### **Best Practices**

# Using CPA for Community Housing March 2013



By Laura Shufelt, Vice-Chair CPC

# **CPA Eligible Housing Activities**

- Acquisition
- Creation
- Preservation
- Support
- Encourages the reuse of existing buildings or construction on previously developed sites.

## July 2012 Amendments to Statute

### **Defines "support" of housing:**

- Rental assistance, security deposits, interest-rate write downs, or other assistance
- To qualifying households or an entity that owns, operates, or manages such housing.

## Who is served?

Under CPA housing can serve households earning up to 100% of the area median income (AMI). (e.g., Barnstable \$74,900/4-person household)

To count on the SHI must serve maximum household income of 80% AMI (e.g., Barnstable \$64,400/4-person household)

# **Setting Priorities for Housing**

- CPA Statute <u>mandates planning</u>
- Set overall CPA goals & determine how housing stacks up
- ID priorities for housing/Implementation Plan
  - Type, location, income served, etc
  - Must first know your needs
  - Realities for housing given funds available and market

# **Three Housing Categories**

1. Real Property

2. Financial Assistance

3. Support of Housing

# **Real Property**

### ➢ Unit acquisition

- > New construction
- Site acquisition
- > Predevelopment



#### Northampton

> Rehabilitation (properties acquired with CPA \$)

## Amherst



### Main Street Apartments \$275,000 in CPA funds for acquisition and predevelopment

### Belchertown Road Habitat house \$40,000 CPA



# Concord

### Junction Village

•DCAM surplus property – Concord State prison – 11 acr

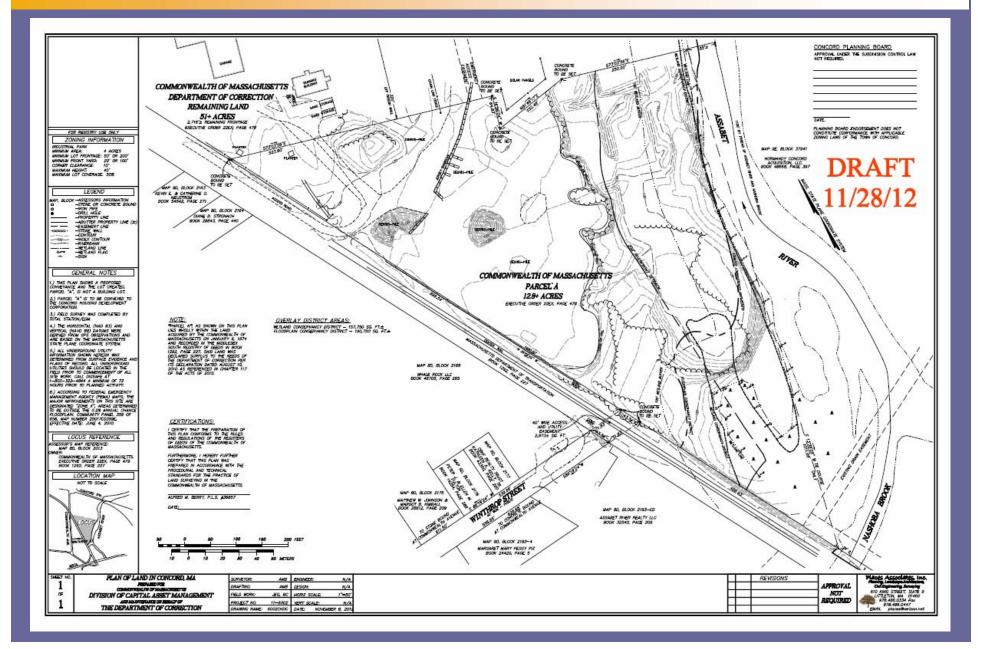
•Concord Housing Development Corporation given the land: doing a request for interest to find a developer



•CHDC supports affordable housing up to 150% area median income

•\$75,000 in predevelopment financing for engineering etc.







### 2009 \$152,000 pre-development for <u>Sachem Way</u>, engineering, architectural, legal, and development consultant

#### 2010

\$250,000 for capital costs to develop 12 new family units

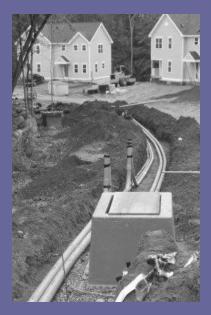
2012 \$300,000 for capital costs at Sachem Way



#### Sachem Way, 2012

## Hopkinton

### CPA funds granted to project - Made the Project Feasible <u>- Important Local \$</u> to Attract State \$





12 Family Units6 Duplex Building



# **Financial Assistance**

Homeowner Assistance

- First Time Homebuyer
- Downpayment & Closing Cost Assistance
- Buydown Purchase Price







Buy Down Program 12 units created 1 Under Rehabilitation 13 additional planned





# Chatham

- Rental voucher program administered by Chatham Housing Authority
- Funding for Habitat for Humanity \$125,000 for an affordable housing down payment program



#### Lake Street

\$160,000 toward renovation of 6 rental units at historic Marconi station for homeownership

• \$300,000 to non-profit developer for 47 units on town owned land on Lake Street

# **Support of Housing**

- Consultants
  - Housing Plans
  - Predevelopment
- Organizational Support
  - Housing Office/Housing Coordinator
  - Municipal Housing Trust staff
  - Consultant or Staff Support

### Housing Authority Support

# Nantucket

 Funds Housing Nantucket Office which manages housing programs, collaborates on municipal initiatives to provide incentives for affordable housing, and develops revenue streams to increase the self-sufficiency of the town's affordable

housing stock

## **Housing Trusts**

Over 90 communities in MA have affordable housing trusts that are often capitalized with CPA funds

Trusts are municipal entities that are able to, among other things, purchase, sell, and develop property

CPA funds are directed to Trusts to spend in many communities



## CPA funds are flexible

### **CPA** funds can leverage other resources

## CPA projects are locally initiated

**Let's get back to setting priorities \***Identify housing needs and resources

Engage citizens and officials in prioritizing

Formalize priorities in an Implementation Plan