

TOWN OF SUDBURY COMMUNITY PRESERVATION COMMITTEE

PROJECT SUBMISSION FORM

Submitter: Michael C. Fee Submission Date: October 29, 2008

Group or Committee Affiliation (if any): Sudbury Housing Trust

Submitter's address and phone number: Purpose (please select all that apply):

Department of Planning and Community Development

Open Space

278 Old Sudbury Road

Community Housing

Sudbury, MA 01776

Historic

Recreation

Submitter's email address: rustb@sudbury.ma.us

Project Name: Housing Buydown, Production of affordable housing units through purchasing deed restrictions

Project Description: This proposal requests \$400,000 from Community Preservation Act funds for the purpose of purchasing permanent, affordable restrictions on single or multiple family units in the Town of Sudbury, for home ownership, in accordance with affordability guidelines set forth by the Department of Housing and Community Development, and such other guidelines as may be established by the Sudbury Housing Trust, and making those units available to residents making less than 100% of the Boston area median income.

These funds will continue the Home Preservation Program, which has purchased 2 homes and resold them as affordable. This program was initially funded at \$500,000 by 2005 Town Meeting, and it is anticipated that these funds will be expended by April 2009 Town Meeting. This request continues funding this program.

The Sudbury Housing Trust is cognizant of the current fiscal constraints, and also believes that suitably-priced homes may become available in this time. The Sudbury Housing Trust is well positioned to take advantage of good values in the housing market in Sudbury.

Costs:

Fiscal Year	Total Project Cost	CPC Funds Requested	Other Funding Sources (amount and source)
2010	\$400,000	\$400,000	
2011			
2012			
2013			
2014			
Total			

How does this project meet the General Criteria and Category Specific Criteria for CPC projects (see attached)?

Buy-down Background

This proposal continues the ‘buy-down’ program started in 2005 from a Town Meeting appropriation of \$500,000. The program purchases deed restrictions on housing units, thus increasing the affordable housing inventory. The buy-down program has successfully negotiated the purchase of three additional units in Chapter 40B developments, closed on two single-family homes, and plans to close on a third home before 2009 Town Meeting. The funds requested would purchase two additional homes in the Home Preservation Program or 40B Buy-down Program.

With the slow-down of construction in the 40B projects, the Trust utilized the buy-down funds to accelerate the Home Preservation Program. This program undertaken preserves current housing stock while creating affordable units.

The table below describes in financial terms current status of the Buy-down program.

Buy Down Program: \$500k CPA Appropriated, Commit by 04/08, spend by 04/09, no less than 3 units						
	Total	Commit	Close	Source of Funds		
		Date	Date	CPC	HOME	Trust
Home Preservation #1 - Longfellow	\$187,130	Dec-07	Feb-08	\$165,000		\$22,130
Home Preservation #2 - Maplewood	\$200,000	Jun-08	Aug-08	\$200,000		
Home Preservation #3	\$200,000	Jan-09	Apr-09	\$135,000		\$65,000
40B - Old County Rd	\$100,000	Jul-06	Nov-08	\$0	\$100,000	\$0
40B - Village	\$125,000	Jul-07	TDB	\$0	\$0	\$125,000
40B - Commons	\$140,000	Jan-08	TDB	\$0	\$0	\$140,000
Total	\$952,130			\$500,000	\$100,000	\$352,130

The Home Preservation program grew out of the Town’s housing strategy developed and documented in the Community Housing Plan, published in 2005, which outlines the overall goals of this program, to purchase small, single lot detached older homes (or “tear downs”), and preserve them for first time homebuyers. In the Program, the properties are subject to an affordable housing restriction, and the Town subsidizes the difference between the market price and the affordable price from previously appropriated Community Preservation Act Funds.

Preserving existing homes in Sudbury through the Home Preservation Program has multiple benefits including creating new affordable units while preserving and conserving existing housing stock, and neighborhood character. It also provides the quickest method of creating available affordable housing, in a scattered site program.



Sudbury creates these Home Preservation units under the Local Initiative Program (LIP), administered by Department of Housing and Community Development (DHCD), as Local Action Units (LAU) which give communities the opportunity to include housing units on the state’s Subsidized Housing Inventory (SHI) that were built without a Comprehensive Permit but which meet LIP criteria. Like units in comprehensive permit projects, sale prices of LAUs are set so that a household earning 70% of area median income would not expend more than 30% of income for housing.

Sudbury has received DHCD approval for the Home Preservation Program overall, and each of the specific

homes sold under the Program are recorded on the DHCD Subsidized Housing Inventory.

The first home closed in February 2008, and the second home closed in August, 2008. These were sold to eligible buyers, providing two Sudbury first-time homebuyers an opportunity to purchase a single-family detached home with their own yard at an affordable price. A third home is planned for an April 2009 close.

The Sudbury Housing Trust, continually searches for appropriate homes for this program. These are well-maintained homes, in the ~\$350,000 price range, being sold on the open market. When a suitable property is found, The Trust negotiates a [market] purchase price, and takes the lead on bringing the parties together from the offer through to the closing.

The Town also recognizes that these are older homes, and initial repairs may be needed prior to closing. It is not the intention of the Program to burden the potential buyer with excessive maintenance costs; licensed local home inspectors are engaged to inspect the homes and determine repair needs. In one of the homes, the roof and all the windows were replaced, in another a new furnace and electrical panel. Other minor repairs were also identified in each home, and a home repair plan prepared for the potential purchaser.

The purchase process includes approvals from the Sudbury Housing Trust, the Board of Selectmen and the Department of Housing and Community Development, as well as selecting an eligible buyer.

The potential purchaser is offered the home from a ranked 'ready-buyer list' created through a prior lottery held for this purpose. The potential buyer is then the party to execute the Purchase and Sale Agreement with the seller, and proceeds to closing in the traditional manner. A new ready buyer list will be created through lottery in December 2008.

This program has accomplished its goals, and maintains some flexibility with respect to each purchase, allowing procedures to respond to the diverse needs of buyers and sellers as well as the conditions of the property. This hands-on approach, while more time-consuming, has been responsive to the individual needs of each of the purchasers, allowing them to ultimately purchase their first home. A sampling of these first-time homeowners buyers served through the Home Preservation Program includes that they were already Sudbury residents, one had a child in the school system, and another grew up in Sudbury as a child.

The Home Preservation Program has proven to be feasible and beneficial. It has created the intended units of affordable housing, scattered in different neighborhoods, and provided new ownership opportunities while maintaining the neighborhood character. The Department of Housing and Community Development offered praise for the program, and has recommended other municipalities to consult with Sudbury for similar initiatives. Residents have also supported the program.



All appropriations shall be allocated to the category of Community Housing

Does this project fall within the jurisdiction or interest of other Town Boards, Committees or Departments? If so, please list the boards, committees or departments, whether applications and/or presentations have been made, and what input or recommendations have been given.

For Community Preservation Committee Use:

Form Received on: **RECEIVED**
Reviewed by: **OCT 29 2008**
SUDBURY PLANNING

Project Presented to CPC on: _____

Determination: _____

TOWN OF SUDBURY COMMUNITY PRESERVATION COMMITTEE

Guidelines for Project Submission

- 1) Each project request must be submitted to the Community Preservation Committee using the Project Submission Form as a cover sheet. Applications should be submitted in twelve (12) multiple copies.
- 2) Requests must include a statement of need and be documented with appropriate support information. The use of maps, visual aids and other supplemental information is encouraged.
- 3) Obtain written proposals, estimates, quotes and such other evidence to document project scope and cost.
- 4) If the request is part of a multi-year project, include the total project cost and allocations.
- 5) Describe the endorsement, support or other recommendation, if any, by other Town Boards, Committees and Departments.
- 6) Provide examples of similar project proposals in other communities, if any, including examples of project scope, project cost and status of completion.
- 7) For applicants that have multiple project requests, please prioritize projects.
- 8) Requests must be received by **October 31, 2008** to be considered for recommendation at the April, 2009 Annual Town Meeting.
- 9) Applicants must be present at a CPC meeting to answer questions. The CPC meeting schedule for the fall will be announced in September, 2008 and posted on the town's website.

Please keep in mind that there are legal limitations on the use of CPA funds. Additional information on the CPA and the Community Preservation Committee can be found on the town's website at www.sudbury.ma.us, under Committees. The committee can be reached by email at cpc@sudbury.ma.us. If you are in doubt about your project's eligibility, after consulting these sources, you are encouraged to submit an application so that the Committee can determine eligibility.

Please submit the Project Submission Form and accompanying documentation to:

Community Preservation Committee

c/o Planning and Community Development Office

278 Old Sudbury Road

Sudbury, MA 01776

TOWN OF SUDBURY COMMUNITY PRESERVATION COMMITTEE

General Criteria

The Sudbury Community Preservation Committee will give preference to proposals that address as many of the following general criteria as possible:

- Are eligible for Community Preservation Act (CPA) funding according to the requirements described in the CPA legislation;
- Are consistent with the town's Master Plan, Open Space and Recreation Plan, Land Use Priorities Committee Report, Town-wide Comprehensive Facility Study, Community Housing Plan, and other planning documents that have received wide scrutiny and input and have been adopted by the town;
- Receive endorsement by other municipal boards or departments.
- Preserve the essential character of the town as described in the Master Plan;
- Save resources that would otherwise be threatened and/or serve a currently under-served population;
- Either serve more than one CPA purpose (especially in linking open space, recreation and community housing) or demonstrate why serving multiple needs is not feasible;
- Demonstrate practicality, feasibility, urgency;
- Demonstrate that the project can be implemented expeditiously and within budget;
- Demonstrate that project alternatives, and alternative funding mechanisms, have been fully explored;
- Produce an advantageous cost/benefit value;
- Leverage additional public and/or private funds; and
- Preserve or utilize currently owned town assets.

Category Specific Criteria

Open space proposals that address as many of the following specific criteria as possible will receive preference:

- Permanently protect important wildlife habitat, including areas that:
 - are of local significance for biodiversity;
 - contain a variety of habitats, with a diversity of geologic features and types of vegetation;
 - contain a habitat type that is in danger of vanishing from Sudbury; or
 - preserve habitat for threatened or endangered species of plants or animals;
- Preserve Sudbury's rural and agricultural character;
- Provide opportunities for passive recreation and environmental education;
- Protect or enhance wildlife corridors, promote connectivity of habitat or prevent fragmentation of habitats;
- Provide connections with existing trails or potential trail linkages;
- Preserve scenic views;
- Border a scenic road;
- Protect drinking water quantity and quality;
- Provide flood control/storage;
- Preserve important surface water bodies, including wetlands, vernal pools or riparian zones; and
- Preserve a primary or secondary priority parcel in the Open Space Plan.

Historical proposals that address as many of the following criteria as possible will receive preference:

- Protect, preserve, enhance, restore and/or rehabilitate historic, cultural, architectural or archaeological resources of significance, especially those that are threatened; and in the case of proposals on private property, the proposal and/or proponent meet certain economic criteria as may be required by the Community Preservation Committee;
- Protect, preserve, enhance, restore and/or rehabilitate town-owned properties, features or resources of historical significance;
- Protect, preserve, enhance, restore and/or rehabilitate the historical function of a property or site;
- Project is within a Sudbury Historic District, on a State or National Historic Register, or eligible for placement on such registers, or on the Sudbury Historic Properties Survey;
- Project demonstrates a public benefit; and
- Project demonstrates the ability to provide permanent protection for maintaining the historic resource; and in the case of proposals on private property, the proposal and/or proponent have demonstrated additional protective measures and have met additional criteria, as may be imposed by the Community Preservation Committee, to ensure the continued permanent protection of the historic resource.

Community Housing proposals that address as many of the following criteria as possible will receive preference:

- Contribute to the goal of 10% affordability;
- Conform to the town's Community Housing Plan;
- Promote a socioeconomic environment that encourages a diversity of income;
- Provide housing that is harmonious in design and scale with the surrounding community;

- Intermingle affordable and market rate housing at levels that exceed state requirements for percentage of affordable units;
- Ensure long-term affordability;
- Promote use of existing buildings or construction on previously-developed or Town-owned sites;
- Convert market rate to affordable units; and
- Give priority to local residents, Town employees, participants in the Sudbury Metco program and employees of local businesses.

Recreation proposals that address as many of the following criteria as possible will receive preference:

- Support multiple recreation uses;
- Serve a significant number of residents;
- Expand the range of recreational opportunities available to Sudbury residents of all ages;
- Jointly benefit Conservation Commission and Park and Recreation Commission initiatives by promoting passive recreation, such as hiking, biking, and cross-country skiing, on town owned property;
- Maximize the utility of land already owned by Sudbury (e.g. school property); and
- Promote the creative use of railway and other corridors to create safe and healthful non-motorized transportation opportunities.

