

3-30-2022

# Affordable Housing Trust & CPA

*Municipal Affordable  
Housing Trust 101*



# 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

March 30, 2022



Municipal  
Affordable Housing  
Trusts

Keys to success



Eligible activities

Multiple housing  
entities



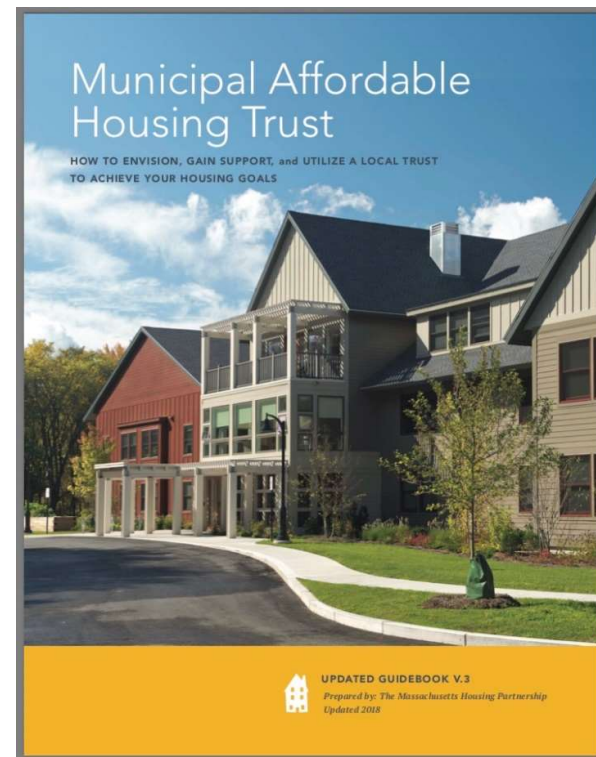
**What is an  
affordable  
housing  
trust fund?**



# 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 and for the funding of community housing as defined...” in accordance with CPA*

- Limited scope
- Low and moderate income only

# 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 43A, section 55A 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 (e.g. 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 at least two funding sources

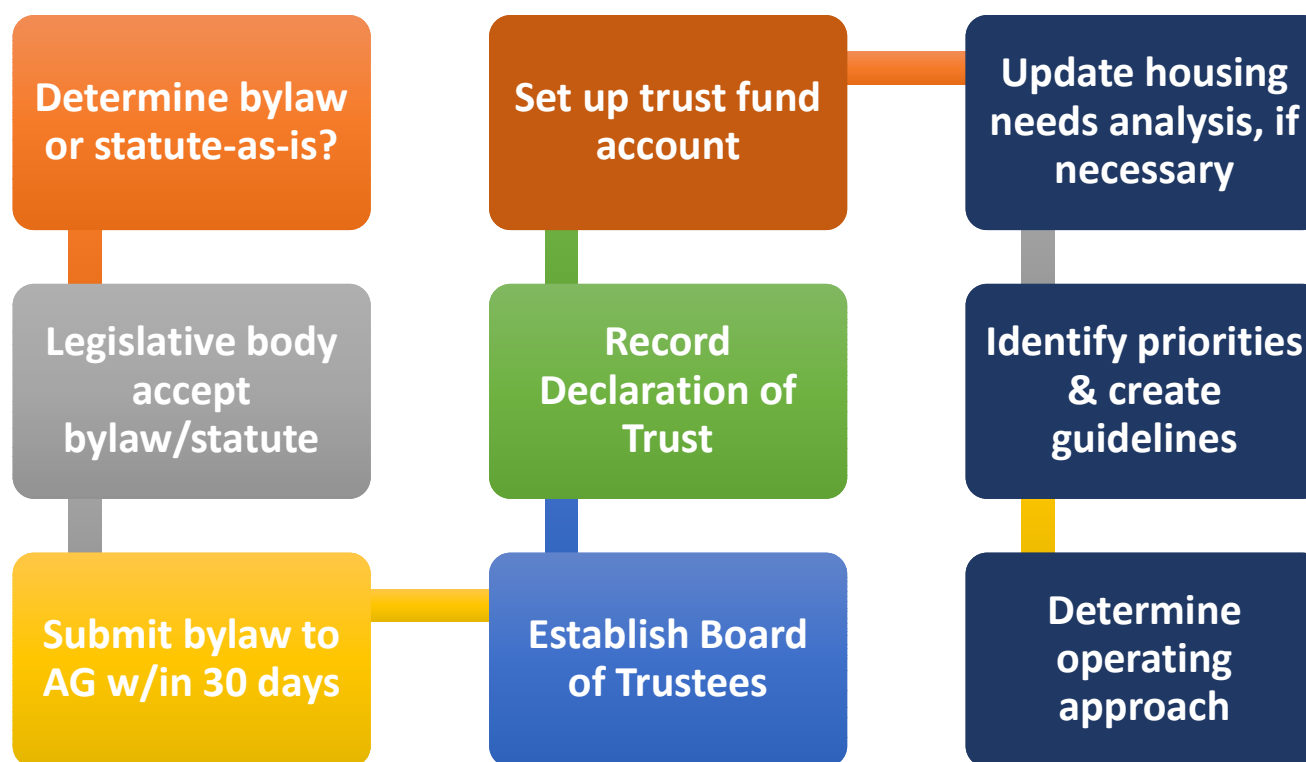
TOTAL PROJECT COST = Enter total project cost

Use the City MAHT to request funding for this project if available to the applicant.



# 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...

# Town of Brewster

## Case Study

### Trustees (7)

- Select Board
- Town Administrator
- Housing Partnership
- Community Preservation Committee
- Planning Board
- Citizens at large (2)

### Powers

- Allocations over \$50k subject to Select Board approval

Created MAHT in 2018 and dissolved an existing affordable housing fund.

- \$80,000 was transferred to new MAHT.
- Developed mission statement, goals w/priority initiatives, housing forum

# 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

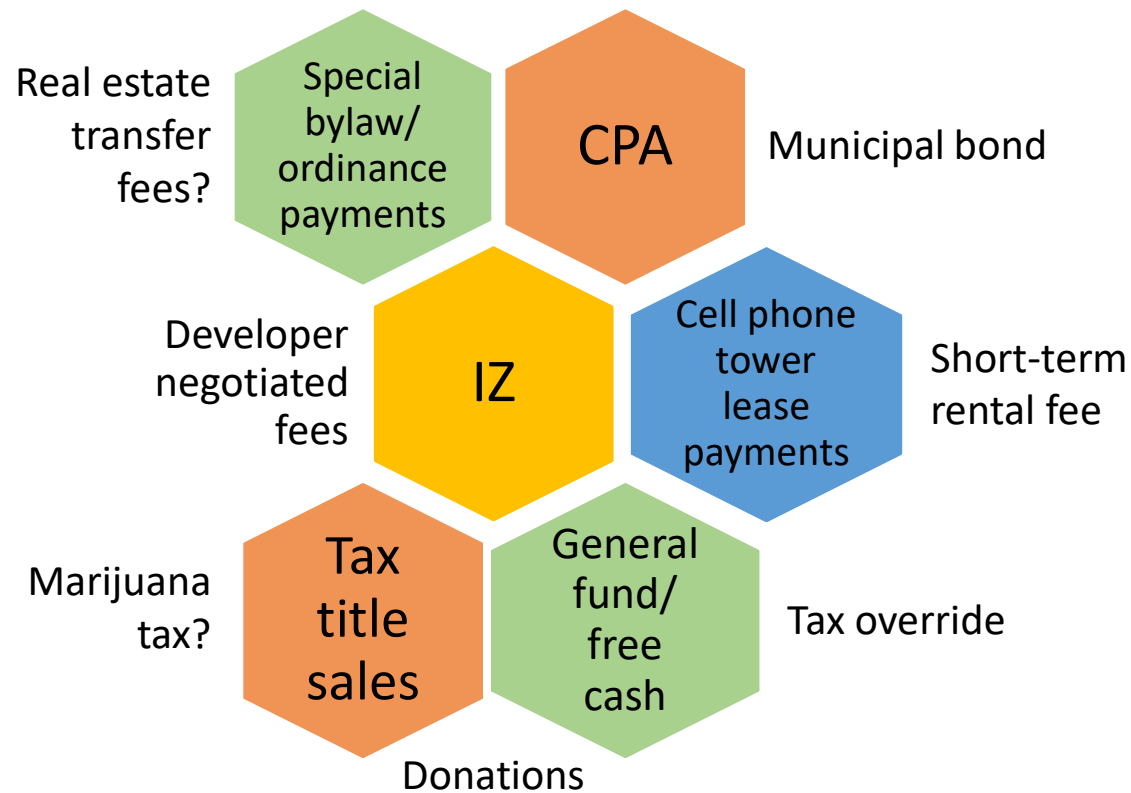
- IZ payments
- *Potentially CPA*

# Keys to Success

Money, vision,  
leadership and  
transparency



# What funds can be used?



**Common** = municipal account through municipal treasurer

# What do you want to accomplish?



Determining needs



Setting priorities



Create benchmarks



# Create a Mission Statement

Grafton & Amherst



## Mission Statement:

Adopted February 17, 2010

*To provide for the creation, preservation and retention of affordable housing and rental housing in the Town of Grafton for the benefit of low and moderate income households through a variety of programs including education and advocacy.*

## Amherst Affordable Housing Trust Fund

The Trust's mission, as an instrument of town government, is to promote the town's affordable housing priorities as determined through the most recent town housing plan, particularly to create safe, decent, and affordable housing for our most vulnerable populations.



# 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

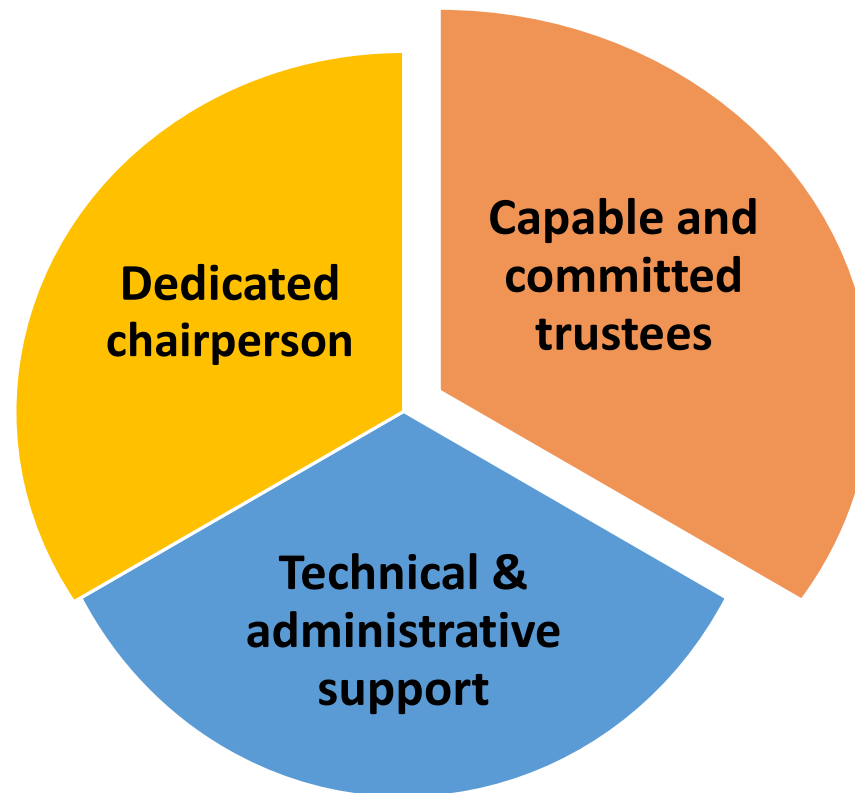
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# It takes teamwork

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

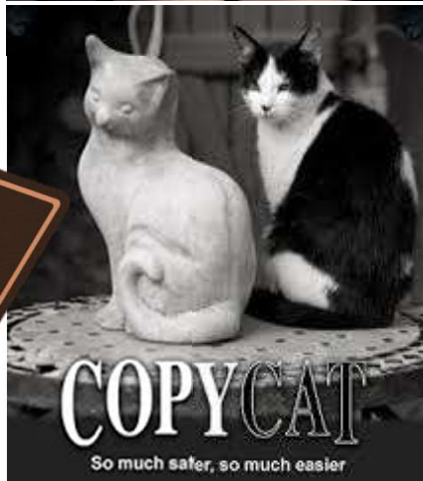
Funder

Initiator





**DUE  
DILIGENCE**



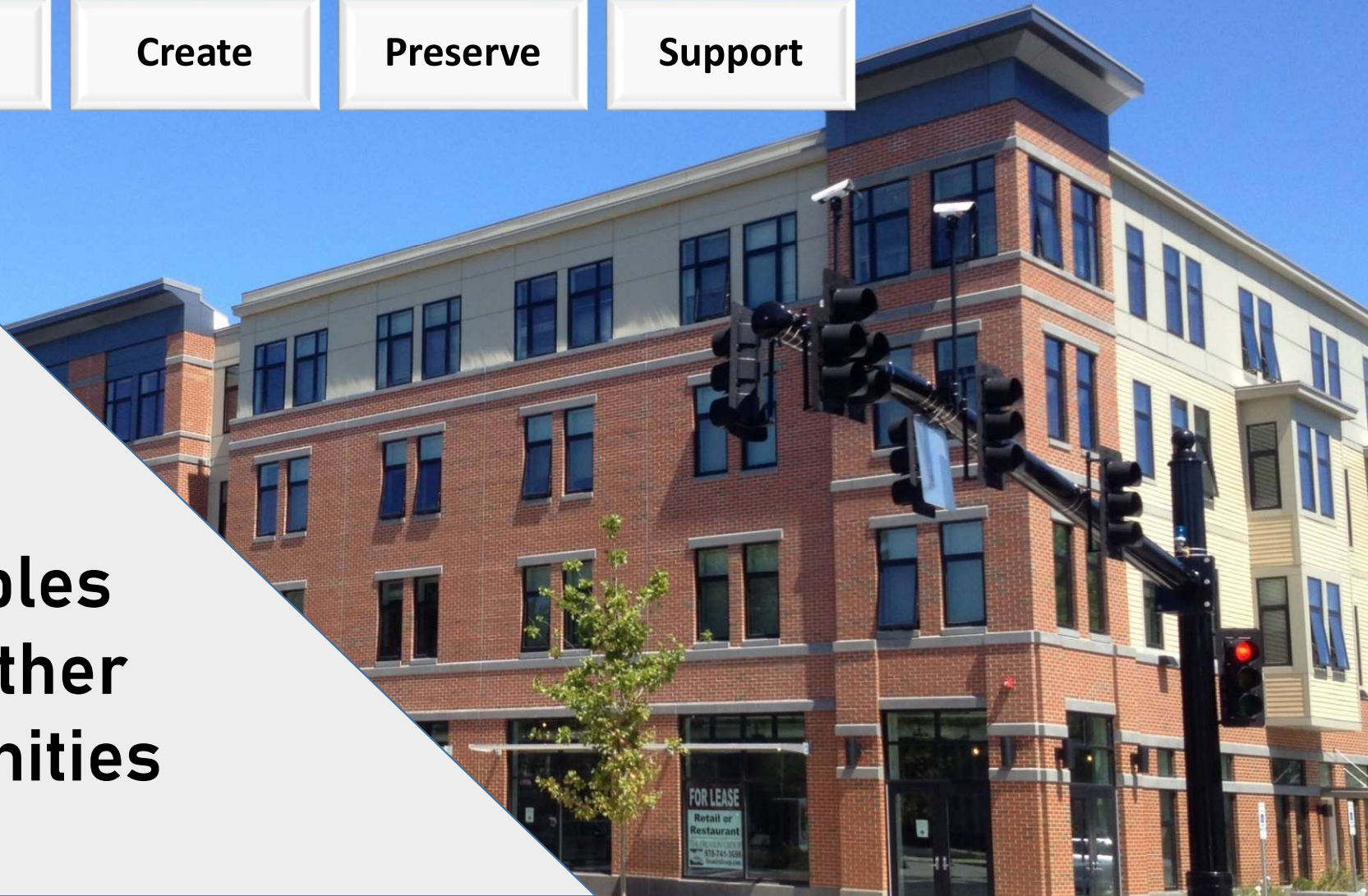
**Acquire**

**Create**

**Preserve**

**Support**

**Examples  
from other  
communities**



# Acquire

## Cromwell Court Apartments -- Barnstable



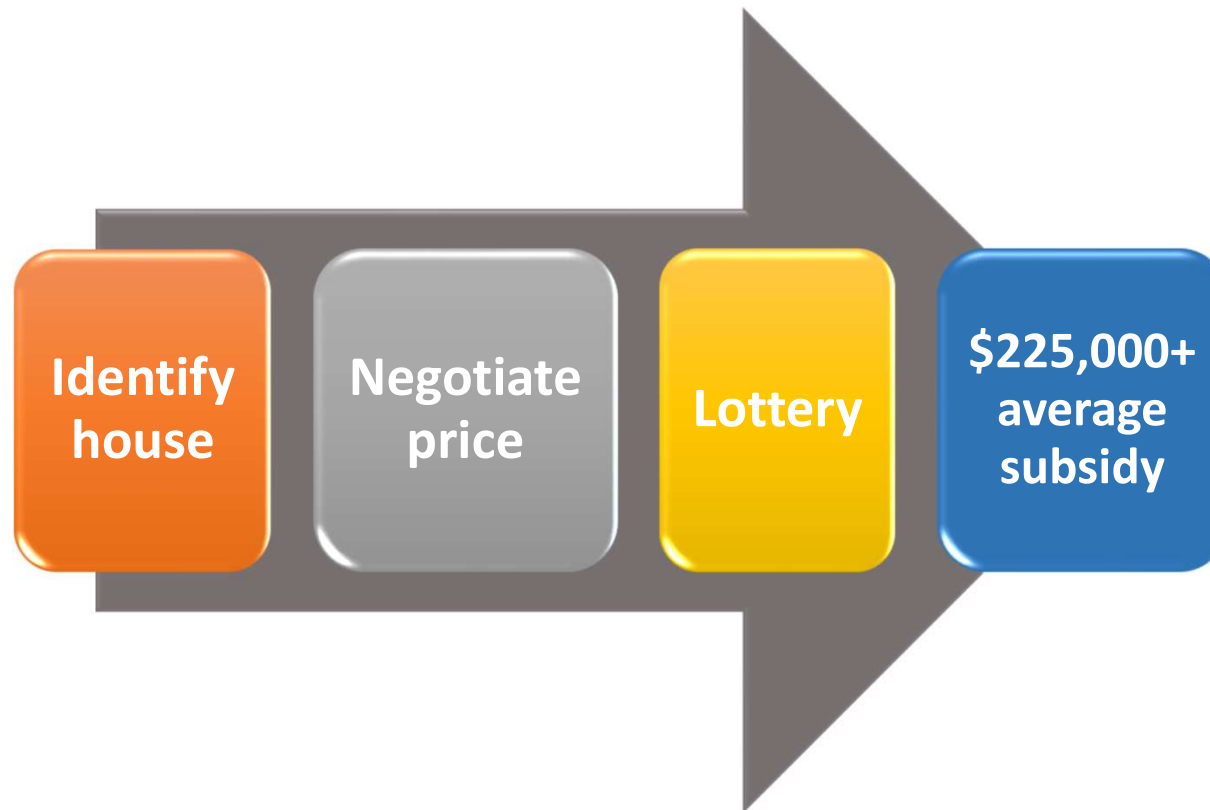
- 124 units of affordable family rental housing
- Built in 1973. Acquired and rehabilitated in 2011.
- \$500,000 CPA funds



# Sudbury MAHT

Home Preservation Program

“Buy-down” programs



# Create -- Community-driven

## Noquochoke Village, Westport

- New construction on town owned land
- 50 affordable apartments, 1-, 2-, 3-bedroom
- 60% AMI, family rental housing (five at 100% AMI)
- Up to \$1 million from MAHT (including acquisition, predevelopment, development)



# Create -- Community-driven

Norwell, Herring Brook Hill



- 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

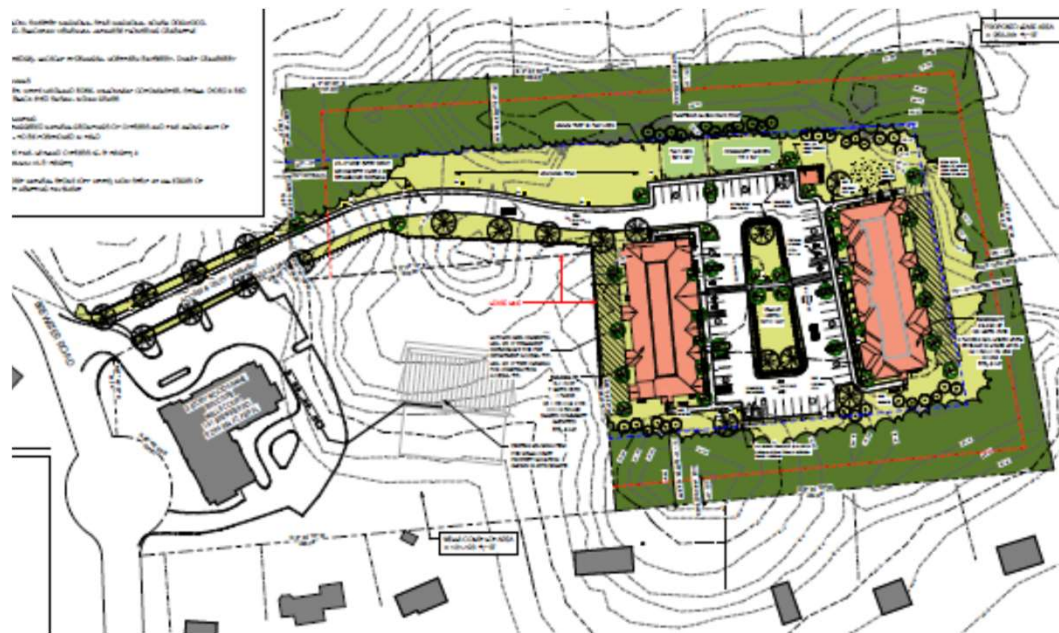
Photos from Metro West Collaborative Development

# Create – Community-driven

Brewster Woods, Brewster

30 units of rental housing proposed by POAH/HAC  
CPC allocated \$550,000

Received \$1.68 million  
MassWorks grant for  
septic and road  
improvement work on this  
Housing Authority site to  
allow for additional  
housing development.



# Create

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 \$250,000/MAHT \$200,000



# Create

Re-use of existing buildings



## **Shoe Shop Place**

Middleboro

25 rental

("family" housing)



## **Stevens Corner**

North Andover

42 rental

("family" housing)



## **Rockport HS Apartments**

Rockport

31 rental

(age restricted)

# Preserve

Rolling Green, Amherst



- 204 unit multi-family development
- Refinanced in 1998 under Mass Housing's 80/20 prepayment program (15 year restrictions)
- **41 affordable units**/Section 8 vouchers, **\$1.25m** bonded w/CPA

# Support



**Pre-  
develop-  
ment**

**Housing plans  
and needs  
assessments**

**Rental  
Assistance**



**Multiple  
housing  
entities?**



# Identify housing needs

1



# Decide critical elements upfront

- How do the board roles differ?
- How will the boards work together?
- What does each need from the other?
- How will you collaboratively fund your housing efforts?

# Clarify roles

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

3

HOUSING STRATEGIES	Priority for Implementation		# AH units	Lead
	Years 1-2	Years 3-5		
<b>CAPACITY BUILDING</b>				
Establish & capitalize MAHT	X			BOS/CPC
Secure professional support	X			BOS
Ongoing education	X			MAHT+
<b>ZONING</b>				
Pursue 40R/40S	X			PB/MAHT
Modify multi-family requirements		X		PB/MAHT
Modify accessory bylaw		X		PB/MAHT
<b>DEVELOPMENT</b>				
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



4

## Communicate

Consider  
joint board  
appointment

Report back  
regularly

Promote  
efforts

Use  
webpage  
and social  
media

# Peanut Butter & Jelly

5



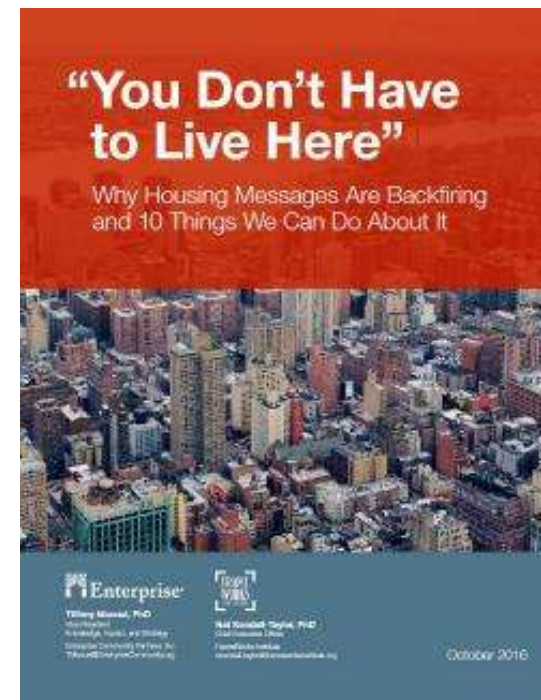
**Instead of competing with each other, compliment each other's efforts to increase the supply of affordable housing.**

Center your efforts on the goal of MORE housing.

# Work together to create a culture of support

6

- 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)



# Three Final Things

**1**

Consider the local infrastructure – needs and resources.

**2**

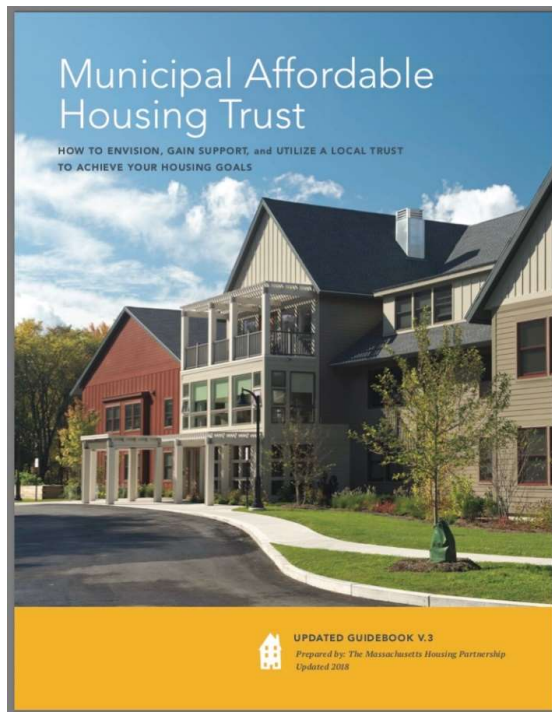
Develop goals that reflect identified needs.

**3**

Be real about your capacity.



# 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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