move forward, it must provide complete documentation of income and assets. Below is a list of some of the items that may be requested:

- All members of the household ages 18 and older must complete the Tenant Packet and sign the authorization for release of information. They must also provide documentation of any and all assets and income. If the adult is a full-time student, the proof of current student status must also be provided.

Income:

- **Wages:** Verify gross earnings by submitting eight (8) pay stubs or a letter from the employer stating the number of hours per week that the employee works and the rate of pay per hour. Any such letter should include the name and address of the employer as well as the name and telephone number of the contact person.
- **Social Security or Supplemental Income:** A statement no more than one month old from the Social Security Administration. This statement can be obtained online at www.socialsecurity.com or by calling 1-800-772-1213.
- **VA Pension or other retirement benefits:** A statement no more than one month old showing earnings from the Veterans Administration or other retirement funds
- **VA Compensation or Benefits:** A statement no more than one month old showing earnings from the Veterans Administration.
- **ADFC:** A statement less than one month old from the Department of Transitional Assistance showing benefits. This statement may be obtained by calling 1-800-632-8095.
- **Food Stamps and Fuel Assistance:** A statement less than one month old from the Department of Transitional Assistance.
- **Alimony and/or Child Support:** Copies of six (6) payment checks.
- **Unemployment Benefits:** Current statement or copies of six (6) check stubs from the Department of Unemployment Assistance.
- **No Income:** If an adult family member does not have any income at all, a “Zero Income Self Affidavit” must be completed and notarized. The Chelmsford Housing Authority can provide you with a copy of this form.

Assets:

- **Checking and Savings Accounts:** Copies of six (6) months of statements showing transaction details for any and all banking accounts, including foreign accounts.
- **Current Value of Assets:** A statement no more than one month old showing the current value of any stocks, bonds, CDs, IRAs, etc. Including current rate of interest and dividends.
- **No Bank Accounts:** If any member of your household over the age of 18 does not have a bank account, each person must complete and have notarized a “No Bank Account” certificate. The Chelmsford Housing Authority can provide you with a copy of this form.

If it is determined that incomplete or inaccurate information was provided in the application, or if the applicant fails to submit the required documentation within a timely fashion, the CHA reserves the right to deem the applicant ineligible for the unit at the The Kinloch.

The landlord will make the final determination regarding suitability for the unit based upon references, credit checks and other screening processes used for all applicants after they are selected for the lottery, not prior.