



BOXBOROUGH RENTAL ASSISTANCE PROGRAM



PROGRAM GUIDELINES

June 30, 2016

I. Purpose

The Boxborough Rental Assistance Program (BRAP) will provide rental assistance to income-eligible households renting qualifying housing units in the town of Boxborough. The goal of the program is to provide greater housing stability and housing opportunities to cost burdened renters in Boxborough through rental assistance. The rental assistance available through the program will be provided for a period of one-year, with an amount of approximately \$250/month available to each participating household. Rental assistance payments will be made directly to the landlord by the administering entity.

II. Application and Selection Process

A. Summary

The BRAP is a new Boxborough program that is funded by the Community Preservation Act (CPA). The CPA funding is annually appropriated by Town Meeting, and this first year of the BRAP is a pilot program. If the BRAP is successful, it will likely be continued by next year's Town Meeting.

The purpose of the BRAP is to assist low-income households with rental costs. Households that pay more than 30% of their income towards rent (i.e., households with "rental cost burdens" exceeding 30%) are eligible for assistance. Participants will be selected by a ranking system, which is described in more detail below. While the BRAP is not limited to Boxborough residents, assistance will be available only for residential rental units within the Town of Boxborough.

B. Background

Appendix A presents income limits for this area as annually published by the U.S. Department of Housing and Urban Development (HUD). For the Boxborough area, the 2016 median income for a four-person household is \$98,100. Area Median Incomes for other household sizes are provided in Appendix A.

The objective of the BRAP is to assist households with incomes that are less than those of households aided by Chapter 40B affordable housing. Only about 22% of Boxborough's housing is affordable to very-low-income households. Unfortunately, the obverse is also true: 78% of the housing is not affordable to very-low-income households. Further, face-to-face contacts in the office of the Community Services Coordinator indicate there is a cohort of Boxborough residents who pay more than 50% of their income towards rent (i.e., are "extremely rental cost burdened").

The BRAP is sponsored by Boxborough's Well Being Committee and Housing Board, and is designed to assist these struggling members of our community. It was approved by the Conservation Preservation Committee (CPC) and by Town Meeting. It is entirely consistent with the CPA's support of community housing. A number of communities are already using CPA funds to provide rental assistance.

C. Objectives

The BRAP will offset participants' rental costs and is intended to reduce the chance of homelessness. In a wider sense, it will help households comprised of the disabled, the elderly, and minor children in Boxborough who are struggling under heavy rental burdens to the detriment of all in the household. This program is intended to help households reach and maintain a sustainable level of rental burden to the betterment of all involved. Ongoing contact with the Town's Community Services Coordinator will be a requirement of the program.

A third-party organization will assist with the administration of the BRAP. In this first year of the program, the third party will be Metro West Collaborative Development (Metro West CD). Metro West CD will assist with income verification, payment distribution, and participant support. The initial funding for the BRAP is consistent with six participants, who will be assisted with monthly rental payments of approximately \$250 for a twelve-month period anticipated to begin on September 1, 2016. The payments will be made directly to the landlord. The BRAP will serve as an adjunct to -- but will not be paid concurrent with -- the existing HUD Section 8 and Massachusetts Rental Voucher programs.

D. Application Process

Applications for assistance will be accepted from July 1, 2016 through August 16, 2016. Rental assistance will begin as early as September 1, 2016 and will continue for a one-year duration after the start of the assistance. Further assistance will depend upon the applicant's status and the approval of future funding for the BRAP by the CPC and Town Meeting.

BRAP applications and information packets will be available at Boxborough Town Hall, the Sargent Memorial Library, the Town of Boxborough municipal website, and by contacting the Town of Boxborough Community Services Coordinator. Applicants have the right to request a reasonable accommodation, which may include a change to a policy, procedure, or practice to afford a person with a disability an equal opportunity to participate fully in the housing program or to use and enjoy the housing.

All prospective households must submit a complete BRAP application form and the required supporting documents by the application deadline in order to be eligible for the program. Incomplete applications will not be reviewed by the administering entity. Applicants who submit an incomplete application will be notified in writing of the deficiencies in their application and will have until the application deadline to correct these deficiencies.

III. Eligibility

A. Applicant Eligibility

In order for an applicant household to be eligible for the BRAP, it must meet the following criteria:

1. The annual household gross income must be less than 60% of the Area Median Income for the household size. The income limits for various household sizes are displayed in Table I below:

Table I
INCOME LIMITS FOR THE BRAP

Household Size	1	2	3	4	5	6
Income Must be LESS THAN	\$41,250	\$47,150	\$53,050	\$58,900	\$63,650	\$68,350

2. The household must spend more than 30% of its gross monthly income towards rental housing costs [including rent paid to the landlord and eligible utilities (space and water heating, electricity, water and sewer)].
3. After assistance is awarded, a household must not pay more than 50% of its income on housing.
4. No household member can own a home or have any other ownership interest in real property.
5. The household must not be receiving assistance from a tenant-based rental assistance program funded and administered by the federal or state government, or any other entity.
6. The household must occupy the rental housing unit assisted through the BRAP as their primary residence.
7. The household must agree to work with the Town of Boxborough Community Services Coordinator to develop a strategy that supports a sustainable long-term housing situation.

If a household is accepted for assistance by the BRAP, the monthly stipend will be paid directly to the landlord, and the landlord must agree to accept these payments. The rental agreement with the landlord must be at least a Tenancy-at-Will Lease.

B. Unit Eligibility

1. Housing unit must be located in Boxborough, Massachusetts.
2. Housing unit must pass housing inspection.

3. The owner of the unit, the landlord, must enter into a rental-assistance payment agreement with the administering agency.

IV. Ranking

All households that qualify for the BRAP will be ranked according to Preference Criteria, and first preference for rental assistance will be awarded to the highest ranked households. For example, if six rental assistance opportunities are available through the BRAP, the six highest ranked households will have the first opportunity to receive assistance from the BRAP. Each household will be awarded points according to the Preference Criteria, as follows:

1. Up to 20 Preference Points will be awarded for low income. The awarded points will be based the household income, expressed as a percentage of the Area Median Income, as shown in the Table II.

Table II
LOW-INCOME
PREFERENCE POINTS

Points	HOUSEHOLD INCOME	
	From and Including	To Less Than
20	0 % AMI	20 % AMI
19	20 % AMI	28 % AMI
18	28 % AMI	32 % AMI
16	32 % AMI	35 % AMI
14	35 % AMI	37 % AMI
12	37 % AMI	39 % AMI
10	39 % AMI	41 % AMI
8	41 % AMI	43 % AMI
6	43 % AMI	45 % AMI
4	45 % AMI	48 % AMI
2	48 % AMI	52 % AMI
1	52 % AMI	60 % AMI

Appendix B further explains the low-income Preference Points and shows how they would be assigned to one-, two-, three-, and four-person households, according to their incomes. Preference-Point tables for other household sizes are available on request.

2. A household will be awarded 6 Preference Points if it pays more than 50% of its gross income towards rent.
3. A household will be awarded 6 Preference Points if it currently resides in Boxborough, if

a member of the household attends the Acton-Boxborough Regional School System, or if a member of the household works in Boxborough. Additional points will not be awarded for more than one condition.

4. A household will be awarded 6 Preference Points if at least one household member is a child under the age of 18.
5. A household will be awarded 6 Preference Points if one or more members are age 60 or older.
6. A household will be awarded 6 Preference Points if one or more members are disabled.

After the Preference Points are assigned, an ordered list of households will be created according to the number of points that have been awarded. Once all program-eligible applicants are ranked, all households will be notified of their ranking position and whether they will receive assistance. If two or more households receive the same number of Preference Points, a lottery will be used to determine which household(s) will have the opportunity to participate in the program. The lottery will be held in a publicly accessible space and applicant households will be invited to attend, but attendance is not required.

Households who are awarded rental assistance through the BRAP will receive a Commitment Letter from the administering entity detailing the terms of the rental assistance, including the amount of assistance available, program requirements, and the obligations of the tenant, landlord, and administering entity. Applicants will be required to sign and return the *Boxborough Rental Assistance Participation Form* acknowledging their intent to secure/maintain a rental unit through the program. If a household fails to return the *Boxborough Rental Assistance Participation Form* to the administering entity within 10 business days from the date of the Commitment Letter the household will lose its opportunity to participate in the BRAP.

V. Right to Appeal

An applicant has the right to appeal the decisions of the administering entity within 10 business days from the date of the written notification. An applicant may in person, in writing, or via a designee appear before an Appeals Committee. At the hearing, the applicant or his/her designee may present supporting information relevant to rejection or ranking. A final decision will be rendered by the Appeals Committee, in writing, within five business days from the date of the hearing.

VI. Applicant Pool and Wait List

Households that have qualified for the BRAP, but were not ranked high enough to receive assistance, will be added to a Wait-List Pool. In addition, all complete applications received after the application deadline will be reviewed for eligibility, and the households will be added to the Wait-List Pool. Applicants in the Wait-List Pool will be eligible for assistance as it becomes available. If more than one household is in the Wait-List Pool, the households will be ranked to determine priority for assistance.

Households who do not respond to phone or mail inquiries or who do not respond to a request for additional information within the time frame provided shall be removed from the applicant pool.

Households who do not return the *Boxborough Rental Assistance Participation Form* within the specified time-frame will be removed from the applicant pool.

VII. Affirmative Marketing Methods

Affirmative marketing efforts will be intended to encourage maximum participation from low- to moderate-income households and members of the region's traditionally underserved racial and ethnic communities. The administering entity for the BRAP will not discriminate on the basis of race, color, religion, national origin, disability, familial status, sex, age, marital status, children, sexual orientation, genetic information, gender identify, ancestry, veteran/military status or membership.

VIII. Privacy

The entire application will be submitted to the Community Services Coordinator at Boxborough Town Hall. Personal information will be kept confidential to the extent permitted by law except for necessary communications between a program participant, the landlord, and the organization administering payments (Metro West Collaborative Development). The application will be qualified and ranked by a small committee, who will review only the data relevant to qualification and ranking. This data will be stripped of any identifying information to ensure that your identity is kept confidential from the committee.

Appendix A

AREA MEDIAN INCOME

The median income for Boxborough and various income limits for program purposes are published annually by the U.S. Department of Housing and Urban Development (HUD). For the Boxborough area, the 2016 median income for a four-person household is \$98,100. Area Median Incomes (AMI's) and income limits for other household sizes are provided in Table III below.

Several limits that are discussed above are highlighted in Table III. The very-low-income limit is defined as an income that is 50% of the AMI for a given household size. For example, a four-person household with an annual income less than \$49,050 is in the very-low-income category. The BRAP requires that the income of a household be less than the 60% income limit. For example, a four-person household with an annual income greater than \$58,900 would not qualify for the BRAP.

TABLE III
2016 INCOME LIMITS

Income Limit Category	Fraction	1	2	3	4	5	6
Extremely Low (30%) Limits	30%	\$20,650	\$23,600	\$26,550	\$29,450	\$31,850	\$34,200
Very Low (50%) Limits	50%	\$34,350	\$39,250	\$44,150	\$49,050	\$53,000	\$56,900
60% Limits	60%	\$41,250	\$47,150	\$53,050	\$58,900	\$63,650	\$68,350
70% Limits	70%	\$48,100	\$55,000	\$61,850	\$68,700	\$74,200	\$79,700
Low (80%) Limits	80%	\$54,950	\$62,800	\$70,650	\$78,500	\$84,800	\$91,100
90% Limits	90%	\$61,850	\$70,650	\$79,500	\$88,300	\$95,400	\$102,450
100% Limits	100%	\$68,700	\$78,500	\$88,300	\$98,100	\$105,950	\$113,800
110% Limits	110%	\$75,600	\$86,400	\$97,200	\$107,950	\$116,600	\$125,250
120% Limits	120%	\$82,450	\$94,200	\$106,000	\$117,750	\$127,200	\$136,600

A method is given by HUD for the calculation of an arbitrarily sized household. The one-person-household AMI is 70% of the four-person-household AMI, the two-person-household AMI is 80% of the four-person-household AMI, and the three-person-household AMI is 90% of the 4-person-household AMI. The five-person-household AMI is 108% of the four-person-household AMI and the six-person-household AMI is 116% of the four-person-household AMI. For households larger than six persons, the AMI can be calculated by adding an additional eight (8) percent per person to the next lower limit. For example, a seven-person AMI is 124% (116% + 8%), and so on. The resulting AMI calculations are then rounded up to the nearest \$50.

A household's income can be expressed as a percentage of the median income for the household. For example, the income of a four-person household with an annual income of \$40,000 is, expressed as a percentage of the median income, given by

$$\text{Income as \% AMI} = \frac{40,000}{98,100} = 40.1\%.$$

The income of a three-person household with an annual income of \$30,000 is, expressed as a percentage of the median income, given by

$$\text{Income as \% AMI} = \frac{30,000}{88,300} = 34.0\%.$$

APPENDIX B

LOW-INCOME PREFERENCE POINTS

The low-income Preference Points, described in Table II in terms of percentages of Area Median Income can be translated into annual income ranges for a given household size using Table III in Appendix A. For example, for a three-person household, 18 Preference Points would be assigned if the household has an income greater or equal to

$$\text{Lower Income Limit} = 28\% \times \$88,300 = \$24,724.$$

The house must have an income less than

$$\text{Upper Income Limit} = 32\% \times \$88,300 = \$28,256.$$

Table IV below gives the income ranges that apply to households of sizes one through four.

Table IV
LOW-INCOME PREFERENCE POINTS FOR SEVERAL HOUSEHOLD SIZES

POINTS	INCOME RANGES							
	One-Person Household		Two-Person Household		Three-Person Household		Four-Person Household	
	From and Including	To Less Than	From and Including	To Less Than	From and Including	To Less Than	From and Including	To Less Than
20	\$0	\$13,740	\$0	\$15,700	\$0	\$17,660	\$0	\$19,620
19	\$13,740	\$19,236	\$15,700	\$21,980	\$17,660	\$24,724	\$19,620	\$27,468
18	\$19,236	\$21,984	\$21,980	\$25,120	\$24,724	\$28,256	\$27,468	\$31,392
16	\$21,984	\$24,045	\$25,120	\$27,475	\$28,256	\$30,905	\$31,392	\$34,335
14	\$24,045	\$25,419	\$27,475	\$29,045	\$30,905	\$32,671	\$34,335	\$36,297
12	\$25,419	\$26,793	\$29,045	\$30,615	\$32,671	\$34,437	\$36,297	\$38,259
10	\$26,793	\$28,167	\$30,615	\$32,185	\$34,437	\$36,203	\$38,259	\$40,221
8	\$28,167	\$29,541	\$32,185	\$33,755	\$36,203	\$37,969	\$40,221	\$42,183
6	\$29,541	\$30,915	\$33,755	\$35,325	\$37,969	\$39,735	\$42,183	\$44,145
4	\$30,915	\$32,976	\$35,325	\$37,680	\$39,735	\$42,384	\$44,145	\$47,088
2	\$32,976	\$35,724	\$37,680	\$40,820	\$42,384	\$45,916	\$47,088	\$51,012
1	\$35,724	\$41,220	\$40,820	\$47,100	\$45,916	\$52,980	\$51,012	\$58,860

For example, if the annual gross income of a four-person household is \$40,000, the household's income is in the 39% to 41% AMI group and would receive 10 preference points for income ($\$40,000/\$98,100 = 40.8\%$). If the annual gross income of a three-person household is \$49,000, the household's income is in the 52% to 60% AMI range and would receive one preference point for income ($\$49,000/\$88,300 = 55.5\%$). If the annual household income for a one-person household is \$55,000, the household is above the 60% AMI income limit for the BRAP and would not be eligible to participate ($\$55,000/\$68,700 = 80\%$).