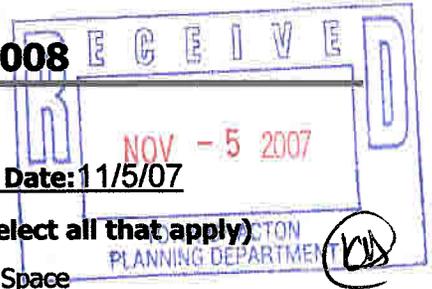


PROJECT APPLICATION FORM – 2008



Applicant: Acton Community Housing Corporation **Submission Date:** 11/5/07

Applicant's Address, Phone Number and Email

Purpose: (Please select all that apply)

Acton Community Housing Corporation
Nancy Tavernier, Chair
Acton Town Hall
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Acton MA 01720

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- Open Space
- Community Housing
- Historic Preservation
- Recreation

Town Committee (if applicable): Acton Community Housing Corporation (ACHC)

Project Name: Community Housing Program Fund

Project Location/Address: ACHC c/o Acton Town Hall

Amount Requested: \$100,000 to be added to existing Community Housing Program Fund

Project Summary: In the space below, provide a brief summary of the project.

ACHC is requesting \$ 100,000 to be added to the existing Community Housing Program Fund for "the acquisition, creation, preservation, and support of community housing in the Town of Acton."

The Program Fund is used to finance new affordable housing initiatives. This set-aside fund is retained by the ACHC and earmarked for appropriate affordable housing activities recommended by the ACHC or any other entity approved by the Board of Selectmen. Expenditures from this Fund must be approved by the Board of Selectmen under the ACHC powers established through Home Rule petition (Chapter 143 of the Acts of 1996, § 1)

The value of such a Housing Fund is in the broad definition for its use that allows the ACHC, or other affordable housing groups, to react to opportunities as they are identified and not to restrict it to specific projects or activities. Very often these specific uses are not known in advance of the normal CPA funding cycle which is six months in advance of the Town Meeting vote. The Program Fund would be used only for allowable CPA affordable housing purposes to provide a diversity of affordable housing opportunities for Acton residents, their adult children, and employees who work for and in the Town, as well as new residents from outside of Acton.

With this request, ACHC proposes to continue our Condo Buy-Down program begun in 2007. This Program applies to existing housing units or new construction units in non-40B developments in Acton. The sellers receive a payment at the time of closing to lower (buy-down) the selling price to a pre-determined affordable level so the unit could be sold to

income eligible households earning up to 80% of the Area Median Income. In exchange, a deed restriction will be placed on the property to keep the unit affordable into perpetuity and the unit would be added to the Town's Subsidized Housing Unit Count. ACHC is in the process of finding a buyer for the first condo unit and will use a subsidy of \$57,000 to create an affordable sales price of \$100,000. We will be seeking townhouse and duplex units in the future but they will require greater subsidies due to higher selling prices. ACHC is also proposing to partner with the Acton Housing Authority to buy existing condo units for their low income rental program. A combination of CPA, AHA, and housing gift funds would be used to fund these acquisitions. The current housing market offers an excellent opportunity to find these units at reduced prices. The additional funds combined with our current balance will allow the program to continue with these and other larger units that are more appropriate for families.

In addition, ACHC has an opportunity to partner with a local Foundation and a developer who are proposing to add multi-family units to a property in the Kelley's Corner area. The project would be 100% affordable and could include several one bedroom units for small households whose needs are currently unmet in the affordable housing area. As a result of doing the Ready Buyer List Lottery for the Condo Buydown program, ACHC has a list of eligible one-person households in need of affordable housing. Many are older, single women. This proposed development would be an ideal location for older residents, within walking distance of services and transportation.

ACHC remains interested in developing a Downpayment Assistance Program and will be exploring options used in other towns. In our experience with the Ready Buyer list, it appears one major obstacle to being ready to buy a home is the lack of funds for a 3-5% downpayment. ACHC also plans to continue sponsoring the snnusi First Time Homebuyer course and is developing ideas for Foreclosure Prevention and Credit Counseling programs with the use of these funds.

These programs are consistent with the Goals established by the Community Preservation Committee to address the housing needs of the community as detailed in the 2008 Community Preservation Plan.

The use of the Community Housing Program Fund for affordable housing opportunities is consistent with this Goal in the Acton Master Plan.

Goal: Encourage diversity in Acton's population by achieving a mix of homes that enhances Acton's town character and provides needed choices for our residents.

Objective: Preserve the character of Acton's established residential neighborhoods.

Objective: Promote a range of economic diversity in housing including low and moderate income housing.

Objective: Promote a range of choice in the types of homes to allow for residents' changing capacities and preferences.

Acton's Community Development Plan entitled "To Live in Acton" identifies five priority housing needs that could be addressed through the use of the Community Housing Program Fund. These are the priorities:

PRIORITY HOUSING NEEDS:

- #1 Low-Income Rental Units
- #2 Affordable Senior Apartments
- #3 Moderate-Income Homeownership
- #4 More Choices for Seniors
- #5 Below-Market Homeownership

Estimated Date for Commencement of Project: ongoing

Estimated Date for Completion of Project: ongoing