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**214 Central Street / 28 Willow Street**

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## PROJECT APPLICATION FORM

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**Applicant:** Nancy Tavernier, Chairman of ACHC **Submission Date:** 11/14/03

**Applicant's Address, Phone Number and Email Purpose:** (Please select all that apply)

Acton Community Housing Corporation (ACHC)	<input type="radio"/> Open Space
P.O. Box 681	<input checked="" type="radio"/> Community Housing
Acton, MA 01720	
(978) 263-9611, (978) 263-4776	<input type="radio"/> Historic Preservation
Achc@acton-ma.gov	<input type="radio"/> Recreation

**Town Committee (if applicable):** Acton Community Housing Corporation (ACHC) is a Selectmen appointed town board charged with developing affordable housing strategies and implementing affordable housing programs in the Town of Acton.

**Project Name:** 214 Central and 28 Willow Street

**Project Location/Address:** West Acton / 214 Central Street and 28 Willow Street

**Project Summary:** In the space below provide a brief summary of the project. Using additional sheets submit a complete narrative description of the project and, when applicable, of the property involved and its proposed use. Describe how the project will benefit the Town and the citizens of Acton and how the project is consistent with the Plan's "Guidelines for Submission" and "Review and Recommendation Criteria." Include a work plan showing the anticipated steps or phases for completion of the project and the timing and estimated cost of each phase.

The Acton Community Housing Corporation (ACHC) is seeking \$25,000 to hire a consultant who will prepare a feasibility study for the town-owned parcel of land located at 28 Willow Street and 214 Central Street. As the town's affordable housing committee, the ACHC would like expert assistance in determining its best route for creating three to four affordable housing units on the site. This study would examine all aspects of the project, including available neighborhood feedback, funding sources, design options/unit mix and financial viability.

**Narrative:**

The subject site consists of two adjoining parcels of land in a residential neighborhood in West Acton. 28 Willow Street is 8,091 square feet and contains an approximate 2,000 square foot office and garage building. 214 Central Street is 7,708 square feet. The two parcels combined are 15,799 square feet. These two parcels of land were taken by the Town of Acton for unpaid back taxes. It was the former site of a septic system installation and repair company, until approximately 1995. The Town of Acton has done significant

environmental remediation work. The site has been clean and has prepared it for residential re-use. The ACHC feels strongly that this is an ideal site for a small multi-family development. The lot is located in close proximity to the West Acton Village District and infill housing would be wholly consistent with the Town's emphasis on concentrating new development within the village cores. There are other multi-family properties nearby, a duplex abuts the parcel on one side, and a thoughtfully designed multi-unit project would blend in quite well. From the Town of Acton's perspective, the proposed development would get a piece of town-owned property back on the tax roles, eliminate an eyesore (the building currently on the site is boarded up and overgrown, a potential hazard) and create much needed affordable housing.

**Control of Site:** Indicate below whether the applicant owns or has a purchase agreement for the property. If the property is under agreement, indicate below or attach a description of the agreement, including timing and conditions. If the applicant does not have site control, please explain (use additional sheets as necessary).

**The Town of Acton has clear title to the property.**

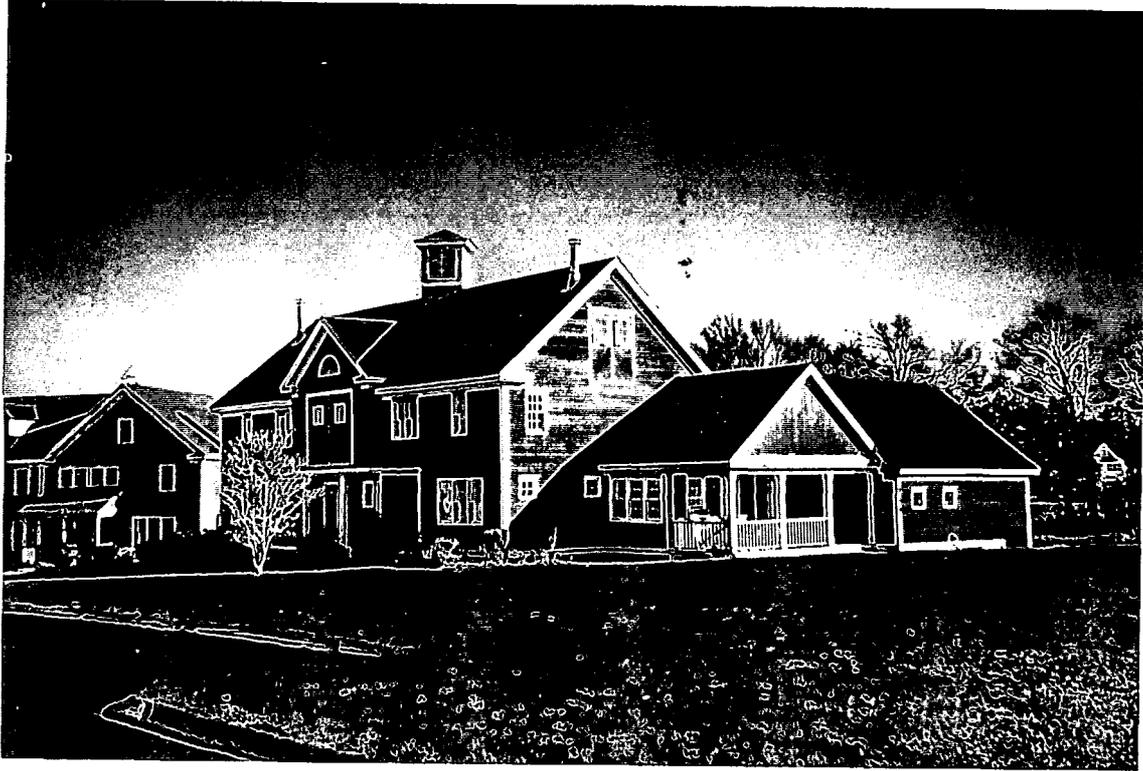
**Feasibility:** List below or attach all further action or steps that will be required for completion of the project, such as environmental assessment, zoning or other permits and approvals, agreement on terms of any required conservation, affordability or historic preservation restrictions, and any other known or potential barriers or impediments to project implementation.

**If the ACHC is awarded funds, we will immediately put out a Request for Proposals for consultant services to prepare a feasibility study with architectural conceptual designs. A 90-day timeline should be ample to receive and review bids, interview final candidates and select a contractor. In the past, the ACHC has issued RFPs to select a consultant to study the Towne School project as well as to choose the project's developer. We are familiar with a broad range of quasi-public agencies, non-profits and private consultants who would be interested in pursuing this contract.**

**ACHC would anticipate applying for additional CPA funds in the 2005 cycle for construction should a local contribution be determined necessary for its feasibility. There may be other development options that are identified as a result of the feasibility study such as seeking a private developer for the site in exchange for the construction of some number of affordable units.**

<b>Estimated Date for Commencement of Project:</b>	<b>90 days after funding</b>
<b>Estimated Date for Completion of Project:</b>	<b>180 days after funding</b>

# Pictures of Harvard Green in Harvard, MA



## Other Multifamily Properties in West Acton



## Other Multifamily Properties in West Acton



BCS  
ACTC



## INTERDEPARTMENTAL COMMUNICATION

Acton Board of Health - Telephone 978-264-9634 - Fax 978-264-9630

June 14, 2002

TO: John Murray, Assistant Town Manager

FROM: Doug Halley, Health Director

SUJECT: 28 Willow Street

O'Reilly, Talbot and Okun has completed a draft Phase II Report for 28 Willow Street, in accordance with the provisions of Chapter 21E of Massachusetts General Law. Town Counsel is currently reviewing the draft and the final version should be submitted to DEP within the next two weeks.

This report finalizes the actions the Town has taken under its Remediation Abatement Measure. As required under law a Method 3 risk characterization was performed after the remediation measures were implemented. That characterization concluded that a condition of "No Significant Risk" has been obtained. As such the remediation effort can be classified as a "Permanent Solution" and no other action is required.

Based on this I will request that Town Counsel draft a letter to the Selectmen verifying that the property may now be transferred. In regards to that transfer I have talked with Garry Rhodes regarding the building status of these two lots and he confirms that the lots cannot be separated. Under current zoning a single-family house can be built on these properties or an owner occupied four-apartment complex can be built.

LU-28	Allow for variations from the maximum or minimum dimensions (frontage, width, depth, height, etc.) by special permit rather than by variance.	Planning Board	
Action LU-29	Consider creating landscape and site design standards that are flexible enough to meet the needs of a specific site but are still consistent with the Town's goals.	Selectmen	

**Strategies for Preserving Neighborhood Character**

Strategy H1	Monitor strategies that other communities are implementing to address the issue of "tear-downs" and "mansionization" in healthy neighborhoods.	Planning Board	
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**Strategies for Promoting Affordable Housing**

Strategy H2	Seek opportunities to acquire buildable Town-owned properties that might be suitable for donations towards the development of affordable housing.	ACHC	
Strategy H3	Require some percentage of units accessible to persons with disabilities in affordable housing developments.	Disability Commission	
Strategy H4	Direct the focus of affordable housing initiatives to provide housing for the elderly, young families, and low and moderate income residents in our community.	ACHC	
Strategy H5	Continue to seek federal and state moneys for housing rehabilitation for lower income home owners and tenants.	ACHC	
Strategy H6	Examine how the Town's current efforts and strategies might be refined, and how additional ways might be adopted, to be more effective in achieving a diversity of housing types with a range of affordability, including but not limited to: <ul style="list-style-type: none"> <li>investigating the feasibility of a tax abatement program for owner-occupants who rent to eligible low and moderate income elderly;</li> </ul>	ACHC	

	<ul style="list-style-type: none"> <li>• encouraging more affordable housing in, or in connection with, new residential developments through duplexes, through lot coverage limitations, by allowing smaller lots in the context of average density zoning, and by encouraging off-site affordable units;</li> <li>• revising the condo conversion law to give the option for limited equity cooperatives and to establish linkage requirements (e.g., units to housing authority, construction of comparable rental housing stock, cash payments to housing trust fund);</li> <li>• developing deed restricted moderate income home ownership opportunities;</li> <li>• establishing a community land trust and/or housing trust fund to provide housing that is not subject to the speculative market forces;</li> <li>• investigating the impact of tax rates on housing affordability in Acton and incorporating this issue in programs to provide affordable housing;</li> <li>• evaluating the potential for-and fiscal implications of-increased incentives for more affordable housing for seniors and for families.</li> </ul>		
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**Actions for Promoting Affordable Housing**

Action H-1	Investigate costs and benefits of establishing a Town Social Services Dept.	Selectmen	
Action H-2	Update the 1989 Affordable Housing Study. Include in the study broad-based community discussion of how maintaining affordability will contribute to Acton's quality of life. Concentrate on identifying and adopting satisfactory and effective strategies for gaining affordable homes from both the development of open land and infill within existing neighborhoods.	ACHC	
Action H-3	Consider increasing the permitted FAR in village districts for mixed use developments that include guaranteed affordable units.	Planning Board	
Action H-4	Simplify the formulas and processes in the Affordable Housing Overlay District so that density bonuses can be easily determined and attained, and provide options for satisfying the affordable housing requirements with off-site housing units.	Planning Board	

H-5	Consider adopting a zoning provision that requires the inclusion of affordable units in new developments.	Planning Board	
Action H-6	Create a set-aside fund for rehabilitation of current Housing Authority units, and low interest home improvement loans for seniors and other populations of concern.	ACHC	
Action H-7	Search out parcels with problematic titles that the Town could clear through eminent domain and turn over to ACHC for use in developing affordable homes. Explore with owners who can be identified the potential options for satisfactory resolution.	ACHC	
Action H-8	Examine the costs and benefits of a Real Estate Transfer Tax, and consider how such a tool might assist Acton in achieving objectives relating to both affordable housing and conservation of natural resource areas.	Finance	
Action H-9	Remove the Affordable Housing Overlay District from areas zoned industrial or business. Develop alternative mechanisms to offset any resulting loss of affordable housing potential.	Planning Board	

### Strategies for Promoting Appropriate Business Development

Strategy ED 1	Actively promote and support commercial and industrial development	Selectmen (EDC)	
Strategy ED 2	Encourage the continued growth and development of entrepreneurial high technology companies	Selectmen (EDC)	
Strategy ED 3	Amend Zoning Bylaw	Planning Board	
Strategy ED 4	Rezone to increase commercial and industrial development potential	Planning Board	
Strategy ED 5	Incentives for additional development	Selectmen (EDC)	
Strategy ED 6	Infrastructure Improvements	Selectmen	
Strategy ED 7	Improve Permit Process	Selectmen	
Strategy ED 8	Develop a Marketing Plan	Selectmen (EDC)	
Strategy ED 9	Database of businesses and available commercial and industrial land	Selectmen (EDC)	
Strategy ED 10	Develop a Taxation Strategy	Selectmen (Finance)	

### Actions for Promoting Appropriate Business Development

Action ED 1	Encourage commercial development to create a sustainable balance of land uses.	Selectmen (EDC)	
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**Acton Community Housing Corporation**

**Nancy Tavernier, Chairman**

**TOWN OF ACTON**

P.O. Box 681

Acton, Massachusetts, 01720

Telephone (978) 263-4776

Fax (978) 266-1408

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TO: Don Johnson, John Murray  
FROM: ACHC  
SUBJECT: Setting up Community Housing Fund  
DATE: 5/22/04  
Cc: CPC

As a result of the successful Town Meeting action approving all CPC spending items, the ACHC would like to begin the process to establish the Community Housing Fund with an initial deposit of CPA funds in the amount of \$25,000. It is the intention of the ACHC to merge into this Community Housing Fund, the balance of the New View gift fund, all future gift funds to the Town for the purpose of affordable housing, new CPA funds, and other earmarked funds such as excess profits from Chapter 40B developers. This would be a Town account.

We would expect that any expenditure of funds from this account would be first recommended by the ACHC, reviewed by the CPC, and authorization to spend would be granted from the Board of Selectmen.

We are not proposing this as a Trust Fund but would hope it could be set up as an interest bearing account.

This request is to start the wheels in motion as soon as possible.



TOWN OF ACTON  
472 Main Street  
Acton, Massachusetts, 01720  
Telephone (978) 264-9636  
Fax (978) 264-9630  
[cpc@acton-ma.gov](mailto:cpc@acton-ma.gov)

## Community Preservation Committee

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July 13, 2004

Ms. Nancy Tavernier  
Acton Community Housing Corporation  
PO Box 682  
Acton, MA 01721

RE: Community Housing Fund, Amount: \$25,000 and 214 Central & 28 Willow Streets Feasibility Study, Amount \$25,000

Dear Ms. Tavernier,

Congratulations on being a recipient of Community Preservation funds for the Spring 2004 cycle. The Community Preservation Committee greatly appreciates your effort and cooperation during this inaugural year of allocating CP funds. The overwhelming support for the full CP article at the recent Town Meeting speaks to the citizens' trust that each project is worthwhile and will be well executed.

As we move forward, the Committee wishes to clarify some important points:

- All CPA funds are administered and disbursed by the Town of Acton. Spending of CPA funds must abide by all applicable State and municipal requirements, including the State procurement law, which requires special procedures for any expenses over \$5,000.00. John Murray, Town Treasurer, will answer any questions regarding these processes. He can be reached at (978) 264-9617. If you know of a Town staff person who is assigned to your project, please handle all questions through her or him.
- Good publicity for your project is very important. It is exciting for Acton citizens to know where their CPA funds are being spent. It is also essential that the CPA remains strong at the State level. Therefore, the Committee encourages the following:

Please make every effort to credit the source of this funding in promotional materials with, **"This project has been generously supported by the citizens of Acton through an appropriation from the Town of Acton Community Preservation Fund."**

If possible, submit a letter to the Beacon detailing how the funds have impacted your project.

While the Town Manager's office is responsible for the oversight of this project, the CP Committee would appreciate periodic updates concerning its progress. Please contact the Committee with any questions via email at [cpc@acton-ma.gov](mailto:cpc@acton-ma.gov) or by calling the Planning Department at (978) 264-9636. Thank you for working in partnership with the CPC to make a significant and lasting difference in our town.

Sincerely,

Peter J. Berry  
Chair, Community Preservation Committee



August 25, 2004

Stephen D. Anderson, Esq.  
Anderson & Kreiger LLP  
43 Thorndike Street  
Cambridge MA 02141-1764

Re: Community Preservation Act – Housing Authority Acquisition of Affordable Housing  
Our File No. 2004-308

Dear Mr. Anderson:

You asked whether the Town of Acton may appropriate community preservation funds to assist the Acton Housing Authority acquire condominiums that will be subject to affordable housing restrictions. The town plans to provide \$200,000 of the necessary funds, with \$300,000 being obtained from other sources. The housing authority will own and maintain these units and rent them to income eligible persons.

We believe a municipality may appropriate community preservation fund monies to assist a local housing authority acquire property for affordable housing purposes. As your analysis indicated, however, the issue presented is a difficult one given certain language in the Community Preservation Act (CPA). The CPA establishes a special community preservation fund with dedicated revenues for the purpose of giving cities and towns additional financial resources to support the preservation and expansion of open space, historic structures and landscapes, recreational land and affordable housing. With respect to affordable housing, the CPA provides that monies in the community preservation fund may be used "for the *creation, preservation and support* of community housing ... and for the *rehabilitation or restoration* of such ... community housing ... *that is ... created*" under the act, with preference to be given wherever possible to "the adaptive reuse of existing buildings or construction of new buildings on previously developed sites." (Emphasis added). G.L. Ch. 44B §5(b)(2). It does not provide that fund monies may be used for the "acquisition" of affordable housing, but elsewhere in the same section, acquisition is a purpose for which fund monies may be used with respect to the other community preservation assets.

We agree that it is difficult to reconcile the omission of "acquisition" from the list of affordable housing purposes for which CPA monies may be spent with the overall purpose of the act and more specifically, the means by which a municipality expands its supply of affordable housing, *i.e.*, by acquiring affordable housing restrictions on privately owned housing units or having its housing authority acquire and operate publicly owned units. Even though both means involve acquiring property interests, we doubt the legislature intended to preclude communities from using fund monies for these purposes. Therefore, we have come to conclude in the context of allowable spending purposes, "acquisition" of an asset may have been intended to refer to municipal ownership of the fee or other possessory interest tantamount to outright ownership. We think this interpretation allows communities to undertake the range of activities contemplated by the legislature, although we recognize it is somewhat problematic.

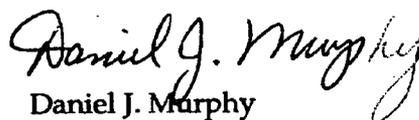
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Under that view, municipalities could still use fund monies to restrict the future use of a property, but it would be considered "creation" of the community preservation asset, which is included in the list of allowable purposes for all categories of such assets. Creation is not defined in the act, but its ordinary and generally understood meaning is bringing into being, causing to exist or production. American Heritage Dictionary 338 (2<sup>nd</sup> New College Edition 1985); Black's Law Dictionary 440 (4<sup>th</sup> ed. 1968). Creation could include a number of activities, such as new construction, conversion from one use to another, or restriction of future use, that effectively "cause" property to become a community preservation asset. We think such restrictions are acquired under the act for purposes of G.L. c. 44B §12(b), which means the municipality must own them.

A municipality could also use CPA monies to assist a housing authority increase its affordable housing stock under this view. We think it is significant that the legislature used the term "support" in the list of affordable housing purposes for which CPA monies may be spent. That term does not appear in connection with the allowable spending purposes for open space, historic resources or recreational land, nor is it defined. A housing authority is a separate body politic and corporate organized for the purpose of owning and operating the public affordable housing stock within a municipality and as you note, the municipality is authorized to provide its authority with a broad range of financial and other assistance. G.L. c. 121B §§19 and 20. "Support" in the context of municipal expenditures ordinarily means to provide funds for a particular activity, including operating expenses. See, for example, G.L. c. 71 §34 regarding the annual appropriation "for the support of public schools." We think that definition certainly describes the nature of the financial assistance a municipality is authorized to provide to its housing authority and therefore, we have taken the position that CPA funds may be used for that purpose. Informational Guideline Release 00-209, Section III-A-6-b. Funds appropriated by the municipality for that purpose are essentially a grant to the authority. In such cases, the municipality is simply providing financing and does not have to own the property. The property is being purchased using CPA monies, however, and therefore, we think it must be bound by an affordable housing restriction. G.L. c. 44B §12(a). If the authority sells the property at a later time, this will ensure the property will continue to be part of the community's affordable housing stock.

If you have any further questions, please do not hesitate to contact me again.

Very truly yours,

  
Daniel J. Murphy  
Chief, Property Tax Bureau

DJM:KC

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**Betty McManus**

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**From:** "Tavernier" <ntavern@comcast.net>  
**To:** <cpc@acton-ma.gov>  
**Sent:** Friday, September 03, 2004 12:50 PM  
**Subject:** ACHC report on CPA activities

CPC Members,

This is a report from ACHC in regard to the two CPA appropriations that were granted at the April Town Meeting.

Appropriation #1 Willow/Central feasibility study \$25,000

See ACHC memo of 9/3/04 that explains why ACHC has not spent any of this appropriation and does not plan to for its stated purpose

Appropriate #2 Community Housing Fund \$25,000

With this proposal, ACHC requested to have an endowed Housing Fund established at Town Hall into which the CPA funds and other potential revenues (gifts, excess profits, grants etc.) for the specific purpose of affordable housing activities could be held. Unfortunately, this has not happened and according to John Murray, there is no mechanism to create such a fund unless a Housing Trust Fund is set up. That would take a separate town meeting vote and is quite complicated. The other option open to ACHC due to its special powers under the Home Rule petition that established them as a town board, is to put the housing CPA funds into a separate bank account under the control of the ACHC. At this time, we have not pursued that option. The way the use of this appropriation has been left with the Town Administration is the understanding that when we identify a use for the funds, the Town will provide the funds. If the appropriation is not used by the end of the funding period, the funds will flow back to the Town's CPA Fund.

To date the ACHC has voted to use these funds in the following manner:

1. \$15,000 (approximately) the value of one sewer betterment to be applied to the two affordable units proposed for Fort Pond Brook Place to be filed as a 40B with the ZBA shortly. This will result in approximately \$7500 being applied to each of the affordable selling prices thereby reducing the sales price from a proposed \$187,000 to \$179,500. In effect the Town will pay itself from the CPA fund, placing the \$15,000 into the Sewer Enterprise Fund. This transfer will take place some time after Nov. 2004.
2. \$5000. This amount will be deposited into the sewer betterment account for an affordable unit located in the Dunham Park development off High St. In 2001, an existing ranch house was retained as part of a new development to be sold to an eligible affordable family. Through the use of this offsetting amount, the price of the home is going to be held to \$150,000 which will be affordable to a household with an income at 60% of the AMI. This transfer will take place after the sale of the home is completed, sometime in November.
3. \$5000-10,000 to complete the Housing Plan. One of the most important recommendations in the Comprehensive Permits section of the new Community Development Housing Plan is: "The Board of Selectmen and Planning Board should jointly adopt a comprehensive permit policy..." The report lists a number of suggestions about what this joint statement could say. ACHC is very interested in this

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suggestion.

Because ACHC believes that Judi Barrett would be an effective facilitator for this activity and would “get it done”, we have voted to recommend the use of the CPA Housing Fund to extend the contract for COG, Inc to allow for the speedy completion of this task. We do not know how much it would cost to do this work but do not think it would exceed \$10,000.

We look forward to developing proposals for the new funding round and will hope to have the above funds actually expended by the proposal deadline.

Thank you.

Nancy Tavernier

## **Acton Community Housing Corporation**

**Nancy Tavernier, Chairman**

**TOWN OF ACTON**

**P.O. Box 681**

**Acton, Massachusetts, 01720**

**Telephone (978) 263-4776**

**Fax (978) 266-1408**

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**TO:** Community Preservation Committee, Board of Selectmen  
**FROM:** ACHC  
**SUBJECT:** Use of CPA funds for sewer costs  
**DATE:** September 23, 2004

ACHC has voted to apply funds from the Community Housing Fund to two separate developments with deed restricted affordable housing units. These funds will either reduce the selling price dollar for dollar in one case or make the long-term affordability more feasible in the other.

In an effort to keep both boards informed of our proposed uses for these funds, we submit the decisions made by ACHC. Since it has yet to be determined whether or not approval is needed from either or both of your boards, ACHC will proceed with the assumption that it does not, but that keeping you informed is important. We trust you will let us know if you view this otherwise.

### **ACHC decisions:**

1. Dunham Park. \$5000 in CPA funds from the Community Housing Fund will be deposited into the sewer betterment account for the buyer of the affordable home at 4 Dunham Lane. These funds will be deposited into the Sewer Enterprise Fund and will be applied to that household's account to offset the total betterment bill for this unit. Because this unit already exists in the sewer district, the developer has been paying quarterly betterment payments for it. This use of CPA funds will mitigate the long-term affordability of the annual cost of home ownership for a family earning a maximum of \$49,620 by lowering the quarterly bill for the betterment.

2. Fort Pond Brook Place. \$15,000 in CPA funds from the Community Housing Fund will be used to reduce the selling prices of the two proposed affordable housing units recently filed with the ZBA at 68 River St. This is a LIP project that received local approval from both the Board of the Selectmen and the ACHC. It will now proceed with the approval process of a Ch. 40B under the control of the ZBA. The intent of this contribution from the CPA is to partially fund the sewer capital cost for the two affordable units, at \$7500 per unit. This \$7500 will reduce the proposed selling price for the affordable units from \$187,000 to \$179,500 thereby allowing a household to be eligible at less than 80% of the AMI. The CPA funds will be deposited into the Sewer Enterprise Fund at the appropriate time in the course of the development.

Thank you.

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**Betty McManus**

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**From:** "Tavernier" <ntavern@comcast.net>  
**To:** <cpc@acton-ma.gov>  
**Cc:** <bos@acton-ma.gov>  
**Sent:** Friday, September 03, 2004 11:51 AM  
**Attach:** Willow-Central CPA request to revote.doc  
**Subject:** ACHC request for change in appropriation

CPC Members,

Attached and copied below is a request from ACHC for a re-vote of the Willow/Central CPA appropriation of \$25,000. I would request that this be put on the CPC agenda for Sept. 9. I will be out of town for this meeting but Betty McManus will be in attendance.

Thank you for your consideration. I will be leaving town on Sept. 7 should anyone have questions before then.

Thank you.

Nancy

TO: Community Preservation Committee  
 FROM: ACHC  
 SUBJECT: Request to change use of CPA funds for Willow/Central feasibility study  
 DATE: September 3, 2004  
 Cc: Board of Selectmen

The ACHC has voted to request a re-vote of the April 2004 Town Meeting CPA appropriation of \$25,000 intended to finance a consultant to do a feasibility study for the Willow/Central town-owned parcel proposed to be developed for affordable housing. This vote needs to be recommended by the CPC to the BOS and then to a subsequent Town Meeting. Since the Selectmen are planning a Special Town Meeting in October and will be closing the warrant for that meeting at their September 13 meeting, the timing is critical. We would ask the CPC to vote to recommend this change at your September 9 meeting.

This was the description in the Town Warrant of the appropriation referenced above:

*The requested appropriation will enable the Acton Community Housing Corporation (ACHC) to hire a professional consultant to study the feasibility of creating three or more affordable housing units on one property located at 214 Central Street and 28 Willow Street.....The study will examine all aspects of the potential project, including neighborhood feedback, funding sources, design options, unit mix, and financial viability.*

This is a Good News story. In July, the ACHC applied to the DHCD for funding for this identical activity from a new state grant program called Priority Development Fund. This new program was announced in early June, just a few months after the Town Meeting vote. The program seemed to be tailor made to this project as it stressed "smart growth", cleaning up of Brownfield sites, redeveloping property rather than creating sprawl, and town owned land.

Initially the DHCD was hesitant to approve our request since we obviously had an alternative funding

We seek to have the Willow/Central CPA appropriation moved into the Community Housing Fund. While this actual Fund has not been set up due to rulings from Town Hall about the lack of statutory authority to set up such a fund, we would ask that this \$25,000 be designated in the same manner the housing fund was voted in April.

This is the wording from the Town Meeting warrant that we would like to use for the re-voted \$25,000:

*The Community Housing Fund would be used by the Acton Community Housing Corporation (ACHC), or any other entity that the Board of Selectmen may determine, in support of community housing for purposes allowed under the Community Preservation Act, including but not limited to acquisitions, rehabilitations, and conversions of existing housing stock, new development, refinancing or repurchase of existing affordability restrictions about to expire, purchase of new affordable housing deed restrictions, accessibility modifications of affordable units for persons with disabilities, and assistance to low- and moderate-income buyers with mortgage costs, down payments or closing costs. The Community Housing Fund would be established as a special fund of the Town of Acton under the control of the Board of Selectmen.*

Nancy Tavernier, associate member of the CPC, will be out of town for the Sept. 9 CPC meeting and the Sept. 13 BOS meeting so we would request that Walter Foster be the point person for this request. It is our hope that the warrant article could be put on Consent for the Special Town Meeting as it is really just a housekeeping article in our opinion. Betty McManus will be in attendance at the CPC meeting should you have questions.

Our motivation to get this change implemented is to allow the \$25,000 to be accessible for other affordable housing uses in 2004-5 rather than being locked into a use that will not take place. It is our understanding that any unspent CPA appropriations will revert to the CPA fund at the end of the funding period. We do not want that to happen with this appropriation. We have already earmarked the Community Housing Fund for \$25,000 of proposed spending. This infusion would allow us to not only consider other affordable housing uses but also use it for Willow/Central activities that may arise in the interim.

Thank you for your attention.



Planning Department

**TOWN OF ACTON**  
472 Main Street  
Acton, Massachusetts 01720  
Telephone (978) 264-9636  
Fax (978) 264-9630  
planning@acton-ma.gov

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**MEMORANDUM**

**To:** CPC **Date:** September 23, 2004  
**From:** Roland Bartl, AICP, Town Planner *RB.*  
**Subject:** Reallocation of Funds – STM Article

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For the discussion tonight on the above subject, I have been advised by the town Manager's office that the Board of Selectmen have already taken votes on the articles and closed the warrant.

Time to make changes is extremely tight in light of legal publishing requirements and deadlines with the printer. They will do their best, but wanted me to flag you that changes may have to be made as floor amendments at the Town Meeting.

Attached is related material for your perusal.

Draft 9/14/04

ARTICLE \_\_  
(Majority vote)

## REALLOCATION OF COMMUNITY PRESERVATION FUNDS

To see if the Town will vote to reallocate \$25,000 from the 2004 Annual Town Meeting Community Preservation Fund appropriations from item J. of Warrant Article 18, 214 Central and 28 Willow Street Feasibility Study, to the ACHC's ~~214 Central and 28 Willow Street Affordable~~ *Community* Housing Fund, or take any other action relative thereto.

### SUMMARY

This article reallocates Community Preservation Funds from one community housing purpose, the 214 Central and 28 Willow Street Feasibility Study, to another community housing purpose, the Community Housing Fund. The 2004 Annual Town Meeting had also appropriated \$25,000 to the Community Housing Fund (item K. of Article 18). This appropriation brings the total Community Housing Fund appropriation to date to \$50,000.

The Community Housing Fund would be established as a special fund of the Town of Acton under the control of the Board of Selectmen. The Community Housing Fund would be used by the Acton Community Housing Corporation (ACHC), or any other entity that the Board of Selectmen may determine, in support of community housing for purposes allowed under the Community Preservation Act, including but not limited to acquisitions, rehabilitations, and conversions of existing housing stock, new development, refinancing or repurchase of existing affordability restrictions about to expire, purchase of new affordable housing deed restrictions, accessibility modifications of affordable units for persons with disabilities, and assistance to low- and moderate-income buyers with mortgage costs, down payments or closing costs.

Since the Annual Town Meeting appropriation, the Acton Community Housing Corporation (ACHC) obtained a State grant of \$25,000 to conduct the 214 Central and 28 Willow Street Feasibility Study. ~~The reallocated funds would be used at the 214 Central and 28 Willow Street project.~~

Direct inquiries to: Roland Bartl, Town Planner – (978) 264-9636  
Selectman assigned: \_\_\_\_\_ – E-mail: bos@acton-ma.gov

**Board of Selectmen:**  
**Finance Committee:**

## Roland Bartl

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**From:** Nancy Tavernier  
**Sent:** Thursday, September 23, 2004 11:43 AM  
**To:** Community Preservation Committee; Board of Selectmen  
**Cc:** Acton Community Housing Corporation  
**Subject:** Use of CPA funds by ACHC



CPA funds to sewer  
betterments...

Attached please find information on ACHC votes to use Community Housing Fund on deed restricted affordable units.

If you have any questions, please let me know.

Nancy Tavernier, Chair  
ACHC

**Acton Community Housing Corporation**  
**Nancy Tavernier, Chairman**  
**TOWN OF ACTON**  
P.O. Box 681  
Acton, Massachusetts, 01720  
Telephone (978) 263-4776  
Fax (978) 266-1408

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TO: Community Preservation Committee, Board of Selectmen  
FROM: ACHC  
SUBJECT: Use of CPA funds for sewer costs  
DATE: September 23, 2004

ACHC has voted to apply funds from the Community Housing Fund to two separate developments with deed restricted affordable housing units. These funds will either reduce the selling price dollar for dollar in one case or make the long-term affordability more feasible in the other.

In an effort to keep both boards informed of our proposed uses for these funds, we submit the decisions made by ACHC. Since it has yet to be determined whether or not approval is needed from either or both of your boards, ACHC will proceed with the assumption that it does not, but that keeping you informed is important. We trust you will let us know if you view this otherwise.

ACHC decisions:

1. Dunham Park. \$5000 in CPA funds from the Community Housing Fund will be deposited into the sewer betterment account for the buyer of the affordable home at 4 Dunham Lane. These funds will be deposited into the Sewer Enterprise Fund and will be applied to that household's account to offset the total betterment bill for this unit. Because this unit already exists in the sewer district, the developer has been paying quarterly betterment payments for it. This use of CPA funds will mitigate the long-term affordability of the annual cost of home ownership for a family earning a maximum of \$49,620 by lowering the quarterly bill for the betterment.
2. Fort Pond Brook Place. \$15,000 in CPA funds from the Community Housing Fund will be used to reduce the selling prices of the two proposed affordable housing units recently filed with the ZBA at 68 River St. This is a LIP project that received local approval from both the Board of the Selectmen and the ACHC. It will now proceed with the approval process of a Ch. 40B under the control of the ZBA. The intent of this contribution from the CPA is to partially fund the sewer capital cost for the two affordable units, at \$7500 per unit. This \$7500 will reduce the proposed selling price for the affordable units from \$187,000 to \$179,500 thereby allowing a household to be eligible at less than 80% of the AMI. The CPA funds will be deposited into the Sewer Enterprise Fund at the appropriate time in the course of the development.

Thank you.

**Acton Community Housing Corporation**  
**Nancy Tavernier, Chairman**  
**TOWN OF ACTON**  
P.O. Box 681  
Acton, Massachusetts, 01720  
Telephone (978) 263-4776  
Fax (978) 266-1408

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TO: Community Preservation Committee  
FROM: ACHC  
SUBJECT: Request to change use of CPA funds for Willow/Central feasibility study  
DATE: September 3, 2004  
Cc: Board of Selectmen

The ACHC has voted to request a re-vote of the April 2004 Town Meeting CPA appropriation of \$25,000 intended to finance a consultant to do a feasibility study for the Willow/Central town-owned parcel proposed to be developed for affordable housing. This vote needs to be recommended by the CPC to the BOS and then to a subsequent Town Meeting. Since the Selectmen are planning a Special Town Meeting in October and will be closing the warrant for that meeting at their September 13 meeting, the timing is critical. We would ask the CPC to vote to recommend this change at your September 9 meeting.

This was the description in the Town Warrant of the appropriation referenced above:  
*The requested appropriation will enable the Acton Community Housing Corporation (ACHC) to hire a professional consultant to study the feasibility of creating three or more affordable housing units on one property located at 214 Central Street and 28 Willow Street.....The study will examine all aspects of the potential project, including neighborhood feedback, funding sources, design options, unit mix, and financial viability.*

This is a Good News story. In July, the ACHC applied to the DHCD for funding for this identical activity from a new state grant program called Priority Development Fund. This new program was announced in early June, just a few months after the Town Meeting vote. The program seemed to be tailor made to this project as it stressed "smart growth", cleaning up of Brownfield sites, redeveloping property rather than creating sprawl, and town owned land.

Initially the DHCD was hesitant to approve our request since we obviously had an alternative funding source for the work (CPA \$) but ACHC persisted with the request explaining that the CPA funds could very well be used in another capacity for the same project to help offset the cost. It is the first time ACHC itself has received state funds for affordable housing. On August 25, we were notified of the award of up to \$25,000 to do the necessary work on Willow/Central to determine what kind of housing development would be feasible. This is a definite feather in our cap and the DHCD has become VERY interested in this project and is even suggesting there may be other funding sources to aid in the development costs.

We seek to have the Willow/Central CPA appropriation moved into the Community Housing Fund. While this actual Fund has not been set up due to rulings from Town Hall about the lack of statutory authority to set up such a fund, we would ask that this \$25,000 be designated in the same manner the housing fund was voted in April.

This is the wording from the Town Meeting warrant that we would like to use for the re-voted \$25,000:

*The Community Housing Fund would be used by the Acton Community Housing Corporation (ACHC), or any other entity that the Board of Selectmen may determine, in support of community housing for purposes allowed under the Community Preservation Act, including but not limited to acquisitions, rehabilitations, and conversions of existing housing stock, new development, refinancing or repurchase of existing affordability restrictions about to expire, purchase of new affordable housing deed restrictions, accessibility modifications of affordable units for persons with disabilities, and assistance to low- and moderate-income buyers with mortgage costs, down payments or closing costs. The Community Housing Fund would be established as a special fund of the Town of Acton under the control of the Board of Selectmen.*

Nancy Tavernier, associate member of the CPC, will be out of town for the Sept. 9 CPC meeting and the Sept. 13 BOS meeting so we would request that Walter Foster be the point person for this request. It is our hope that the warrant article could be put on Consent for the Special Town Meeting as it is really just a housekeeping article in our opinion. Betty McManus will be in attendance at the CPC meeting should you have questions.

Our motivation to get this change implemented is to allow the \$25,000 to be accessible for other affordable housing uses in 2004-5 rather than being locked into a use that will not take place. It is our understanding that any unspent CPA appropriations will revert to the CPA fund at the end of the funding period. We do not want that to happen with this appropriation. We have already earmarked the Community Housing Fund for \$25,000 of proposed spending. This infusion would allow us to not only consider other affordable housing uses but also use it for Willow/Central activities that may arise in the interim.

Thank you for your attention.

**Roland Bartl**

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**From:** Nancy Tavernier  
**Sent:** Friday, September 03, 2004 12:51 PM  
**To:** Community Preservation Committee  
**Subject:** ACHC report on CPA activities

CPC Members,

This is a report from ACHC in regard to the two CPA appropriations that were granted at the April Town Meeting.

Appropriation #1 Willow/Central feasibility study \$25,000

See ACHC memo of 9/3/04 that explains why ACHC has not spent any of this appropriation and does not plan to for its stated purpose

Appropriate #2 Community Housing Fund \$25,000

With this proposal, ACHC requested to have an endowed Housing Fund established at Town Hall into which the CPA funds and other potential revenues (gifts, excess profits, grants etc.) for the specific purpose of affordable housing activities could be held. Unfortunately, this has not happened and according to John Murray, there is no mechanism to create such a fund unless a Housing Trust Fund is set up. That would take a separate town meeting vote and is quite complicated. The other option open to ACHC due to its special powers under the Home Rule petition that established them as a town board, is to put the housing CPA funds into a separate bank account under the control of the ACHC. At this time, we have not pursued that option. The way the use of this appropriation has been left with the Town Administration is the understanding that when we identify a use for the funds, the Town will provide the funds. If the appropriation is not used by the end of the funding period, the funds will flow back to the Town's CPA Fund.

To date the ACHC has voted to use these funds in the following manner:

1. \$15,000 (approximately) the value of one sewer betterment to be applied to the two affordable units proposed for Fort Pond Brook Place to be filed as a 40B with the ZBA shortly. This will result in approximately \$7500 being applied to each of the affordable selling prices thereby reducing the sales price from a proposed \$187,000 to \$179,500. In effect the Town will pay itself from the CPA fund, placing the \$15,000 into the Sewer Enterprise Fund. This transfer will take place some time after Nov. 2004.
2. \$5000. This amount will be deposited into the sewer betterment account for an affordable unit located in the Dunham Park development off High St. In 2001, an existing ranch house was retained as part of a new development to be sold to an eligible affordable family. Through the use of this offsetting amount, the price of the home is going to be held to \$150,000 which will be affordable to a household with an income at 60% of the AMI. This transfer will take place after the sale of the home is completed, sometime in November.
3. \$5000-10,000 to complete the Housing Plan. One of the most important recommendations in the Comprehensive Permits section of the new Community Development Housing Plan is: "The Board of

9/23/2004

Selectmen and Planning Board should jointly adopt a comprehensive permit policy...” The report lists a number of suggestions about what this joint statement could say. ACHC is very interested in this suggestion.

Because ACHC believes that Judi Barrett would be an effective facilitator for this activity and would “get it done”, we have voted to recommend the use of the CPA Housing Fund to extend the contract for COG, Inc to allow for the speedy completion of this task. We do not know how much it would cost to do this work but do not think it would exceed \$10,000.

We look forward to developing proposals for the new funding round and will hope to have the above funds actually expended by the proposal deadline.

Thank you.

Nancy Tavernier

## PROJECT APPLICATION FORM

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**Applicant:** Nancy Tavernier, Chairman of ACHC      **Submission Date:** 11/14/03

**Applicant's Address, Phone Number and Email**      **Purpose: (Please select all that apply)**

**Acton Community Housing  
Corporation (ACHC)**

**P.O. Box 681**

**Acton, MA 01720**

**(978) 263-9611, (978) 263-4776**

**Achc@acton-ma.gov**

Open Space

**Community Housing**

Historic Preservation

Recreation

**Town Committee:** Acton Community Housing Corporation (ACHC)

**Project Name:** Community Housing Fund

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

**Project Summary:** In the space below provide a brief summary of the project. Using additional sheets submit a complete narrative description of the project and, when applicable, of the property involved and its proposed use. Describe how the project will benefit the Town and the citizens of Acton and how the project is consistent with the Plan's "Guidelines for Submission" and "Review and Recommendation Criteria." Include a work plan showing the anticipated steps or phases for completion of the project and the timing and estimated cost of each phase.

**ACHC is requesting \$75,000 for a Community Housing Fund for "the creation, preservation, and support of community housing in the Town of Acton."**

**Our proposal is to create an "endowed reserve fund" to which funds from the CPA, private donations and gifts, excess profit from Chapter 40B developments, foundations, federal, state, and local funds could be deposited. Recommendations for expenditures from this Fund would come from the ACHC to the Board of Selectmen who have the sole authority to allow expenditures from a Town Gift fund. The Fund would be used only for allowable affordable housing purposes. These could include but not be limited to any of these uses allowed by the CPA statute:**

### **Creation**

- **Convert existing non-residential properties to community housing**
- **Create in-law apartments and other ancillary housing**
- **Acquire real property (land and/or buildings) for new housing development, both rental and homeownership**
- **Grant or loan funds for the creation of community housing to non-profit or for-profit parties (provided that the funds are not used by the private party to acquire a real estate interest and that the municipality**

**establishes sufficient safeguards to ensure that the funds are used primarily for the creation of community housing and that any benefit to the private entity is merely incidental). It is anticipated that many local CPA housing initiatives will utilize private non-profit or for-profit intermediaries for the creation of community housing**

- **Restore "brown fields" sites for housing or other mitigation of contaminated sites in preparation for housing development**

### **Preservation**

- **Refinance "expiring use" affordable properties which are at risk of going market rate**
- **Acquire a preservation restriction to limit the occupancy of certain units in a privately owned rental building to persons of low or moderate income housing**

### **Support**

- **Modify existing homes, including accessibility improvements that allow the disabled or senior citizens to continue to live in their homes**
- **Provide a match for state Home Modifications funds to adapt the homes of elderly and disabled town residents, including the installation of such safety measures as ramps and bars**
- **Assist the local housing authority to support its low income rental properties**
- **Assist residents to meet homeownership costs, including grants or "soft second" loans to reduce mortgage interest rates, provide a down payment, assist with closing costs, security deposits, utility assistance, or to subsidize interest rates.**
- **Use as a subsidy to write down interest rates for first-time homebuyer programs such as the Massachusetts Housing Partnership's Soft Second Program or the state's Self Help Program that has specific matching requirements; this subsidy makes the Soft Second Program the most affordable mortgage in the state**
- **Fund a housing trust or a housing authority to support a particular community housing initiative income from an endowment for local affordable housing can be applied directly or matched with state or federal funding**

### **Rehabilitation and Restoration of Community Housing Created Using CPA Funds**

- **Make site improvements such as water/sewer connections, well installation, septic installation or repair, or other underground utilities associated with the creation of affordable housing**

- **Rehabilitate or restore existing public or private property being converted to affordable housing units in a mixed income residential environment**

**This Fund would be used to provide a diversity of affordable housing opportunities for Acton residents, their children, and employees, for and in the town. The expenditures would serve those households with annual household incomes at 100% or less of the Areawide Median Income. Acton's current affordable housing percentage is 2.17%, far from the goal of 10%. Many of the potential uses of the Fund would create units in existing properties without the need for new construction and further sprawl. This can be a desirable use of CPA funds. This Fund would be used in a variety of ways to serve an under-served population, moderate income households in Acton seeking affordable housing, both rental and homeownership.**

**This proposal is consistent with 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.**

**Control of Site: Indicate below whether the applicant owns or has a purchase agreement for the property. If the property is under agreement, indicate below or attach a description of the agreement, including timing and conditions. If the applicant does not have site control, please explain (use additional sheets as necessary).**

**N/A**

**Feasibility: List below or attach all further action or steps that will be required for completion of the project, such as environmental assessment, zoning or other permits and approvals, agreement on terms of any required conservation, affordability or historic preservation restrictions, and any other known or potential barriers or impediments to project implementation.**

**Establish the Community Housing Fund through the Finance Department of Town Hall with the approval of the Board of Selectmen. Merge existing affordable housing funds from the "New View Account" into the new Fund.**

**Estimated Date for Commencement of Project: April 2004**

**Estimated Date for Completion of Project:**

**Ongoing, after the establishment of the Fund**

CPA presentation  
ACHC – Nancy Tavernier  
January 22, 2004

## **COMMUNITY HOUSING FUND PROPOSAL**

### **I. INTRODUCTIONS (ACHC members)**

### **II. HANDOUTS:**

1. Chart
2. Home rule powers
3. Q&A
4. Spreadsheet on Willow/Central

### **III. CHART**

- **Opportunity to educate CPC on affordable housing**
- **Chart explanation to help make the distinction between AHA and ACHC**

### **IV. Public purpose & affordable housing**

- **Public funds (CPA) for private homeownership = deed restriction making affordable unit permanently affordable (99 years)**
- **All CPA \$ would be used to provide affordable housing to families UP TO 80% AMI, current max \$62,000 for a 4 person household.**

### **V. COMMUNITY HOUSING FUND: \$75,000**

**ACHC is requesting \$75,000 for a Community Housing Fund for "the creation, preservation, and support of community housing in the Town of Acton."**

### **HOW WOULD WE USE A COMMUNITY HOUSING FUND?**

- **all the allowable uses in the application, many of these activities are being undertaken by other CPA communities.**
- **focus on 4 examples - most reasonable in the short term**

- 1. ACQUISITION OF AFFORDABLE UNITS**
- 2. RETENTION OF EXISTING AFFORDABLE UNITS**
- 3. SUSTAIN EXISTING AFFORDABLE HOUSEHOLDS**
- 4. SUPPORT AFFORDABLE HOUSING WITH CREATIVE STRATEGIES**

- A. **ACQUISITION of new units through purchase of existing scattered sites and of new construction units**

### **NEW CONSTRUCTION**

1. **Buy an additional affordable unit in a Ch. 40B**  
Easy way to increase units, no town ownership required  
Provides an incentive to support downsizing, if # of affordable kept same

2. Ch. 40B: subsidize the buyer by up to \$30,000
  - put toward selling price or down payment to allow a lower income household at 50-60% of AMI to purchase a
  - Deed restriction included.
  - help families in the high \$30's to 40's range such as town and school employees. Developers cannot afford to sell at 50-60% AMI without raising the prices on the market units to compensate.
3. Use CPA \$ on town owned land such as Willow Sts. to help offset the project cost, acquisition cost or ACHC be developer. Town land for public purpose.

### **PURCHASE EXISTING UNITS**

4. purchase lower priced homes or condos with buy-down of the purchase price in exchange for a deed. Boxboro voted \$200k to do a condo buy-down 2 years ago.

### **B. RETENTION OF EXISTING affordable units**

6. Use fund to retain existing units at resale time
  - a. resale of affordable units in scattered sites: hire a consultant to market and run lottery,
  - b. need capital improvements and upgrades beyond means of seller and buyer e.g. new furnace
  - c. resales must occur in 120 days. Could lose a unit if the property is not attractive to an eligible buyer

### **C. D. HANG ON TO EXISTING AFFORDABLE FAMILIES IN ACTON**

4. Use fund for Capital improvement loans or grants to existing affordable home owners and to elderly and handicapped home owners. CPA law allows this use of the funds. e.g. new roof, new furnace.
  - a. Keep up the property in the older affordable units, some of them older than 50 years
  - b. help retrofit homes for the elderly and handicapped to allow them to remain in the town
  - c. this could be a low interest loan, a grant or a lien program
  - d. homeowners may even be willing to have a deed restriction be placed on their property and have a property tax reduction

## **D. CREATIVE STRATEGIES FOR INCREASING AFFORDABLE HOUSING**

5. Hire a consultant or mediator to negotiate Ch. 40B developments either before or during the Ch. 40B process to help find common agreement among the various stakeholders.
  - a. a similar process is being experimented with right now with Franklin Place
  - b. this would be an extremely valuable service to the community as a whole
6. Hire a consultant to develop or update existing housing plans.

## **WHAT IS THE NEW VIEW ACCOUNT?**

Fund that was established in the mid-90's as a gift of \$100,000 from the New View development in West Acton to the Town in lieu of providing an affordable unit on site

- specific to using it for affordable housing.
- ACHC has authority to make recommendations for spending the Fund which were then voted by the BOS.

We have used this fund in minor ways over the years. Just recently we funded the First Time Homebuyer Course attended by 30 families. We also used it to fund a consultant for the first resale of a house in Harris Village 2 years ago.

### **Why haven't we used it more often?**

- It was never enough to fund a single unit of affordable housing
- Using it resulted in drawing down the Fund without any prospect of replenishment. This was a one time gift and we were overly protective of it.
- We wanted to be sure the proposed use would give us the biggest bang for the buck.

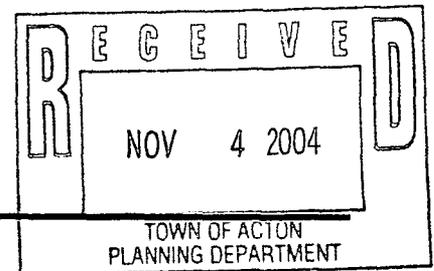
## **HOW WOULD THE FUND WORK AND HOW IS IT RELATED TO THE EXISTING NEW VIEW FUND?**

1. The Community Housing Fund needs to be established as an interest-bearing account with the Town Finance Department. ACHC is requesting \$75,000 from the CPA for this start-up
2. We would request the current balance of the New View account of approximately \$95,000 be transferred into this new Fund.
3. Future deposits into this Fund would come annually from the CPA and/or from excess profits from Ch. 40B developments, donations, grants, or payments in lieu of providing affordable units from developers such as the Robbins Mill proposed development. (\$400,000 promised but the development is in litigation and we may never see those funds)

4. The process for approving the use of the Fund is negotiable. We would suggest that ACHC be the initiator of any funding requests and recommendations and that the BOS continue to be the appropriating body.
5. How would the CPC be included in the process? I would propose that the ACHC develop a proposal, come to the CPC for their support and then take a joint recommendation to the BOS for final approval.
6. The CPA statute requires Town meeting to make the initial transfer of funds into the Fund but does not require subsequent town meeting votes for the use of the fund. Of course each year, if CPA funds are given to the Fund, they would have to be voted by town meeting.

## **CONCLUSION**

The most essential piece of our proposal is the official creation of the Community Housing Fund. We believe the initial infusion of local tax dollars makes an important statement about a community that is willing to put its money where its mouth is. Is \$75,000 the right number? Less would work too BUT we think the total in the Fund should increase every year. If there are no deposits from the other sources, then I would anticipate requesting more CPA funds every year to build the fund up. If we could count on replenishment every year, it would provide great motivation to use the fund.



**PROJECT APPLICATION FORM**

**Applicant:** Nancy Tavernier, Chairman of ACHC **Submission Date:** 11/12/04

**Applicant's Address, Phone Number and Email** **Purpose: (Please select all that apply)**

**Acton Community Housing Corporation (ACHC)**

**P.O. Box 681**

**Acton, MA 01720**

**(978) 263-9611, (978) 263-4776**

**Achc@acton-ma.gov**

Open Space

**Community Housing**

Historic Preservation

Recreation

**Town Committee:** Acton Community Housing Corporation (ACHC)

**Project Name:** Community Housing Program Fund

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

**Project Summary:** In the space below provide a brief summary of the project. Using additional sheets submit a complete narrative description of the project and, when applicable, of the property involved and its proposed use. Describe how the project will benefit the Town and the citizens of Acton and how the project is consistent with the Plan's "Guidelines for Submission" and "Review and Recommendation Criteria." Include a work plan showing the anticipated steps or phases for completion of the project and the timing and estimated cost of each phase.

**ACHC is requesting \$150,000 for a Community Housing Program Fund for "the creation, preservation, and support of community housing in the Town of Acton."**

**Our proposal is to supplement the Community Housing Fund approved by Town Meeting in 2004 and to rename it Community Housing Program Fund to better describe its function. The Program Fund would be used to finance new affordable housing initiatives. This set-aside fund will be retained within the CPA General Funds and earmarked for appropriate affordable housing activities recommended by the ACHC or any other entity approved by the Board of Selectmen.**

**In 2004, Town Meeting approved an appropriation of \$25,000 for a Community Housing Fund to be used for affordable housing opportunities. In October, Special Town Meeting voters moved another \$25,000 into the Fund, reallocating funds from Willow/Central that were not needed for the original purpose. As of November, \$20,000 of these funds have been approved for use in "buying down" the cost of three affordable units in one existing and one newly approved development. An additional sum of money will be used to hire a consultant to craft a deed restriction on an existing age-restricted**

**unit to insure long term affordability and the addition of that unit toward the Town's 10% count.**

**ACHC anticipates more opportunities for use of the Fund going forward. The Willow/Central project on town-owned land is proceeding with site analysis and preliminary design. It is probable that additional resources will be needed to supplement the development costs, including reimbursing the Town for a \$125,000 clean-up of the contaminated site. This will help maximize the affordability of the proposed four unit development. The Fund will be an ideal resource for this activity.**

**The ACHC continues to anticipate opportunities to "buy down" units through down payment assistance or reduction of the selling prices of affordable units.**

**The value of such a general 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 affordable housing purposes. These could include but not be limited to any of these uses allowed by the CPA statute:**

**Creation**

- Convert existing non-residential properties to community housing**
- Create in-law apartments and other ancillary housing**
- Acquire real property (land and/or buildings) for new housing development, both rental and homeownership**
- Grant or loan funds for the creation of community housing to non-profit or for-profit parties (provided that the funds are not used by the private party to acquire a real estate interest and that the municipality establishes sufficient safeguards to ensure that the funds are used primarily for the creation of community housing and that any benefit to the private entity is merely incidental). It is anticipated that many local CPA housing initiatives will utilize private non-profit or for-profit intermediaries for the creation of community housing**
- Restore "brown fields" sites for housing or other mitigation of contaminated sites in preparation for housing development**

### **Preservation**

- Refinance "expiring use" affordable properties which are at risk of going market rate
- Acquire a preservation restriction to limit the occupancy of certain units in a privately owned rental building to persons of low or moderate income housing

### **Support**

- Modify existing homes, including accessibility improvements that allow the disabled or senior citizens to continue to live in their homes
- Assist the local housing authority to support its low income rental properties
- Assist residents to meet homeownership costs, including grants or "soft second" loans to reduce mortgage interest rates, provide a down payment, assist with closing costs, security deposits, utility assistance, or to subsidize interest rates.
- Use as a subsidy to write down interest rates for first-time homebuyer programs such as the Massachusetts Housing Partnership's Soft Second Program or the state's Self Help Program that has specific matching requirements; this subsidy makes the Soft Second Program the most affordable mortgage in the state
- Fund a housing trust or a housing authority to support a particular community housing initiative

### **Rehabilitation and Restoration of Community Housing Created Using CPA Funds**

- Make site improvements such as water/sewer connections, well installation, septic installation or repair, or other underground utilities associated with the creation of affordable housing
- Rehabilitate or restore existing public or private property being converted to affordable housing units in a mixed income residential environment

**This Fund would be used to provide a diversity of affordable housing opportunities for Acton residents, their children, and employees who work for and in the Town. The expenditures would serve those households with annual household incomes at 80% or less of the Area Median Income. (2004 A.M.I.: \$82,600) Acton's current affordable housing percentage is 2.35%, far from the goal of 10%. Many of the potential uses of the Fund could create units in existing properties without the need for new construction and further sprawl. This is a preferred use of CPA funds. This Fund would be used in a variety of ways to serve an under-served population, low and moderate income households in Acton seeking affordable housing, both rental and homeownership.**

**This proposal is consistent with 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 new 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 NEED #1      Low-Income Rental Units**

**In Acton's region, a four-person family with income at or below \$41,350 meets the federal definition of a low-income household. There are 405 low-income families living in Acton today. 89% are cost burdened.**

**PRIORITY HOUSING NEED #2      Affordable Senior Apartments**

**In Acton, the median household income of seniors over 75 is only 23% of the town's median family income. Acton ranks fourth in Middlesex County for the magnitude of the income gap between its oldest households and working-age families.**

**PRIORITY HOUSING NEED #3      Moderate-Income Homeownership**

**In Middlesex County, Acton has a fairly low percentage of non-elderly, low, and moderate income households and one of the highest percentages of low-income households that are housing cost burdened. The incidence of homeowner cost burden is very high among young families in three of Acton's census block groups.**

**PRIORITY HOUSING NEED #4      More Choices for Seniors**

**Acton ranks 16 out of 54 Middlesex County communities for high incidence of housing cost burden among the elderly. Over-65 households comprise 14.8% of all homeowners in Acton. As a result, Acton's county rank for percentage of elderly homeowners is only 12. Low and moderate income senior citizens cannot afford to live in Acton.**

**PRIORITY HOUSING NEED #5**

**Below-Market Homeownership**

**Acton's region has experienced some of the highest rates of single-family and condominium sale price growth of any area in the Commonwealth. Last year's single-family home sale price in Acton - \$469,275 – is unaffordable to 83% of all households in the Boston metropolitan area.**

**Control of Site:** Indicate below whether the applicant owns or has a purchase agreement for the property. If the property is under agreement, indicate below or attach a description of the agreement, including timing and conditions. If the applicant does not have site control, please explain (use additional sheets as necessary).

**N/A**

**Feasibility:** List below or attach all further action or steps that will be required for completion of the project, such as environmental assessment, zoning or other permits and approvals, agreement on terms of any required conservation, affordability or historic preservation restrictions, and any other known or potential barriers or impediments to project implementation.

**The Fund will be identified as an earmarked portion of the CPA General Fund. Requests for the use of the funds will be made to the Town Treasurer who will approve the expenditure after first insuring that it meets the definition of an allowable use under the CPA statute.**

**ACHC would keep the Community Preservation Committee and the Board of Selectmen informed about the use of this Fund with periodic reports and would seek guidance if appropriate.**

**Estimated Date for Commencement of Project: April 2005**

**Estimated Date for Completion of Project:**

**Ongoing, after the establishment of the Fund**

CPA presentation  
ACHC – Nancy Tavernier  
December 16, 2004

## **COMMUNITY HOUSING PROGRAM FUND PROPOSAL**

### **IV. COMMUNITY HOUSING PROGRAM FUND     \$160,000**

**ACHC is requesting \$160,000 for a Community Housing Program Fund for "the creation, preservation, and support of community housing in the Town of Acton."**

- 1 CPA Funds can be used to provide affordable housing to Low and Moderate Income families earning UP TO 80% Area Median Income, current max (80%) \$66,200 for a 4 person household.

This set-aside fund will be retained within the CPA General Funds and earmarked for appropriate affordable housing activities recommended by the ACHC or any other entity approved by the Board of Selectmen.

### **V. LAST YEAR'S REQUEST FOR \$75,000**

Last year ACHC requested \$75,000 for a Housing Fund that was envisioned to be an endowment fund where other affordable housing funds could be deposited. First of all, the request was reduced to \$25,000 and secondly, the Town Treasurer ruled that such a fund could not be separately established in the manner we proposed.

Community Housing Funds have remained in the CPA fund to be expended at the request of ACHC.

### **\$25,000 Spending to date previously reported to CPC and BOS**

1. \$20,000 has been used to reduce the selling price of 3 units by subsidizing sewer capital cost obligations. These funds will be transferred to the Sewer Enterprise Fund.
2. Up to \$5000 will be expended to explore the option of putting a deed restriction on a unit in an age-restricted existing development. Legal review currently underway.

### **Additional \$25,000 added to Fund in October**

Funds transferred from the Willow/Central article to the Housing Fund.

1. Anticipate some funds to be used to fund the development of a joint policy statement on comprehensive permits by the BOS and PB as a final action in the Housing Plan
2. Holding some funds to cover bids on preliminary work for Willow/Central that exceed the state grant allowance.

### **VI. HOW WOULD WE USE THIS YEAR'S COMMUNITY HOUSING**

## **PROGRAM FUND?**

The Options we propose are:

1. **CREATION OF NEW AFFORDABLE UNITS**
2. **SUPPORT AFFORDABLE HOUSING WITH CREATIVE STRATEGIES**
3. **RETENTION OF EXISTING AFFORDABLE UNITS**
4. **REHABILITATION AND RESTORATION OF COMMUNITY HOUSING**

**VII. PRIMARY FOCUS FOR NEXT YEAR IS ACQUISITION** of new units through **BUY-DOWN** of existing scattered sites or of new construction units to include deed restrictions.

Buy-downs Frequently requested by residents e.g. State of the Town, ACHC public info sessions.

IT IS TIME FOR ACHC TO PRODUCE AN AFFORDABLE HOUSING UNIT AND WE NEED FUNDS THAT WOULD ACCOMPLISH THIS. \$160,000 IS THE PRICE RANGE TO PROVIDE ONE UNIT

## **VIII. 4 EXAMPLES OF BUY DOWNS TO SHOW PROCESS AND CHALLENGE**

1. Age restricted unit currently available to be sold at 75% of \$350k Market price due to deed restriction in place

Unit will sell for 75% of market (\$350k) = \$262,500.

Affordable price ~\$170,000

Funding gap is \$92,500

ACHC pay the seller the gap plus closing costs and legal fees to do deed restriction ~ \$7500 for total buydown cost of \$100,000. This assumes agreement on condo fees which I will describe later.

2. 2 BR ranch house on Mohawk \$320k (nothing less than \$400k at moment)

Let's say ACHC could negotiate a selling price of \$315,000 for a house in good condition, not needing any capital improvements such as roof, Title 5, etc.

Affordable unit would sell to 3 person household for \$185,000. This could not realistically be higher in this case because it is only a 2BR on a slab.

Funding gap is: \$130,000. No need for condo fee issue. ACHC pay gap to seller plus legal costs for deed restriction for total of \$140,000. Good deal for a single family house.

3. A typical Condo buy-down only 2BR: currently on the market \$164k-290K. we would not consider 1 bedroom. These condos are primarily apartments that were converted to condo ownership, they are not all that desirable. And they generally face major capital upgrades which are funded by the owners.

Funding gap \$10,000 to \$110,000 plus legal costs.

### **THE BEST BET – NEW CONSTRUCTION**

Condo fee can be built in right up front. Buying down in a typical 40B development would require the purchase of a market rate unit, over and above the affordables that are required, which would produce a Funding Gap of approximately \$170,000 to be combined with the affordable price of \$185,000 to equal a market price of \$355k

#### 4. Willow/Central

The Willow/Central Project continues to be the most likely use of this \$160,000. We are making excellent progress with preliminary designs. We met with the neighborhood who said “let’s do 100% affordable units”. It was quite remarkable. In order to do that we need to scoop up subsidies from local and state resources. This Program Fund amount would go a long way to offsetting the cost of one unit at Willow/Central.

### **CONDO FEE ISSUE as it relates to buying down condo units**

State Law requires: Each Condo unit owner shall pay condo fees in the approximate relation that the fair value of their unit to the aggregate fair value of all the units.

For an affordable unit, this means the fair value of their unit is the affordable price which is compared to the market priced units to determine the lower condo fee charges. For example, if the market units sold for \$200k each and the affordable unit sold for \$100k. The monthly condo fees of the affordable unit would be ½ of the market units’ fees.

Here is the challenge when you are dealing with an existing condo development:

(b)(1) The percentage of the undivided interest of each unit owner in the common areas and facilities as expressed in the master deed shall not be altered without the consent of **all unit owners** whose percentage of the undivided interest is materially affected, expressed **in an amendment to the master deed duly recorded**

**This is most likely a hurdle that cannot be overcome within existing condo associations.**

### **HOW WOULD THE PROGRAM FUND WORK?**

The Fund will be identified as an earmarked portion of the CPA General Fund. Requests for the use of the funds will be made to the Town Treasurer who will approve the expenditure after first insuring that it meets the definition of an allowable use under the CPA statute.

**ACHC would keep the Community Preservation Committee and the Board of Selectmen informed about the use of this Fund with periodic reports and would seek guidance if appropriate.**

The CPA statute requires Town meeting to make the initial transfer of funds into the Fund but does not require subsequent town meeting votes for the use of the fund.

### **CONCLUSION**

ACHC has a lot of irons in the fire at this time. We are on the verge of having our first ever hands-on development, Willow/Central. We have a very large ch. 40B rental development at Nagog that if approved will push our affordable housing percentage to over 6% since every single unit in a rental development counts. That gives us the “luxury” of downsizing proposals and reducing the number of market units built in favor of more affordable ones in future 40B’s.

We could easily use \$300k for the next year but we would like to be back here next year with a deed restriction as part of the proof that we can indeed increase our affordable housing stock through the use of CPA funds.

CPA presentation  
ACHC – Nancy Tavernier  
December 16, 2004

## **COMMUNITY HOUSING PROGRAM FUND PROPOSAL**

### **I. INTRODUCTIONS (ACHC members)**

### **II. HANDOUTS:**

1. Chart
2. Description of ACHC
3. Milestones of affordable housing in Acton

### **III. CHART**

- **Opportunity to educate CPC on affordable housing**
- **Chart explanation to help make the distinction between AHA and ACHC**

### **IV. COMMUNITY HOUSING PROGRAM FUND \$150,000**

**ACHC is requesting \$150,000 for a Community Housing Program Fund for "the creation, preservation, and support of community housing in the Town of Acton."**

- CPA Funds can be used to provide affordable housing to Low and Moderate Income families UP TO 80% AMI, current max \$66,200 for a 4 person household.

**This set-aside fund will be retained within the CPA General Funds and earmarked for appropriate affordable housing activities recommended by the ACHC or any other entity approved by the Board of Selectmen.**

### **V. LAST YEAR'S REQUEST FOR \$75,000**

Last year ACHC requested \$75,000 for a Housing Fund that was envisioned to be an endowment fund where other affordable housing funds could be deposited. First of all, the request was reduced to \$25,000 and secondly, the Town Treasurer ruled that such a fund could not be separately established in the manner we proposed.

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*Leverage state funds*

## CONDO FEE ISSUE as it relates to buying down condo units

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## **WHAT IS THE NEW VIEW ACCOUNT?**

Fund that was established in the mid-90's as a gift of \$100,000 from the New View development in West Acton to the Town in lieu of providing an affordable unit on site

- specific to using it for affordable housing.
- ACHC has authority to make recommendations for spending the Fund which were then voted by the BOS.

We used it this year to fund the second annual course for First Time Homebuyers, hired the instructor. We used it to hire a consultant to help develop a position statement on The Woodlands.

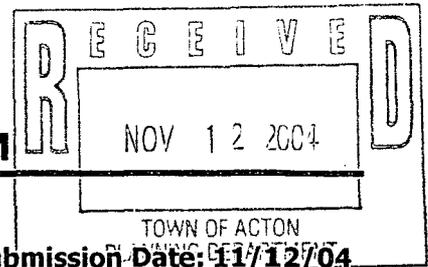
### **Why haven't we used it more often?**

- It was never enough to fund a single unit of affordable housing
- Using it resulted in drawing down the Fund without any prospect of replenishment. This was a one time gift and we were overly protective of it.
- We wanted to be sure the proposed use would give us the biggest bang for the buck.

**COMMUNITY PRESERVATION COMMITTEE  
HOUSING PRESENTATION  
DECEMBER 16, 2004**

<b>CATEGORY</b>	<b>ACTON HOUSING AUTHORITY (AHA)</b>	<b>ACTON COMMUNITY HOUSING CORPORATION (ACHC)</b>
<b>LOCATION</b>	Office: Windsor Green West Acton Betty McManus, Executive Director	Acton Town Hall Nancy Tavernier, Chair
<b>TYPE OF ORGANIZATION</b>	Quasi-State agency, State & Federal funds, plus rental income Paid Staff	Selectmen-appointed Town Board. Established by 1996 Home Rule given broad powers. All volunteer
<b>TYPE OF HOUSING</b>	Public rental housing Rents = 30% of net income	Private homeownership housing, First Time Homebuyers some rental e.g. Assisted Living
<b>POPULATION SERVED</b>	Low and extremely low income elderly, family, disabled households Income range: \$10,000-\$39,000	"Moderate" income working families up to 80% of Area Median Income. Income range: \$40,000-\$66,200
<b>US CENSUS INFORMATION Based on 7500 Acton households</b>	10% of Acton households low or extremely low income	11% of Acton households "moderate" income
<b>ACTON AFFORDABILITY (10% goal) 2004: 2.35%</b>	142 rental units including Windsor Greene, McCarthy Village, 27 scattered site condominiums	23 home-ownership units in scattered sites, 3 rental units
<b>CPC FUND PROPOSALS</b>	1. Administrative support for Affordable housing \$20,000 2. Design and construction of recreation area for McCarthy Village \$20,000	1.\$150,000 to supplement Community Housing Program Fund

**PROJECT APPLICATION FORM**



**Applicant: Naomi McManus**

**Submission Date: 11/12/04**

**Applicant's Address, Phone Number and Email**

**Purpose: (Please select all that apply)**

Acton Housing Authority  
P.O. Box 681  
Acton, MA 01720 (978)263-4776  
ahabetty@attglobal.net

- Open Space
- Community Housing
- Historic Preservation
- Recreation

**Town Committee (if applicable): Acton Housing Authority**

**Project Name: Technical and Administrative Support Services for Development of Affordable Housing**

**Project Location/Address: 68 Windsor Avenue, Acton, MA**

**Amount Requested: \$20,000**

**Project Summary:** In the space below provide a brief summary of the project. Using additional sheets submit a complete narrative description of the project and, when applicable, of the property involved and its proposed use. Describe how the project will benefit the Town and the citizens of Acton and how the project is consistent with the Plan's "Guidelines for Submission" and "Review and Recommendation Criteria." Include a work plan showing the anticipated steps or phases for completion of the project and the timing and estimated cost of each phase.

**The Acton Housing Authority (AHA) is requesting \$20,000 from the Town of Acton's Community Preservation Act Fund to provide technical and administrative support services to the Acton Community Housing Corporation for the development of suitable affordable housing in the Town of Acton.**

**Narrative**

**Since the inception of the Acton Community Housing Corporation (ACHC) in 1986 the AHA Executive Director has provided administrative and technical support staff to the ACHC at no cost to the Town. It is important to note that every MAJOR Town Board has a paid Town staff member who is their primary contact person on a daily basis. The Acton Housing Authority's Executive Director has been that (volunteer) support staff person to the ACHC, providing administrative and technical support, office supplies,**

telephone service, computers, copying, mileage and postage without financial compensation for over 18 years. The support has been provided directly from the Authority's office located at 68 Windsor Avenue, Acton, MA and will continue from the same site if this request is funded.

Over the past 2 years the ACHC's administrative and technical support demands have increased significantly requiring the Acton Housing Authority's Executive Director to spend 20 to 24 hours a week in direct support of the ACHC's affordable housing efforts. The additional demands are the result of a resurgent interest by developers for several 40B projects which have been brought before the Town as well as the ACHC's decision to become more proactive in the development of affordable housing.

The AHA's decision to submit an application for CPC funds is critical as the Executive Director has announced she is leaving the Authority in June of 2005 and the AHA's Board has determined that the staff will be unable to provide the current level of administrative and technical support services without financial compensation.

The AHA will establish a separate account called the "ACHC/AHA Administrative Fund" to which the \$20,000 will flow after the approval of the April 2005 Annual Town Meeting. The ACHC/AHA Administrative Fund will not be co-mingled with the Authority's Operating funds and the accounting of the ACHC/AHA Administrative Fund will be kept by the AHA and periodic reports will be made to ACHC, AHA, Board of Selectmen and the Community Preservation Committee.

**Estimated Date for Commencement of Project: May 2005**

**Estimated Date for Completion of Project: May 2006**

**Addenda:**

**1). Yearly Operating Expenses Allocated by the Acton Housing Authority to the Acton Community Housing Corporation for Administrative and technical support staff**

**2). Description of Administrative and Technical Support by the Acton Housing Authority to the Acton Community Housing Corporation**

**ADDEDUM 1**

<b>ITEM</b>	<b>MONTH</b>	<b>YEAR</b>
<b>1). Telephone (Based on 20% of AHA's Monthly bill)</b>	<b>\$36.00</b>	<b>\$432.00</b>
<b>2). Mileage</b>	<b>\$14.00</b>	<b>\$168.00</b>
<b>3). Copier (10% AHA's annual Contract cost)</b>	<b>\$33.00</b>	<b>\$400.00</b>
<b>4). Postage</b>	<b>\$40.00</b>	<b>\$480</b>
<b>5). Office Supplies</b>	<b>\$150.00</b>	<b>\$1200</b>
<b>6). Technical &amp; Administrative Support Staff- 20 hrs/wk at \$17.00/hr.</b>	<b>\$1473</b>	<b>\$17,680</b>
	<b>TOTAL</b>	<b>\$20,360</b>

**ADMINISTRATIVE & TECHNICAL SUPPORT SERVICES**  
**BY ACTON HOUSING AUTHORITY'S STAFF TO**  
**THE ACTON COMMUNITY HOUSING CORPORATION**  
**20 HOURS A WEEK**  
**ADDENDUM 2**

- 1). Provide staff functions to the ACHC for tasks related to: organization and administrative issues, public relations, public education, communication and record keeping**
  
- 2). Coordinate and attend ACHC bi-weekly meetings, post agenda, write Board Notes, circulate Board Notes to Town Clerk, Acton Library and Acton Selectmen**
  
- 3). Maintain and update files on all housing related issues and developments proposed and built**
  
- 4). Direct contact with developer's compilation and distribution of written information regarding affordable housing developments and available housing programs.**
  
- 5). Coordinate the initial review for developers in meeting with the ACHC**
  
- 6). Coordinate Soft Second Loan Application for State funding with the Selectmen, the Department of Housing and Community Development and Local area Banks**
  
- 7). Maintaining up-dated mailing lists, list of Local Officials, maintaining contacts with local boards and officials**

**8). Liaison between the Department of Housing and Community Development's staff Massachusetts Housing Partnership staff and other State funding agents**

**9). Coordinating and submitting Local Initiative Program (LIP) application to Acton's Selectmen and the Department of Housing and Community Development**

**10). Responsible for coordinating the resale and refinancing of LIP units with the Acton Selectmen and DHCD's staff**

**11). Banking Responsibilities for ACHC's account**

**12). Maintaining and updating mailing lists of interested First Time homebuyers, list of local officials and Boards, files on proposed zoning-by-laws, housing needs data and other public information on housing issues**

**13). Responsible for coordination First Time Homebuyer's Course with consultant, Selectmen/Town Manager, location for course and dissemination of information and coordinating 4 two hour workshops for Certification of First Time Homebuyers.**

**From:** "Betty McManus" <ahabetty@attglobal.net>  
**To:** "Acton Selectmen" <BOS@Acton-ma.gov>  
**Cc:** "Roland Bartl" <rbartl@acton-ma.gov>, "bernice baran" <bara437853@aol.com>, "Nancy Tavernier" <ntavern@comcast.net>, "Ryan Bettez" <bettezfamily@yahoo.com>, "Kevin McManus" <KevinM@NEHE.com>, "Dan Buckley" <DJB01720@hotmail.com>, "Pam Shuttle" <pam.shuttle@state.ma.us>, "Bob Whittlesey" <rbwhittlesey@verizon.net>  
**Subject:** cpc-achc  
**Date:** Thu, 30 Dec 2004 14:27:38 +0000

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## MEMO

To: Board of Selectmen  
cc: Community Preservation Committee  
From: Betty McManus, Executive Director Acton Housing Authority  
Subject: Acton Housing Authority's CPC proposal  
To provide Technical and Administrative Support  
To Services for Development of Affordable Housing

I wanted to give you a little background regarding why the Acton Housing Authority (AHA) has requested to meet with you on Monday, January 3, 2004. The AHA originally submitted a proposal to the CPC requesting \$20,000 to cover expenses in providing technical and Administrative Support to the Acton Community Housing Corporation (ACHC). As the Authority's proposal explains, our decision to submit an application was critical to the continuity of administrative support to the ACHC based on my July 1, 2004 resignation as AHA's Executive Director. The AHA determined the administrative staff could not continue to provide their current level of administrative and technical support to the ACHC without financial compensation.

Since our submission it now has become VERY evident to the AHA's Board of Commissioners that even with financial compensation the Authority can not continue the level of support they have provided to the ACHC since 1986. The new Executive Director will have her/his hands full dealing with HUD's recent decision (December 17, 2004) to "provide all public agencies with a fixed annual budget that each agency must manage their voucher programs within 2005". Our HUD 2005 funding is now based on the AHA's May, June and July's 2004 subsidy level. The financial problem will be compounded when our Voucher Holder's incomes decrease and their utility costs increase as the Authority's subsidy payments to our landlords must be increased to cover the contract rent. It becomes a balancing act and one I have never faced in 27 years of my housing experience.

The State's financial situation for Housing is no better. The zero cap in the latest 2005 Budget Guidelines are unrealistic and reflect inadequate subsidy. A 2005 budget that uses three year old allowable expense caps, instead of true

cost projections severely undermines the viability of Public Housing, and impedes the ability of housing officials to manage the State's Public Housing inventory. Acton is one of 112 Local Housing Authorities that requires operating subsidy primarily due to the very low income and thus low rents of our tenant population.

Over the past two years the ACHC responsibilities and time demands have increased dramatically. Every MAJOR Town Board has a paid staff member who is their primary contact person on a daily basis. The Authority's Executive Director has been that support staff person, providing administrative and technical support, office supplies, telephone service, computer, copying, mileage and postage without financial compensation for 18 years. The AHA can no longer be in a position to steal time and operating expenses from Peter (AHA) to pay Paul (ACHC). Given the recent budgetary challenges put forth by HUD and the State, it is impossible for the Acton Housing Authority's Board, staff and a new Director to continue to be the ACHC's support staff.

As we all know everyone is replaceable, but new replacements need time to come up to speed. The Board of Commissioners and I look forward to meeting with the Selectmen January 3, 2005 to discuss how the Town can provide the much needed Technical and Administrative Support to the Acton Community Housing Corporation after July 1, 2005.

Happy New Year to You All

[ [Back](#) ]

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**Acton Community Housing Corporation**

**Nancy Tavernier, Chairman**

**TOWN OF ACTON**

P.O. Box 681

Acton, Massachusetts, 01720

Telephone (978) 263-4776

Fax (978) 266-1408

---

TO: Community Preservation Committee  
FROM: Nancy Tavernier, Chair, ACHC  
SUBJECT: Community Housing Program Fund revision  
DATE: January 19, 2005  
cc Board of Selectmen  
attachment: Municipal Affordable Housing Trust Fund bill

At the 1/13/05 CPC meeting, Betty McManus presented the Acton Housing Authority's request for \$20,000 to provide technical and administrative support to the ACHC. Administrative support has been provided voluntarily to the ACHC for the past 18 years, without compensation, by AHA Executive Director Betty McManus, who is also a member of the ACHC. Due to Betty's pending retirement from the AHA, there arises a need to establish a means to provide administrative support and fund the expenses from CPA funds, which is an eligible use.

As Betty explained, the AHA Board of Directors has determined that, even with financial compensation, the AHA cannot continue to provide this service after July 1. With the arrival of a new Executive Director and the recent deteriorated financial situation primarily due to Federal cuts in public housing programs, it will be necessary for the Housing staff to focus on the Housing Authority services only. Therefore, the Acton Housing Authority has withdrawn its CPC proposal. This does not mean the need for ACHC administrative funds cannot be met. ACHC is proposing a revision to its Community Housing Program Fund request. We wish to add \$15,000 to the requested \$150,000. This increase would be less than the AHA request but would still be for the intended technical and administrative expenses of ACHC. The revised proposal should now read:

**ACHC is requesting \$165,000 for a Community Housing Program Fund for "the creation, preservation, and support of community housing in the Town of Acton."**

Our intention is to consider the added \$15,000 as "Transition Funds" to allow the ACHC and the Town to determine how to best set-up and support the organization without being a financial and physical burden to the Town. Our initial efforts will be to establish a contact point for the ACHC with a phone line, answering machine, and fax machine which we would purchase. We would assume that equipment could be accommodated somewhere in Town Hall. We also need to transfer paper files to Town Hall but would like to pay someone to scan most of them into electronic storage and then provide a filing cabinet to hold the rest. Also, on an as needed basis, we would use consultants to help us with the more time-consuming tasks as we did with the position statement for The Woodlands. We

do not see the need to "hire" an individual on a regular basis but rather have someone on call to help us with various clerical tasks such as mailings, etc. We would also expect to contribute to the copy machine and postage expenses of the Town.

We have asked the Board of Selectmen to place a request for the establishment of a Municipal Affordable Housing Trust Fund on the April Town Meeting warrant. (see attachment) We would expect to have the CPA Housing Funds go into this trust fund as well as the other miscellaneous housing funds that either exist now or will be created in the future. There is no central fund now. This fund will be income-producing and it is possible the income would cover the future administrative expenses for ACHC. We do not anticipate seeking administrative funds on an annual basis. Putting administrative funds into the Housing Fund gives us an incentive to use as little of them as possible in order to maximize the Fund for the more important affordable housing needs. We hope the CPC will support our efforts to establish this Trust Fund.

The major hurdle to this proposal for administrative funds is how we will access the funds to make the payments but those are details that will have to be worked out with the Town Staff. Once the Trust Fund is established, the Trustees will establish that system.

I hope the CPC will accept this revision to the original Housing Fund proposal. I will be happy to answer any questions the members may have at the next CPC meeting.

CPA ideas for affordable housing

**Community Preservation Act Project Description**

**Municipality:** Chatham  
**Year:** 2003  
**Type:** Affordable Housing  
**Amount:** \$135,000.  
**In watershed:** No  
**Involves Bonding:** No  
**Description:** *For an affordable housing down payment program.*

**Community Preservation Act Project Description**

**Municipality:** Chelmsford  
**Year:** 2002  
**Type:** Affordable Housing  
**Amount:** \$ 20,000.  
**Units:** 1  
**In watershed:** No  
**Involves Bonding:** No  
**Description:** *Funds allocated to purchase a condo at market rates and sell it at an affordable price, thus subsidizing the difference with CPA funds.*

**Community Preservation Act Project Description**

**Municipality:** Chelmsford  
**Year:** 2005  
**Type:** Affordable Housing  
**Amount:** \$ 40,000.  
**Units:** 1  
**In watershed:** No  
**Involves Bonding:** No  
**Description:** *For a condo buy-down of one unit.*

**Community Preservation Act Project Description**

**Municipality:** Easthampton

**Year:** 2005  
**Type:** Affordable Housing  
**Amount:** \$100,000.  
**Units:** 3  
**In watershed:** No  
**Involves Bonding:** No  
**Description:** *To the Housing Committee to work with developers to include more affordable housing in their projects.*

### **Community Preservation Act Project Description**

**Municipality:** Hingham  
**Year:** 2003  
**Type:** Affordable Housing  
**Amount:** \$ 10,000.  
**In watershed:** No  
**Involves Bonding:** No  
**Description:** *To study the benefits of establishing an Equity Conversion and Homeownership program which would potentially allow the town to purchase part of the value of a home at current market rates from income-eligible homeowners, providing financial assistance to the homeowner and providing a means by which to allow the property to be sold in the future at an affordable price.*

### **Community Preservation Act Project Description**

**Municipality:** Lincoln  
**Year:** 2003  
**Type:** Affordable Housing  
**Amount:** \$150,000.  
**Units:** 1  
**In watershed:** No  
**Involves Bonding:** No  
**Description:** *To subsidize the difference between the market and affordable price of a condo (to "buy-down" the condo).*

### **Community Preservation Act Project Description**

**Municipality:** Nantucket

**Year:** 2005  
**Type:** Affordable Housing  
**Amount:** \$120,000.  
**In watershed:** No  
**Involves Bonding:** No  
**Description:** *For down payment assistance and gap financials through the Nantucket Housing Office.*

### **Community Preservation Act Project Description**

**Municipality:** Rockport  
**Year:** 2005  
**Type:** Affordable Housing  
**Amount:** \$ 40,000.  
**In watershed:** No  
**Involves Bonding:** No  
**Description:** *For a rental and mortgage assistance program.*

### **Community Preservation Act Project Description**

**Municipality:** Southampton  
**Year:** 2005  
**Type:** Affordable Housing  
**Amount:** \$ 7,500.  
**In watershed:** No  
**Involves Bonding:** No  
**Description:** *For an affordable housing assistance fund that will help residents with accessibility improvements to their homes.*

### **Community Preservation Act Project Description**

**Municipality:** Wellesley  
**Year:** 2005  
**Type:** Affordable Housing  
**Amount:** \$200,000.  
**Units:** 2  
**In watershed:** No  
**Involves Bonding:** No

**Description:** *Wellesley Housing Development Corporation to be used to create 1 or 2 units of affordable housing through (1) buying down the purchase price of existing housing stock to make it affordable; (2) accepting the donation of existing housing stock and moving it to a previously designated site for use as affordable housing; or (3) building new affordable housing on a site previously designated by the Selectmen and Town Meeting; provided if the funds are not used by July 15, 2005, such funds will revert to the CPC general funds.*

This page is located on the U.S. Department of Housing and Urban Development's Homes and Communities Web site at <http://www.hud.gov/local/ma/news/pr2005-06-08.cfm>.



## News Release

**Kristine Foye**  
**(617) 994-8218**  
[www.hud.gov/news/index.cfm](http://www.hud.gov/news/index.cfm)

**For Release**  
**Wednesday**  
**June 8, 2005**

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### **Downpayment Assistance Program Helps First Time Homebuyer Achieve American Dream**

*Chelmsford, Mass.* - On June 8, federal and local officials gathered to recognize a first-time homebuyer who was able to purchase her home through a federal grant to help defray downpayment costs.

Liliana Lucas is a single mother of two who closed on her Chelmsford townhouse in Orchard Woods in April, 2005, after she applied for and received \$7,500 in downpayment assistance from the American Dream Downpayment Initiative, funded by the US Department of Housing and Urban Development and administered by the Merrimack Valley Housing Partnership. The ceremony included a presentation of a plant and an oversized ceremonial key to the homeowner, who was smiling from ear to ear.

The American Dream Downpayment Initiative (ADDI) is a federal program that helps first-time low-income homebuyers with the largest hurdle to homeownership - downpayment and closing costs. To be eligible for this assistance, individuals must be first-time homebuyers and must have incomes not exceeding 80 percent of area median income. In the Lowell Metropolitan Statistical Area, the area median income is \$80,000. ADDI gives first-time homebuyers downpayment assistance grants up to \$10,000 or five percent of the home's purchase price, whichever is greater.

"Many families are able to make monthly mortgage payments, which in many cases are lower than rental payments, but are not able to save enough for the down payment and closing costs," said James Barnes, HUD's acting regional director. "With a little assistance, purchasing a home may be much easier than people think."

This year, HUD is awarding the commonwealth of Massachusetts \$681,747 in ADDI funding. The Merrimack Valley Housing Partnership administers \$150,000 of this federal program for the commonwealth in Chelmsford, Billerica, Dracut, Tewksbury, Tyngsboro and Westford. To date, 10 homeowners have closed on homes with assistance provided by MVHP, and currently four applications are pending.

"We have been administering a downpayment assistance program in Lowell for more than 10 years, and nearly 1,000 new Lowell homeowners have benefited so far," said Jim Wilde, executive director of the Merrimack Valley Housing Partnership. "This is the first time we have provided assistance in towns surrounding Lowell. It is a thrill to be part of a collaborative effort which has such a positive impact on the community."

The ceremony was held in recognition of National Homeownership Month - a month-long educational outreach effort designed to provide important homebuying information and financial tools, particularly to minority families. The Census reports that, for the first time in our nation's history, more than half of minority families own their own home. But minority homeownership rates still fall well short of the national homeownership rate of nearly 70 percent.

HUD is the nation's housing agency committed to increasing homeownership, particularly among minorities; creating affordable housing opportunities for low-income Americans; and supporting the homeless, elderly, people with disabilities and people living with AIDS. The Department also promotes economic and community development as well as enforces the nation's fair housing laws. More information about HUD and its programs is available on the Internet at [www.hud.gov](http://www.hud.gov) and [espanol.hud.gov](http://espanol.hud.gov).

The Merrimack Valley Housing Partnership promotes homeownership opportunities for low- and moderate-income earners in the Merrimack Valley. Founded in 1986 in response to a severe shortage of affordable housing, MVHP's main program is Project Genesis, a series of training seminars for first time homebuyers offered 20 times a year in Spanish and English. The key components of the home buying process are addressed by experts in the field: getting a mortgage, signing a purchase and sale agreement, getting a professional home inspection, accessing down payment assistance, creating a household budget, and understanding responsible home ownership. To date, more than 9,000 families have completed the seminars.

# # #

 [Back to top](#)

**U.S. Department of Housing and Urban Development**

451 7th Street, S.W., Washington, DC 20410

Telephone: (202) 708-1112 [Find the address of a HUD office near you](#)

**Acton Community Housing Corporation**

**Nancy Tavernier, Chairman**

**TOWN OF ACTON**

Acton Town Hall

472 Main Street

Acton, Massachusetts, 01720

Telephone (978) 263-9611

[achc@acton-ma.gov](mailto:achc@acton-ma.gov)

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TO: Community Preservation Committee  
FROM: Nancy Tavernier, Chair of ACHC  
SUBJECT: Payment made for Willow/Central land  
DATE: May 4, 2006

ACHC has made full payment to the Town today for the Land Acquisition of the Willow/Central parcel to be developed for 3 units of affordable housing. The total payment was \$202,548.32 and will be used by the Town for the following uses:

- \$112,707.81 representing the Town's lien for taxes, interest and penalties outstanding with respect to the Premises as of the date of its foreclosure by the Town of Acton;
- \$7,659.84 representing the payment in lieu of taxes to and including April 30, 2006, calculated in accordance with G.L. c. 44, § 63A;
- \$65,096.00 representing the assessment, containment and removal costs incurred by the Town with respect to the environmental condition of the Property; and
- \$17,084.67 representing the Town's attorney's fees and costs related to the Town's investigation of environmental contamination at the Property and the lawsuit to collect those costs.

The Sources for these funds are the following:

1. \$50,000 from the New View Housing gift fund.
2. \$152,548.32 from the 2006 CPA grant of \$160,000 to be used for land acquisition and development of the Willow/Central project by ACHC.

The balance left in the CPA grant (\$7451.68) will be used for related costs of development at this site.

**PROJECT APPLICATION FORM – 2006**

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**Applicant:** Acton Community Housing Corporation

**Submission Date:** 11/14/05

**Applicant's Address, Phone Number and Email**

ACHC c/o Nancy Tavernier, Chair

Acton Town Hall

472 Main St.

Acton, MA 01720

978-263-9611

achc@acton-ma.gov

**Purpose: (Please select all that apply)**

- Open Space
- Community Housing
- Historic Preservation
- Recreation

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

**Project Name:** Willow/Central - Land Acquisition

**Project Location/Address:** 28 Willow St. & 214 Central St.

**Amount Requested:** \$ 160,000

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

*or  
AHA,  
Habitat*

**ACHC is seeking \$160,000 in CPA funds to cover a portion of the land acquisition costs for the town-owned land at Willow/Central. ACHC is proposing the development of up to three units of affordable housing. The Town has calculated the total acquisition cost to be \$202,548.32 as of April 30, 2006 when the parcel will be conveyed to ACHC. By law, the Town must be reimbursed for these expenses to release the property, free and clear, for any development. This is the breakdown of the expenses that require reimbursement to the Town:**

Taxes and Penalties	\$	112,707.81
Legal Expenses	\$	17,084.67
HazMat Clean-up Cost	\$	65,096.00
Pilot per MGL C. 44 S 63A	\$	7,659.84
<b>TOTAL</b>	<b>\$</b>	<b>202,548.32</b>

*+ 16% interest*

**It is anticipated that the Taxes and Penalties line item will continue to rise beyond the April 30 date so ACHC is budgeting for a \$210,000 total for land acquisition. ACHC is proposing to add \$50,000, from existing affordable**

housing gift funds, to cover the full cost to the Town at \$210,000. This project in general will leverage additional sources of public and/or private funding, an important CPC criteria for recommendation. This request for land acquisition costs will leverage affordable housing funds at a minimum level of \$50,000.

In April 2005, Town Meeting voters appropriated \$160,000 CPA funds for a Community Housing Program Fund (\$10,000 to cover ACHC administrative expenses). The Program Fund was proposed to be used to finance new affordable housing initiatives in a set-aside fund to be retained within the CPA General Funds and earmarked for appropriate affordable housing activities recommended by the ACHC or any other entity approved by the Board of Selectmen. It was anticipated that the 2005 Program Fund could be used for the site acquisition costs of the Willow/Central land. However, ACHC finds that by holding this fund in reserve for that use, it has hampered our ability to respond to other opportunities in the creation of new affordable units or in improving the affordability of approved affordable units. The magnitude of the acquisition costs was not known until July 2005. We had not anticipated using the entire amount of the Program Fund for this purpose since we have other program ideas we are ready to implement.

ACHC, therefore, would like to tie this \$160,000 request specifically to the land acquisition costs for the Willow/Central project. All major decisions on the disposition of the town-owned Willow/Central parcel are scheduled to be made at the April 2006 Town Meeting. This would be an important piece of that package of decisions and will dovetail with those actions. This would also allow ACHC to proceed with other uses of the 2005 Community Housing Program Fund immediately.

When the ACHC presents this proposal to the CPC, we will give a full presentation on the Willow/Central housing development proposal itself so you can see the progress that has been made. This will help the CPC understand the crucial role that CPA funds play in the successful conclusion of this proposed development.

In August 2005, the Town retained the services of Avery Associates to determine the market value of the Willow/Central parcel, for the highest and best use, which is the demolition of the existing structure and the construction of a new single family or two-family dwelling. The full value was determined to be \$225,000 minus the demolition cost of \$5,000, giving a net value of \$220,000. The ACHC estimates that the demolition costs could be as high as \$15,000 which would give a current net market value of \$210,000. This value is in line with the required acquisition costs for the property.

## **Community Housing Goals met with this proposal**

**The Acton CPC has established goals in order to address the housing needs of the community. Affordable housing at the Willow/Central site will accomplish these goals:**

- **Create, preserve and support community housing and rehabilitate or restore community housing that is acquired or created under the CPA. Give preference to the reuse of existing buildings and to the construction of new buildings on previously developed sites.**
- **Preserve the character of Acton's established residential neighborhoods.**
- **Promote Smart Growth and be guided by sustainable development principles.**

**Acton's new Community Development Plan entitled "To Live in Acton" identified priority housing needs that could be addressed with the Willow/Central project. These are the priorities:**

### **PRIORITY HOUSING NEED #1      Low-Income Rental Units (If the Acton Housing Authority purchases a 3-BR unit for low income rentals)**

- **In Acton's region, a four-person family with income at or below \$41,350 meets the federal definition of a low-income household. There are 405 low-income families living in Acton today. 89% are cost burdened.**

### **PRIORITY HOUSING NEED #3      Moderate-Income Homeownership**

**In Middlesex County, Acton has one of the highest percentages of low and moderate-income households that are housing cost burdened. The incidence of homeowner cost burden is very high among young families in three of Acton's census block groups. Moderate income is defined as households at 80% of Area Median Income.**

**PRIORITY HOUSING NEED #5      Below-Market Homeownership**  
**(If the Acton Housing Authority does not purchase one of the units, it may be sold to a Below-Market household at 130% of the Area Median Income)**

**Acton's region has experienced some of the highest rates of single-family and condominium sale price growth of any area in the Commonwealth. Last year's single-family home sale price in Acton - \$469,275 – is unaffordable to 83% of all households in the Boston metropolitan area.**

**Estimated Date for Commencement of Project:                      September 2006**

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**Estimated Date for Completion of Project:                      September 2007**

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**TOWN OF ACTON – BOARD OF SELECTMEN**

**Motion to Authorize Acton Community Housing Corporation to Advance Affordable Housing Development on Certain Town-Owned Property**

WHEREAS the Town of Acton is the owner by tax taking of the real property at 28 Willow Street and 214 Central Street, Acton, Massachusetts (the “Property”) by tax title takings in Land Court Case Nos. 112320 T.L. and 112319 T.L. (Judgments dated May 4, 1998).

WHEREAS the Acton Community Housing Corporation (“ACHC”) proposes that the Property be developed as an affordable housing project consisting of three units of affordable housing (a duplex farmhouse on the Central Street side of the Property and a one-unit bungalow on the Willow Street side of the Property) (the “Project”).

WHEREAS the Board of Selectmen supports ACHC’s proposal for the Project.

WHEREAS ACHC is a non-profit housing corporation created by special Home Rule legislation and is subject to the supervision of the Board of Selectmen. See Chapter 143 of the Acts of 1996, § 1.

WHEREAS, under ACHC’s Home Rule legislation, ACHC has the power “with the approval of the board of selectmen, to acquire ..., and to own, ... and to ... sell, transfer, convey, ... or to otherwise dispose of, on such terms and conditions as it may deem proper, real ... property ... as may be necessary or appropriate to carry out its purposes.” (St. 1996, c. 143, § 2(d)).

WHEREAS the Board of Selectmen intends to place an article on the warrant for the next Town Meeting to authorize the Selectmen to convey the Property to ACHC on certain terms and conditions for purposes of re-conveyance, subject to applicable law, to a developer that will develop affordable housing on the Property.

NOW THEREFORE, the Board of Selectmen moves to authorize the following actions in furtherance of the Project on the Property:

1. ACHC is hereby authorized to apply to the Department of Housing and Community Development (“DHCD”) for any necessary approval and site eligibility determination under the Local Initiative Program, 760 CMR 45.00, for the Project.
2. ACHC is hereby authorized to apply to the Acton Board of Appeals for a Comprehensive Permit under M.G.L. c. 40B for the Project.
3. ACHC is hereby authorized to apply to other State and Town boards, commissions, departments, and agencies for any other necessary permits and approvals for the Project, exclusive of any building permits and other

construction-related permits needed for the actual construction of the Project (it being understood that the Selectmen and ACHC intend, subject to Town Meeting approval, that the permitted Project and Property will be conveyed pursuant to applicable law and re-use restrictions to a qualified developer who will own the Property, construct the Project, and dispose of the units as appropriate).

4. Prior to submission, each such application shall be provided to Town Counsel, the Town Manager, and the Board of Selectmen for their respective review and approval, and for execution as may be necessary on behalf of the Town.
5. Town Counsel, in consultation with the Town Manager, is hereby authorized and directed to prepare any necessary Affordable Housing Restrictions, Land Dispositions Agreements, Request for Proposals, and other transaction documents necessary to effectuate the Project.
6. The Town Manager is hereby authorized to determine the value of the Property subject to the terms and conditions of the Comprehensive Permit and the affordable housing restrictions to be imposed on the Property. Said determination shall be made under G.L. c. 30B, § 16(b), through procedures customarily accepted by the appraising profession as valid, including in the judgment of the Town Manager a real estate appraisal from a qualified real estate expert familiar with property values in the Town of Acton.
7. In the event the value of the Property as so determined exceeds twenty-five thousand dollars in value, ACHC is hereby authorized to issue a Request for Proposals ("RFP") in accordance with documents to be prepared by Town Counsel and approved by the Town Manager and the Board of Selectmen for the prospective conveyance of the Property conditioned upon the construction and implementation of the Project. Without limitation, the RFP shall condition such disposition of the Property on the approval of Town Meeting and the further approval of the Board of Selectmen under St. 1996, c. 143, § 2(d) and/or other applicable law.
8. Town Counsel, in consultation with the Town Manager, is hereby authorized and directed to prepare any necessary warrant articles for the next Town Meeting to authorize the Selectmen to convey the Property to ACHC for purposes of re-conveyance to a developer who shall develop the affordable housing Project on the Property, subject to applicable law, subject to terms and conditions established by the Selectmen, and subject to the terms and conditions of the Comprehensive Permit and the affordable housing restrictions to be imposed on the Property for the Project.
9. For purposes of G.L. c. 40, § 15, the proposed warrant article authorizing the Board of Selectmen to convey the Property to ACHC shall specify the amount to be paid by ACHC for such conveyance as **\$202,548.32**, which when paid

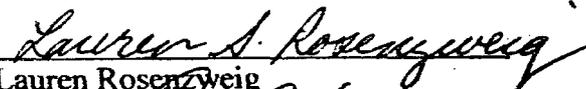
to be paid by ACHC for such conveyance as \$202,548, which when paid shall be applied, in the following order, to (a) the taxes, interest and penalties outstanding with respect to the Property, (b) the required amount of the payment in lieu of taxes that would be required from a buyer of the property, calculated in accordance with G.L. c. 44, § 63A, as of the date of the conveyance, (c) the assessment, containment and removal costs incurred by the Town with respect to the environmental condition of the Property, and (d) the attorney's fees and costs related to the Town's investigation of environmental contamination at the Property and the lawsuit to collect those costs.

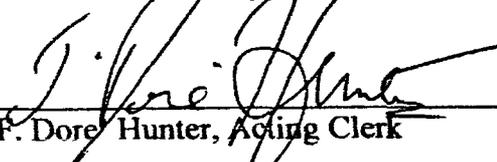
IN WITNESS WHEREOF, the Board has caused the foregoing to be moved, seconded, and approved at an open meeting duly called and noticed for the purpose on this 18<sup>th</sup> day of July, 2005.

TOWN OF ACTON, MASSACHUSETTS,  
By its Board of Selectmen

  
Peter K. Ashton, Chairman

\_\_\_\_\_  
Walter M. Foster, Vice Chairman

  
Lauren Rosenzweig

  
F. Dore Hunter, Acting Clerk

Amount Due for 28 Willow and 214 Central St

<u>Category</u>	<u>Amount</u>	<u>Comment</u>
Taxes and Penalties	\$ 112,707.81	Thru April 30, 2006, No additional taxes since foreclosure
Legal Expenses	\$ 17,084.67	Thru July 18, 2005
HazMat Clean-up Cost	\$ 65,096.00	Thru July 18, 2005
Pilot per MGL C. 44 S 63A	\$ 7,659.84	Assumed Conveyed on April 30, 2006
Total	\$ 202,548.32	

John Murray 7/18/05

# AVERY ASSOCIATES

REAL ESTATE APPRAISERS - COUNSELORS

282 CENTRAL ST.  
P.O. BOX 834  
ACTON, MA 01720  
TEL: 978-263-5002  
FAX: 978-635-9435

info@averyandassociates.com

September 6, 2005

Don Johnson, Town Manager  
Town of Acton  
472 Main Street  
Acton, MA 01720

RE: 214 Central Street and 28 Willow Street, Acton, MA

Dear Mr. Johnson:

In accordance with our agreement, we are pleased to transmit the appraisal report detailing an estimate of the market value of the fee simple interest in the above referenced property. This appraisal contains the data, analysis and conclusions on which the estimate is based.

The subject property consists of a 7,708 square foot parcel of residential land located at 214 Central Street and an 8,091 square foot parcel of residential land, improved with a garage/office building, at 28 Willow Street in West Acton. Since these parcels are under common ownership, they are appraised as a single building site.

The complete appraisal developed in support of this estimate of value is reported in the summary report format and is qualified by certain definitions, limiting conditions and certifications presented in detail in the appraisal report. This report has been prepared for your exclusive use. It may not be distributed to or relied upon by other persons or entities without permission.

As a result of this analysis, an opinion has been developed that the market value of the fee simple interest in the property, subject to the definitions, limiting conditions and certifications set forth in the attached report, as of August 29, 2005, is:

**TWO HUNDRED TWENTY THOUSAND (\$220,000) DOLLARS**

This letter must remain attached to the report, which contains 20 pages plus related exhibits, in order for the value opinion set forth to be considered valid.

Respectfully submitted,



John H. Neas, RA  
Massachusetts Certified General  
Real Estate Appraiser #73



Jonathan H. Avery, MAI, CRE  
Massachusetts Certified General  
Real Estate Appraiser #26

**SUMMARY OF IMPORTANT FACTS AND CONCLUSIONS**

**ADDRESS:** 214 Central Street and 28 Willow Street  
Acton, Massachusetts

**OWNER OF RECORD:** Town of Acton

**DATE OF VALUE ESTIMATE:** August 29, 2005

**INTEREST APPRAISED:** Fee Simple

**LAND AREA:** 15,799 square feet

**IMPROVEMENTS:** A commercial garage/office building with  
2,212 square feet of building area

**ZONING:** Village Residential District

**HIGHEST AND BEST USE:** Demolition of the existing structure and the  
construction of a new single family or two-  
family dwelling

**ESTIMATE OF VALUE:** \$220,000

**APPRAISED BY:** John H. Neas, RA  
Jonathan H. Avery, MAI, CRE  
Avery Associates  
Post Office Box 834  
282 Central Street  
Acton, MA 01720

**Miscellaneous:** Sale 1 is a rear lot with driveway, slope and utility easements and excess septic costs and was adjusted +20%. Sale 5 was purchased with an existing bungalow house that would need to be demolished for any redevelopment of the site. The Buyer was responsible for this expense so an adjustment of +\$5,000 has been made to this sale.

The information on the five sales, *after adjustments*, is shown below:

<b>Date of Sale</b>	<b>July of 2003 to March of 2005</b>
<b>Lot Size</b>	<b>20,044 square feet to one acre</b>
<b>Adjusted Sale Price Per Lot</b>	<b>\$194,480 to \$242,250</b>

After adjustments, the comparable sales display a range of value from \$194,000 (rounded) to \$242,000 (rounded). The greater emphasis has been placed on Sale 1 at Lot A Central Street with an adjusted sale price of \$206,150, Sale 2 at Lot 123 Paul Revere Road with an adjusted sale price of \$227,500, Sale 3 at Lot 24 School Street with an adjusted sale price of \$194,480 and Sale 5 at 7 Sylvia Street with an adjusted sale price of \$231,875.

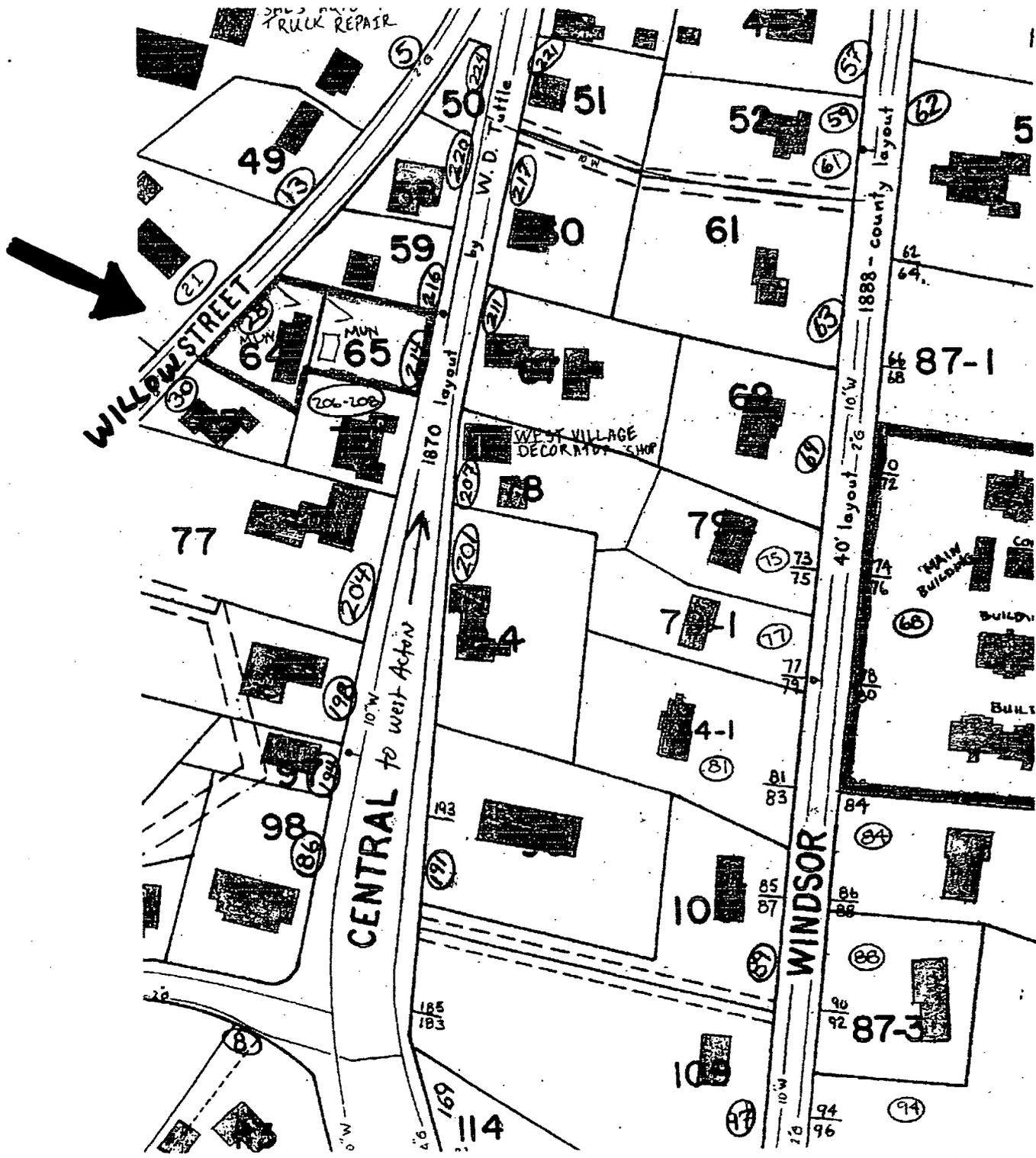
The market data presented is for comparable sales that are considered to be the best examples from the current market that are similar to the subject property. We have selected a retail market value of **\$225,000** for the 214 Central Street/28 Willow Street lot.

This value has then been adjusted for the cost of demolition/removal as follows:

Market Value	\$225,000
Less the Cost of Demolition/Removal	<u>5,000</u>
	<b>\$220,000</b>

The sales adjustment grid follows:



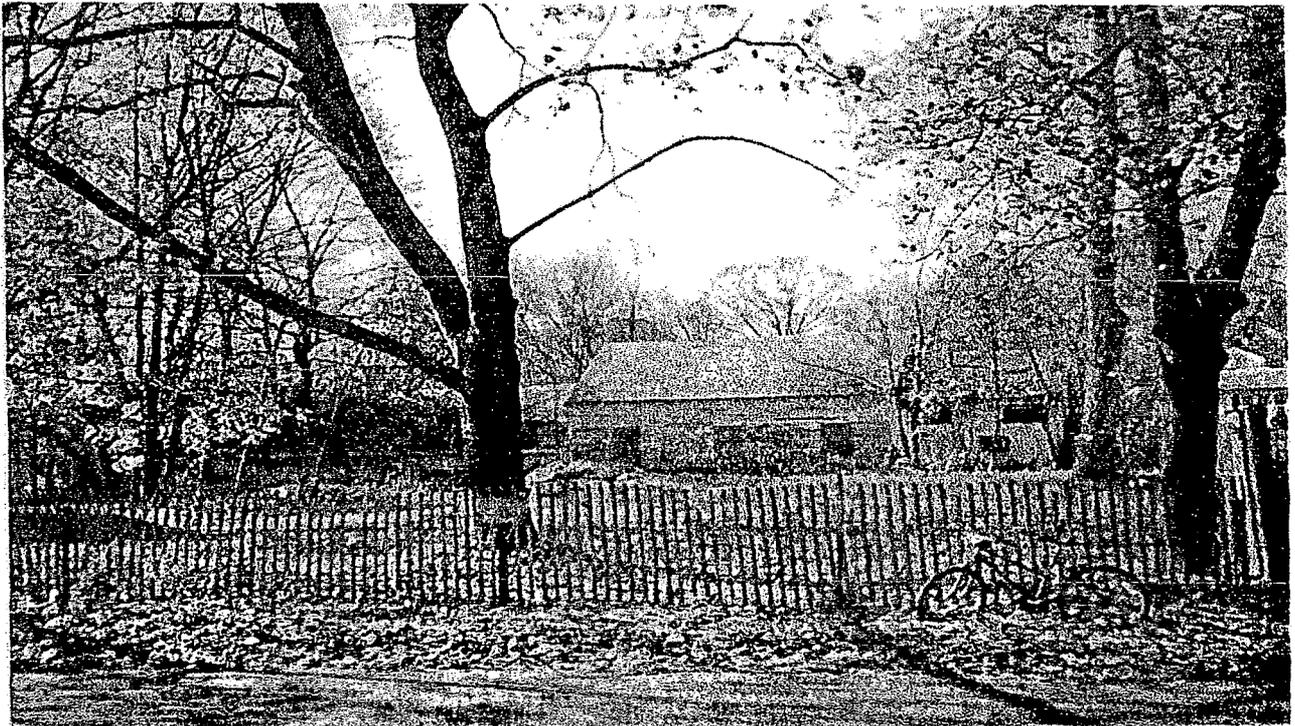


28 Willow St.  
 214 Central St.

**Acton Community Housing Corporation  
Affordable Housing Proposal**



**28 Willow Street**



**214 Central Street**

**Acton Community Housing Corporation**

**Nancy Tavernier, Chairman**

**TOWN OF ACTON**

Acton Town Hall

472 Main Street

Acton, Massachusetts, 01720

Telephone (978) 263-9611

Fax (978) 264-9630

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TO: Community Preservation Committee  
FROM: ACHC, Nancy Tavernier, Chair  
SUBJECT: Revision request to ACHC Land Acquisition funding request  
DATE: February 2, 2006

The ACHC has voted to request a revision to our 2006 CPA request, a broadening of purpose for the use of the funds. Our original request is the following:

**ACHC is seeking \$160,000 in CPA funds to cover a portion of the land acquisition costs for the town-owned land at Willow/Central.**

Our proposed revision would be the following:

**ACHC is seeking \$160,000 in CPA funds to cover a portion of the land acquisition costs *and other eligible development costs* for the town-owned land at Willow/Central.**

The reason for this request is to allow greater flexibility for the use of the money and not restrict it to just the land acquisition costs. The money would still be earmarked for the Willow/Central project. We have a funding gap for this project that has to be filled with a mix of grants, CPA funds and private gift funds. It is possible that we may be able to leverage additional funds from a private source that could be used for the land acquisition costs and should that occur, we would not want to lose the use of the full amount. The \$160,000 is a crucial piece for closing the funding gap. The Town will still be paid \$203,000 for the parcel. Therefore, we request the CPC approve a broadening of the scope of the request as listed above.

I welcome questions at the next CPC meeting. Thank you.

## Roland Bartl

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**From:** Nancy Tavernier  
**Sent:** Friday, January 20, 2006 10:10 AM  
**To:** Community Preservation Committee  
**Cc:** Acton Community Housing Corporation  
**Subject:** ACHC financial information



CPA account2.xls  
(13 KB)

Dear CPC members,

In the event you may have questions about how our previous CPA funds have been or are currently being used, I am sending you the latest information compiled by ACHC. We have prepared this in anticipation of the deliberations for our current CPA request of \$160,000 to provide a portion of the land acquisition costs for the town-owned Willow/Central parcel.

To summarize the information:

Out of the \$60,000 that ACHC controls directly (Funds #1 & #3) and is allowed to bank separately from the Town, we have expended \$21,065.22 to date. We will be providing another \$7500 sewer betterment fee for Fort Pond Brook in April. The payment of these betterment fees to the Town has either reduced the selling price of the homes (Fort Pond Brook) by that same amount or is used to offset the betterment obligation of the affordable home owner (Dunham Lane). Either way, they have provided greater affordability to these units.

In regard to Fund #2 which is held by the Town to be used for acquiring new affordable units, we are in the process of engaging a consultant to prepare a detailed plan for a Condo Buydown program and hope to have a unit identified and a lottery held prior to April Town Meeting. We are using the Boxboro model with variations. By using CPA funds to buy down the selling price by as much as \$50,000, we anticipate a maximum of 3 units could be acquired with these 2005 funds. Because CPA money is viewed by DHCD as a subsidy, we are able to avoid some of the bureaucratic complexities such as reduced condo fees for the affordable units and mandated household size. This is a great boon to our program and is a relatively new ruling. Often times procrastination pays off!

I look forward to any questions you might have.

Nancy

**ACHC - CPA HOUSING FUNDS 2004-2006**  
**SOURCES AND USES**

**CPA FUNDS Voted by Town Meeting for ACHC**

1. 4/2004	\$50,000
2. 4/2005	\$150,000
3. 4/2005	\$10,000

Community Housing Fund voted by Town Meeting, held by ACHC  
 Community Housing Program Fund (\$150,000) held by Town Hall  
 \$10,000 Administrative Expenses for ACHC, held by ACHC

**CPA FUND EXPENSES incurred by ACHC**

**1. Community Housing Fund \$50,000**

3/1/2005	\$ 7,500.00
6/1/2005	\$ 2,780.00
7/7/2005	\$ 1,215.00
8/22/2005	\$ 540.00
10/11/2005	\$ 1,125.00
12/12/2005	\$ 7,500.00
1/19/2006	\$ 270.00

Sewer betterment for 4 Dunham Lane  
 David Singer instructor First Time HomeBuyers course  
 COG Inc Jt.40B Policy consultant Judi Barrett  
 COG Inc Jt.40B Policy consultant Judi Barrett  
 COG Inc Jt.40B Policy consultant Judi Barrett  
 Sewer betterment payment for Fort Pond Brook unit #1  
 Payment to architect for Willow/Central work

**TOTAL Expenses 1/19/06 \$20,930.00**

**2. Community Housing Program Fund \$150,000**

Condo Buydown program underway 1/06. Funds will be expended in 2006.

**3. ACHC Administrative Funds \$10,000**

6/6/2005	\$25.00
9/28/2005	\$110.22

Workshop attendance  
 Administrative expenses

**TOTAL Expenses 1/19/06 \$135.22**

**TOTAL CPA EXPENSES as of 1/19/06**

**\$21,065.22**

**ACHC - CPA HOUSING FUNDS 2004-2006**

**SOURCES AND USES**

**CPA FUNDS Voted by Town Meeting for ACHC**

1. 4/2004	\$50,000	Community Housing Fund voted by Town Meeting, held by ACHC
2. 4/2005	\$150,000	Community Housing Program Fund (\$150,000) held by Town Hall
3. 4/2005	\$10,000	\$10,000 Administrative Expenses for ACHC, held by ACHC

**CPA FUND EXPENSES incurred by ACHC**

**1. Community Housing Fund \$50,000**

3/1/2005	\$ 7,500.00	Sewer betterment for 4 Dunham Lane*
6/1/2005	\$ 2,780.00	David Singer instructor First Time HomeBuyers course
7/7/2005	\$ 1,215.00	COG Inc Jt.40B Policy consultant Judi Barrett
8/22/2005	\$ 540.00	COG Inc Jt.40B Policy consultant Judi Barrett
10/11/2005	\$ 1,125.00	COG Inc Jt.40B Policy consultant Judi Barrett
12/12/2005	\$ 7,500.00	Sewer betterment payment for Fort Pond Brook unit #1*
1/19/2006	\$ 270.00	Payment to architect for Willow/Central work
1/24/2006	\$ 720.00	COG Inc Jt.40B Policy consultant Judi Barrett
<b>TOTAL Expenses 1/19/06</b>	<b>\$21,650.00</b>	

\* Paid directly to the Town Sewer Enterprise Fund

**2. Community Housing Program Fund \$150,000**

Condo Buydown program underway 1/06. Funds will be expended in 2006.

**3. ACHC Administrative Funds \$10,000**

6/6/2005	\$25.00	Workshop attendance
9/28/2005	\$110.22	Administrative expenses
<b>TOTAL Expenses 1/19/06</b>	<b>\$135.22</b>	

**TOTAL CPA EXPENSES as of 1/19/06**

**\$21,065.22**

*720*  
            
**\$ 21,785.22**



**Community Preservation  
Committee**

**TOWN OF ACTON**  
472 Main Street  
Acton, Massachusetts 01720  
Telephone (978) 264-9636  
Fax (978) 264-9630  
[cpc@acton-ma.gov](mailto:cpc@acton-ma.gov)  
[www.acton-ma.gov](http://www.acton-ma.gov)

April 20, 2006

Ms. Nancy Tavernier  
Chair  
Acton Community Housing Corporation  
472 Main Street  
Acton, MA 01720:

**Re: 2006 CPA Project Funding – 28 Willow/214 Central Streets Land Acquisition and Development**

Dear Ms. Tavernier:

Congratulations to the Acton Community Housing Corporation on being a recipient of 2006 Community Preservation funds (CPA funds). Your effort and cooperation during the project selection process helped secure the overwhelming support at the Annual Town Meeting for the Community Preservation Committee's (CPC) spending recommendations. Voters agreed that each project is worthwhile and now they expect that each will be well executed. Before you move forward with the project, please pay close attention to the following important instructions and funding conditions:

- The Town contact person assigned to your project is Roland Bartl, Town Planner. All necessary documentation and communication with the Town regarding this project shall be directed to him.
- CPA funding for your project is available immediately following the release date of this letter, however:
- CPA funds for the acquisition shall be disbursed after proof has been provided to the Town that at least \$42,500 of non-CPA funding has been expended on the acquisition.
- As may be required by the Board of Selectmen, back taxes, interest, penalties, environmental clean-up costs, a payment in lieu of taxes calculated in accordance with G.L. c. 44, § 63A, and other land acquisition funds shall be paid at closing to the Town of Acton as invoiced by the Town for the property located at 28 Willow Street and 214 Central Street.

- Any CPA funds remaining after acquisition shall be applied towards the costs of developing affordable dwelling units at the 28 Willow/214 Central Street site. They shall be disbursed after completion of the project to your satisfaction and consistent with the project scope presented in your funding application, and after:

a) receipt by the Town contact person of an invoice by you for payment (or reimbursement) for completed services, including all back-up documentation and invoices for the entire project by the contractor(s) who performed the work;

b) verification that all applicable state purchasing and ethics regulations, local bylaws, and Town financial policies have been met; and

c) the assigned staff person has verified that the conditions of this award letter have been met.

CPA fund disbursements may also be made in installments after completion or receipt of project phases or distinct elements or products defined in a contract for services or in a purchase order.

- Payments will be made for the amount invoiced by the contractor(s), up to \$160,000 for acquisition and development costs.
- Funds cannot be released until the Board of Selectmen has signed the Accounts Payable Warrant at a public meeting.
- The number of affordable units at the site shall be up to three as represented in your application and to Town Meeting. However, any reduction in the affordable unit count to fewer than three shall be subject to approval by the CPC.
- The ACHC or its successors and assigns shall grant the Town of Acton an affordable housing deed restriction for the affordable units at the site, in a form acceptable to Town Counsel, which shall in perpetuity restrict the units as low or moderate income housing in accordance with M.G.L. Ch.40B or as specified in the comprehensive permit and not in excess of 130% of AMI for any one unit.
- As a public entity the Acton Community Housing Corporation is responsible to ensure that the procurement of goods and services for CPA funded projects, including procurements that are partially funded with monies donated by private entities towards the project, will abide by all applicable State and municipal requirements. They require certain procedures for expenses of \$5,000.00 or more, including a requirement that certain State funded projects are done with a specified minimum participation level by minority- and women-owned businesses. Before soliciting proposals or bids for the project, please work through the assigned staff person to ensure compliance with the law.
- Any significant changes to the project from what you represented in your application and during the project selection process, such as but not limited to a reduction of affordable units to fewer than three, or a substantial redesign of the site layout and building architecture, shall require CPC approval. Please contact Roland Bartl, Town Planner (978-264-9636; [rbartl@acton-ma.gov](mailto:rbartl@acton-ma.gov)) to help determine what change is significant, and if necessary to schedule an appointment with the CPC.
- Please, continue to notify abutters of your progress and especially before the start of any construction activity at the site.

- Upon full completion of the project (acquisition and development activities eligible under this funding award), you must certify completion in writing to the assigned Town contact person. Once he receives your certification, your project account will be closed and no further funds shall be available for this project.
- Any CPA funds awarded to this project and not used upon project completion will be returned to the general CPA fund of the Town and made available for future appropriation by Town Meeting for other projects.
- Good publicity for your project is very important. It is exciting for Acton citizens to know where their CPA funds are being spent. It is also essential that the CPA remains strong at the State level. Therefore, the CPC asks that you make every effort to credit the source of this funding in promotional materials and with signs at the project location stating **"This project has been generously supported by the Town of Acton Community Preservation Fund."** If possible, submit a letter to the Beacon detailing how the funds have benefited your project.

The Community Preservation Committee would appreciate a notice when work on the project has commenced, periodic updates concerning the progress of your project, and especially upon completion. For updates or general questions please contact the CPC via email - [cpc@acton-ma.gov](mailto:cpc@acton-ma.gov), or by calling the Planning Department at (978) 264-9636. Finally, please sign and return to Roland Bartl, the attached acceptance form. Thank you for working in partnership with the CPC to make a significant and lasting difference in our Town.

Sincerely,



Matt Lundberg  
Chair  
Community Preservation Committee

cc: Board of Selectmen  
Conservation Commission  
Historical Commission  
Planning Board  
Acton Housing Authority  
Roland Bartl, Town Planner  
Karen Kukala, Assistant Finance Director

**Re: 2006 CPA Project Funding – 28 Willow/214 Central Streets Land Acquisition;  
up to \$160,000.00**

The Acton Community Housing Corporation accepts the foregoing grant of Community Preservation funds and agrees to be bound by the conditions stated in this award letter.



Ms. Nancy Tavernier

Chair

Acton Community Housing Corporation

472 Main Street

Acton, MA 01720

Dated: April 26, 2006

CPA Presentation

12/14/06

Community Housing Program Fund

\$100,000

*chart → # units increased*

Handouts: Fact Sheet on Condo buydown and Downpayment assistance

## I. Overview

**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."**

**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.**

## II. Eligible Uses

Community Housing Program Fund was established in 2004 with \$150,000 for these purposes:

### CREATION OF NEW AFFORDABLE UNITS

- **Acquire real property (land and/or buildings) for new housing development, both rental and homeownership**
- **Create new deed restricted units through buy down program**

### SUPPORT AFFORDABLE HOUSING WITH CREATIVE STRATEGIES

- **Modify existing homes, including accessibility improvements that allow the disabled or senior citizens to continue to live in their homes**
- **Assist the local housing authority to support its low income rental properties**

- Assist residents to meet homeownership costs, including grants or "soft second" loans to reduce mortgage interest rates, provide a down payment, assist with closing costs, security deposits, utility assistance, or to subsidize interest rates.
- Use as a subsidy to write down interest rates for first-time homebuyer programs

### **REHABILITATION AND RESTORATION OF COMMUNITY HOUSING**

- Make site improvements such as water/sewer connections, well installation, septic installation or repair, or other underground utilities associated with the creation of affordable housing
- Rehabilitate or restore existing public or private property being converted to affordable housing units in a mixed income residential environment

### **PRESERVATION**

- Refinance affordable properties which are at risk of going market rate
- Make capital improvements to existing deed restricted units to keep them affordable

### **III. Fund Uses to date**

- A. Hired consultant to create action plan fro Condo buydowns
  1. 4 options given
  2. ACHC selected Purchase Price buy down
- B. In process of contracting with consultant to hold a lottery for potential first time homebuyers for the condos
- C. Action plan – see handout

### **IV. Handout #1 – Condo Buydown process**

### **V. Handout #2 - Downpayment assistance**

**Acton Community Housing Corporation  
Community Housing Program Fund  
CPA request \$100,000**

**Down Payment Assistance for Local Public Employees**

**Definition:** A CPA funded program for down payment and closing cost assistance for local public employees who are buying a unit in Acton and are first time homebuyers.

The amount of assistance an employee can receive is 5% of the purchase price to a maximum of \$10,000. This would be an application program, first-come, first-served. The assistance becomes a grant after 5 years. If the property is sold (or refinanced with cash out) prior to 5 years, the full amount of assistance is due to be paid back to the Community Housing Program Fund.

**Eligibility:**

- You must be employed by the Town of Acton, the Acton Public Schools, the Acton-Boxborough Regional School District, the Acton Water District, or the Acton Housing Authority.
- You must be a first time homebuyer.
- You must use the property as your principle residence.
- You must be purchasing a home in Acton.
- Your total household income must not exceed 100% of the Area Median Income.
- Household assets (including retirement accounts) cannot exceed \$50,000.
- Applicants must qualify for a 30 year fixed rate mortgage without the assistance of a co-signer.

These numbers represent 100% of the median community income.

<b>House Hold Size</b>	<b>Maximum Income</b>
1	\$58,870
2	\$67,280
3	\$75,690
4	\$84,100

**Community Housing Program Fund** for "the creation, preservation, and support of community housing in the Town of Acton."

The Program Fund will be used to finance new affordable housing initiatives. This set-aside fund is held and controlled by the ACHC for appropriate affordable housing activities recommended by the ACHC or any other entity approved by the Board of Selectmen.

In 2005 and 2007, Town Meeting voters approved a total appropriation of \$320,000 for a Community Housing Fund to be used for affordable housing opportunities.

The value of such a general 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 affordable housing purposes. These could include but not be limited to any of these uses allowed by the CPA statute:

#### Creation

- Convert existing non-residential properties to community housing
- Create in-law apartments and other ancillary housing
- Acquire real property (land and/or buildings) for new housing development, both rental and homeownership
- Grant or loan funds for the creation of community housing to non-profit or for-profit parties. It is anticipated that many local CPA housing initiatives will utilize private non-profit or for-profit intermediaries for the creation of community housing
- Restore "brown fields" sites for housing or other mitigation of contaminated sites in preparation for housing development

#### Preservation

- Refinance "expiring use" affordable properties which are at risk of going market rate
- Assist affordable unit home owners at risk for foreclosure
- Acquire a preservation restriction to limit the occupancy of certain units in a privately owned rental building to persons of low or moderate income housing

#### Support

- Assist the local housing authority to support its low income rental properties
- Assist residents to meet homeownership costs, including grants or "soft second" loans to reduce mortgage interest rates, provide a down payment, assist with closing costs, security deposits, utility assistance, or to subsidize interest rates.
- Use as a subsidy to write down interest rates for first-time homebuyer programs such as the Massachusetts Housing Partnership's Soft Second Program or the

state's Self Help Program that has specific matching requirements; this subsidy makes the Soft Second Program the most affordable mortgage in the state

Rehabilitation and Restoration of Community Housing Created Using CPA Funds

- Make site improvements such as water/sewer connections, well installation, septic installation or repair, or other underground utilities associated with the creation of affordable housing
- Rehabilitate or restore existing public or private property being converted to affordable housing units in a mixed income residential environment

This Fund would be used to provide a diversity of affordable housing opportunities for Acton residents, their children, and employees who work for and in the Town. The expenditures would serve those households with annual household incomes at 80% or less of the Area Median Income. (2007 100% A.M.I.: \$82,400) Many of the potential uses of the Fund could create units in existing properties without the need for new construction and further sprawl. This is a preferred use of CPA funds. This Fund would be used in a variety of ways to serve an under-served population, low and moderate income households in Acton seeking affordable housing, both rental and homeownership.

Acton Community Housing Corporation  
4/24/07



**Community Preservation  
Committee**

**TOWN OF ACTON**  
472 Main Street  
Acton, Massachusetts 01720  
Telephone (978) 264-9636  
Fax (978) 264-9630  
[cpc@acton-ma.gov](mailto:cpc@acton-ma.gov)  
[www.acton-ma.gov](http://www.acton-ma.gov)

April 26, 2007

Ms. Nancy Tavernier  
Chair  
Acton Community Housing Corporation  
472 Main Street  
Acton, MA 01720

**Re: 2007 CPA Project Funding – Community Housing Program Fund**

Dear Ms. Tavernier:

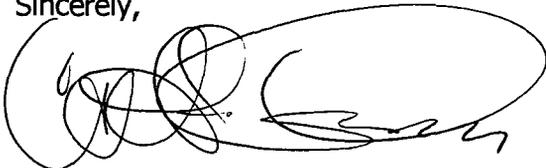
Congratulations to the Acton Community Housing Corporation on being a recipient of 2007 Community Preservation funds (CPA funds). Your effort and cooperation during the project selection process helped secure the overwhelming support at the Annual Town Meeting for the Community Preservation Committee's (CPC) spending recommendations. Voters agreed that each project is worthwhile and now they expect that each will be well executed. Before you move forward with the project, please pay close attention to the following important instructions and funding conditions:

- The Town contact person assigned to your project is Roland Bartl, Planning Director. All necessary documentation and communication with the Town regarding this project shall be directed to him.
- CPA funding for your project is available immediately following the release date of this letter and the approval by the Board of Selectmen of the transfer of \$170,000 in one lump sum to the Acton Community Housing Corporation.
- As a public entity the Acton Community Housing Corporation is responsible to ensure that the procurement of goods and services for CPA funded projects, including procurements that are partially funded with monies donated by private entities towards the project, will abide by all applicable State and municipal requirements. They require certain procedures for expenses of \$5,000.00 or more, including a requirement that certain State funded projects are done with a specified minimum participation level by minority- and women-owned businesses. Before soliciting proposals or bids for the project, please work through the assigned staff person to ensure compliance with the law.

- Expenditures of the awarded CPA funds shall be limited to the projects, programs, and services that you represented in your application and during the project selection process, and shall be made in compliance with the applicable requirements of Chapter 143 of the Acts of 1996, which established the Acton Community Housing Corporation. Any significant changes from what you represented shall require CPC approval. Please contact Roland Bartl, Planning Director (978-264-9636; [rbartl@acton-ma.gov](mailto:rbartl@acton-ma.gov)) to help determine what change is significant, and if necessary to schedule an appointment with the CPC.
- Good publicity for your project is very important. It is exciting for Acton citizens to know where their CPA funds are being spent. It is also essential that the CPA remains strong at the State level. Therefore, the CPC asks that you make every effort to credit the source of this funding in meetings, promotional and other written materials, and with signs at project locations or events stating **"This project has been generously supported by the Town of Acton Community Preservation Fund."** If possible, submit a letter to the Beacon detailing how the funds have benefited your project.

The Community Preservation Committee would appreciate a notice when work on the project has commenced and periodic updates concerning the progress of your project. Upon full completion, the CPC requests a summary report that assesses the work done including an analysis of the successes, failures, and lessons learned. For updates or general questions please contact the CPC via email - [cpc@acton-ma.gov](mailto:cpc@acton-ma.gov), or by calling the Planning Department at (978) 264-9636. Finally, please sign and return to Roland Bartl, the attached acceptance form. Thank you for working in partnership with the CPC to make a significant and lasting difference in our Town.

Sincerely,



Catherine L. Coleman  
Chair  
Community Preservation Committee

cc: Board of Selectmen  
Roland Bartl, Planning Director  
Karen Kukala, Assistant Finance Director

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date?

2007

**Acton Community Housing Corporation  
Community Housing Program Fund  
CPA request \$100,000**

**Condominium Buy Down Assistance**

**Definition:** A purchase price buy-down program involves a payment to the seller at the time of closing, which effectively reduces the principal amount of a first-time homebuyer's mortgage. The subsidy would operate as a purchase price buy-down and require an affordable housing restriction to limit the resale price in perpetuity. CPA funds from the Community Housing Program Fund would be used for the subsidy.

**Implementation:**

**Program Design Recommendations**

- Initiate a pilot condominium buy-down program with sufficient subsidy to assist not more than three or four homebuyers.
- Keep the program small, working with an experienced lender, and institute fairly rigorous lottery requirements to keep the program manageable.
- Maintain a small reserve fund for housing rehabilitation assistance to have some funding available to address issues identified in the property inspection reports.
- Use the LIP deed rider to secure long-term affordability, subject to Town Counsel's review.
- Obtain written confirmation that DHCD will add your condominium buy-down units to the Chapter 40B Subsidized Housing Inventory.

**Program Support Recommendations:**

- The program needs a realtor, lottery agent, property inspector and possibly a lead paint inspector.
- Contact one or more local banks with experience in first-time homebuyer mortgages and confirm their interest in participating in your program.

**Action Plan:**

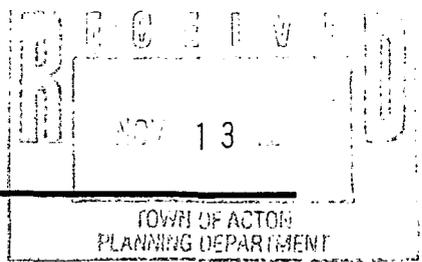
- Conduct an outreach process to communicate with condominium owners at selected Condo complexes such as Briarbrook and Drummer Farms.
- Conduct a lottery to solicit applications from income-eligible first-time homebuyers. Maintain the waiting list in rank order of lottery draw.
- Identify appropriate units for sale and enter into negotiations with owner purchase and sale agreement if they are willing to have a prolonged process
- Apply to DHCD for approval of Local Action Unit with required deed restriction and resale agreement.
- Contact waiting list until first qualified household is found to purchase the unit
- Verify income and mortgage eligibility for prospective unit buyer and assist with closing process
- At closing, ACHC will pay seller the negotiated subsidy and new owner will take possession of property, record deed rider and title

**How it works:**

1. ACHC selects a unit for a buy down. Preference is for 2 or 3 BR unit in condominium complexes that have sewage treatment rather than septic systems. e.g. Briarbrook, Drummer Farm, Parker Village, Redstone
2. ACHC negotiates the market selling price with owner and determines the household size and household income group to target. (See Columns A and B).
3. Home and lead inspections are performed and final price determined.
4. ACHC determines maximum affordable purchase price (Column C) and sets the Buy-Down amount (Column D) that will go to the seller. Condo fees must be factored into the calculation since they cannot be discounted in the case of existing Master Deeds.
5. Additional expenses incurred by ACHC include: legal fees, home inspection, lead inspection, LIP consultant, and capital improvements (estimated at up to \$10,000 per unit).

Purchase Price Buy-Down Estimates by Unit and Household Sizes			
(A)	(B)	(C)	(D)
Unit & Household Size Assumptions	Household Income Limit	Maximum Affordable Purchase Price	Buy-Down at YTD Median
1-Bedroom Unit			\$144,500
1-Person			
70% AMI	\$40,513	\$87,123	\$57,377
80% AMI	\$46,300	\$105,675	\$38,825
50% AMI	\$29,450	\$51,662	\$92,838
2-Person			
70% AMI	\$46,331	\$105,775	\$38,725
80% AMI	\$52,950	\$126,991	\$17,509
50% AMI	\$33,650	\$65,125	\$79,375
2-Bedroom Unit			\$212,000
3-Person			
70% AMI	\$52,106	\$124,287	\$87,713
80% AMI	\$59,550	\$148,148	\$63,852
50% AMI	\$37,850	\$78,588	\$133,412
3-Bedroom Unit			\$315,000
4-Person			
70% AMI	\$57,881	\$142,799	\$172,201
80% AMI	\$66,150	\$169,304	\$145,696
50% AMI	\$42,050	\$92,051	\$222,949

#3



**PROJECT APPLICATION FORM – 2007**

**Applicant:** Acton Community Housing Corporation **Submission Date:** 11/13/06

**Applicant's Address, Phone Number and Email**  
Acton Community Housing Corporation  
Nancy Tavernier, Chair  
Acton Town Hall  
472 Main St.  
Acton MA 01720  
  
978-263-9611  
  
achc@acton-ma.gov

**Purpose: (Please select all that apply)**  
 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 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 children, and employees who work for and in the Town.**

**With this request, ACHC proposes to focus on one new program and the implementation of a previous proposal: Down Payment Assistance (\$50,000) and Condo Buy-Downs (\$50,000). The new program is a Down Payment Assistance Program for Acton Municipal, School, Water District, and Housing Authority employees. This program would be modeled after existing programs that are administered by regional housing partnership organizations and are federally**

funded. We propose to offer assistance on a first-come, first-served basis to any of the above employees for up to 5% of the purchase price of a housing unit located in Acton, with a maximum of \$10,000 per employee. To be eligible, their household income could not exceed 100% of the Area Median Income (2006: \$84,100 for a 4 person household), they must be a first time homebuyer, and they must qualify for a 30 year mortgage. ACHC intends the assistance would become a grant after 5 years, with no requirement to pay it back. If the property is sold prior to 5 years, the full amount of assistance is due to be paid back to ACHC. Legal details for the implementation of the Program would be worked out at ACHC's expense. We propose using \$50,000 from the Community Housing Program Fund for this program. This would serve up to 5 employee requests for assistance.

The second program would be the implementation of our previously proposed Condo Buy-Down program. In 2006, ACHC hired a consultant to provide technical assistance in researching and developing an action plan for a Condominium Buy-Down Assistance Program. Judi Barrett of COG, Inc. conducted research and data collection from a sample of other condominium buy-down programs in New England, met with ACHC to present and review various program design recommendations, and prepared a technical memorandum with recommendations and a suggested plan of action for the ACHC. ACHC chose a Purchase Price Buy-Down model. This Program would apply to existing housing units or new construction units in non-40B developments in Acton. The sellers would 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 at 60-80% 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 Subsidized Housing Unit Count. ACHC proposes to add \$50,000 to the existing Fund for this program. This would bring the Fund to a level that would allow the buy-down of at least 2 units while retaining funds for other affordable housing uses as the opportunities arise.

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 2007 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:**

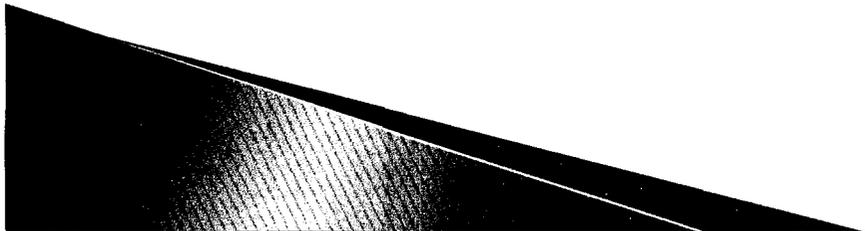
- #1 Low-Income Rental Units
- #2 Affordable Senior Apartments
- #3 Moderate-Income Homeownership
- #4 More Choices for Seniors
- #5 Below-Market Homeownership

**Estimated Date for Commencement of Project:** ongoing

**Estimated Date for Completion of Project:** ongoing

# Acton Community Housing Corporation Administrative Fund Request 2008

- ▶ April 2005 CPA first grant \$10,000
- ▶ July 2005 ACHC moves from AHA to home offices
- ▶ Current Balance:           \$ 1,300.00
- ▶ 2008 request:               \$15,000.00

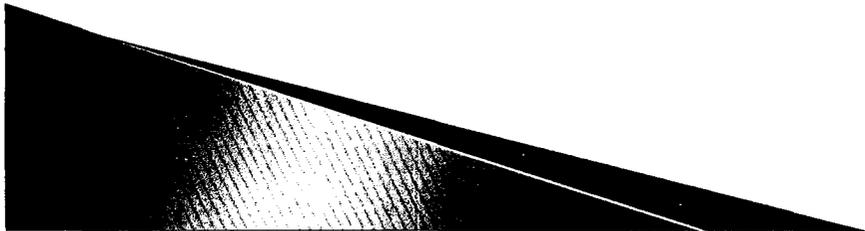


# ACHC Administrative Fund Spending History

May 2005 – January 2008

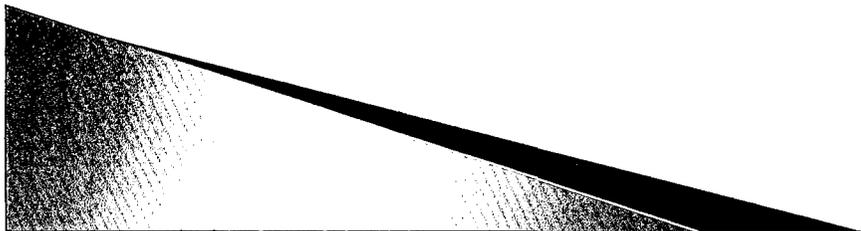
- Supplies and Postage \$1,400
- Bond Insurance Treasurer \$1,351
- Legal expenses \$5,818
- Conferences and Pubs \$ 100

TOTAL \$8,700



# Community Housing Program Fund Request 2008

- ▶ \$100,000 for acquisition, creation, preservation, and support of community housing
- ▶ Broad definition for allowable CPA affordable housing purposes
- ▶ Set-aside fund retained by the ACHC
- ▶ Expenditures approved by Board of Selectmen



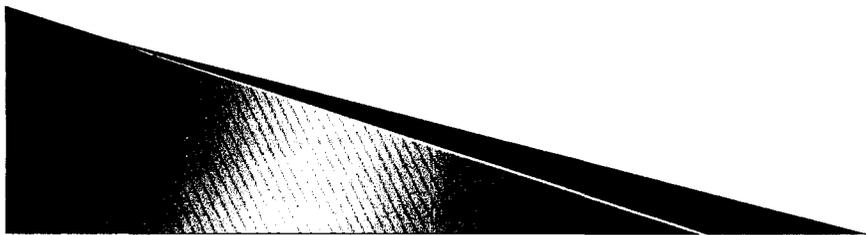
# Approved Program Fund Requests 2004-2008

- ▶ 2004: \$ 50,000
- ▶ 2005: \$150,000
- ▶ 2006: \$160,000 (Willow-Central)
- ▶ 2007: \$170,000
- ▶ 2008: \$100,000 (requested)

Total 2004-2007: \$530,000

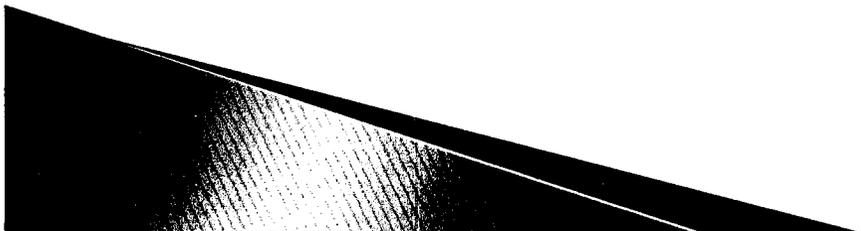
Spent or committed: \$418,000

Current Balance: \$112,000



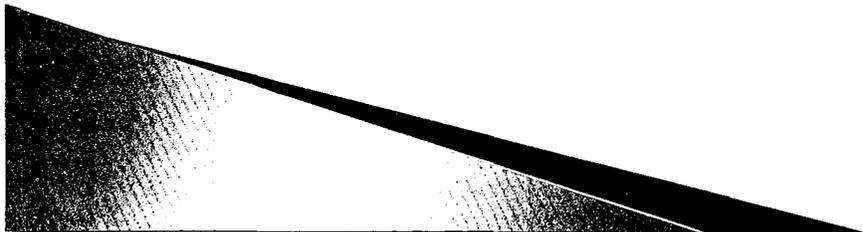
# Categories of Spending 2004-2007

▶ Consultants	\$ 12,240
▶ Lottery agent	\$ 5,835
▶ First Time Home Buyer courses	\$ 6,180
▶ Willow-Central land acquisition	\$160,000
▶ Sewer betterments affordable units	\$ 22,500
▶ Subsidize Condo units	\$102,000
▶ Condo buy down expenses	\$ 4,248
▶ Purchase AHA unit	\$100,000



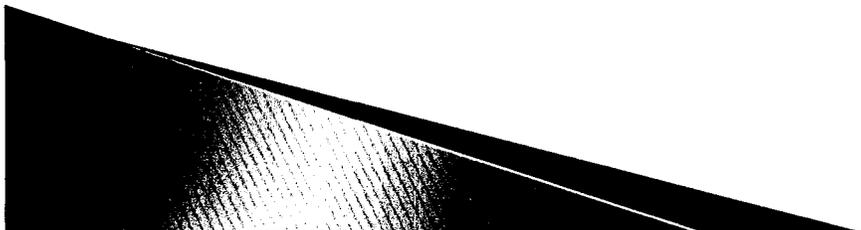
# Future Plans for Housing Fund 2008 & beyond

- ▶ Buy down of existing Condo units
- ▶ Buy down of new construction Condo units
- ▶ Condo Purchase for AHA
- ▶ Kelley's Corner non-profit housing initiative
- ▶ Educational Programs and assistance for First Time Homebuyers



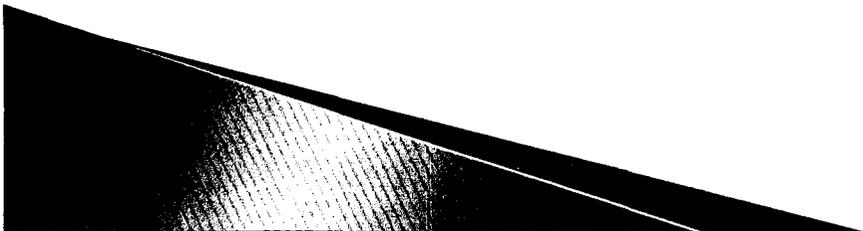
# Why request only \$100,000?

- ▶ CPA application due November 5
- ▶ As of November 2, no buyers for Condo after contacting over 1000 people
- ▶ Willow-Central project underway with no more funding requirements
- ▶ ACHC members were approaching burn-out
- ▶ Less funding meant less work
- ▶ Housing Fund balance on Nov. 5 \$300,000
- ▶ ACHC thought \$100,000 would be enough



# What happened since November 5?

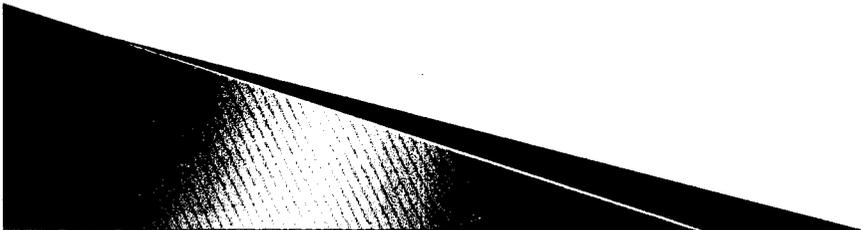
- ▶ On November 5 the perfect buyer stepped up
- ▶ On November 8, ACHC voted to buy AHA unit
- ▶ On December 5, the first Condo unit sold
- ▶ On December 12, Steinberg–Lalli Foundation approached us about housing initiative
- ▶ We all had good Holidays!
- ▶ Our batteries are recharged
- ▶ Current Housing Fund Balance \$112,000



# Amended Request

- ▶ ACHC would like to amend request upward to \$200,000

THANK YOU!



1.

Acton Community Housing Corporation  
Administrative Fund Request 2008

- ▶ April 2005 CPA first grant \$10,000
- ▶ July 2005 ACHC moves from AHA to home offices. *Betty retires (Nancy)*
- ▶ Current Balance: \$ 1,300.00
- ▶ 2008 request: \$15,000.00  
*3-5 years*

ACHC Administrative Fund  
Spending History

*to April*

May 2005 - January 2008	
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◦ Conferences and Pubs	\$ 100
<b>TOTAL</b>	<b>\$8,700</b>

*3 years*

2.

Community Housing Program Fund  
Request 2008

- ▶ \$100,000 for acquisition, creation, preservation, and support of community housing
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- ▶ Set-aside fund retained by the ACHC
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*ASg Fund*

Approved Program Fund Requests  
2004-2008

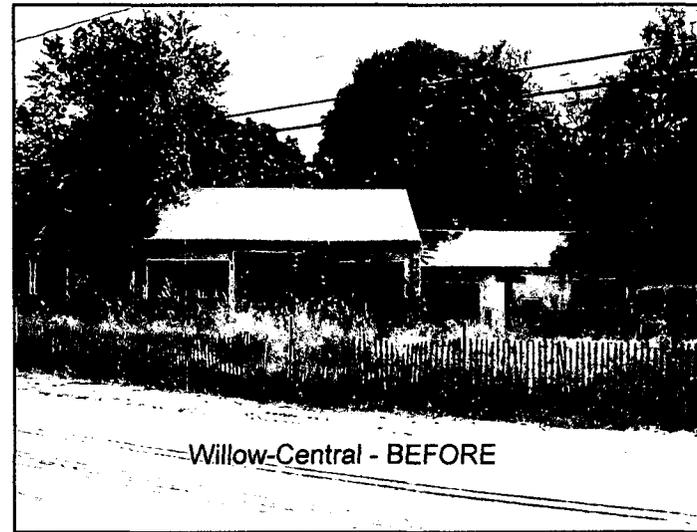
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- Total 2004-2007: \$530,000
- Spent or committed: \$418,000
- Current Balance: \$112,000

# How funds spent

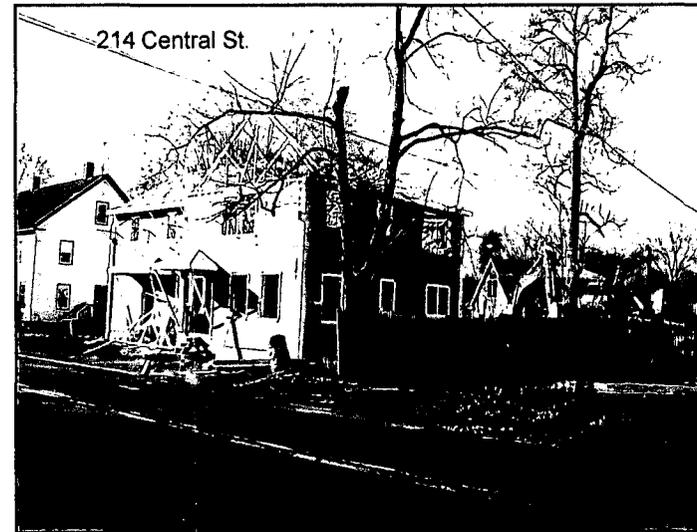
## Categories of Spending 2004-2007 4 mos.

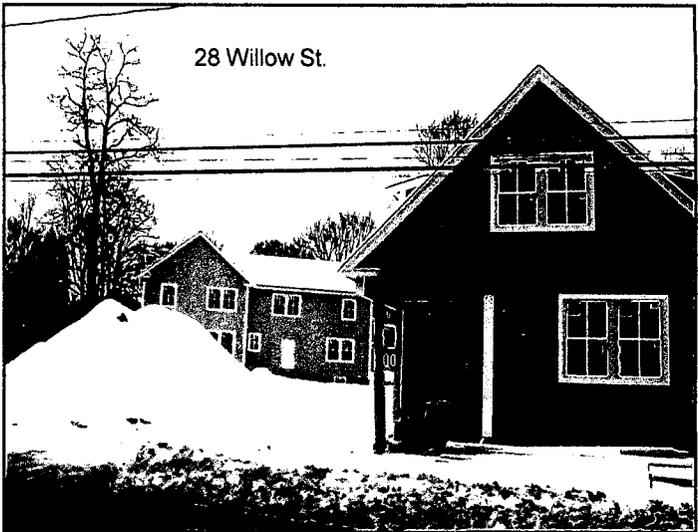
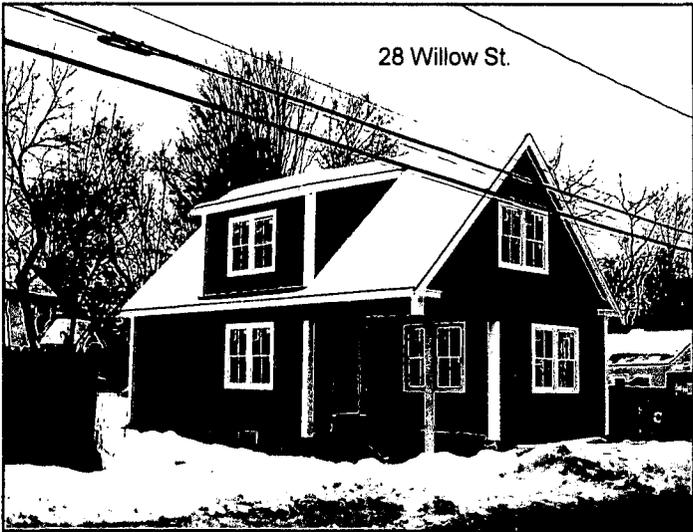
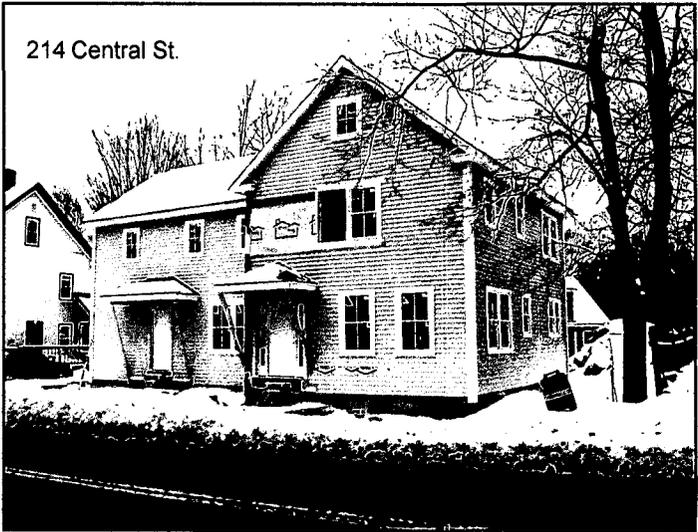
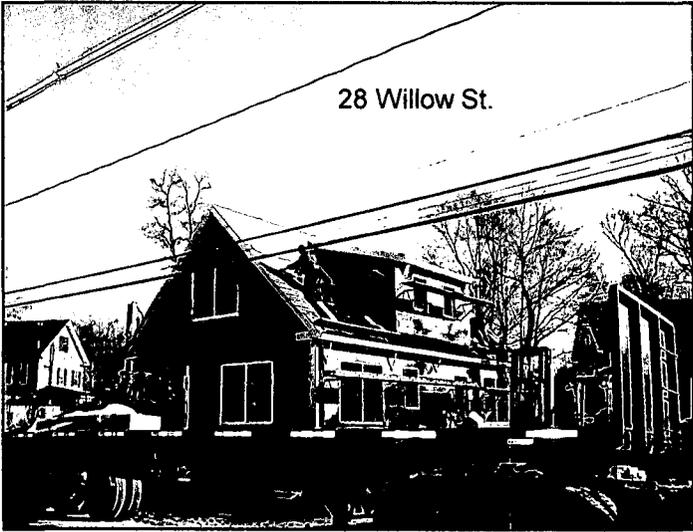
- ▶ Consultants Comp Permit, Buydowns 12,240
  - ▶ Lottery agent Ready Buyer \$ 5,835
  - ▶ First Time Home Buyer courses (4) \$ 6,180
  - ▶ Willow-Central land acquisition \$160,000
  - ▶ Sewer betterments affordable units \$ 22,500
  - ▶ Subsidize Condo units Drummer \$102,000
  - ▶ Condo buy down expenses Somerset closing \$ 4,248
  - ▶ Purchase AHA unit future legal \$100,000
- \$100,000 Steinberg gift W-C

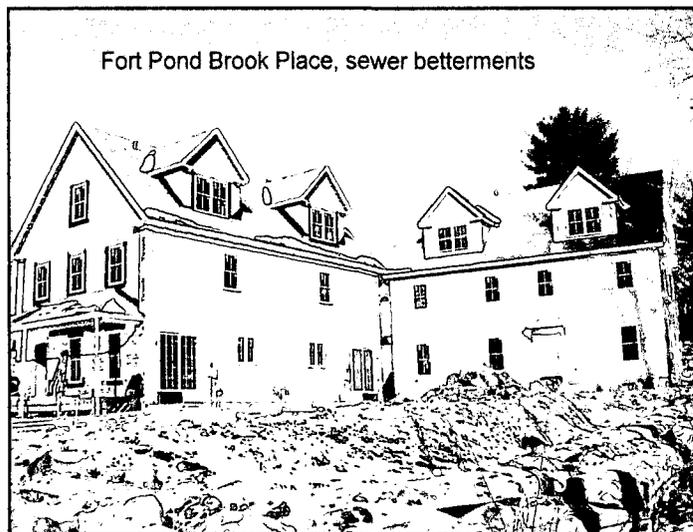
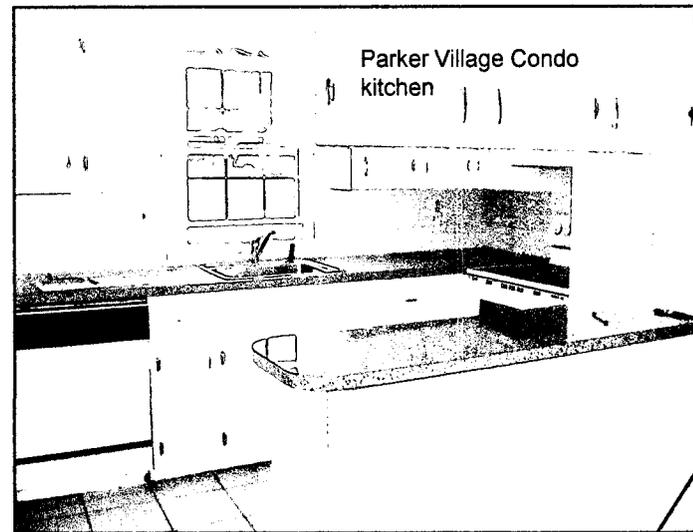
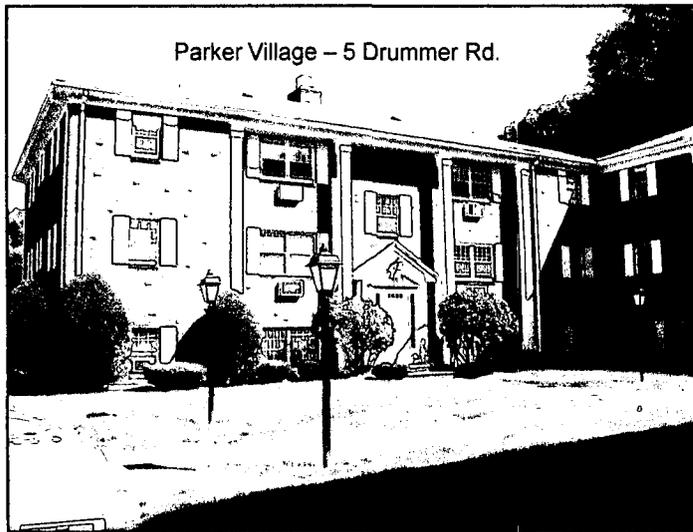
(3)  
(4)



Willow-Central - BEFORE







### Future Plans for Housing Fund 2008 & beyond

- Buy down of existing Condo units
- Buy down of new construction Condo units
- Condo Purchase for AHA *looking now*
- Kelley's Corner non-profit housing initiative *Steinberg-Lalli*
- Educational Programs and assistance for First Time Homebuyers

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- Our batteries are recharged
- Housing Fund Balance \$112,000

### Amended Request

- ACHC would like to amend request upward to \$200,000

THANK YOU!

## Acton Community Housing Corporation

Nancy Tavernier, Chairman

### TOWN OF ACTON

Acton Town Hall

472 Main Street

Acton, Massachusetts, 01720

Telephone (978) 263-9611

[achc@acton-ma.gov](mailto:achc@acton-ma.gov)

---

TO: Board of Selectmen  
FROM: Nancy Tavernier, Chair  
SUBJECT: ACHC spending requests  
DATE: February 8, 2008

The following is a list of anticipated spending by ACHC for either continuing or new affordable housing initiatives anticipated for the next 6 months using CPA funds that are held in the Community Housing Program Fund. Your approval is required under the terms of the ACHC Home Rule petition, Chapter 43, Acts of 1996.

*In Section 2, (g), the ACHC Board of Directors was given the following powers as related to the funding issue:*

*(g) With the approval of the board of selectmen, to receive and hold funds appropriated by the town and other funds, property, labor and other things of value from any source, public or private, by gift, grant, bequest, loan or otherwise, either absolutely or in trust, and to expend or utilize the same on behalf of the corporation for any of its purposes or to act as an agent or conduit in administering or disbursing funds or financial or other aid from any source; provided, however, that all revenues collected or received by the board of directors in connection with its activities, investments or transactions **shall be expended only with approval of the board of selectmen of the town of Acton.***

1. Down payment assistance to First Time Homebuyers of deed restricted units.

Budget: \$10,000 to \$25,000.

ACHC has set a budget to use for buyers of new 40B units as well as the Condo Buydown units to assist with Down Payment and Closing Costs. We have found that while eligible buyers have the funds for the required 3% down payment, they do not necessarily have the funds to cover Closing Costs which are estimated to be up to \$5000. A grant to these buyers for such assistance can be the difference in whether or not they can purchase the unit. Any of the units we propose to give assistance for will have deed restrictions on them insuring their continuing affordable housing designation.

2. Administrative expenses for ACHC. Budget: \$15,000.

ACHC has requested \$15,000 from CPA funds to replenish our Administrative Fund from 2005. We anticipate approval at the April Town Meeting. These funds have been used in the past to fund supplies, postage, bond Insurance for the Treasurer, legal expenses, conferences, and publications.

Thank you for your continuing support.



contract with a lottery agent to create a new Ready Buyer List using the DHCD required affirmative marketing process. ACHC will make that decision when the housing market settles down.

The fund can also be used to do minor capital upgrades for existing deed restricted units as part of the resale process. ACHC is the monitoring agent for resales of affordable units and may use these funds to contract with an agent to handle the resale to an income eligible buyer.

ACHC has partnered with the Acton Housing Authority to buy existing condo units for the AHA's low income rental program. A combination of CPA, AHA, and housing gift funds has been used to fund these acquisitions. The current housing market offers an excellent opportunity to acquire these units at reduced prices. ACHC has funded two of these units to date for a total of \$215,000.

ACHC developed a Down Payment and Closing Cost Assistance Program in 2008 that has assisted 9 first time homebuyers purchase a deed restricted unit. In our experience, it appears one major obstacle to being ready to buy a home is the lack of funds for a 3-5% down payment and the closing costs which can be in excess of \$5000. ACHC reviews applications submitted by the buyers and determines the appropriate grant level according to the asset measurement of the buyers. Grants have ranged from \$1000-\$6000. A total of \$21,000 has been expended for this program in the past two years.

ACHC has access to privately funded housing gift funds that would be used as leverage for these programs in addition to the requested CPA 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 2010 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 \_\_\_\_\_



**Community Preservation  
Committee**

---

**TOWN OF ACTON**  
472 Main Street  
Acton, Massachusetts 01720  
Telephone (978) 264-9636  
Fax (978) 264-9630  
[cpc@acton-ma.gov](mailto:cpc@acton-ma.gov)  
[www.acton-ma.gov](http://www.acton-ma.gov)

April 29, 2010

Ms. Nancy Tavernier  
Chair, Acton Community Housing Corporation  
472 Main Street  
Acton, MA 01720

**Re: 2010 CPA Project Funding – Acton Community Housing Corporation  
Community Housing Program Fund – up to \$50,000**

Dear Ms. Tavernier:

Congratulations to the Acton Community Housing Corporation on being a recipient of 2010 Community Preservation funds (CPA funds) in the amount of \$50,000. The ACHC's effort and cooperation during this year's project selection process helped secure the necessary support at the Annual Town Meeting of all the Community Preservation Committee's (CPC) spending recommendations. Voters agreed that each funded project is worthwhile and now they expect that each will be well executed. Before you move forward with the project, please pay close attention to the following important instructions and funding conditions:

- The Town staff person assigned to this project is Roland Bartl, Planning Director. All necessary documentation and communication with the Town regarding this project shall be directed to him.
- CPA funding for this project is available immediately following the release date of this letter and the approval by the Board of Selectmen of the transfer of \$50,000 in one lump sum to the Acton Community Housing Corporation.

- As a public entity the Acton Community Housing Corporation is responsible to ensure that the procurement of goods and services for CPA funded projects, including procurements that are partially funded with monies donated by private entities towards the project, will comply with all applicable State and municipal requirements. They require certain procedures for expenses of \$5,000.00 or more, including that certain State funded projects are done with a specified minimum participation level by minority- and women- owned businesses. Before soliciting proposals or bids for the project, please work through the assigned staff person to ensure compliance with the law.
- Expenditures of the awarded CPA funds shall be consistent with the projects, programs, and services that you presented in your application and during the project selection process, and shall be made in compliance with the applicable requirements of Chapter 143 of the Acts of 1996, which established the Acton Community Housing Corporation. Any significant changes from what you presented shall require CPC approval. Please contact Roland Bartl, Planning Director (978-264-9636; [rbartl@acton-ma.gov](mailto:rbartl@acton-ma.gov)) to discuss whether or not a change must be considered significant, and if necessary to schedule an appointment with the CPC.
- Any community housing created in whole or in part with this funding support shall qualify under the statutory definition of "community housing" as "low and moderate income housing for individuals and families, including low or moderate income senior housing".
- Any community housing created in whole or in part with this funding support shall be subject to a permanent deed restriction that meets the requirements of M.G.L. Chapter 184 and that ensures that the subsidized housing remains affordable in perpetuity and that the unit or units are added to the Town's Subsidized Housing Unit Inventory.
- In the case of minor capital upgrades for existing deed-restricted units, care must be taken to ensure that the CPA funds are used for "preservation" purposes (i.e. "protection of ... real property from injury, harm or destruction") and not for "maintenance" (i.e. "the upkeep of real ... property").
- Specific program initiatives and expenses shall require prior approval by the Board of Selectmen.
- Good publicity for your project is very important. It is important for Acton citizens to know where their CPA funds are being spent. Therefore, the CPC asks that you make every effort to credit the source of this funding at any meetings and in any written materials related to this project. Please submit a letter to the CPC detailing how the funds have benefited your project. The CPC has signs that give funding credit to the Acton CPA program that should be posted at any project site.

The Community Preservation Committee would appreciate a notice when work on the project has commenced, periodic updates concerning the progress of your project, and especially notification upon completion. For updates or general questions please contact the CPC via email - [cpc@acton-ma.gov](mailto:cpc@acton-ma.gov), or by calling the Planning Department at (978) 264-9636.

Finally, please sign and return to Roland Bartl the attached acceptance form. Thank you for working in partnership with the CPC to make a significant and lasting difference in our Town.

Sincerely,



Jon Benson  
Chairman  
Community Preservation Committee

cc: Board of Selectmen  
Steve Ledoux, Town Manager  
Roland Bartl, Planning Director  
Karen Kucala, Assistant Finance Director

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**Re: 2010 CPA Project Funding – Acton Community Housing Corporation  
Community Housing Program Fund; up to \$50,000.**

The Acton Community Housing Corporation accepts the foregoing grant of Community Preservation funds and agrees to be bound by the conditions stated in this award letter.

Dated: \_\_\_\_\_, 2010

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Ms. Nancy Tavernier  
Chair, Acton Community Housing Corporation  
472 Main Street  
Acton, MA 01720

Acton Community Housing Corporation  
Nancy Tavernier, Chairman  
TOWN OF ACTON  
Acton Town Hall  
472 Main Street  
Acton, Massachusetts, 01720  
Telephone (978) 263-9611  
[achc@acton-ma.gov](mailto:achc@acton-ma.gov)

---

TO: Board of Selectmen  
FROM: Nancy Tavernier, Chair  
SUBJECT: ACHC spending requests  
DATE: May 6, 2010

The following is a list of anticipated spending by ACHC for either continuing or new affordable housing initiatives anticipated for the next 12 months using CPA funds that are held in the Community Housing Program Fund. These requests are consistent with the CPA proposals submitted by ACHC and approved by the CPC and Town Meeting. Your approval is required under the terms of the ACHC Home Rule petition, Chapter 43, Acts of 1996.

Each year ACHC seeks broad approval for our recently voted CPA funds, this is a standard request. Our current balance of the Community Housing Program Fund (all CPA funds) is \$200,000

1. Down payment assistance to First Time Homebuyers of deed restricted units.  
Budget: \$10,000 to \$25,000.

ACHC has set a budget to provide down payment and closing costs for first time home buyers of deed restricted affordable units. These can be either new construction or existing units with deed restrictions insuring their continuing affordable housing designation and count toward the 10%. The assistance is provided in the form of a grant after application from the buyers. In our observations, closing costs, which can be up to \$5000, can be deal breakers. A grant to these buyers for such assistance is often the difference in whether or not they can purchase the unit.

We started implementing this program in 2007 after it was submitted to the CPC in 2006, recommended by them, the BOS, the FinCom and Town Meeting.

We have used it for buyers of deed restricted units that are counted toward the town's 10%. They can be either 40B units or non-40B but affordable units as long as they are deed restricted. The grant of funds is provided at Closing to offset the closing costs and/or the down payment. It does not go to a developer, it only benefits the buyers. Since 2007, 11 grants have been issued ranging from \$1000 to \$6000 with the average grant being \$2767 with a total of \$30,400 expended.

2. Preservation of affordable units. Budget: \$20,000.

ACHC is proposing a program to help owners of existing non-40B units to preserve the exterior of their units. CPA funds may be used for preservation of community housing which includes "protection from injury, harm or destruction, but not including maintenance". Included in the ACHC count of 43

affordable home ownership units there are 15 units that are in scattered sites around town and do not have the benefit of a condo association that maintains the exterior siding, windows, doors and roofs. These units are older single family homes or condos ranging in age from 20-45 years old. ACHC proposes to set aside funds for a modest assistance program to be established. We will be developing the program over the summer.

These units are not in 40B developments, they are single family homes or condos that became deed restricted units voluntarily from developers because they were asked by the Planning Board or ACHC or they were a condition on a special permit such as the units at Faulkner Mill and Somerset Hills. The existing single family homes that were purchased by first time homeowners as part of the scattered site program were from 5 to 20 years old at the time they were purchased over 10 years ago. Some of these units are liable to have failures of systems such as septic systems, heating systems, roofs, etc. While first time homebuyers are income and asset eligible at the time of purchase, that does not mean they accumulate assets at a rate high enough to handle unforeseen expenses. ACHC will develop criteria for this program over the summer, it will require matching funds, bids for the work, proof of the work being done and an income and asset check of the applicant.

### 3. Administrative expenses for ACHC. Budget: \$12,000.

ACHC has an Administrative Fund of CPA funds to cover our operating expenses over the next 5 years. This was approved at the April 2008 Town Meeting. These funds have been used in the past to fund supplies, postage, bond insurance for the Treasurer, legal expenses, conferences, and publications. An additional expense this year will be for digitizing of ACHC files to place them on the Town server.

For over 20 years when Betty McManus was both a member of ACHC and the executive director of the Acton Housing Authority, her office would fund administrative expenses for ACHC. When she retired in 2006, ACHC requested CPA funds to cover administrative funds, eligible under the CPA statute as "support" for community housing. By covering these expenses, ACHC has managed to operate the committee without having to hire administrative help.

### 4. Condo Buydown program.

ACHC will be developing a new concept for a condo buydown program to submit for the next round of CPA funding in the fall. We will first need to create a new Ready Buyer list using a consultant to measure the interest. This will require a lottery to establish the rank order of interested buyers. We will prepare a separate request for this spending during the summer.

We are looking at a new concept and will put it in front of the BOS sometime this summer. We are not seeking approval on May 10 and do not intend to discuss it.