

PROJECT APPLICATION FORM – 2015

Applicant: Acton Community Housing Corporation **Submission Date:** 11/17/14

Applicant's Address:

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01720

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Town Committee (if applicable): ACHC

Project Name: Community Housing Program Fund

Project Location/Address: N/A

Amount Requested: \$150,000

Purpose: (Please select all that apply)

- Open Space
- Community Housing
- Historic Preservation
- Recreation

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

The Acton Community Housing Corporation (ACHC) is requesting \$150,000 to replenish the existing Community Housing Program Fund for "the acquisition, creation, preservation, and support of community housing in the Town of Acton."

The Fund is used to finance new affordable housing initiatives and other activities eligible for CPA funding under the "support of community housing" definition in the statute. This set-aside fund is retained by the ACHC and earmarked for appropriate affordable housing activities recommended by the ACHC or any other community housing 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 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 Community Preservation Act (CPA) funding cycle which is six months in advance of the Town Meeting vote. The Fund is used only for allowable CPA affordable housing purposes to provide a diversity of affordable housing opportunities for Acton residents and employees who work for and in the Town, as well as new residents from outside of Acton.

With this request, ACHC proposes to continue its current programs and initiate new ones. Uses of the Fund from 2004 to 2014 include:

- closing costs and mortgage payment assistance to 19 first time homebuyers of affordable units;
- the purchase or subsidy of 7 units for the Acton Housing Authority's low income rental program including 4 new construction units;

- funding sewer betterments for affordable units in 4 developments;
- a condo buydown and selling price subsidy for 9 units;
- capital improvements for 8 affordable units;
- funding the Housing Inventory for the Acton 2020 Community Master Plan,
- funding 4 years of membership in the Regional Housing Services Office, and
- funding a Housing Production Plan.

Total spending on these initiatives through 2014 was just over \$1.6 Million. (See details attached.)

Among the new programs that were created with this Fund were a Capital Improvement Program for existing deed restricted units for specific CPA eligible uses. As the monitoring agent for resales of affordable units, ACHC has also used the Fund to cover the cost of an agent to handle the resale to an income eligible buyer, as well as fund any necessary inspections, repairs or improvements.

Currently underway is the preparation of a Housing Production Plan (HPP). Such a plan is strongly recommended by the Department of Housing and Community Development (DHCD) and is being prepared by the Metropolitan Area Planning Council (MAPC). Housing Production Plans provide a proactive strategy for planning and developing affordable housing based on a Housing Needs Assessment. This Plan will address the affordable housing goals developed during the Acton 2020 process and will validate the housing needs identified in the Acton2020 housing inventory.

At the completion of the HPP, the ACHC should have a strong indication of priority housing needs for the Town. A key part of the Plan is an Implementation Plan which will lay out specific actions the Town can take to increase the affordable housing stock beyond its current 6.5% with constant progress toward its 10% goal. ACHC proposes to replenish the Community Housing Program Fund in anticipation of housing opportunities that will use ACHC and housing gift funds.

In this current year, the ACHC has used housing gift funds of \$110,000 to purchase a condo for the Acton Housing Authority and will use \$250,000 of CPA funds for the purchase of two new construction units in Acton Meadows, a 40B development, for the Acton Housing Authority to use in its low income rental program. Low income rentals are expected to be identified as a high priority housing need in the Town.

The current balance of CPA funds held by the ACHC, as of 11/1/14, is \$400,000. After the purchase of the two new units for the Acton Housing Authority, the balance will be \$150,000. In addition, the ACHC has access to housing gift funds held by the Town earmarked for affordable housing programs. These housing gift funds can be used as leverage for programs in addition to the CPA funds. A replenishment of \$150,000 combined with other funding sources will allow the ACHC to aggressively seek out opportunities for land acquisition and construction projects to meet the priority needs expected to be identified in the Housing Production Plan.

The ACHC's programs

- 1) are consistent with the Goals established by the Community Preservation Committee to address the housing needs of the community as detailed in the 2015 Community Preservation Plan; and will be responsive to the Implementation Plan to be created by the Housing Production Plan and
- 2) are consistent with the following Goal and Objective in the Acton 2020 Plan.

Goal 5: Support Inclusion and Diversity

We value our diversity in all of its forms. We welcome citizens of all ages, socio-economic, cultural, racial and ethnic backgrounds. We strive to foster respect and appreciation, promote interaction, and actively encourage a wide variety of individuals to live, work, and play in Acton.

Strategy 5.2.1: Affordable Housing Strategy

Develop a comprehensive and proactive affordable housing strategy that supports the provision of a wide range of housing types including for people of limited means, and also allows Acton to make progress on the Commonwealth's affordable housing goals set forth in Chapter 40B of the General Laws.

- Legislation to increase local control over development
- **Prepare Housing Production Plan**
- Incentives for well-located affordable housing
- Purchase deed restrictions in existing housing
- Allow more dividing of existing lots for economical housing
- Housing sites with open space purchases

- 3) address the five priority housing needs identified in Acton's 2004 Community Development Plan entitled "To Live in Acton."

- #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
COMMUNITY HOUSING PROGRAM FUND and CPA SPENDING
2004-2014 As of 11/10/14

❖ Administrative Funds	\$ 20,345
❖ Capital improvement program	\$ 12,623
❖ Condo Buy down expenses	\$ 10,000
▪ Legal, inspections, repairs, fees	
❖ Condo Buy down, selling price subsidy - 9 units	\$ 172,621*
❖ Consultants	\$ 35,360
▪ Develop Comprehensive Permit Policy	
▪ Condo Buydown Program	
▪ Acton 2020 Housing Inventory	
▪ Housing Production Plan	
❖ Down payment, Closing Costs , and Mortgage help	\$ 48,005
▪ 19 First Time Homebuyers assisted	
❖ First Time Home Buyer courses	\$ 6,180
❖ Lottery agent	\$ 23,000
▪ Ready Buyer List	
▪ Condo Buydown	
▪ Resales	
❖ Purchase existing or new condos for Acton Housing Authority	\$ 675,000*
▪ 7 Units purchased or subsidized for low income rentals	
▪ Lalli Terrace, Willow-Central, Somerset Hills, Acton Meadows, Drummer Rd	
❖ Regional Housing Services Coordinator (4 years)	\$ 82,000
❖ Sewer betterments for affordable units	\$ 357,000*
▪ Fort Pond Brook Place, Dunham Lane, Lalli Terrace, Old HS Commons	
❖ Support Acton Housing Authority development	\$ 20,000
▪ Whittlesey Village enhanced landscaping	
❖ Willow-Central land acquisition	\$ 163,000
▪ Paid Town for back taxes, clean-up costs	
TOTAL SPENDING OR COMMITTED 2004-2014	\$1,625,134*

*Includes housing gift funds