

CITY OF SOMERVILLE, MASSACHUSETTS
SOMERVILLE AFFORDABLE HOUSING TRUST FUND
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Mark Niedergang
Martin Polignone
Andrea Shapiro

January 19, 2017

CPA FUNDING OPPORTUNITY FOR DEVELOPMENT PROJECTS RELATED TO HOUSING UNITS

CPA Background

In November 2012, Somerville voters overwhelmingly approved a 1.5% Community Preservation Act (CPA) surcharge on net property taxes. The Somerville Community Preservation Committee subsequently voted to empower the Somerville Affordable Housing Trust Fund, which has 25 years of experience preserving, creating, and supporting affordable housing in Somerville, to serve as the housing arm of the Committee. Since Fiscal Year 2015 (July 1, 2014-June 30, 2015), the Trust has been administering CPA funds designated for community housing purposes.

Development Projects and CPA Eligibility

This funding opportunity is designated for projects that acquire, create or preserve affordable housing units.

CPA funds can serve individuals and households up to 100% AMI.

- *Acquisition* - obtain property interest by gift, purchase, devise, grant, rental, rental purchase, lease or otherwise. Eminent domain takings only as provided by G.L. c.44B.
- *Creation* - to bring into being, cause to exist.
- *Preservation* - protect personal or real property from injury, harm or destruction.
- *Support* - provide grants, loans, rental assistance, security deposits, interest-rate write downs or other forms of assistance directly to individuals and families eligible for community housing or to an entity that owns, operates or manages such housing for the purpose of making housing affordable.
- *Rehabilitation and Restoration*- if acquired or created with CPA funds. Capital improvements to comply with federal, state or local building or access codes or federal standards for rehabilitation of historic purposes.

The CPA requires that whenever possible, preference be given to the adaptive reuse of existing buildings or construction of new buildings on previously developed sites.

With respect to any real property purchased using CPA funds or housing created or preserved using CPA funds, a perpetual affordable housing restriction meeting the statutory requirements of G.L. c.184 and G.L. c.44B, §12, and running to the benefit of the City shall apply.

Criteria

In addition to meeting the proper AMI level and project use, the following criteria apply:

- Create new affordable homeownership and rental units in Somerville.
- Preserve existing affordable homeownership and rental units.
- Acquire and preserve unassisted housing stock for affordable housing.
- Serve a demonstrated need within the community.
- Mitigate displacement of low-to-moderate income households.
- Number and types of units (for households of all sizes and types from diverse economic and social groups).
- Applicants have a demonstrated capacity to carry out the project for which they seek funding.
- Development Budget/Funding Status and ability to leverage other funding.
- Development projects that foster SomerVision goals and other City Plans, including those of the Community Preservation Committee such as transit oriented development, mixed-use and mixed-income, and employment options, as well as sustainable design goals.

Additional Information and Application Deadline

Please provide your direct responses to each question within this application form. Additional information may be attached.

Responses are due electronically by 4:00pm on Tuesday, February 21, 2017 and respondents should also submit 10 printed copies (collated), by mail or hand-delivery, postmarked on or before February 21, 2017.

The electronic copy should be sent by email to Heidi Burbidge at hburbridge@somervillema.gov.

The printed copies should be sent or delivered to: City of Somerville Housing Division
City Hall Annex, attn: Heidi Burbidge
50 Evergreen Avenue, Somerville, MA 02145

If you have any questions, please do not hesitate to contact Heidi Burbidge at 617-625-6600 x2587 or via email at the email address listed above.

Chart 1
COMMUNITY PRESERVATION FUND ALLOWABLE SPENDING PURPOSES (G.L. c. 44B, § 5)

	OPEN SPACE	HISTORIC RESOURCES	RECREATIONAL LAND	COMMUNITY HOUSING
DEFINITIONS (G.L. c. 44B, § 2)	Land to protect existing and future well fields, aquifers and recharge areas, watershed land, agricultural land, grasslands, fields, forest land, fresh and salt water marshes and other wetlands, ocean, river, stream, lake and pond frontage, beaches, dunes and other coastal lands, lands to protect scenic vistas, land for wildlife or nature preserve and land for recreational use	Building, structure, vessel, real property, document or artifact listed on the state register of historic places or determined by the local historic preservation commission to be significant in the history, archeology, architecture or culture of the city or town	Land for active or passive recreational use including, but not limited to, the use of land for community gardens, trails, and noncommercial youth and adult sports, and the use of land as a park, playground or athletic field. Does <u>not</u> include horse or dog racing or the use of land for a stadium, gymnasium or similar structure.	Housing for low and moderate income individuals and families, including low or moderate income seniors Moderate income is less than 100%, and low income is less than 80%, of US HUD Area Wide Median Income
ACQUISITION Obtain property interest by gift, purchase, devise, grant, rental, purchase, lease or otherwise. Only includes eminent domain taking as provided by G.L. c. 44B	Yes	Yes	Yes	Yes
CREATION To bring into being or cause to exist. <i>Seideman v. City of Newton</i> , 452 Mass. 472 (2008)	Yes	X	Yes	Yes
PRESERVATION Protect personal or real property from injury, harm or destruction	Yes	Yes	Yes	Yes
SUPPORT Provide grants, loans, rental assistance, security deposits, interest-rate write downs or other forms of assistance directly to individuals and families who are eligible for community housing, or to entity that owns, operates or manages such housing, for the purpose of making housing affordable	X	X	X	Yes, includes funding for community's affordable housing trust
REHABILITATION AND RESTORATION Make capital improvements, or extraordinary repairs to make assets functional for intended use, including improvements to comply with federal, state or local building or access codes or federal standards for rehabilitation of historic properties	Yes if acquired or created with CP funds	Yes	Yes	Yes if acquired or created with CP funds

CPA & TRUST FUNDING DEVELOPMENT APPLICATION FORM

INSTRUCTIONS: This application contains the minimum amount of information necessary for proposal review. Additional information should be included as necessary. Use additional space, as needed. The Housing Division may request more information from the sponsor.

SECTION 1: APPLICANT INFORMATION

1. Name of Applicant: _____

2. Address: _____

3. Type of Applicant (check):

Public Non-Profit	Private Non-Profit	Public Agency
Private Developer	CHDO	Other (specify)

(Attach copies of Articles of Incorporation & By-Laws and/or W-9 if not already on file w/City of Somerville)

4. Contact Person: _____

Title: _____ Phone: (____) _____

E-Mail: _____

SECTION 2: PROJECT DESCRIPTION

1. Project Title: _____

2. Location: _____

3. Project Narrative: Provide a short description of the proposed project (please attach additional pages as needed): _____

4. Anticipated Total Development Cost

Funding Request			
Trust Funds Requested			
CPA Funds Requested			
Other City HOME/CDBG Funds Requested (outside of this request)			
Type of Project (Check one)	Rental Housing	Homeownership	Mixed-Use
Purpose of funding being requested	Pre-development Adaptive re-use	Acquisition New Construction	Rehabilitation

5. Total Building(s) square footage at build out: _____

6. What is the breakdown of units by bedroom sizes if applicable? (Provide matrix of affordability by bedroom size if that is preferable.)

___ 1 BR units

___ 2 BR units

___ 3 BR units

___ More than 3 BR units

___ TOTAL units

7. Occupancy: Affordability /# of units. (Please provide estimate if not confirmed yet.)

___ Market

___ Middle (101-120%)

___ Moderate (80 -100%)

___ Low-Income (below 80%)

___ Very Low Income (below 50%)

___ Extremely Low Income (below 30%)

___ TOTAL

8. Special Populations: Please note if any units will be set-aside for specific populations, such as homeless, disabled, veterans, etc.

9. If available, attach any handicap accessibility plans proposed in this project.

10. Please explain any sustainable (green building) measures included in this project.

11. Explain how the proposed activities/project addresses a need and/or strategy in City of Somerville's 5 Year Consolidated Plan (Can be viewed online at www.somervillema.gov).

12. Explain how the proposed activities/project addresses a Goal or Action Step in the SomerVision Comprehensive Plan (Can be viewed online at www.somervillema.gov).

SECTION 3: DEVELOPMENT TEAM AND PERFORMANCE HISTORY

1. Other Development Partners (If private, for profit, see section below on joint ventures*)

Name: _____

Address: _____

Contact Person & Tel. #/e-mail: _____

Minority Owned Business (MBE): Yes No

Minority Women Owned Business (WMBE): Yes No

2. Development Consultant

Name: _____

Address: _____

Contact Person & Tel. #/e-mail: _____

MBE: Yes No

MWBE: Yes No

3. Architect

Name: _____

Address: _____

Contact Person & Tel. #/e-mail: _____

MBE: Yes No

MWBE: Yes No

4. Attorney

Name: _____

Address: _____

Contact Person & Tel. #/e-mail: _____

MBE: Yes No

MWBE: Yes No

5. Management Agent (or plan & schedule for selection

Name: _____

Address: _____

Contact Person & Tel. #/e-mail: _____

MBE: Yes No MWBE: Yes No

6. Buyer Selection/Lottery Administrator (if available)

Name: _____

Address: _____

Contact Person & Tel. #/e-mail: _____

MBE: Yes No

MWBE: Yes No

* Joint Ventures: If the non-profit developer is involved in a joint venture with a private for-profit developer, provide evidence that the non-profit partner controls the majority interest in the joint venture. Attach a separate sheet identifying any other agencies that are involved in this project and briefly describing the extent of their involvement. Include the agency name, address, phone, and contact person. Attach additional documentation, such as Memoranda of Understanding, award letters, agreements, etc.

7. History of Performance

Please provide basic information on the organization’s track record of performance on the most relevant available examples. List up to the five most recent projects regardless of whether they were funded with public or private funds, and indicate project status (predevelopment; construction underway, or completed).

Project	Funding Source	Status

8. Please attach a certified copy of the most recent financial audit for the Developer/Owner/Sponsor’s most recent fiscal year just ended.

SECTION 4: PROPERTY INFORMATION

1. Site/Zoning description

2. Site Acreage: _____

3. State if building(s) is a designated historic property or in an historic district: Yes No

4. Evidence of site control: Option to purchase Ownership

NOTE: Developers seeking HOME and CDBG funds may not **take any** “choice limiting actions” that would limit the choice of reasonable alternatives prior to completion of an environmental review of the proposed project **by the City and HUD**. “Choice limiting actions” include the **expenditure of any public or private funds other than for certain pre-development costs. A refundable option to purchase of \$1,000 or less is an allowed pre-development cost. A purchase and sales agreement is not an allowed pre-development cost.**

Attach site plans, including maps.

5. Attach drawings of proposed project if available.

6. Attach any site environmental studies, including lead-based paint and asbestos, if available. If any hazardous materials are known to exist on the site, include mitigation plans if available.

7. Is the property presently occupied by commercial or residential tenants? Yes No

8. If the property has existing tenant(s), please provide a summary of relocation plan for existing tenant.

SECTION 5: DEVELOPMENT TIMELINE and BUDGET

A. PROPOSED DEVELOPMENT SCHEDULE (PROPOSED DATES)

1. Submission of Funding Applications: _____

2. Regulatory & Zoning Reviews & Approvals: _____

3. Acquisition if not already owned: _____

4. Construction Start: _____

5. Construction Completion: _____

6. Full Occupancy: _____

B. TOTAL DEVELOPMENT BUDGET - USES OF FUNDS

Please provide the proposed pro-forma in a format of your choice. The pro-forma should include:

1. Budget Summary
2. Sources of funds
3. Uses of funds
4. Construction budget
5. 20 year annual operating budget
6. Income from Sales of units, if applicable.

C. OTHER

Please provide any additional information that you would like to be considered.