



Town of Sudbury

Housing Trust

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DATE

To: CPC

From: Sudbury Housing Trust

RE: 2020 CPA request

The Trust has asked for 15% of CPA annual revenue, equating to approximately \$388,500, using 2019 revenue of \$2,259,000.

This is planned for two programs:

1. \$275,000: Create one unit of affordable housing through the Home Preservation program or otherwise create affordable housing unit/s.

The average Trust subsidy for a unit of housing in the Home Preservation Program was \$191,000, using past examples from the 8 homes in the program, the most recent from FY16. Given the home price increases in the last 5 years, this might be more realistically up to \$275,000.

	Example 3BR Home	7 homes on Zillow today
Seller's Price	\$550,000	
Transaction Costs	\$22,130	
Total cost	\$572,130	
Buyer Price	\$300,000	
Trust Subsidy	\$272,130	

2. \$113,500: Assist 3 to 4 extremely low income rental households with rental assistance, for a total of approximately \$113,500. Building on the Emergency Rental Assistance Program, extend rental assistance to extremely low income household with rental assistance. This program aligns with the purpose of the Trust, which is to provide for the preservation and creation of affordable housing in the Town of Sudbury for the benefit of low and moderate income households.

This program could provide the difference between 30% of the tenant income and the 'affordable' 80% rent, similar to Section 8 voucher program. The program would commit to those funds for 2 years for each household awarded, for an approximate amount of \$31,000 per household.

2 Bedroom 80% AMI rent	\$2,166	Low Income
2 Bedroom 30% AMI rent	\$865	Extremely Low Income
Monthly Rent Subsidy	\$1,301	
Annual Rent Subsidy	\$15,612	
Two Years	\$31,224	
Number of vouchers for \$113.5k	3.64	

Or the program could provide more of a rental booster amount, to reduce the dependency on the subsidy - like the ERAP Program, which provides only a portion of the rent based on unit size (\$350 for 1BR, \$500 for 2BR, \$800 for 3BR).

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