

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.

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Board of Selectmen:
Finance Committee:

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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.
