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Wenham Affordable Housing Trust Action Plan

FINAL PRESENTATION

JUNE 26, 2018

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Our Task

Help the housing trust create an action plan that lays out priorities and initiatives for the next five years.

Question at the heart of this project:

How should the housing trust funds be utilized?

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Project Schedule

August-Sept	Community tour & meeting with Trust
October	Focus groups & telephone interviews
Nov-Dec	Prepare community outreach
January	Community workshop
February	Review workshop results
March	Prepare and review draft action plan
April-May	Revise plan based on Trust review
June	Present final plan at BOS meeting

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Community Workshop

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What did we learn at the workshop?

MAIN CONCLUSIONS

- Participants were generally supportive of meeting the 10 percent affordable housing goal as a priority.
- Many participant's felt that increasing the community's diversity, allowing seniors to age in place, and welcoming new residents and families to Wenham are important reasons to create new affordable housing.
- Participants preferred smaller, more spread-out affordable units, rather than large concentrated developments, and the rehabilitation of existing homes to convert to affordable housing was favored by many participants.
- The use of Community Preservation Act (CPA) funds, negotiated developer's fees, cell tower lease payments, and private donations are sources of funding that residents felt the Trust should utilize most.
- The participants care deeply about the strong sense of community that a small town like Wenham can offer and want to increase diversity of its residents and make the town more welcoming while maintaining the small-town characteristics that make Wenham desirable.

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What is a housing trust?

A municipal entity that a municipality can create:

- To collect funds for affordable housing
- And segregate them out of the general municipal budget

The funds must be used to create and preserve affordable housing.

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The Wenham Affordable Housing Trust

- Wenham Town Meeting adopted the housing trust in 2009.
- Trustees are appointed by the Board of Selectmen (BOS) to recommend the use of funds to the BOS
- The current balance of the trust fund is about $870,000
- The trust has created two affordable units – an ownership and a rental unit – both in existing houses

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What is affordable housing?

Counts towards the state's 10% affordable housing goal for every community.

Subsidized Housing Inventory (SHI) – this list of the units that count toward the 10% goal.

Affordable to households with income at or below 80% of the area median income (AMI).

How are those income limits determined?
US Dept. of Housing & Urban Development (HUD)

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Wenham is in the Boston-Cambridge-Quincy Metro Area

Over 100 municipalities including towns in five MA counties (Essex, Middlesex, Norfolk, Plymouth, and Suffolk) and New Hampshire towns.

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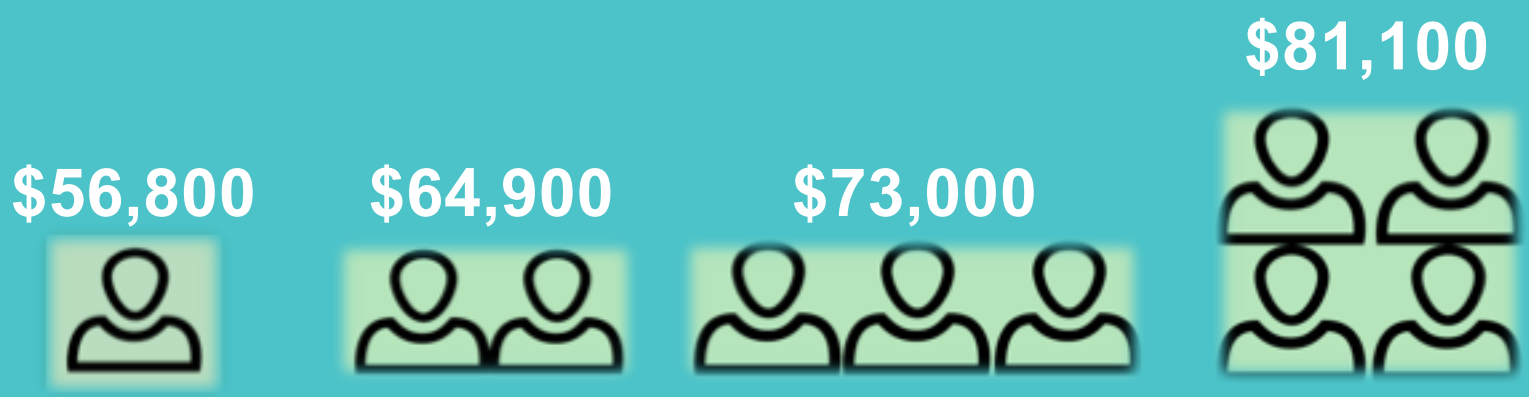
What incomes are at or below 80% AMI?

FY2018 HUD Income Limits for the Boston-Cambridge-Quincy Metro Area



- **Rental housing including for local workers**
- **First-time homebuyer options**
- **Handicap accessible units including for older adults**
  - Designed to enable independent living for persons with disabilities *(e.g., ramps, wider doorways, lower counters, grab bars)*
- **Housing with support services**
  - Service-enriched housing provides services necessary to help disabled individuals remain independent for as long as possible *(e.g, self-sufficiency, mental health, medical support, transportation)*

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Housing goals & strategies to address local needs should be customized for your community.

- Approach
- Amount
- Scale/Size
- Design & Type

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Wenham Affordable Housing Trust Action Plan

- *Mission*
- *Goals*
- *Priority Initiatives*
- *Five-Year Budget*

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Mission

To guide the allocation of Trust funds to

most effectively address Wenham's housing needs, including, but not limited to, achieving and maintaining compliance with Chapter 40B

through initiatives that foster appropriately scaled, located, and designed affordable/mixed-income housing.

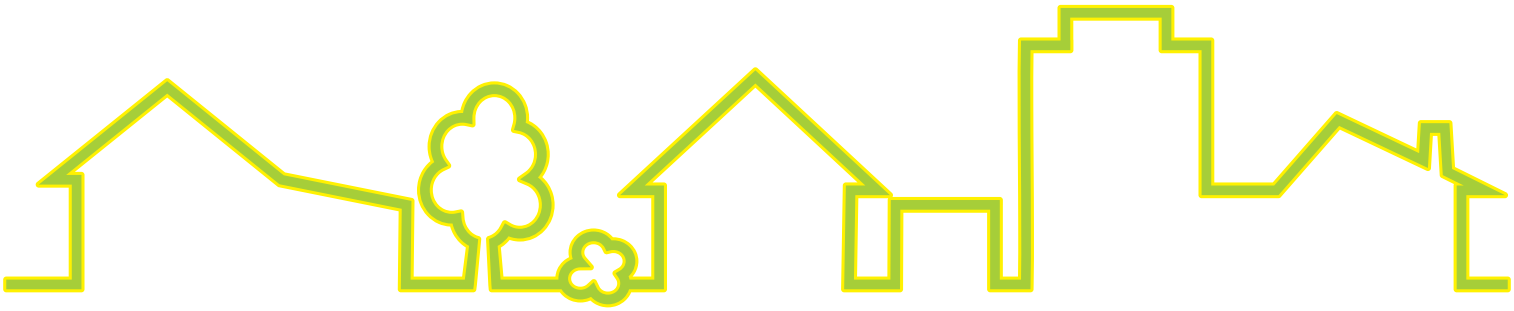
Goal 1: Advance public awareness of housing needs and community benefits

Goal 2: Prioritize allocation of trust funds to help Wenham achieve the chapter 40B 10 percent goal for affordable housing

26 UNITS IN FIVE YEARS

Goal 3: Support initiatives to help address local housing needs

Goal 4: Advocate for town policy and regulations to promote creation of affordable housing



Nine Priority Initiatives in Four Categories

Short term (Years FY19-20)
Intermediate Term (Years FY21-23)
Ongoing
Long Term

Short Term (FY19-20)

1. Actively promote the construction of appropriately-scaled and located SHI-eligible affordable housing on tax title/surplus town property

2. Foster the conversion of existing houses to affordable units

3. Actively promote the construction of appropriately-scaled and located SHI-eligible affordable housing on privately-owned property

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Ongoing

4. Buy-down additional market-rate units to create affordable units in new developments
5. Implement a local public awareness campaign to build and maintain support for affordable housing initiatives
6. Promote progressive zoning bylaws that offer attractive incentives to create affordable housing
7. Foster strong communication and integrated efforts among the various housing entities active in the town and region
8. Inventory and maintain relevant documents on all affordable units in Wenham to ensure effective monitoring

9. Refocus priorities for trust allocations after the town achieves compliance with chapter 40B

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Five-Year Budget

	FY19	FY20	FY21	FY22	FY23	5-Year Total	Target # of Affordable (SHI) Units	Notes
Sources								
Funds carry forward from prior year	$853,462	$714,077	$528,797	$267,165	$103,917			
CPA Appropriation	$0	$50,000	$100,000	$150,000	$250,000	$550,000		
Rental Income	$8,000	$8,000	$8,000	$8,000	$8,000	$40,000		
Private Donations	$0	$0	$0	$50,000	$50,000	$100,000		
Interest (1%)	$8,615	$7,721	$6,368	$4,752	$4,119	$31,574		
Total (Revenue)	*$870,077*	*$779,797*	*$643,165*	*$479,917*	*$416,036*	*$1,575,036*		
Uses								
Staffing/Consultants/Admin	$25,000	$25,000	$25,000	$25,000	$25,000	$125,000	na	Clerical staff; planning/development consultant(s); general admin
1. New Construction on Town Surplus/Tax Title Property	$50,000	$50,000	$0	$0	$0	$0	4	Assumes predevelopment funds in FY19 and Construction subsidy in FY20
2. Conversion of Existing Homes/Homebuyer Program	$5,000	$100,000	$100,000	$100,000	$100,000	$405,000	2	Assumes About $200K/unit to convert one unit every other year FY20-FY23; with planning/program development funds in FY19
3. Construction on Privately-Owned Property	$0	$0	$200,000	$200,000	$200,000	$600,000	15	Assumes one project subsidy of $600K for per unit cost of $40K.
4. Buy-down market-rate units in new development	$50,000	$50,000	$50,000	$50,000	$50,000	$250,000	5	Assumes one project subsidy of $250K for per unit cost of $50K.
5. Public Awareness Campaign	$1,000	$1,000	$1,000	$1,000	$1,000	$5,000	na	Assumes graphic design, webdesign, printing, distribution, event, and like costs.
6. Zoning Incentives/Study	$25,000	$25,000	$0	$0	$0	$50,000	na	Assumes zoning study funded in FY19 and Housing Production Plan in FY20
Total (Expenses)	*$156,000*	*$251,000*	*$376,000*	*$376,000*	*$376,000*	*$1,435,000*	26	
Sources-Uses	*$714,077*	*$528,797*	*$267,165*	*$103,917*	*$40,036*			

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