Best Practices
Using CPA for Community Housing
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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.
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 mandates planning
- 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
- Rehabilitation (properties acquired with CPA $)
Belchertown Road Habitat house $40,000 CPA

Main Street Apartments $275,000 in CPA funds for acquisition and pre-development
Concord

Junction Village

• DCAM surplus property – Concord State prison – 11 acres

• 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 Sachem Way, 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
Hopkinton

CPA funds granted to project
- Made the Project Feasible
- Important Local $ to Attract State $

12 Family Units
6 Duplex Building
Financial Assistance

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

- Rental Assistance
Yarmouth

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
- $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
• 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
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 Experience

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