

Housing Trust & CPA Conference

Affordable housing development



Massachusetts Housing Partnership

MISSION

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



Community Assistance

- Technical assistance
- 40B program

Lending

- Over \$1.4B for over 27,000 units
- Affordable rental

ONE Mortgage

- First time homebuyers
- Fixed-rate, 30-year

Center for Housing Data

- Collect, analyze & share info for effective policy creation

Today's agenda

December 9, 2020



Municipal
Affordable Housing
Trusts

Keys to success



Trusts + CPA
collaboration

Q&A



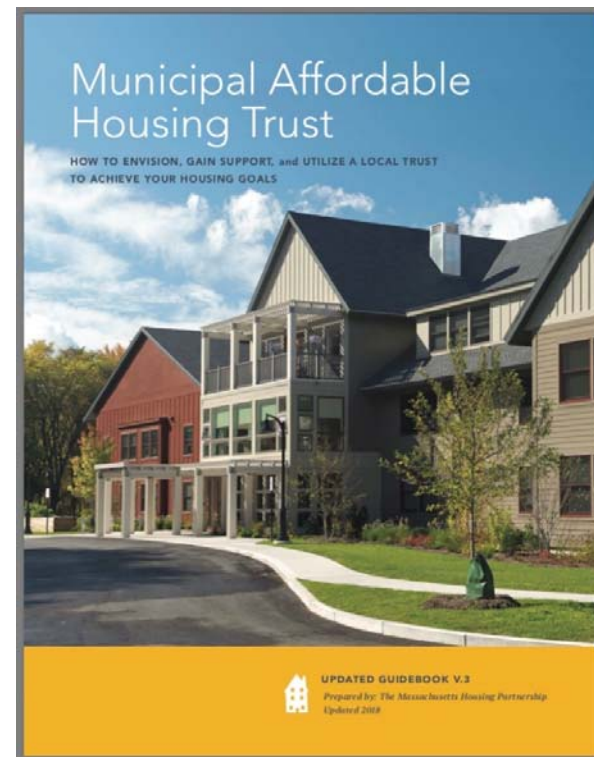
**What is an
affordable
housing
trust fund?**



Municipal Affordable Housing Trust

- Public entity
- Created by local legislative body
- Create & preserve affordable housing
- Led by Board of Trustees

Subject to public procurement, designer selection, conflict of interest and public meeting laws



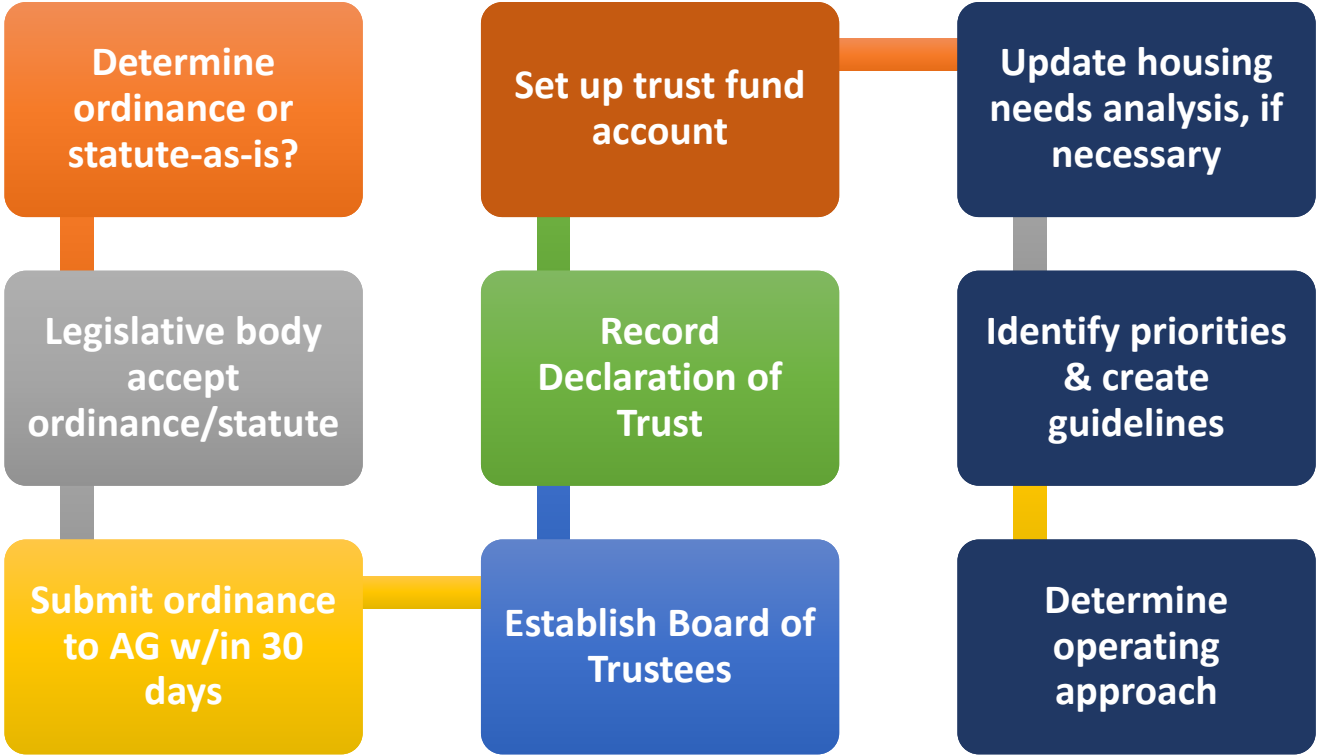
Trust Statute – MGL Ch.44, Sec. 55c

PURPOSE

“...to provide for the creation and preservation of affordable housing in municipalities for the benefit of low and moderate income households...”

- Limited scope
- Low and moderate income only

Process to Establish Housing Trust



What can a housing trust do?

Broadly

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



Trustees

Minimum five

Include Mayor
or member of
Select Board

Appointed by
Mayor or SB

Two year
terms

“Public
agents”

Board Powers

- **Accept and receive real property, personal property or money**, by gift, grant, or contribution...including but not limited to money, grants of funding or other property....
- **Purchase and retain real or personal property**, including instruments
- **Sell, lease, exchange or convey** any personal, mixed, or real property at public auction or by private contract...

City of Beverly

Case Study

Created MAHT in early 2017.

First year:

- Appointed members
- Completed updated housing plan (already over 10% on SHI)
- Developed housing trust guidelines and NOFA (engaged AH developers)

Trustees

- 5 members
- Mayor
- Planning & CD
- Municipal finance
- 2 at large residents

Powers

- Conveyance of real property requires Mayor and CC approval

Funding

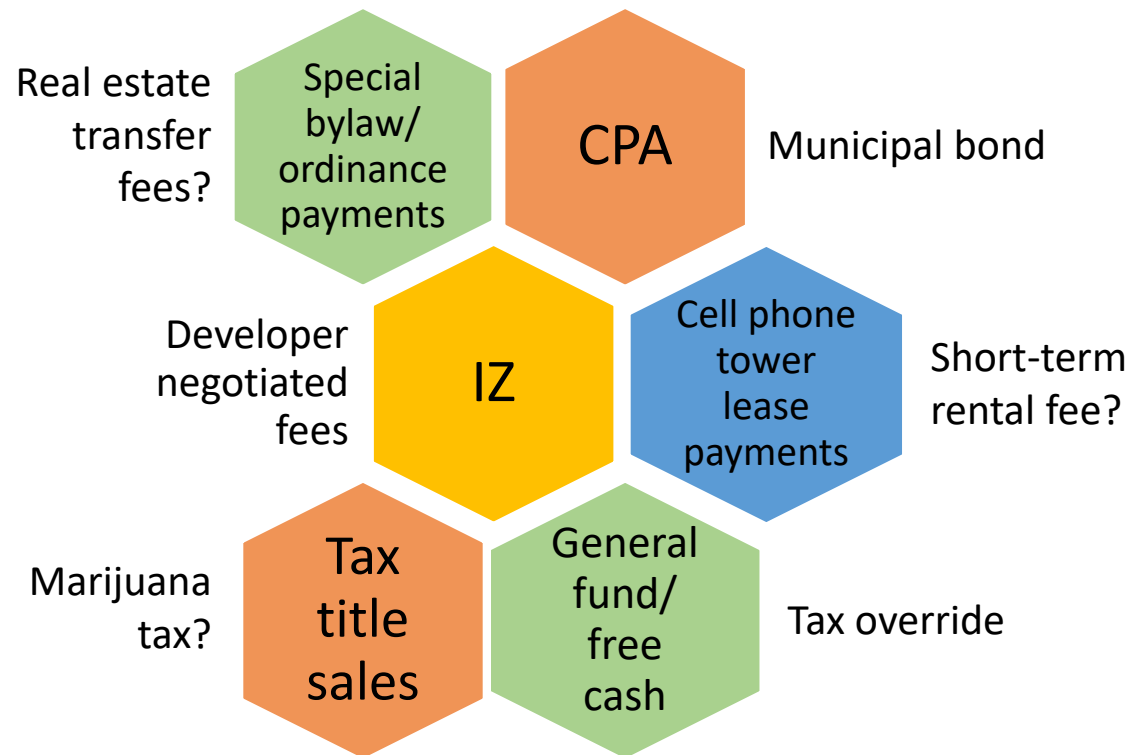
- IZ payments
- *Potentially CPA*

Keys to Success

Money, vision,
leadership and
transparency



What funds can be used?



What do you want to accomplish?



Determining needs



Setting priorities



Create benchmarks

Plans to facilitate action

GUIDELINES OR GOALS

BEVERLY AFFORDABLE HOUSING TRUST HOUSING GUIDELINES AND APPLICATION PACKAGE



Beverly, Massachusetts



Beverly Affordable Housing Trust
Michael P. Cahill, Mayor
Bryant Ayles
Aaron Clausen, AICP
Richard Dinkin
Susan Gabriel

City Staff: Darlene Wynne, AICP

December 2017

7. Eligible Activities

unds requested in support of these strategies and the following activities will be eligible for funding:

- **Predevelopment Activities** – Includes costs related to architect and engineering fees, legal fees, financial feasibility analyses, permits, appraisals, 21E reports, property acquisition, and other costs associated with examining the feasibility of a potential development including improving projects such as septic upgrades, creating additional open space, designing passive/active recreational space, etc. (Note: The items listed above are limited to funding through loans only, with the exception that the BAHT Trustees may authorize a self-initiated grant for any amount for projects included in this category).
- **Development Activities** – Includes costs related to filling the gap between total project costs (minus other private and public funding) and what qualifying occupants (owners or renters) can afford to pay. Development activities include new construction, rehabilitation and redevelopment of affordable residential housing, and may include mixed-income and mixed-use development opportunities.
- **Housing Preservation and Improvement Activities** – Includes costs related to preserving the relative affordability of private unsubsidized housing units owned or occupied by eligible households, ensuring continued affordability by maintaining affordability restrictions on the property for the life of the incentive and including the property on the Subsidized Housing Inventory (SHI) list, and making necessary improvements or replacing unsound structures, thus stabilizing both residents and neighborhoods.
- **Direct Assistance Activities** – Includes direct support to eligible households to lower the costs of obtaining housing in Beverly and/or remaining in the community (such as funding for downpayment and closing costs; first and last month's rent plus security deposit; rental assistance). Such direct assistance, as it relates to renters, would likely address the local needs of some of the community's most "at risk" residents.
- **Multiple Use Activities** – Includes support for developments that incorporate housing and one or more of the other categories of CPA funding – historic preservation, open space preservation and eligible recreational opportunities.

STRATEGIC PLANS

TOWN OF AMHERST

HOUSING TRUST STRATEGIC PLAN FY18-22

FUNDING PROVIDED BY THE AMHERST AFFORDABLE HOUSING TRUST FUND AND THE COMMUNITY PRESERVATION FUND

Prepared for

Town of Amherst
Amherst Affordable Housing Trust
4 Boltwood Avenue
Amherst, MA 01002

Prepared by

JM Goldson community preservation + planning

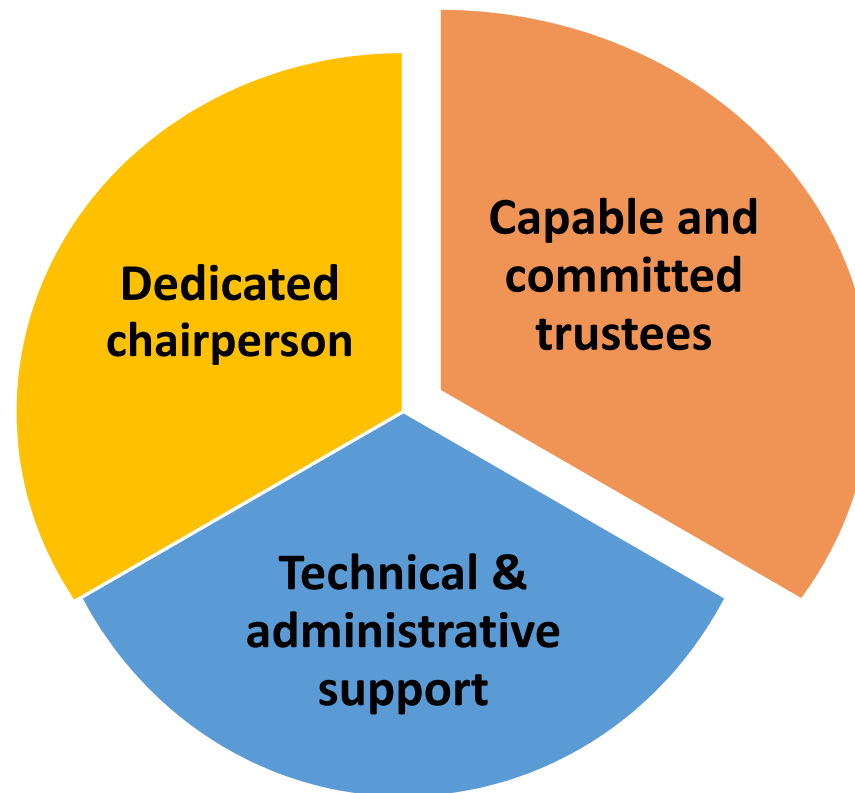
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It takes teamwork

Is staffing necessary?



Don't make it hard for people to find you

Westport Affordable Housing Trust webpage

Affordable Housing Trust Fund

The mission of the Trust Fund is to help people with modest incomes afford the cost of living in Westport in three primary ways:

- Convert existing buildings to affordable homes,
- Ease home costs for existing residents in need,
- Construct new affordable homes.

Staff Contacts

Name	Title	Phone
Leonardi Aray, AIA	Housing Specialist	(774) 264-5126

Board of Trustees

Name	Title
Elizabeth Collins	Chair
Craig J. Dutra	Vice Chair
James Sabra	Member
Henry Lanier	Member
BettyAnn Mullins	Member
Warren Messier	member

2017 Income Limits Chart

2018-22 Housing Production Plan

CRE-HAB Housing Rehab Program

Housing Assistance Office Brochure

Housing Opportunity Purchase Program (HOPP)

Housing Plans

Noquochoke Village Job Fair Oct. 30

SEED Grant Program



Determine operating approach

Funder

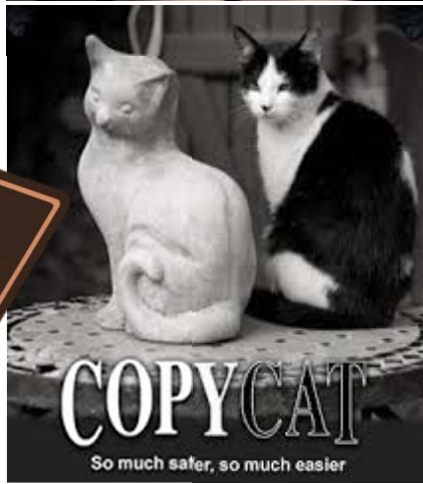
Initiator

Both?





**DUE
DILIGENCE**



Two Key Fair Housing Concepts

**Disparate
Impact**

“Discriminatory Effect”

**Affirmatively Further
Fair Housing**

Obligated to FH

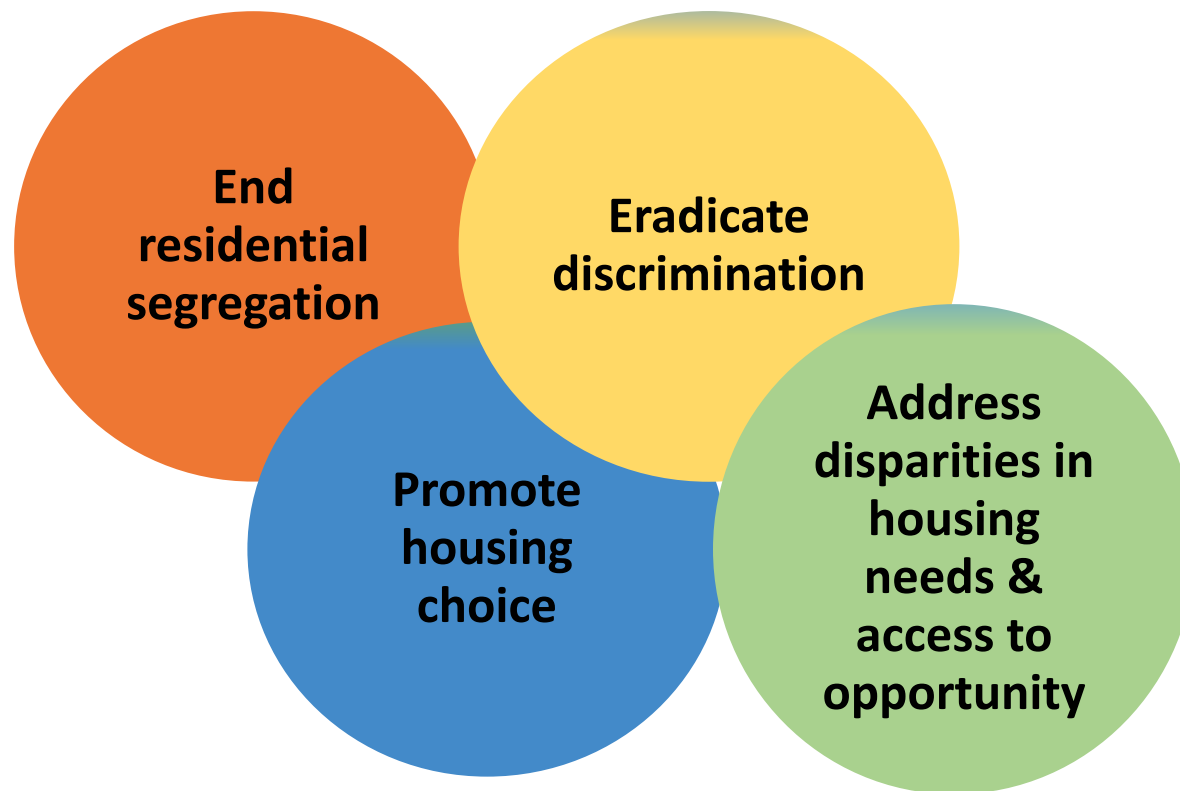
Disparate Impact



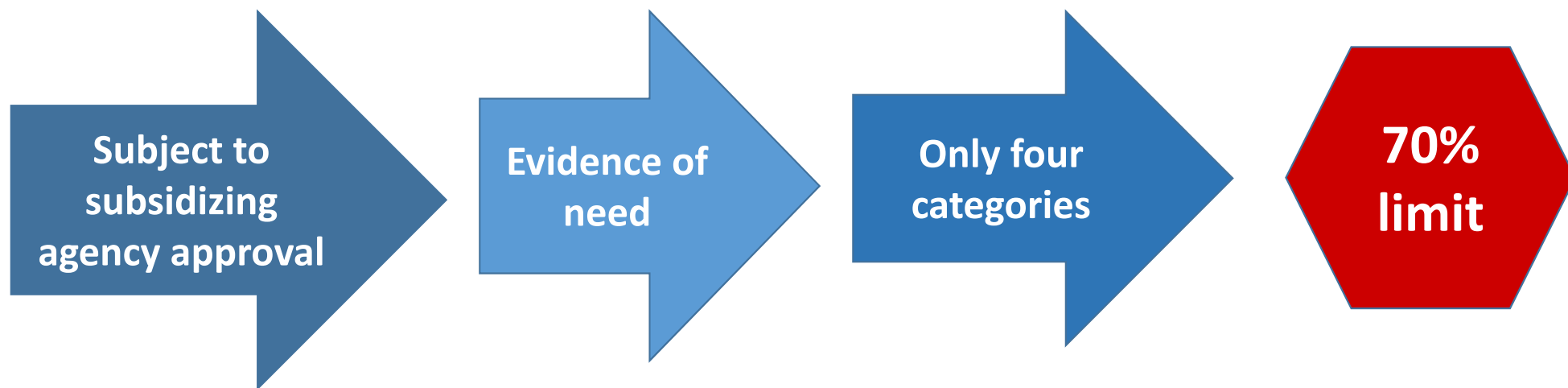
“...[e]ffect, not motivation, is the touchstone because a thoughtless housing practice can be as unfair to minority rights as a willful scheme.”

Smith v. Anchor Bldg. Corp., 536 F.2d 231, 233 (8th Cir. 1976).

Obligation to Affirmatively Further Fair Housing



Local Preference



**Housing
Trusts + CPA
collaboration**



Identify housing needs

1



CPA can fund housing trusts



What are some communities offering?

Cambridge

80% of CPA
funds directed
to the housing
trust

Grafton

~10% CPA funds
directed to housing
trust

Somerville

45% CPA
funds directed
to the housing
trust

Grant agreements

3



Decide critical elements upfront

- How will the boards work together?
- What does each need from the other?
- Can CPA funds pay for administrative costs of the trust?

Trust annual reporting to CPC

Housing trusts must track CPA funds separately and annually 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 55 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 100 words.

Does this phase of the project include acquiring real property (such as ownership of land or building) 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 supported	Number of units

LAND	
Number of acres required 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.

Local City, State or Federal support from this trust is available to reduce:



Clarify roles

Example of Manchester-by-the-Sea (HPP)

6

HOUSING STRATEGIES	Priority for Implementation		# AH units	Lead
	Years 1-2	Years 3-5		
CAPACITY BUILDING				
Establish & capitalize MAHT	X			BOS/CPC
Secure professional support	X			BOS
Ongoing education	X			MAHT+
ZONING				
Pursue 40R/40S	X			PB/MAHT
Modify multi-family requirements		X		PB/MAHT
Modify accessory bylaw		X		PB/MAHT
DEVELOPMENT				
Pursue mixed-use TOD	X		5	PB/MAHT
Public property for AH	X		16	BOS/PB/MAHT
Small-scale infill & conversions	X		48	PB/MAHT

Ensure transparency



7

Communicate

Consider
joint board
appointment

Report back
regularly

Promote
efforts

Use
webpage
and social
media

Yin and Yang

8



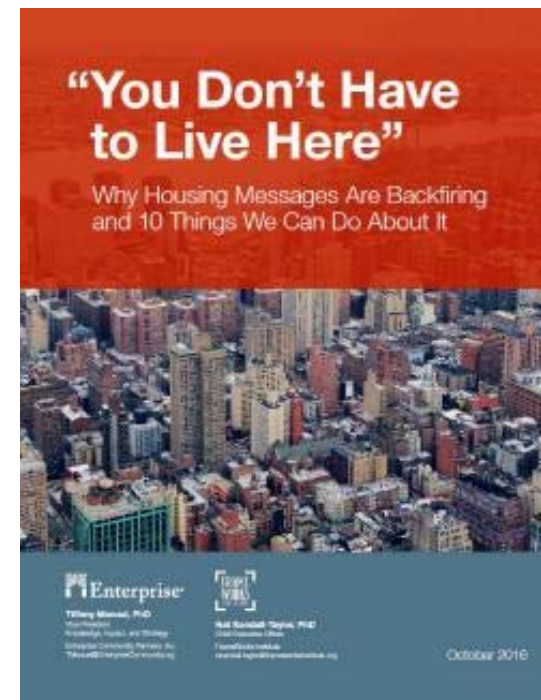
Instead of competing with each other, compliment each other's efforts to increase the supply of affordable housing.

Center your efforts on the goal of MORE housing.

Work together to create a culture of support

9

- 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)





How does your Housing Trust collaborate with your Community Preservation Committee?

Questions?

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Katie Bosse

