# Affordable Housing Lottery Training

## April 16, 2015

Presented By:

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# Getting Started

**Review** Approved Affirmative Fair Housing Marketing & Resident Selection Plan (AFHM&RSP) & project's housing program requirements

**Timeline**:  Begin marketing 4-6 months prior to occupancy

# Establish Sales Price/Initial Rents

## Sales Prices

**Established** at time of initial marketing by the Subsidizing Agency or Developer or Lottery Agent, **reviewed** by Monitoring Agent, & **approved** by Subsidizing Agency

# Rents

Initial rents are **established** at the time of Final Approval by the Developer or Lottery Agent and **reviewed** and **approved** by the Subsidizing Agency.

# Designate affordable units

The **developer** should provide the lottery agent with a listing of which units are affordable, at what target income.  If there is a local preference approved, the **developer** should indicate, based on the needs of the community, which units will be initially local preference.

# Applications

Must be available:

1. to be picked up in a public place with off-business hours (library, community center,)
2. To be mailed, e-mailed, or faxed

Allowed to be delivered:

1. In person
2. Mail, fax, or e-mail

# Rental Lottery Application

**ABC LLC has an obligation to provide <mark>reasonable accommodations</mark> to applicants if they and/or any family member have a disability. Compliance actions may include reasonable accommodations as well as structural modifications to the unit or premises.**

<mark>**FREE LANGUAGE ASSISTANCE PROVIDED**</mark>

| **EQUAL HOUSING OPPORTUNITY** |
|---|

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**MAIN ROAD APARTMENTS**
**123 Main Road, Anywhere, MA**
**Phone #:        781-222-1234    FAX #:        781-222-2345**
**TDD #:                711**

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*RETURN COMPLETED APPLICATION TO:*
   **ABC Management Company c/o Main Road Apartments**
   **Main Road**
   **Anywhere, MA 01234**
   **Fax: 781-222-2345**
   **Email: management@mainrdapt.com**

Note: Please fill in all sections completely.  Failure to do so will result in processing delays or rejection of your application.  Should you need help in completing this application, please contact the Rental Office.

**Applicant:**_____ Home Tel _____

Present Address_____
                              street                                                        city               state            zip

Race:  (Optional Section: Information will be used for fair housing programs only, as required by State and Federal Laws.)  Please select all that apply.
[ ] American Indian/Alaskan Native              [ ] Asian
[ ] Black or African American                          [ ] Native Hawaiian or Other Pacific Islander
[ ] White                                                      [ ] Other Multi Racial

Ethnicity: (Optional Section: Information will be used for fair housing programs only, as required by State and Federal Laws.)  Please select one.
[ ] Hispanic or Latino                          [ ] Not Hispanic or Latino

**SIZE OF APARTMENT NEEDED:**       **UNIT TYPE REQUESTED:**

| 1BR | 2BR | 3BR | | |
|-----|-----|-----|---|---|
| [ ] | [ ] | [ ] | [ ] Market Rent | Accessible    Hearing/Visual |
|     |     |     | [ ] Affordable | Unit          Adapted Unit |
|     |     |     |                | [ ]Yes [ ]No   [ ]Yes [ ]No |

Does any member of the household have any accessibility or reasonable accommodation requests or changes in a unit or development or alternate ways we need to communicate with you?  If yes, please explain.

_____

Present Housing Cost Per Month $_____ Including Utilities?  [ ]Yes  [ ]No
How long have you lived at present address? _____ Year(s).
What are your reasons for moving? _____

**FAMILY COMPOSITION** - List all those who will occupy the apartment - **INCLUDE YOURSELF**

| FIRST, MIDDLE, LAST NAME OF EACH PERSON IN HOUSEHOLD | RELATIONSHIP TO HEAD OF HOUSEHOLD | AGE | SEX | SOCIAL SECURITY NUMBER | FULL TIME STUDENT |
|---|---|---|---|---|---|
| 1_____ | Head of Household | ____ | ____ | _____ | Yes or No |
| 2_____ | _____ | ____ | ____ | _____ | Yes or No |
| 3_____ | _____ | ____ | ____ | _____ | Yes or No |
| 4_____ | _____ | ____ | ____ | _____ | Yes or No |
| 5_____ | _____ | ____ | ____ | _____ | Yes or No |
| 6_____ | _____ | ____ | ____ | _____ | Yes or No |

Not applicable for state project

 **(1)  Are you a United States Citizen or eligible alien?**     [   ]  Yes        [   ]  No

**(2)  Have you or anyone in your household ever been convicted of a crime?** [  ]  Yes  [  ]  No

**(3) Are you or any member of your household subject to a lifetime registration requirement under the State Sex Offender Registration Program?**    [   ]  Yes        [   ]  No

**Please indicate the income received and assets held by each member of your household. List each member by the corresponding number on the first page.**

**EMPLOYMENT INCOME BY HOUSEHOLD MEMBER:**

**Member #_____**
Name of Present Employer _____ Telephone _____
Address _____
Years Employed ____ Position _____ Current Salary $_____
[ ]weekly [ ]bi-weekly [ ]monthly

**Member #_____**
Name of Present Employer _____ Telephone _____
Address _____
Years Employed ____ Position _____ Current Salary $_____
[ ]weekly [ ]bi-weekly [ ]monthly

**Member #_____**
Name of Present Employer _____ Telephone _____
Address _____
Years Employed ____ Position _____ Current Salary $_____
[ ]weekly [ ]bi-weekly [ ]monthly

**NOTE:** If more room is required please attach a separate page. Be sure to provide all required information.

**OTHER SOURCES OF INCOME BY HOUSEHOLD MEMBER:**
List all other income such as TANF, Social Security, SSI, Pensions, Disability Compensation, Unemployment Compensation, Interest, Alimony, Child Support, Annuities, Dividends, Income from Rental Property, Military Pay, Scholarships, grants, etc.

| Household Member | Type of Income | Gross Earnings (Before Taxes) |
|---|---|---|
| _____ | _____ | _____per_____ |
| _____ | _____ | _____per_____ |
| _____ | _____ | _____per_____ |
| | | (week, month, year) |

**INCOME FROM ASSETS:**
Assets include Checking Accounts, Savings Accounts, Individual Retirement Accounts, Term Certificates, Money Markets, Stocks, Bonds, Real Estate holdings and Cash Value of a Life Insurance Policy.

| Household Member | Type of Asset | Gross Earnings |
|---|---|---|
| (Before Taxes) | | |
| _____ | _____ | _____per_____ |
| _____ | _____ | _____per_____ |
| _____ | _____ | _____per_____ |
| | | (week, month, year) |

The following must be submitted for a complete application package.  Applicant's submitting late or incomplete application packages will not be considered.

- ☐ Completed and signed application form
- ☐ Documentation of your sources of income, including 5 most recent pay stubs
- ☐ Tax Returns (3 most recent years)
- ☐ Bank Statement for all accounts (last 3 months)
- ☐ Documentation of Local Preference, if applicable
- ☐ No income statement for any household member over 18 years of age with no income, if applicable
- ☐ Signed consent for release of information for all household members over 18 years of age
- ☐ Signed Notice to All Applicants and Tenants – "Options to Applicants and Tenants with Disabilities or Handicaps"

**Separate Release of Info Form**

I/We hereby certify that the information furnished on this application is true and complete, to the best of my/our knowledge and belief.  **Inquiries may be made to verify the statements herein.** All information is regarded as confidential in nature, and a **consumer credit report and a Criminal Offenders Record Information (CORI) report may also be requested**.  I/We certify that I/We understand that false statements or information are punishable applicable under State or Federal Law and will lead to cancellation of this application form or termination of tenancy after occupancy. All adult applicants, 18 years and older, must sign this application.

I/We hereby certify that we have received a notice from the management agent describing the right to reasonable accommodations for persons with disabilities.

*Signed under the pains and penalties of perjury.*

_____   _____   _____   _____
Head of Household/Applicant    Date     Co-Applicant             Date

**ABC Management Companies, does not discriminate on the basis of race, color, national origin, disability, age, ancestry, children, familial status, genetic information, marital status, public assistance recipiency, religion, sex, sexual orientation, gender identity, veteran/military status, or any other basis prohibited by law in the access or admission to its programs or employment, or in its programs, activities, functions or services.**

# Application Review

**"Only applicants who meet the applicable eligibility requirements shall be entered into a lottery"**

**DHCD Guidelines 40B Sec. III F(2)(a)(1)**

**Preliminary income eligibility must be determined prior to admittance to lottery**

# Eligibility

Must meet eligibility of housing program and funding

Review Documents for program guidelines including income targets, determining income, asset limitation (if any), age restriction, first-time homeowner, etc.

# Lottery Pools

**The number and type of pools will depend on the project.**

**For projects with approved local preference, there will be at least two pools:  local and open.  Local applicants will be placed in both pools.**

# Assign Registration Numbers

Qualified applicants are given a lottery number

- **Best Practice**: assign numbers to indicate household size preference, rent limit target, accessibility need, etc. Example 2-50-001MA (2 bedroom, 50% AMI, Mobility Accessible)

- Ballots are put in **all** pools that they are eligible for. Example: local preference applicant will be in both local and open pool
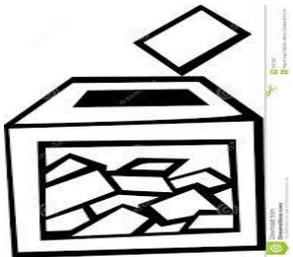
# Inform Applicants

Once lottery numbers have been assigned, send a letter/e-mail to all applicants with either:

1. their lottery number and time and place of lottery or,

2. a rejection letter with the reason they did not qualify for the lottery, if one hasn't been sent earlier

# Accessible Units

For projects with mobility accessible and/or communications accessible units or adaptable units, **first preference for those units always goes to households with a member that needs the features of the unit, regardless of local preference.**

# Local Preference & Minority Balancing

If Local Preference has been approved by the Subsidizing Agency, the Lottery Agent must determine whether the Local Pool contains **at least** the percentage of minority applicants as the region as a whole.  If not, the minority applicant ballots from the open pool are drawn and placed in the local pool until the regional percentage is obtained.

Applicants chosen for local pool will also be in open pool.

# Hold Lottery

- Hold in public, accessible place

- Best Practice:  have a disinterested party chose ballots.  Typically a town official is willing.



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# Lottery

- Draw all ballots by pool and list in order

- Award largest units first, beginning with the first ballot needing that size unit.

- If local pool, draw local ballots first, then draw all ballots from open pool

# Verify Eligibility of Lottery "Winners"

- Per HUD Handbook 4350.3, income should be projected for the next 12 months and verified with third-party verification, *unless* housing program indicates another method

- Verifications typically must be within 90 days of closing or initial lease-up

- For homeownership units, monitoring agent must verify eligibility and subsidizing agency must approve mortgage terms prior to closing

# Award Unit

Homeownership:  Purchase & Sales Agreement is signed and deposit is collected (if any)

Rental:  Lease offered for a specific unit.  Any deposit cannot exceed the amount of a security deposit

# Closing

For Homeownership units, Monitoring Agent must review and approve buyer eligibility, provide Certificate of Compliance for closing and verify that all documents have been recorded.

# Lease-up

- Rental Management may take over lease-up duties from Lottery Agent, or Lottery Agent may do the lease-up*

  *Note: Lottery Agent must have training in Determining Income

# Wait List

Wait List is established with <u>open pool draw list</u>.

If any of the initial buyers/renters do not buy/rent a unit, the unit is awarded to the highest ranking household on the open pool list

**Local preference is only applicable at initial sale/lease-up draw**

# MHP Community Housing Initiatives

*Our Mission: To increase the supply of affordable housing by fostering local leadership and providing technical support to municipalities, non-profits and local housing authorities*

## OUR WORK

- Direct Technical Assistance to municipalities, housing authorities and non-profits

- Grant Programs to support trainings, 3rd party technical assistance & non-profit collaboration

- Workshops & Trainings

- 40B Technical Assistance Grants

- Publications

- Special Initiatives & Policy