



TOWN OF CONCORD

Zoning Board of Appeals

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Planned Residential Development Moderate Affordable Eligibility Guidelines

Concord has made a significant effort to create housing restricted to moderate income households through the provisions of Zoning Bylaw Section 10 Planned Residential Development (PRD), based on the local need for more moderately priced housing. In the Zoning Bylaw, moderate income households are defined as households earning over 80% to 150% of the Area Median Income (AMI).

With input from the Regional Housing Services Office, the Concord Housing Development Corporation, the Concord Housing Foundation, and the Planning Board, the Zoning Board of Appeals has adopted these guidelines to provide prospective developers with information on the Town's expectations for a PRD project. It allows the developer to factor these guidelines into their project proposal from the beginning, thereby reducing the potential for issues during the public hearing process.

Income Limits/Affordability Window

Establishing income limits is the first component of the guidelines, which will drive the financial consideration by the developer. The income limits are negotiated during the project proposal, and are often written into the decision. The income limit for the unit is also included in the affordable housing covenant recorded at closing – which further defines and preserves the affordable restriction.

The Zoning Bylaw defines the following income limits in the PRD:

- Low Income – units for the Concord Housing Authority or other state agency, or units that meet the eligibility criteria to be counted on the Subsidized Housing Inventory (SHI) or at 80% AMI
- Affordable units, starter-priced housing – under 110% AMI
- Affordable units, moderate-priced housing – under 150% AMI

The income limits are derived from the Federal Housing & Urban Development (HUD) annually published limits for the Boston-Cambridge-Quincy metropolitan statistical area. The particular income limit is calculated using the base income figure (the 100% AMI for a household of 4), and adjusting as needed, except the 80% limit. The 80% limit, or the Low Income limit, is not arithmetically calculated from the 100% limit, but is determined and published by HUD. The income limits are used for both, determining the sales price and the buyer eligibility.

The sales price should be calculated no earlier than 6 months before marketing is to start, with attention to the annual income limit update. It uses the household income limit for the number of bedrooms plus 1 in the unit. For example, a two-bedroom unit would utilize the income limits for a household of three.

Buyer eligibility is often given a 10% affordability window, as is the DHCD standard. This is factored into the sales price, having the effect of reducing the sales price. So while the deed restriction preserves the unit for [as an example] at 110%, the sales price and buyer income limits would be set at 100%.

Asset Limits

The asset limit is another important aspect of buyer eligibility. The asset limit is not defined in the ZBL nor in the affordable housing restriction, so these Guidelines formalize a standard for the overall limit, and which assets are to be included.

First-Time Homebuyer

The DHCD affordable housing program (80% units) is designed for first-time homebuyers (FTHB), with some allowable exceptions. For the PRD moderate affordable units, buyers do not have to be first-time homebuyers, but are not allowed to own any other property at the time of purchase.

Mortgage Terms

The mortgage must be through an institutional lender, and not a loan from a family member. The buyer(s) who will be residing in the house must be able to qualify for the mortgage on their own, without the benefit of a non-household co-signer.

Household Size

The DHCD affordable housing program (80% units) requires that units get awarded to larger households first. For the PRD moderate affordable units, there is no household size preference and units will be sold as determined by a lottery.

Moderate Affordable Eligibility Guidelines

Parameter	Guidelines
Affordability Window	10% Affordability Window
Asset Limits	Exclude retirement assets, and the down payment up to 5% of the purchase price. Calculate the asset limit based on the DHCD standard limit (currently \$75,000) and the AMI percentage. Allow seniors an additional \$200,000 in assets.
First Time Home Buyer	Do not require buyer to be a FTHB. Buyer cannot own other residential property (primary or secondary) at purchase. They must sell their primary residence, and cannot own a secondary unit (either vacation or investment property).
Local Preference Definition	Adopt DHCD Local Preference categories. DHCD allowable categories include current resident, town/municipal employee, family of student in the Town, employee in the Town, and the pool is balanced for minorities. The categories are designed to comply with Fair Housing and constitutional law.
Mortgage Terms	Require financing through institutional lenders and do not allow non-household mortgage co-signers.
Household Size	Do not require household size preference.