

Proposed CPA Funds Set Aside

Belmont Housing Trust
Fall 2020

What is the proposed CPA project?

- \$250,000 set aside to help make progress on community housing
- Funds will enable the Housing Trust to move rapidly on real estate opportunities
- We will work with the Planning Board to identify potential opportunities that are desirable for development and consistent with the Housing Production Plan



*CPA funded development
in Sudbury*

How will CPA funds be used?

Examples of ways other towns used CPA set-asides:

- **Pre-development due diligence** (e.g., assess financial feasibility of developer proposals, site surveys, phase I environmental work, title search)
- Leveraging state and private funds to increase the number of affordable units in mixed income proposed developments
- Purchasing land and working with developers to build deed-restricted housing in proposed developments (under inclusionary zoning, Chap 40B, and Chap 40R)
- Buying down additional affordable units in developments subject to the inclusionary zoning bylaw.

How will CPA funds be managed?

- **Grant agreement** – Belmont, Community Preservation Committee, and Belmont Housing Trust (agreement already in place, just needs updating by Town Counsel)
- **State oversight:** The CPA Trust Fund is regulated by the Department of Revenue
- Projects must meet at least one of the **CPA requirements** for allowable spending for housing for low- and moderate-income individuals and families: acquisition, creation, or support for the purpose of making housing affordable

Why should Town Meeting approve this proposed use of CPA funds?

- Financial accountability and reporting requirements are outlined in the grant agreement
- Enables Housing Trust to actively engage in adding community housing toward the 10% state-mandated goal
- Improves Belmont's qualifications for funds, such as those offered under the state's new Housing Choice Initiative
- Many towns have done this:
Boxborough, Hudson, Lexington,
Medway, and more.



There are many hundreds of decisions that are made in the process of development of a housing community.

Community Preservation Funds allow communities to transition from stakeholders to investors – and investors have a voice.

Kevin Maguire
Managing Partner, Oxbow Urban LLC

When funded, an Affordable Housing Trust (AHT) can act quickly without needing to wait for Town Meeting action. The bottom line is that an AHT cannot be effective unless it has funds in hand.

Chris Kluchman

Massachusetts Department of Housing and Community Development