

Project Title: Transfer to Belmont Housing Trust
Project Location: N/A
Applicants/Contact Persons:



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Date: 11.30.2020
CPA Category: Community Housing
Amount Requested \$250,000

BRIEF DESCRIPTION OF PROJECT

Belmont Housing Trust is applying to CPA for \$250,000 to establish readiness for opportunities that arise in town for creating affordable housing for individuals and families whose annual income is less than 80 percent of the areawide median income. This project includes use of an already executed grant agreement between the Community Preservation Committee, the Town, and the Housing Trust.

Spending guidelines for CPA funds indicate that for each fiscal year, towns must spend or reserve at least 10% of the annual revenues in the CPA fund for community housing. This project proposes a carefully constructed mechanism to use the funds to create affordable housing that sustains the unique character of each neighborhood and serves the needs of new generations. As evidenced in other towns, transferring funds to the town Housing Trust increases the likelihood towns are in compliance with the CPA law.

GOALS:

- Enable the Housing Trust to move quickly on real estate opportunities
- Advance affordable housing in Belmont through the following means:
 - Increase affordable housing units where new housing is being built
 - Provide incentives to developers to develop affordable housing units, or
 - Fund pre-development work to determine if sites are suitable for community housing development.

COMMUNITY NEED:

The costs of land and construction in Belmont are frequently identified as the main barriers to building housing that includes affordable units. Housing costs are rising, as is the cost of living overall, and incomes are not keeping pace. Belmont's Housing Production Plan indicates that 29% of homeowners and 44% renters in town are housing cost-burdened, meaning they spend more than 30% of their household income on housing costs. Building new housing that is priced appropriately for current Belmont residents and for a full range of household income levels helps us to be a welcoming, thriving and strong community. It also helps Belmont on its goal of having 10% of our housing stock be affordable units. The CPA fund is a powerful resource that can be used to implement Belmont's Housing Production Plan.

COMMUNITY SUPPORT:

Prior to the coronavirus pandemic, Town Meeting approved a similar grant in FY2019. In spring 2020 Town Meeting, these funds were re-assigned for the establishment of a temporary emergency rental assistance program to help Belmont households whose incomes were impacted by the pandemic. This proposal is to renew the Housing Trust's funding so that we can return to the focus of advancing affordable housing development in town.

PROJECT DOCUMENTATION:

- Financial accountability and reporting requirements are outlined in an executed grant agreement between the Town, the Community Preservation Committee and the Housing Trust.

TIMELINE:

The Housing Trust is ready to move forward as soon as funds are approved. Prior to the pandemic, the Housing Trust drafted a request for proposal (RFP) for developers that will be finalized and publicized. Information about the RFP opportunity will be posted to the Town website and shared with the planning department and Town officials. The Trust also has plans to promote the RFP among area developers.

CREDENTIALS:

Across the state, towns use CPA funds for affordable housing projects either by funding an identified project or by setting aside funds for their Housing Trust to enable it to act expediently on emergent opportunities that fit within the CPA guidelines. The Housing Trust is currently effectively managing the execution of CPA funds (\$350,000 total) for the emergency rental assistance program.

SUCCESS FACTORS:

Using the funds to create more affordable units will be the measure of the project's success.

BUDGET:

\$250,000