

November 2, 2017

Joshua Katzen, Manager
Cloverleaf West LLC, 625 Mount Auburn Street, Suite 210
Cambridge, MA 02138

Re: Cloverleaf West Apartments, 323 Speen Street, Natick, MA

Dear Mr. Katzen:

Enclosed please find the executed Project Eligibility Letter (PEL) for the Cloverleaf West Apartments. There are two topics on which I'd like to provide you further guidance: 1) MHP's review of the draft Comprehensive Permit, and 2) the applicant's responsibilities if a municipality includes a local preference requirement in the Comprehensive Permit. Please see below for elaborations on each of these topics, and let me know of any questions you may have.

1. Prior to the issuance of the final Comprehensive Permit by the ZBA, MHP asks that a draft of the permit be supplied to MHP for its review. MHP will endeavor to make any comments on the draft permit within 10 days. MHP's intention in asking for review of the permit prior to its issuance is to avoid having the applicant need to return to the ZBA to request necessary changes once the final permit is issued.
2. If the municipality includes a local preference requirement within the Comprehensive Permit, the DHCD 40B Guidelines require that the municipality demonstrate the need for the local preference within 3 months of final issuance of the Comprehensive Permit. Failure to comply with this requirement shall be deemed to demonstrate that there is not a need for a local preference and a local preference shall not be approved as part of any Affirmative Fair Housing Marketing and Resident Selection Plan (AFHMP) or use restriction. Please work with the municipality on providing MHP with the necessary documentation.

Please see DHCD's 40B Guidelines at:

<http://www.mass.gov/hed/economic/eohed/dhcd/legal/comprehensive-permit-guidelines.html> (Section III, Affirmative Fair Housing Marketing and Resident Selection Plan)

Note that DHCD's 40B Guidelines specify the allowable preference categories. If the Comprehensive Permit includes a preference for some, but not all, of the allowable categories, additional information may be required. For example, if the municipality seeks to provide a preference for municipal employees but not employees of other businesses in the community, the municipality must provide documentation that shows the affordable housing demand for municipal employees is high in relationship to that of other employees. If the local preference is based solely on employment in the municipality, this may have a disparate impact on the elderly or person with disabilities; therefore applicants residing in the community who are age 62 or older or are persons with disabilities must be given the benefit of the employment preference.

Some ways in which the need for local preference may be demonstrated and documented are by providing the following:

- Wait list information for comparable housing in the community, including public housing, with local applicants likely to apply for the project. For instance, if the affordable units at the project are 2-bedroom rental units affordable at the 80% of area median income (AMI) level, the number of local wait list applicants for rental units of a similar size and price at another development in the community may support a local preference (however, applicants for larger or smaller size units with higher or lower incomes would not; similarly, wait lists for for-sale housing or age-restricted housing may not be “comparable” housing). Whether or not the project provides rental assistance will be considered. A wait of more than 6 months for a comparable unit would be compelling.
- Data regarding the number of renter households in the municipality who would be eligible for the project. For instance, if the affordable units at the project are affordable at the 80% AMI level, renter households with incomes between 50 – 80% AMI might be eligible but renter households with higher or lower incomes would not.
- Data regarding rent-burdened residents, specifically the number of renter households in the community who would be eligible for the project who are paying more than 30% of their income for housing costs. Also, if applicable, data regarding renter households with other housing problems (i.e. overcrowding).
- Information regarding the supply of comparable affordable rental housing in the municipality and the vacancy rates in such housing.

Some of the above statistics can be found at the following Metropolitan Area Planning Council (MAPC) website: www.housing.ma.

Also, please note that in the event local preferences are permitted, your AFHMP must ensure that non-local residents protected under fair housing laws are not negatively affected by the local preferences. For example, as part of your lottery process, minority applicants may need to be moved into the local selection pool to ensure that the local selection pool reflects the racial/ethnic balance of the HUD defined Metropolitan Statistical Area (MSA). Regional (MSA) racial/minority statistics are available at:

<http://www.mass.gov/hed/docs/dhcd/hd/fair/percentraciaethnicminority.pdf>.

Please note that a combination of such data, comparative regional data, and/or other data may be needed to justify the extent of the local preference in view of regional housing needs.

Sincerely,



Katharine Lacy
Senior Project Manager