

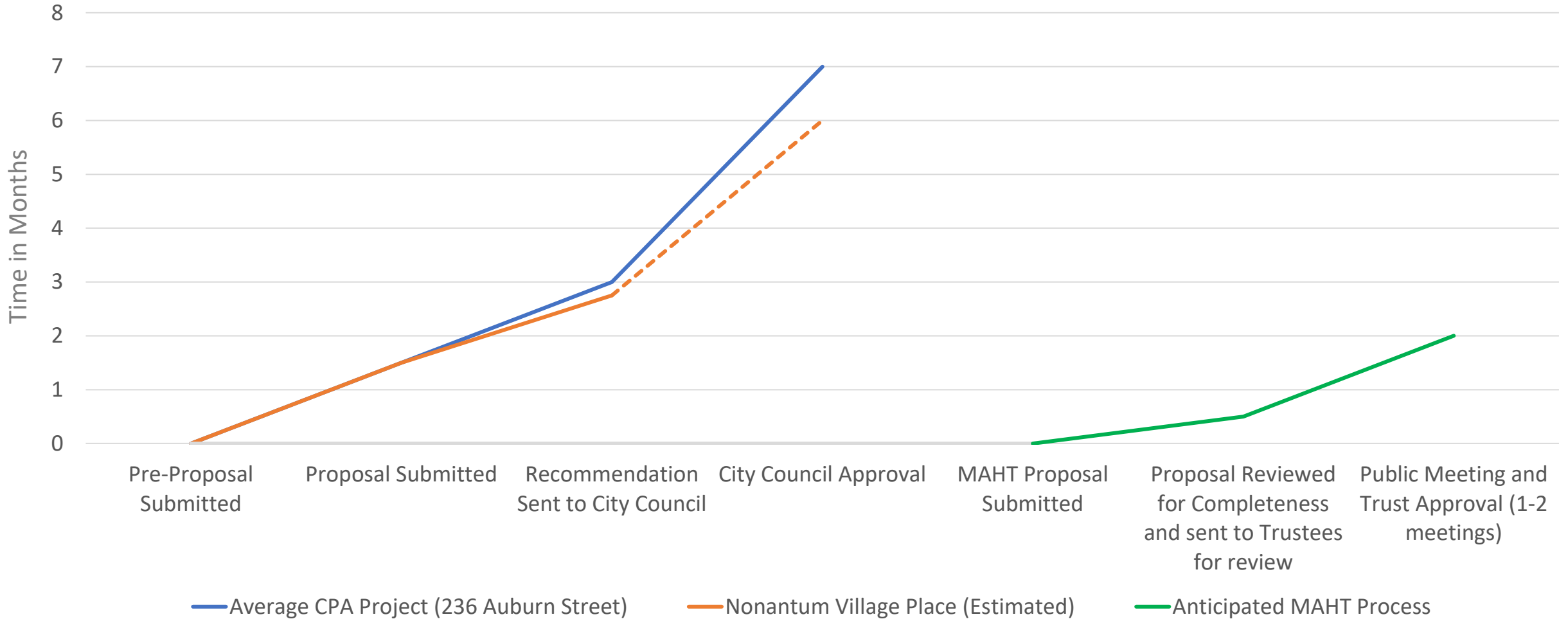
Draft Municipal Affordable Housing Trust Ordinance Continued Discussion

Zoning and Planning Committee
September 27, 2021

Massachusetts Affordable Housing Trust #438-20 Legislation

- Municipal Affordable Housing Trust (MAHT) statute (MGL Chapter 44 Sec.55c) established 2006
- 110 Massachusetts communities currently have MAHTs
- MAHT legislation anticipates use of CPA funding – ties uses of Housing Trust funds to allowed uses under CPA
- Considered to be part of City government and required to follow all municipal requirements for procurement, designer selection, and public construction
- Massachusetts Housing Partnership encourages MAHTs to be funding sources rather than developers

Difference in Timing between Existing CPA Funding Review and Potential Trust Process



CPA Funding Forecast for Next Five Years

#438-20

	FY23	FY24	FY25	FY26	FY27	Total Funding
Forecasted CPA Program Funds	\$4,655,127	\$4,829,695	\$5,010,808	\$5,198,713	\$5,339,184	\$25,033,527
Minimum 10%	\$465,513	\$482,969	\$501,081	\$519,871	\$533,918	\$2,503,352
Current Target Percentage – 35%	\$1,629,295	\$1,690,393	\$1,753,783	\$1,819,550	\$1,868,714	\$8,761,735

Purpose Statement from Draft Ordinance

To provide for the creation and preservation of affordable housing for the benefit of low and moderate income households and for the funding of community housing, as defined in and in accordance with the provisions of chapter 44B, the Community Preservation Act (Acquire, Create, Support, Preserve, Restore and Rehabilitate).

Preservation and creation of affordable housing shall include but not be limited to programs designed to further housing rehabilitation and/or development opportunities and those that are designed to directly assist low and moderate homeowners and renters.

Proposed Trust Operations

Trust would receive staffing from the Planning Department and/or on-call housing consultant

The Trust would adopt rules and regulations for conducting business in keeping with Newton's General Ordinance for all Boards and Committees (Section 7-1 (8))

Trust would meet a minimum of four times each year but could meet more often to address funding requests

Trust has the flexibility to accept applications or send out RFPs for potential projects on an annual or rolling basis

Funding can be allocated solely by vote of the Trust – no additional reviews or approvals would be required



Next Steps

If the Committee supports moving the Trust forward, the next steps are:

Pursuant to MGL Chapter 44, Sec. 55C, the City Council by a majority vote needs to:

- Accept the enabling statute
- Vote to enact the ordinance establishing the Newton Affordable Housing Trust

Proposed Funding Sources

CPA Funds
(Anticipated Primary
Funding Source)

**Inclusionary
Zoning Payments**

**Negotiated
Developer Fees**

**Payments from
Special
Ordinances**

**Private
Donations**

Proposed Trust Membership

- The Mayor
- A City Councilor
- A Community Preservation Committee Member
- Four Newton Residents with backgrounds in affordable housing and an in-depth understanding of the affordable housing development and funding process

Proposed Powers

- To accept and receive real property, personal property, or money
- To sell, lease, exchange, transfer or convey property
- To enter into agreements, loans, contracts, etc. for the development of affordable housing
- To hire advisors, consultants, or municipal staff to assist the Trust
- To manage the Trust funds for future use, including borrowing
- To manage or improve properties both for use as affordable housing, or to dispose of properties which are not feasible for affordable housing
- To create guidelines and principles for the Trustees to use in determining how best to expend Trust funds for the benefit of the community.

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