

Affordable Housing Trust Fund & CPA training

**12/4 Housing Trust Funds & CPCs
– roles and working together**

12/11 Establishing goals and strategies

12/18 What boards need to know about
the MA Open Meeting Law



12-4-2024

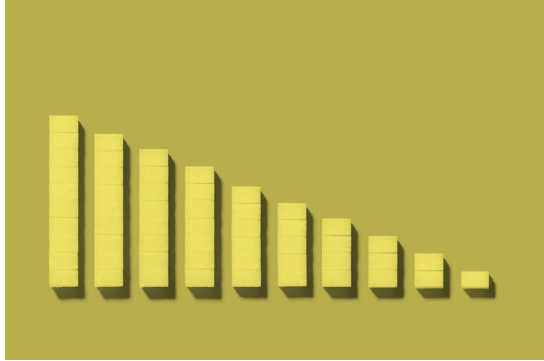
Affordable Housing Trusts & CPCs

Roles and Working Together



Mission

MHP works with communities to create innovative policy and financing solutions that provide affordable homes and better lives for the people of MA.



Center for Housing Data

Collects, analyzes & shares info for effective policy creation



Community Assistance

Builds local capacity through TA and training, including 40B program



Lending

Lent over \$1.4B for creation/preservation of over 27,000 units of affordable rental housing



Homeownership

Supports first time homebuyers w/innovative products like ONE Mortgage

Today's agenda

December 4, 2024



Community
Preservation
Committees

Municipal Affordable
Housing Trust Funds



Tips for working
together

MHP





Community Preservation Act

(200 communities)

Community Preservation Act

M.G.L. Chapter 44B

- Public entity
- Created through ballot referendum
- Purpose
 - open space protection
 - historic preservation
 - affordable housing
 - outdoor recreation
- Led by Community Preservation Committee (5-9 members)
- Subject to public procurement, designer selection, conflict of interest & public meeting laws



CPA



Up to 3%
surcharge of tax
levy on real estate



Community
Preservation Trust
Fund



Application
process



Recommendations
to legislative body



Annual CP-3 report
to DOR

CPA “verbs”

	Open Space	Historic	Recreation	Housing
Acquire	YES	YES	YES	YES
Create	YES	NO	YES	YES
Preserve	YES	YES	YES	YES
Support	NO	NO	NO	YES
Rehabilitate and/or Restore	YES (if acquired or created with CPA funds)	YES	YES	YES (if acquired or created with CPA funds)

Terms

Acquire – obtain by gift, purchase, devise, grant, rental, rental purchase, lease or otherwise.

Create – often speaks to new development, re-use

Preserve - protect real property from injury, harm or destruction

Support - provide grants, loans, rental assistance...or other forms of assistance ("for the purpose of making housing affordable")

Rehabilitate and/or Restore – if acquired or created with CPA

Affordability restrictions

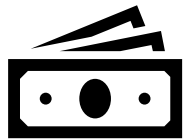
- Section 12 – real property interest acquired with CPA funds shall be bound by a permanent restriction
- Non-profit can enforce the restriction and manage the property

Two tips




Be clear with parameters for fund distributions

Execute a grant agreement for all fund allocations



CPA area median income (AMI) numbers may differ from HUD numbers

Be explicit about AMI expectations



Affordable housing trust funds

(~147 communities)

Municipal Affordable Housing Trust Funds

M.G.L. Chapter 44, Section 55c

- Public entity
- Created by local legislative body
- Create & preserve affordable housing – narrow focus
- Led by Board of Trustees
- Subject to public procurement, designer selection, conflict of interest & public meeting laws



Trust Statute – MGL Ch.44, Sec. 55c

PURPOSE

“...to provide for the creation and preservation of affordable housing in municipalities for the benefit of low-and-moderate income households and for the funding of community housing as defined...” in accordance with CPA

- Limited scope
- Low and moderate income only

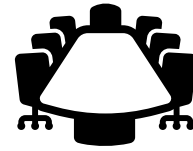
What can a housing trust fund do?

- Address affordable housing needs
- Support local control of housing initiatives
- Engage in real estate activity
- Make timely decisions
- Collect \$ from variety of sources



Trustees

MGL Chapter 44, Section 55c



Minimum five

Includes CEO

Appointed by Mayor/CC/SB

Two-year terms

“Public agents”

Board Powers

MGL Chapter 44, Section 55c

16 explicit powers including:

- Accept and receive real property, personal property or money
- Purchase and retain real or personal property
- Sell, lease, exchange or convey any personal, mixed, or real property

Tips for working together



Identify housing needs

1

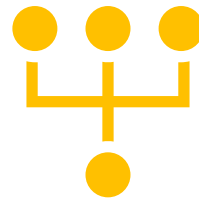


Decide critical elements upfront

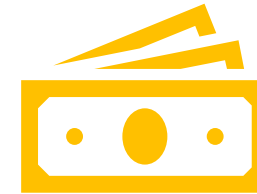
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How will the boards
work together?



What does each need
from the other?



Can CPA funds pay for
administrative costs of
the trust?

CPA can fund housing trusts

3



Grant agreements

4



Trust annual reporting to the CPC

5

Housing trusts must track CPA funds separately and annually report to CPC to account for funds in CP-3 report to DOR.

1

MUNICIPAL AFFORDABLE HOUSING TRUST
Annual Report to the Community Preservation Committee (CPC)

Municipal Affordable Housing Trusts (MAHT) created under MGL Chapter 44, section 55I are required to report Community Preservation Act (CPA) expenditures to the CPC on an annual basis. This form can be used to list CPA expenditures and should be filed with the municipal official responsible for completing the CPA Projects Report (CP-3). Since the CP-3 is due to the Department of Revenue by September 15, this form should be submitted to the CPC by September 1 or another agreed upon date.

TRUST NAME: Name FISCAL YEAR: Year

YOUR NAME: Name EMAIL: Email

PHONE NUMBER: Phone number

PROJECT #1	
Project name	Name of project
Project address	Enter street number, street name, town and zip code.
Approval date	Date the trust approved project.
Project status	Choose an item.
Description	Provide description of project. Max 130 words.

Does this phase of the project include acquiring real property (such as ownership of land or buildings) or acquiring a real property interest (a legal interest in land such as an affordable restriction)? Yes or No.

HOUSING UNITS ANTICIPATED or CREATED	
Number of new units created	Number of units
Number of units supportive	Number of units

LAND	
Number of acres acquired for housing	Number of acres.

AFFORDABLE PROJECT RESTRICTIONS FOR THIS PROJECT	
Entity holding restriction	Name of entity holding restriction.
Date recorded	Date restriction was recorded.
Book and page of restriction	Enter book/page here.
Registry of Deeds	Choose registry of deeds.
If no restriction, please explain why.	If no restriction, please explain why.

CPA PROJECT FUNDS FROM MAHT = Enter dollar amount.



Other Municipal Funds = Enter dollar amount. Private Donations = Enter dollar amount.

State Funds = Enter dollar amount. Federal Funds = Enter dollar amount.

Other Funds = Enter dollar amount. Please describe other funding: Enter other funding sources.

TOTAL PROJECT COST = Enter total project cost.

Developed by MHP with support from the Anne C. Kuehn Foundation

Ensure transparency



Communicate			
Consider joint board appointment	Report back regularly	Promote efforts	Use webpage and social media

Peanut Butter & Jelly

7



Instead of competing with each other, compliment each other's efforts to increase the supply of affordable housing.

Center your efforts on the goal of MORE housing.

Work together to create a culture of support

8



Balance people with places and systems



Tell “story of us” rather than “story of them”



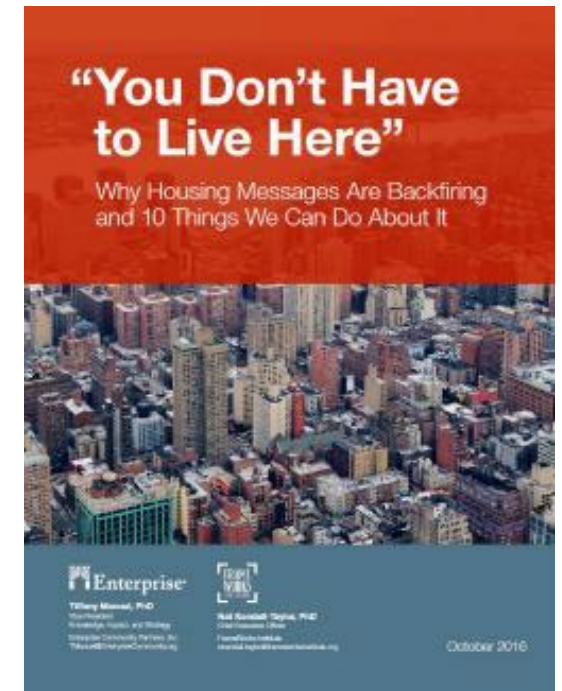
Connect housing to other social issues and outcomes



Where you live affects you



Consider language that we use (e.g. home vs housing)



Fund affordable housing

Norwell, Herring Brook Hill

9



- Former police station, declared surplus in 2014 and voted to be transferred to trust in 2015
- Trust issued RFP in 2016
- 18 units of senior rental housing
- One- and two-bedroom units up to 100% AMI
- \$1.2 million from the trust and CPC

Fund affordable housing

Anchor Point, Beverly

77 units of rental housing proposed by Harborlight Community Partners

- 2- & 3-bedroom
- 15 units reserved for homeless families
- 60% AMI ceiling
- City designated site as 40R district
- CPC \$1.1MM/MAHT \$300,000



Three Final Things

1

Work on establishing a trust relationship between trusts and CPCs.

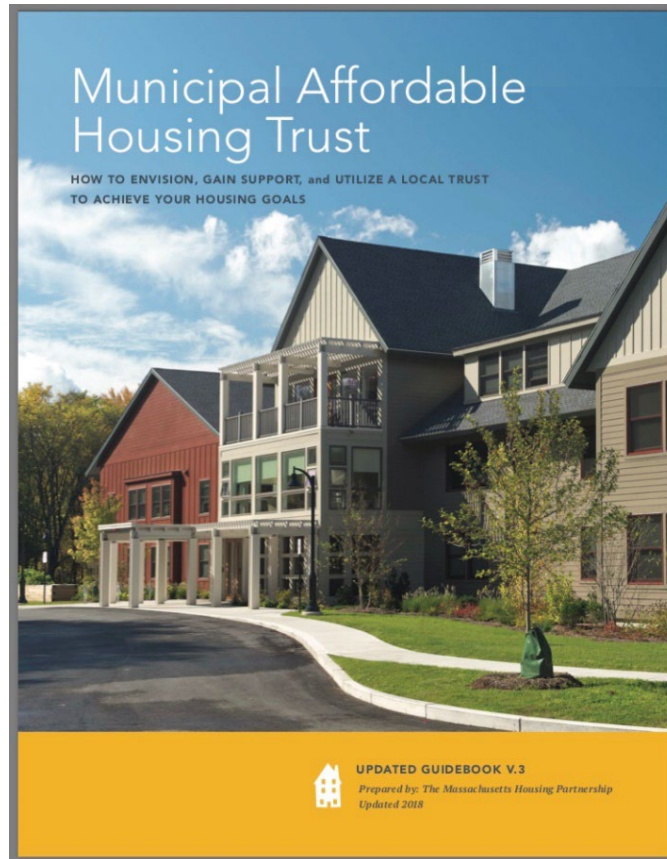
2

Develop goals and strategies that reflect identified needs. Report on progress.

3

Maintain open communication between boards.

MHP Online Resources



Relevant data for every community in the Commonwealth to help make the case for housing.



Strategies and best practices for the creation and preservation of affordable housing.

Questions?

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