



**Town of Amherst  
Affordable Housing Trust  
Program Guidelines  
and Application Form**

**Adopted July 24, 2018**

# PROGRAM GUIDELINES & APPLICATIONS

## TABLE OF CONTENTS

Program Guidelines.....	page 3
Application Submission & Review Schedule.....	page 8
Review & Approval Process Flowchart.....	page 9
Application Form.....	page 10
Attachments Checklist.....	page 13
Selection Criteria.....	page 15

This packet is available online at [www.Amherstma.gov](http://www.Amherstma.gov): *on the Housing Trust website: <https://www.amherstma.gov/2199/Amherst-Affordable-Housing-Trust-Fund>*

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## **TOWN OF AMHERST AFFORDABLE HOUSING TRUST FUND HOUSING GUIDELINES**

### **1. Amherst Affordable Housing Trust Vision Statement**

The Trust's mission, as an instrument of town government, is to promote the town's affordable housing priorities as determined through the most recent town housing plan, particularly to create safe, decent, and affordable housing for our most vulnerable populations.

The Affordable Housing Trust's efforts and projects will include but are not limited to:

- Engage the community in discussions to build support for affordable housing and dispel myths and negative attitudes about such projects.
- Foster development of affordable housing on available municipal property and appropriate infill lots that blends with the surrounding neighborhood and is sensitive to the environment.
- Encourage private developments to increase the number of affordable units to meet local housing goals, including mixed-income developments.
- Support the Amherst Housing Authority efforts to secure and provide more rental housing opportunities.
- Work with the Amherst Select Board/Town Council, Planning Board, the Community Preservation Committee and local stakeholders to strategize and develop plans and projects to meet future affordable housing needs.
- Continue to seek available state, federal and/or other funding sources to provide capital for affordable housing developments.
- Create innovative programs and make use of existing methods in an effort to financially assist low and moderate income homebuyers, homeowners, and renters.

### **2. Roles and Responsibilities of the Affordable Housing Trust**

The Amherst Affordable Housing Trust (the "Trust") was created with the approval of Town Meeting in April 2014 pursuant to the provisions of G.L. c.44 Section 55C. The purpose of the Trust is to provide for the creation and preservation of affordable housing in the Town for the benefit of low- and

moderate-income households. The Trust is managed by a Board of Trustees (the “Trustees” or the “Board”), who initiate programs and expend funds for the creation and preservation of affordable housing in Amherst. The Trust may solicit and accept grants, gifts, devises and bequests or otherwise acquire real or personal property, and use and expend such property in such a manner as the Trustees shall deem most appropriate to carry out the purpose of the Trust. In no event shall the activities of the Trust consist of propaganda or otherwise attempt to influence legislation or participation in or intervention in any political campaign on behalf of any candidate for public office and no part of net earnings of this Trust shall inure or be payable to or for the benefit of any private individual or corporation.

- Management of the Trust - The Trust is administered by a Board of Trustees consisting of nine (9) Trustees, who are appointed by the Town Council for a term not to exceed two (2) years, but may be re-appointed at the discretion of the Select Board. A quorum of the Board of Trustees shall be the majority of the Trustees, qualified and present in person. A majority of the Trust may exercise any and all powers of the Trustees and may execute on behalf of the Trustees any and all instruments with the same effect as though executed by all the Trustees.
- Powers of Trustees - As stated in the Declaration of the Trust, the Trustees may undertake any activity that would create and preserve affordable housing for the benefit of low and moderate income households. Their powers include, but are not limited to, the right to receive, purchase, and convey real or personal property; to execute deeds, contracts, and various other legal documents in connection with the Trust’s activities; to employ and compensate advisors and agents; to conduct itself in its discretion with respect to legal claims by or against the Trust; to manage or improve real property and to abandon property when the Trustees deem advisable; and to extend the time for payment of any obligation to the Trust.
- Legal Status of the Trust - The Trust is deemed to be a public employer and municipal agency pursuant to MGL Chapter 268A. Likewise, the Trustees are classified under the Act as public employees and special municipal employees, also in accordance with the terms of MGL Chapter 268A. As a governmental body, the Trust must comply with the open meeting requirements set forth under MGL Chapter 39 and is likewise subject to MGL Chapter 40, Section 15A and MGL Chapter 30B with the exception that agreements and conveyances between a Trust and other public instrumentalities are excluded from the application of MGL Chapter 30B.
- Community Preservation Act (CPA) - Section 5 of the Community Preservation Act (MGL Chapter 44B) permits cities and towns to appropriate money from the Community Preservation Act (CPA) Fund into an Affordable Housing Trust

Fund (“AHTF”). Funds paid to the AHTF are specifically limited to affordable housing purposes and not for general administrative expenses. Under the CPA, funds may be used for the acquisition, creation, preservation, and support of community housing.

- Non-Community Preservation Act Funding - From time to time and as provided by the Town, the Trust may fund its mission and programs by monies from sources other than the CPA. These funds must be used for the purpose for which the Trust was created, but the Trustees are not required to comply with CPA requirements for such non-CPA funds.

### 3. Eligible Activities

CPA funds must be used only for those purposes specified in the CPA as allowable activities, while the Trustees may use non-CPA funds for programs offering a broader range of purposes that are consistent with the provisions of MGL Chapter 44, Section 55C and the Town of Amherst’s Municipal Affordable Housing Trust by-law

### 4. Funding Priorities

Based on the Town of Amherst’s 2013 Housing Production Plan and in consideration of the limited Trust funding currently available, Trust Funds will be prioritized to create and preserve affordable multi-unit rental housing units that count on the state’s Subsidized Housing Inventory the funding priorities are as follows:

#### A. Multi-Family Rental

- Rental housing for families, particularly those earning below 50% of Area Median Income (AMI) and the growing number of smaller households that are increasingly single parents with children.

Rental housing for individuals who require smaller affordable housing units (*e.g.*, studio apartments), including housing for at risk and special needs populations

- Preservation of existing affordable rental housing, including subsidized units and those in the private housing market,
- Rental housing developments that contain a minimum of 15 affordable units

#### B. Neighborhood Context, Design, and Sustainability

- Create and preserve affordable housing that is consistent with the Commonwealth's Sustainable Development Principles.
- Affordable housing that is disbursed throughout town and when feasible in mixed-income developments.

Create affordable housing that is consistent with the Town of Amherst's Housing Production Plan, Open Space and Recreation plan (OSRP) and Master Plan.

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- C. Priority Target Populations

Low and very low income households

- At risk and special needs populations including housing for those transitioning out of homelessness or institutional programs

- D. Increase # of Affordable Units in Proposed Developments

- Create more affordable rental units than proposed/required in affordable housing developments, including those proposed through Chapter 40B Comprehensive Permit Applications.

## 5. Funding Guidelines

The Board of Trustees has established the following funding guidelines for eligible activities:

- All financial transactions undertaken by the Trust where Community Preservation Act (CPA) funds are used must comply with the requirements of the Community Preservation Act (CPA).
- All affordable units created or preserved with Trust funding must be deed restricted
- It is anticipated that most awards will be in the form of a 30 year loan at 0% interest .
- All loans must be in the form of a mortgage against the property and may be subordinated to other project lenders with the approval of the trust.

Deed riders for 30 years are required for projects where the loan is less than \$50,000 per unit and in perpetuity for loans greater than \$50,000/unit.

- Development loans are limited to up to \$50,000 per unit. Exceptions to this limit will be considered for developments meeting a critical need as determined by the Trust and will be made on a case by case basis. Priority will be given to projects that can demonstrate significant leverage of other funds including state, federal and private financing.
- For larger projects where trust resources are not sufficient to fill a funding gap for a high priority development the Trust will work with the developer and the Community Preservation Committee to promote the use of the CPC's bonding authority to secure additional financing.
- Funding guidelines can be waived or modified upon a 60% vote of the Board of appointed Trustees.

## **6. Application Process**

Interested parties must submit a pre-application to the Trust to determine eligibility for Trust funding. If it is determined that the project is eligible the applicant will complete a full application. Projects meeting the minimal threshold criteria as designated in the trust application will then be scored on the competitive criteria.

Only those projects that receive the approval of the Board of Trustees are eligible to access funding from the Affordable Housing Trust Fund. In making its determinations on funding, the Trust may consult with the Amherst Community Preservation Committee, Planning Board, Amherst Housing Authority and/or other Town commissions or boards.

## **7. Grant Agreement**

The approved applicant must enter into a grant agreement with the Amherst Affordable Housing Trust that specifies the purpose and scope of the project, projected timeframe, and approved funding for the project. The applicant must submit an original copy of the signed contract to the Amherst Planning Department

## **8. Project Monitoring**

The Board of Trustees, with staff support from the Planning Department will work with the State's Department of Housing and Community Development (DHCD) and project sponsors to insure that all units that have been funded by the Affordable Housing Trust Fund to be eligible for inclusion on the Subsidized Housing Inventory (SHI), meet all requirements to get counted as part of the SHI and are monitored to insure the continued affordability of such units.

## 9. Reporting

With staff support from the Planning Department, the Board of Trustees must prepare an annual report that summarizes the use of Housing Trust funds during the fiscal year including amounts of funding, type of funding, project description and status, as well as the balance in the Affordable Housing Fund. The books and records of the Trust shall be maintained by the Town Accountant and audited annually as part of the annual audit of the Town of Amherst. The results of the audit shall be provided to the Town.

## 10. Periodic Updating of Housing Guidelines

These Housing Guidelines must be reviewed and updated a minimum of once every three (3) years by the Board of Trustees with input from the CPC and other interested parties.. The Board of Trustees is responsible for approving any changes and can also choose to amend the Guidelines within the 3-year period if it determines that certain requirements are no longer effective or viable.



# **TOWN OF AMHERST AFFORDABLE HOUSING TRUST FUND APPLICATION SUBMISSION AND REVIEW SCHEDULE**

The application process involves providing information to the Amherst Affordable Housing Trust before funding approvals can be granted (see flow chart on next page for overview).

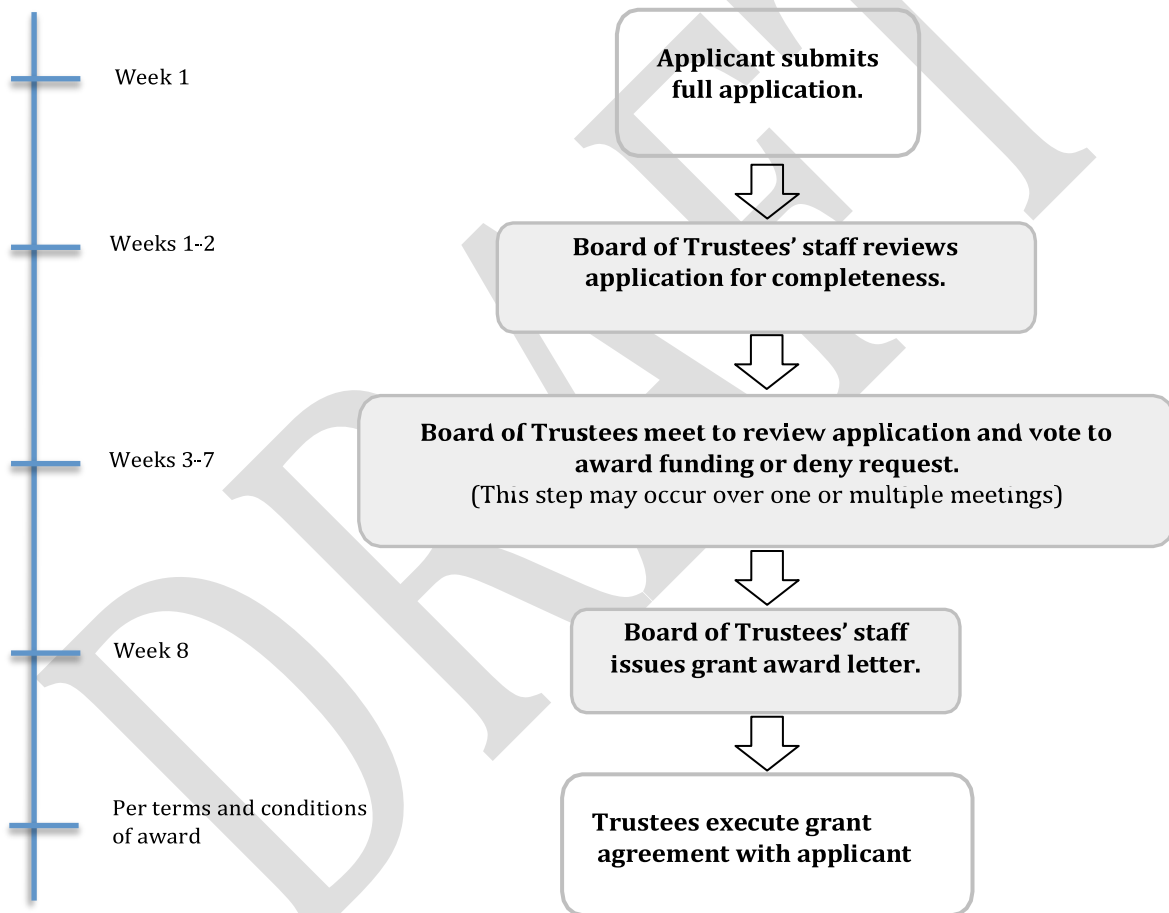
All submissions, scheduling and communications will be coordinated through the Amherst Planning Department. The application process involves two steps – first a meeting with the town of Amherst Planning Department staff person who oversees the AMAHT to determine eligibility and if the project is determined to be eligible the applicant will be invited to submit a full application.

## **APPLICATION SUBMITTAL**

1. Submit six (6) hardcopies of the completed pre or final application to the following:  
Board of Trustees, Affordable Housing Trust Fund  
c/o Nathaniel Malloy  
Boltwood Walk  
Amherst, MA 01886  
413-259-3322
2. E-mail a PDF of the complete application to Nathaniel Malloy [malloyn@amherstma.gov](mailto:malloyn@amherstma.gov)

For questions, please email or call Nathaniel Malloy

# TOWN OF AMHERST AFFORDABLE HOUSING TRUST FUND PRE-APPLICATION and APPLICATION PROCESS



**TOWN OF AMHERST AFFORDABLE HOUSING TRUST FUND  
APPLICATION FORM  
FISCAL YEAR 2019**

**Project/Program Name:** \_\_\_\_\_

**Category:**  New production Rental  Preservation  
 Pre-development  Other

**Project Location**

**Street Address:** \_\_\_\_\_ **Assessor's Map & Lot #:** \_\_\_\_\_

**Legal Property Owner of Record:** \_\_\_\_\_  
\_\_\_\_\_

**Sponsor(s)/Organization:** \_\_\_\_\_

**Contact Person Name & Title:** \_\_\_\_\_

**Telephone:** \_\_\_\_\_ **Email:** \_\_\_\_\_

**Mailing Address:** \_\_\_\_\_

**Budget Summary**

**Total Trust Funds Requested:** \_\_\_\_\_

**Total Project Cost:** \_\_\_\_\_

**Sponsor's Signature:** \_\_\_\_\_ **Date:** \_\_\_\_\_

**Sponsor's Printed Name & Title:** \_\_\_\_\_





# TOWN OF AMHERST AFFORDABLE HOUSING TRUST ATTACHMENTS CHECKLIST

## 1. Financial

### A. Rental Development

- a. Pro forma using One Stop Application format including 5 year operating budget and

### B. Letters of financial commitment

## 2. Qualifications

### C. Describe applicant's capacity for undertaking project and previous experience developing similar, successfully completed projects

### D. References: names and contact information(e.g., banks, affordable housing clients, municipal/state agencies)

### E. List of similar or related developments completed by applicant

### F. Past two years audited financial statements, if applicable

## 3. Community Need

### A. Describe how the proposed project meets Amherst's housing needs identified in the following:

- a. Housing production plan, 2013, see link:

- b. Comprehensive Master Plan, 2010, see link:

- c. Other Town of Amherst planning documents, particularly the community housing plans of the Community Preservation Act Committee, see link:

<https://www.amherstma.gov/DocumentCenter/View/42859>

## 4. Community Support

- a. Letters of support from local organizations and/or other interested parties

- b. Describe any efforts made to communicate with neighbors and abutters (unless resident clients are a protected class or require confidentiality)

## 5. Evidence of Site Control/Value

- a. Purchase and sale agreement, option, or deed
- b. Requests involving acquisition: Provide appraisal by an independent, certified real estate appraiser

## 6. Site Plans & Zoning/Permitting

- a. Maps and photos of the site and neighborhood
- b. Detail what steps if any have been taken with regard to zoning and permitting of the project and the current status
- c. Describe applicable environmental requirements including evidence that the property is free of hazardous materials or the status of a remediation plan and any pertinent natural resource data
- d. For new construction: preliminary site plans, schematics, floor plans, elevations, and renderings, as available
- e. Identify proposed sustainable or energy efficient components of the project, (if N/A, provide an explanation as to why these attachments are not applicable or available)
- f. Identify how proposed project will comply with applicable local, state and federal handicapped accessibility regulations

## 7. Development Team

- a. List members and contact information for development team including attorney, architect, engineer, development consultant (note if not yet identified)

## 8. Fair Housing & Equal Opportunity

- a. Summarize the affirmative marketing and resident selection procedures planned for the project
- b. Describe any fair housing or construction complaints issued against the developer, sponsor, service provider, and/or property manager and what actions were taken to resolve the complaint(s)

## 9. Projected Timeline

- a. Outline the projected timeline for development benchmarks including but not limited to site control, securing pre-development financing, zoning and permitting approvals, and submission and approval of local site and/or federal funding.

## TOWN OF AMHERST AFFORDABLE HOUSING TRUST FUND SELECTION CRITERIA

The Board of Trustees will apply a two tiered selection criteria system in its review of applications as follows:

<b>Minimum Threshold Criteria</b>	
1	The application is thorough and complete and includes all applicable attachments.
2	The project/program proposal is consistent with the Board of Trustees' Funding Priorities
3	The project includes a minimum of 15 affordable units
1	<p>Projects meeting the minimum threshold criteria will be judged by the following comparative criteria</p> <p><b>Comparative Criteria – Maximum 175 points</b></p> <p><b>Set a threshold for minimum number of points?</b></p> <p>The project contributes to the quality of life, the vitality of the community and preserves Amherst's unique character 5 points</p>
2	Strength of development team 25 points
3	The funding request is reasonable as a portion of the overall project costs and on a per-unit basis. 25 points
4	Degree to which development maximizes sustainable development principles 5 points
	The applicant has demonstrated substantial leveraging of the funds from other public (except Town of Amherst funding) and/or private funding sources. 25 points



	The development pro forma demonstrates that the project is financially feasible (not applicable if Trust Funds are requested for predevelopment to determine feasibility). 25 points
	Level of affordability restrictions 20 points
8	Strength of overall development concept 15 points
	The applicant has site control. 10 points
	For acquisition projects, the acquisition price does not exceed appraised value. (Note: the CPA statute does not allow you to pay in excess of appraised value) 10 points
	The applicant has demonstrated appropriate affirmative fair marketing and resident selection procedures planned; any handled any fair housing complaints properly. 10 points

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