

Acton Community Housing Corporation

Nancy Tavernier, Chairman

Ryan Bettez, Vice Chairman

Acton Town Hall

472 Main Street

Acton, Massachusetts, 01720

Telephone (978) 263-9611 (Nancy)

(617) 828-4197 (Ryan)

**28 WILLOW STREET/214 CENTRAL STREET, WEST ACTON VILLAGE
AFFORDABLE HOUSING DEVELOPMENT PROPOSAL**

BACKGROUND INFORMATION

1. Acton Community Housing Corporation – Who are we?

The Town Board responsible for developing affordable housing strategies and implementing affordable housing programs in the Town of Acton. This quasi-public body is a Selectmen-appointed board, created by a Legislative Home Rule petition in 1996. Prior to this, ACHC was a private non-profit housing partnership group formed by the Selectmen in 1986.

ACHC has five full members and three associate members. Most of the current members are professionally involved in affordable housing development. The Town's charge to ACHC is to "provide affordable housing opportunities for working families with incomes at less than 80% of the Area Median Income." Currently 80% AMI for a family of four is \$66,150.

2. Where is the Willow/Central St. town-owned property?

The subject property consists of two adjoining parcels of land in a residential neighborhood in West Acton. The parcels have frontage on two streets, at 28 Willow St. and 214 Central St. The current zoning is Village Residential (VR), which would allow by special permit from the Planning Board up to 4 attached multifamily units on 15,000 square feet or more of land. The 28 Willow Street parcel is 8,091 square feet and contains an approximate 2,000 square foot office and garage building. The 214 Central Street parcel is 7,708 square feet. The two parcels combined are 15,799 square feet.

3. How did the Town come to acquire these parcels and at what cost?

These two parcels of land were taken by the Town of Acton for unpaid back taxes in the mid-90's. It was most recently used as a septic system installation and repair company, until approximately 1995. The Town of Acton has spent approximately \$70,000 for significant environmental remediation work through the 21E process to clean up a petroleum contamination problem. The site has been cleaned up and approved by DEP and the Town for residential re-use. The clean-up cost was \$69,000.

4. What makes this an attractive site for redevelopment?

This is an ideal site for a small multi-family development. The lot is located within close walking distance to the West Acton Village Center. Infill housing would be consistent with the Town's Master Plan and the Planning Board's emphasis on concentrating development within and near the village cores. There are other high density properties nearby, a duplex abuts the parcel on one side and another is across the street. A thoughtfully designed multi-unit project would blend in quite well. From the ACHC's perspective, the proposed development would get a piece of town-owned property back on the tax rolls, eliminate an eyesore and a safety hazard, and create much needed affordable housing.

5. What is the proposed design for this site?

The ACHC proposes to build a duplex farmhouse style building on the Central Street side of the parcel and a single family bungalow style building on the Willow Street side. The duplex would contain a 3-BR unit and a 2-BR unit, the bungalow would be a 3-BR unit. All three units would be sold or rented to low-moderate income households. The wastewater disposal system has been designed to accommodate a maximum of 8 bedrooms. (See specific design materials included in information packet)

6. How will the construction costs be funded?

ACHC, with the assistance of Massachusetts Housing Partnership, has put together a Sources and Uses Plan that demonstrates the financial feasibility of the proposal. Proceeds from the sale of the units, CPA funds, gift funds, and grants will be part of the development revenue mix. (See Willow/Central spreadsheet in information packet)

7. What makes this proposal attractive to the State housing agencies?

The ACHC received a state grant of \$25,000 from DHCD and MassHousing as part of the Priority Development Fund program. The grant has been used to do preliminary site planning and architectural design. The proposed development has caught the eye of several agencies due to its location in a village area and its Smart Growth implications.

8. What makes this proposal Smart Growth?

The proposed development of multi-family housing on this site is consistent with the following Commonwealth principles of sustainable development (Smart Growth):

1. **Redevelop First.** This site was originally a residential unit that was converted to a garage and office use where cars and trucks were repaired. Its most recent use was by a septic disposal company using the building as an office and the parking area for septic disposal trucks. The proposed reuse of the property will enhance the neighborhood by cleaning up the long vacant site and eyesore while

providing housing consistent with the existing neighborhood without creating sprawl.

2. **Concentrate Development.** The West Acton Village area is a dense area with many large vintage homes, multi-family dwellings, and a diverse assortment of small retail and service businesses. This parcel is located in the Village area and within a one mile radius is a small public library, an Elderly Housing complex, two elementary schools, two churches, a playground, a cemetery, several restaurants, several personal service businesses, retail establishments, a pharmacy, a post office, and conservation areas with public access trails.

3. **Restore and enhance the environment.** This site was a 21E site that needed remedial abatement. The Town of Acton took the land for back taxes and later discovered the soil was contaminated by gasoline. The Town has now cleaned up the site at its own expense, and it has been approved by the DEP for residential redevelopment. The building on the site is boarded up and the land area is overgrown and unsightly. Housing development will be a welcome improvement on the site, enhance the neighborhood, and restore tax revenues to the Town .

4. **Expand Housing Opportunities.** The development of this site will provide needed units for low and moderate income families.

5. **Provide Transportation Choice.** The site is within walking distance to businesses in West Acton Village. It is approximately 1.3 miles from the South Acton Commuter rail station and there is a sidewalk to the station for almost the entire route. The site is also located within 2 miles of Rt. 2 and 5 miles from Rt. 495 for easy access to the highways.

9. Does the Acton Master Plan support the use of town land for affordable housing?

Yes, in 1990 and again in 1998, the Acton Master Plan supports these Strategies for Promoting Affordable Housing that would be met with this proposal:

1. Strategy H2: Seek opportunities to acquire buildable town-owned properties that might be suitable for donations towards the development of affordable housing
2. 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.

10. What housing needs are identified in the new Community Development Plan entitled "To Live in Acton"?

Acton's specific housing needs were identified in 2004 through a needs assessment process and are listed in order of priority:

1. Affordable rental units for very-low and low-income families;

2. Affordable rental units designed for low-, moderate- and middle-income senior citizens and persons with disabilities;
3. Affordable homeownership units for moderate-income families;
4. Affordable homeownership units in a range of residential use types and sizes for moderate and middle-income seniors; and
5. Homeownership units at below-market prices, affordable to middle-income homebuyers.

11. Which needs will be met with this proposal?

Two of the units (2-BR duplex and 3-BR bungalow) will be sold to low-moderate income households with incomes no greater than 80% of the Area Median Income. The third unit (3-BR duplex) will be sold to the Acton Housing Authority for use as a rental unit for low income families.

12. How does ACHC propose to accomplish this proposed development and what are the steps in the process?

1. July 18 Meet with Board of Selectmen to seek vote that would give ACHC site control of the property, not ownership.
2. ACHC will apply to DHCD LIP program to get site eligibility from a subsidizing agency, which is necessary for the next step
3. ACHC will apply to ZBA for a Comprehensive Permit. A comp. permit is needed because the units are not attached, triggering the need for a zoning variance.
4. Once the Comprehensive Permit is approved, ACHC will prepare an RFP, with help of consultant. The project will be put out to bid using the required state bid regulations. Included in the RFP will be the Comp. Permit, DHCD LIP approval, Wastewater Disposal plan, and preliminary architectural design.
5. ACHC will select the developer who is most likely able to complete the development according to the conceptual design and whose proposal best meets the RFP.
6. Ownership will transfer to the developer who will then develop the property according to the comprehensive permit.

13. Who has authority to dispose of the land?

Town Meeting votes annually to authorize the Board of Selectmen to sell and convey properties that the Town has obtained via tax foreclosure.

7/5/05

WEST ACTON VILLAGE NEIGHBORHOOD



Pictures

Subject Property 28 Willow Street



Subject Property 214 Central Street





South Side Elevation Central 2 & 3 BDRM Units



Central Elevation 2 & 3 bedroom Units

Central Street



West Side Elevation Central 2 # 3 BDRM Units



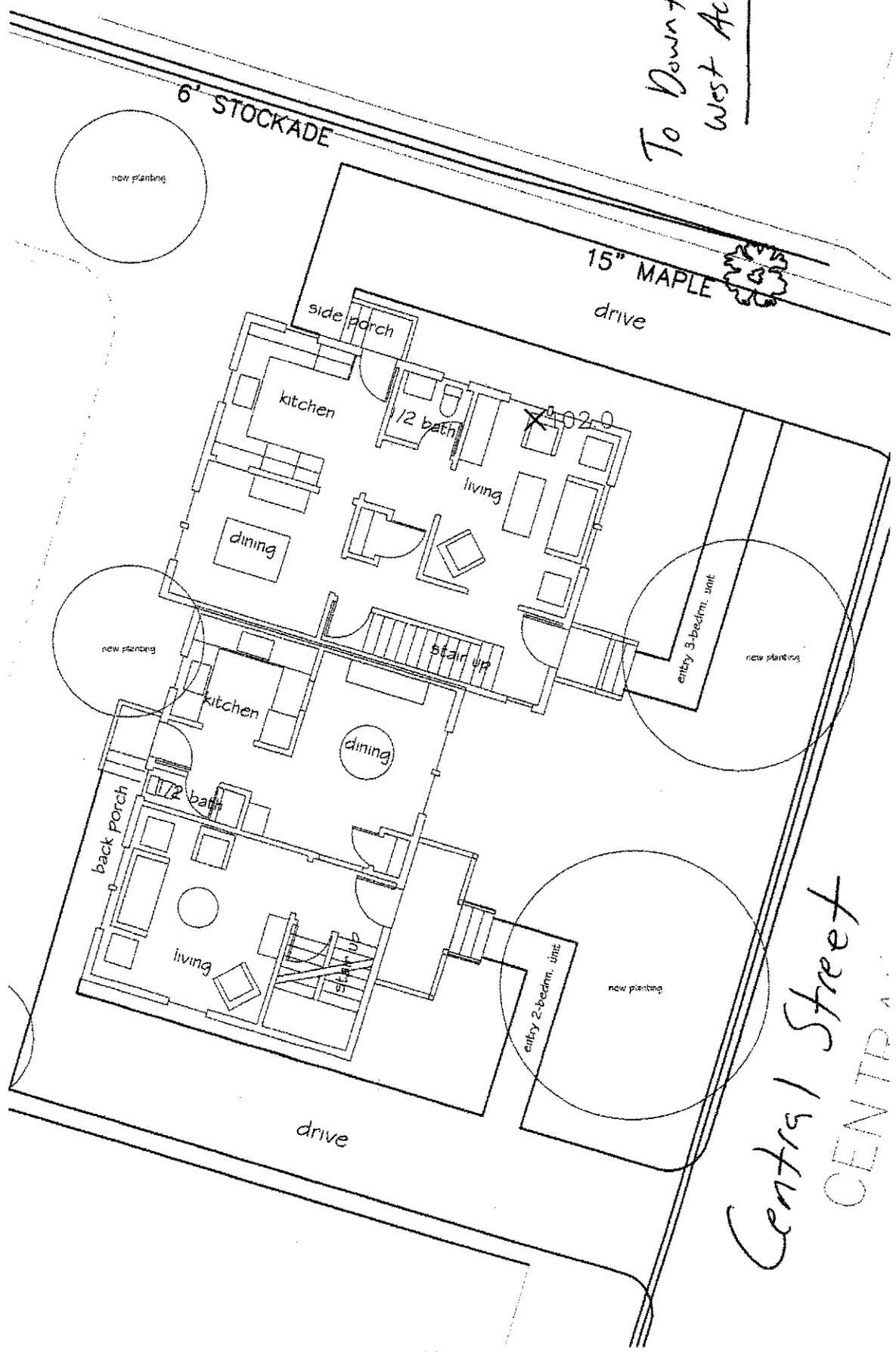
North Side Elevation Central 2 # 3 BDRM Units

9

Central Street

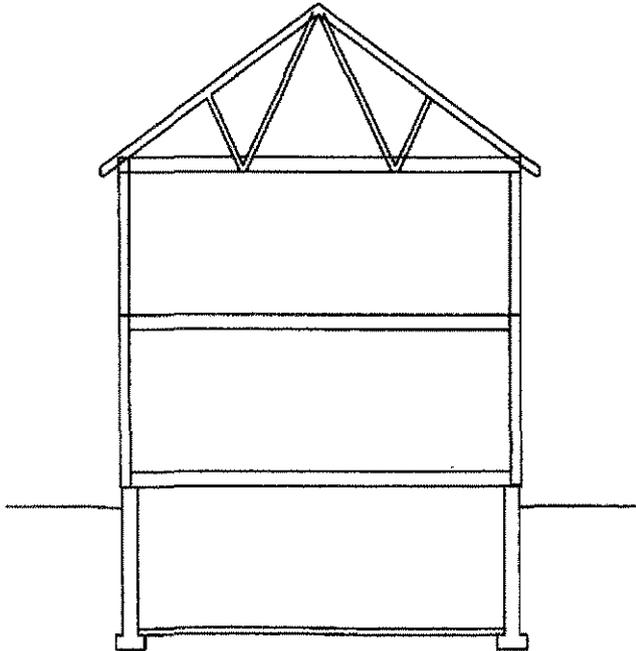
To Downtown
West Acton

Central Street
CENTRAL

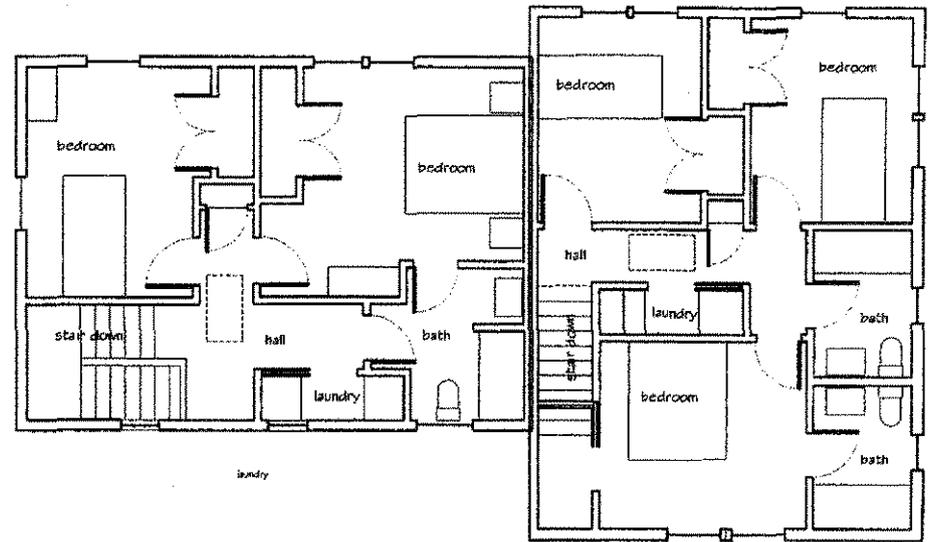


West Side Elevation Central 2 & 3 BDRM Units

North Side Elevation Central 2 & 3 BDRM Units

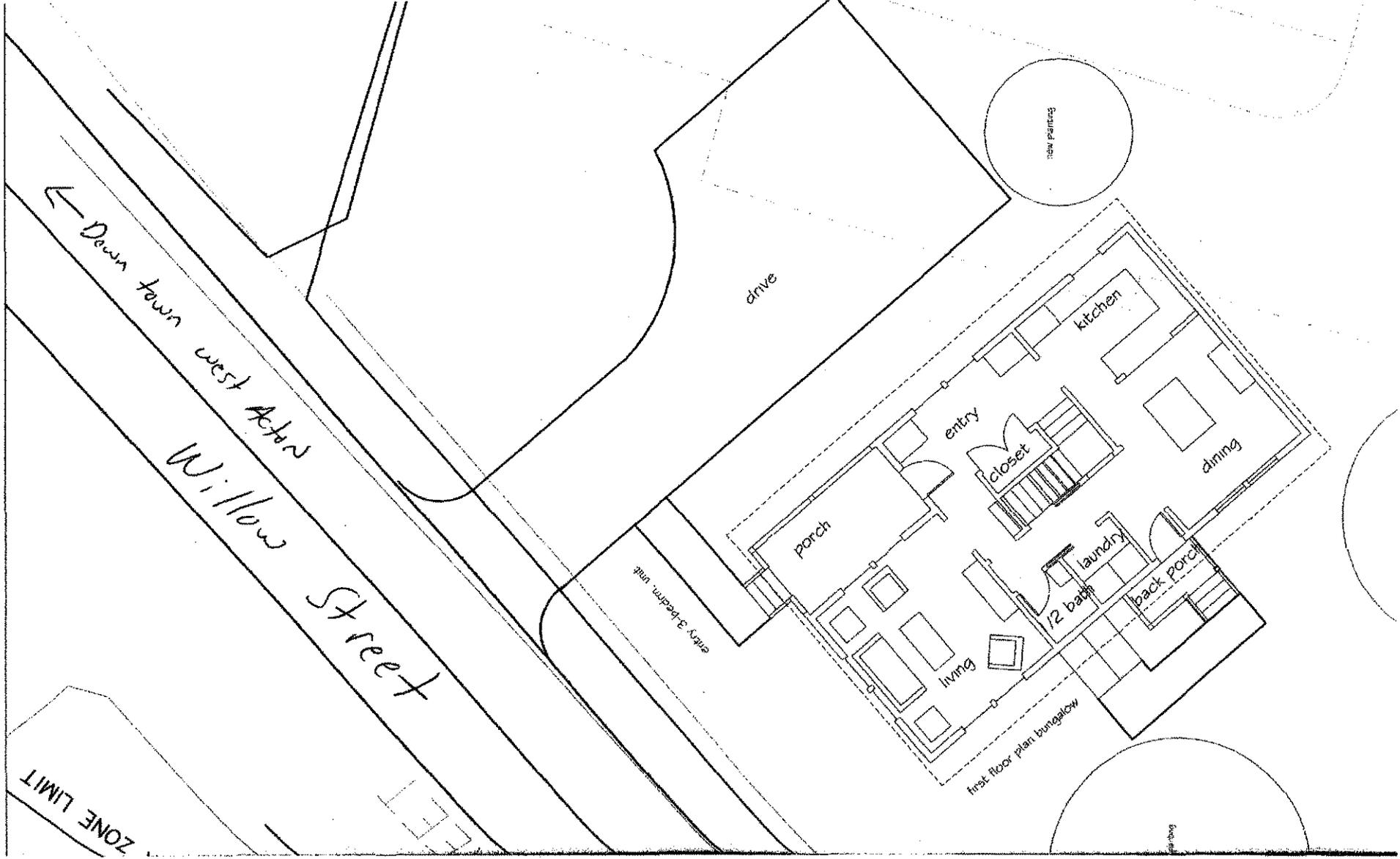


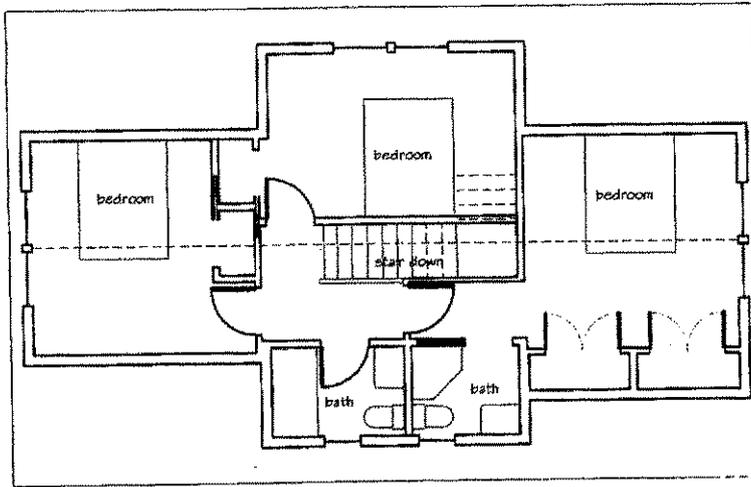
Gable Section Central 2 & 3 Bedroom Units



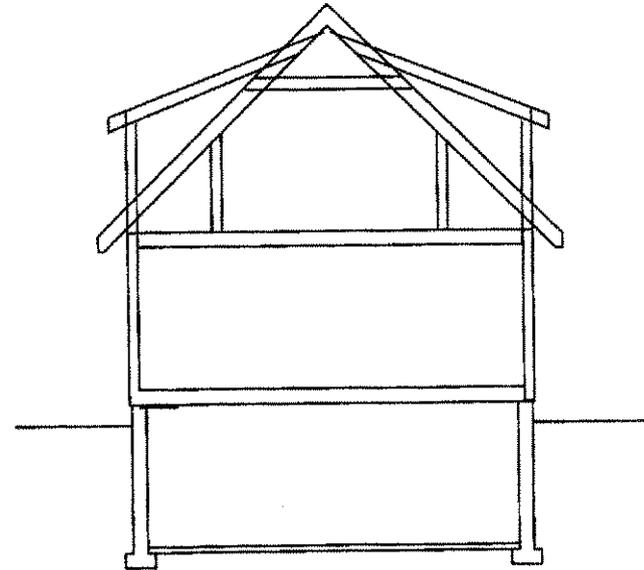
Second Floor Central 2 & 3 Bedroom Units Plan

Central Street





Second Floor Willow Bungalow Plan



North-South Section Bungalow

Willow Street

Willow / Central
 Acton Mass
 6/25/05

Development Revenue							
Number of Units		3		3			
Number of Bedrooms		8		8			
Number of Market Rate Units		0		0			
Number of Affordable Units		3		3			
Acton Housing Authority Purchase				\$350,000			
3 bedroom Affordable Sale				\$190,000			
2 bedroom Affordable Sale				\$160,000			
Revenue from Sales				\$700,000			
Total Development Cost				\$1,198,275			
Gap Financing / Funding Needed				\$498,275			
Partial Town Funds							
CPA Funds				\$248,275			
Non Town Funds							
AHA Condo \$350,000							
State/ HUD Funds				\$250,000			
Total Development Revenue				\$1,198,275			
Total Development Cost				\$1,198,275			
Net of Revenue and Cost				\$0			

Site Acquisition		\$175,000		\$175,000		
clean up/back taxes/market value						
Site Work						
Site Work		\$50,000		\$50,000		
Demolition		\$20,000		\$20,000		
Landscaping		\$25,000		\$25,000		
Sidewalk betterment		\$5,000		\$5,000		
Water hook up		\$8,250		\$8,250		
Driveways and walkways		\$15,000		\$15,000		
Septic System		\$85,000		\$85,000		
Sub Total		\$208,250		\$208,250		
Site Work Cost Contingency	10%	\$20,825	10%	\$20,825	10%	
Total Site Work Costs		\$229,075		\$229,075		
Residential Construction Costs		\$500,000				
Concrete		4000sq ft * \$125		\$36,000		
Gutters				\$3,500		
Carpentry				\$65,000		
Roofing				\$24,000		
Insulation				\$15,000		
Doors and Windows				\$35,000		
Interior Finishes				\$30,000		
Cabinets and Appliances				\$33,000		
Electrical				\$18,000		
Siding and Trim				\$55,000		
Painting				\$28,000		
Plaster				\$35,000		
Plumbing and HVAC				\$55,500		
Temp Power and Toilets				\$6,000		
Cleaning and Dumpsters				\$8,000		
Flooring				\$25,000		
Misc.				\$28,000		
Sub Total		\$500,000		\$500,000		
Construction Cost Contingency	10%	\$50,000	10%	\$50,000	10%	
Total Construction Costs		\$550,000		\$550,000		

Site Soft Costs Estimate					
Permits/Approvals		\$4,000		\$4,000	
Architectural Plans		\$25,000		\$25,000	
Engineering Survey		\$5,000		\$5,000	
Legal		\$15,000		\$15,000	
Insurance		\$15,000		\$15,000	
Development Fee/Consultant		\$65,000		\$65,000	
Construction Supervisor		\$40,000		\$40,000	
Property Tax					
Construction Interest					
Accounting		\$10,000		\$10,000	
Marketing/Lottery Costs		\$8,000		\$8,000	
Overhead Profit					
Consultants		\$30,000		\$30,000	
Conditions Imposed by Town Boards		\$5,000		\$5,000	
Sub Total		\$222,000		\$222,000	
Soft Cost Contingency	10%	\$22,200	10%	\$22,200	10%
Total Soft Cost		\$244,200		\$244,200	
Total Development Revenue		\$1,198,275		\$1,198,275	
Total Development Cost		\$1,198,275		\$1,198,275	
Net of Revenue and Cost		\$0		\$0	

Affordable Housing in Acton Acton Community Housing Corporation

The Town Board charged with facilitating affordable housing is the Acton Community Housing Corporation (ACHC). This quasi-public body is a Selectmen appointed board, created by a Home Rule petition in 1996. Prior to this, ACHC was a private non-profit housing partnership group formed by the Selectmen in 1986. The Home Rule petition grants the ACHC broad powers not normally held by Town Boards. Original membership included individuals from the banking, real estate and development fields, lawyers, housing advocates, and interested citizens. Many of these same dedicated individuals became charter members of the 1996 Town board and remain members today.

ACHC has five full members and three associate members. Most of the current members are professionally involved in affordable housing development. The Town's charge to ACHC is to "provide affordable housing opportunities for working families with modest incomes."

The role of the ACHC is to act as the Town's initial contact with developers of proposed affordable residential housing projects, which may be site-specific or exploratory. The developer presents a proposed housing plan, indicating unit design and size, related facilities, site planning and affordability. The developer indicates any requests that will be made for a density bonus or other variances in return for the provision of affordable housing. Following ACHC review and discussion, specific requests may be made of the developer relative to the proposed housing, particularly as to the size, scale, adequacy, and appropriateness of the development, before the proposal is taken to the town staff and town boards. ACHC generally holds one or more public information sessions on each proposal.

Affordable Housing is defined in Massachusetts as *housing for households with incomes not exceeding 80% of the Area Median Income **AND** which restricts rents or home prices for a specific period of time*, generally 99 years in Acton. The price range of affordable homes is currently \$140,000-195,000. Deed riders restrict the future re-sales of these properties to other income eligible families. Housing is considered affordable if it does not consume more than 30% of gross household income. There may be some properties in Acton that are valued at these low prices but unless they are deed restricted for income eligible families, they can neither be counted toward the Town's 10% nor officially termed Affordable Housing.

The most effective tool for the creation of affordable units is the "Comprehensive Permit". This is the common term used to describe the process of permitting affordable development using MA General Laws Chapter 40B. This legislation was enacted in 1969 to encourage the development of housing for low and moderate-income individuals and families. Since 1970, more than 30,000 housing units across state have been developed under Chapter 40B. Under the statute, 40B establishes a comprehensive or "streamlined" permitting process enabling a local ZBA to approve a proposed housing development if at least 25% of the units are affordable to households whose gross annual household income

does not exceed 80% of area median income. The 2005 median household income for the Boston Metropolitan area that includes Acton is \$82,600. For a household of 4, 80% of the median household income is \$66,150.

Although a 40B project must adhere to the state Wetlands Protection Act, meet state building codes, and DEP Title V requirements, a comprehensive permit circumvents all other local zoning and approvals. A comprehensive permit may be used in a community where less than 10% of the housing units are affordable to households whose median income is 80% or less of area median. **Acton has 2.35% of its 7645 total housing units designated as affordable.** The MA Department of Housing and Community Development (DHCD) is responsible for maintaining an inventory of affordable housing and certifying the number of affordable units in each city and town.

Under the comprehensive permit process, an eligible developer may request that the ZBA waive certain requirements under the community's zoning ordinance if the developer believes that the provisions make the development financially unfeasible. If the developer's application is denied, the ZBA's decision can be appealed to the state Housing Appeals Committee (HAC). The five-member HAC, which operates under DHCD, can override a local denial or conditional approval unless the project poses serious health and safety issues that cannot be mitigated. Historically, most cases that have been appealed to HAC have been decided or settled in favor of the developer especially in the communities under the mandated affordable housing count of 10%.

Acton Community Housing Corporation Members

Nancy Tavernier
Ryan Bettez
Betty McManus
Robert Whittlesey

Dan Buckley
Kevin McManus
Pam Shuttle
Bernice Baran

7/1/05

ACTON COMMUNITY HOUSING CORPORATION

ACTON'S AFFORDABLE HOUSING MILESTONES

- 1990 Annual Town Meeting adopts Master Plan vision statements, including “Promote a wide range of economic diversity in housing including low and moderate income housing.”
- Fall Special Town Meeting adopts the Affordable Housing Overlay District.
Sub-district A includes most sizeable vacant or underdeveloped parcels around Town: 25% density bonus for +/-10% affordable units. Preserves single-family neighborhood character, but allows some duplexes.
Sub-district B comprises less acreage. Includes, most vacant and underdeveloped parcels near designated commercial growth centers – villages and Kelley’s Corner, and other parcels near established commercial areas. Allows up to 5 multi-family units per acre for +/-30% affordable units.
- 1993 (2)* Acorn Park PUD – 74 single-family units plus one commercial building. Planning Board negotiated two off-site affordable units using existing housing stock. Completed.
- 1994 (1)* New View PCRC - 24 units in single-, duplex-, and triplex buildings with one on-site affordable unit plus \$100,000 contribution to Town affordable housing fund, all under sub-district A zoning regulations. Completed.
- 1995 (6)* Bellows Farm PCRC, 1995 – 114 single-family units. Planning Board negotiated six off-site affordable units using existing housing stock. Completed.
- 1998 (4)* Westside Village **40B project** - Westside Drive off Sudbury Road. 16 single-family units, four affordable, on 5.25 acres. Completed. Base zoning was General Industrial, now Powder Mill. Affordable Housing Overlay Sub-District B applies. Within walking distance are Powder Mill Plaza (Stop&Shop, CVS, banks, restaurants) and other restaurants, and stores in Acton and Maynard.
- 1999 (4)* Harris Street Place Major Affordable Housing project (local sub-district B zoning with variance for 25% affordable units) - Jennifer Path & Samantha Way off Harris Street. 16 single-family units, four affordable, on 3.3 acres. Completed Base zoning is Residence 10/8. Affordable Housing Overlay Sub-District B applies. Adjacent to Great Road commercial area – convenience store, liquor store, clothing store, restaurant, etc.
- 1999 Annual Town Meeting confirms affordable housing goals in 1998 Master Plan Update.
- 2001 (1)* Dunham Lane OSD – 10 single-family homes plus one on-site affordable unit rehabbing existing home. Lottery held March 2005.
- 2002 (3)* Crossroads Condominium **40B project** - At 248 Main Street. 12 townhouse units, three affordable, on 2.23 acres. Completed in 2004. Base zoning is Residence 2. Affordable Housing Overlay Sub-District B applies to the northern half of the property. Abutting and within walking distance to Kelley’s Corner commercial district – K-Mart, Roche Brothers supermarket, CVS, T.J.Maxx, restaurants, hardware, liquor store, medical offices, etc.

- 2002 (2)* Robbins Mill PCRC – 90 single-family homes. The Planning Board negotiated a \$400,000 donation to the affordable housing fund. Approved. Construction underway in 2005. Town will receive funds after 10th occupancy permit is issued.
- 2002 Colonial Acres IV PCRC – 23 single-family homes. The Planning Board negotiated a \$300,000 contribution for affordable housing to the Acton Housing Authority. Approved. Construction underway.
- 2003 (3)* Inn at Robbins Brook – Selectmen negotiated 3 rental units at the Assisted Living facility for low income seniors. Local preference is given to 2 of the 3 units.
- 2003 Affordable Housing Plan with State funds. State approved the project . \$30K from the Executive Order 418 funding of Community Development Plans. By State requirements, the project completed 6/30/04.
- 2003-2004 (3)*
Franklin Place Ch. **40B project** located at 520 Main St. just outside Acton Center. Originally proposed at 32 units. Denied by ZBA Nov. 2003. Negotiated a smaller project of 12 units. Approval by ZBA. Occupancy estimated September 2005.

Upcoming:

- 2004 Towne School building conversion to 18 affordable rental units. Time line estimated. Abutting and within walking distance of Kelley’s Corner commercial district. Delayed due to procurement process question at state level. Expected to proceed in 2005.
- 2004-5 (2)* Fort Pond Brook Place Ch. **40B project** located at 68 River St. 8 units in 4, 2 unit townhouses with 2 affordable units. ZBA approved Dec. 21, 2004. Occupancy estimated for October 2005.
- 2004-5 (96)* The Woodlands at Laurel Hill Ch. **40B rental project** located at 80-82 Nagog Park. Proposed to be 296 rental units, 1 and 2 bedrooms, located in Acton. An additional 84 2-BR condo units that may be converted to 55+ housing. ZBA hearing began 11/4/04, still in hearing phase.
- 2005 (3)* Blanchard Place Ch. **40B project** for 139 Prospect St. Proposed to be 12 units of 2 and 3 BR condo units, with 3 affordable units. Project will be submitted to DHCD by August 2005.

* Number of affordable units in project

7/1/05