



Affordable Housing Trust Action Plan

Town of Medway, Massachusetts

South Shore Habitat for Humanity House, 9 Walker Street, Medway, MA, June 2, 2010

**Adopted by the Medway Affordable Housing Trust and the Affordable Housing Committee on
January 5, 2011**

Prepared with assistance by ECR Enterprises and JM Goldson community preservation + planning
Funding for the creation of this plan was provided by the Medway Community Preservation Act Fund

The Board of Trustees' Mission

To assist eligible residents to manage housing costs and to actively preserve existing and create new affordable housing opportunities, both rental and homeownership, to increase Medway's subsidized housing inventory.

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Executive Summary

This Action Plan was made possible through funding from the Medway Community Preservation Act (CPA) fund and the direction of the Community Preservation Committee and the Affordable Housing Committee. The purpose of this Plan is to set direction for the first five years of operation of the Medway Affordable Housing Trust (Trust), which was created in May 2008 through a majority vote of Town Meeting.

The Trust fund, by state statute, is required to be overseen by a Board of Trustees that is appointed by the Board of Selectmen. In Medway, the Trust is comprised of a member of the Board of Selectmen and the Town Administrator as well as professionals with a wealth of expertise including banking and real estate. The Board of Trustees has a fiduciary responsibility to manage the Trust fund for the sole purpose of creating and preserving affordable housing in the Town of Medway.

This Plan is an outgrowth of the community's affordable housing goals established by Medway's current Housing Production Plan (March 2010) (HPP), which was prepared in accordance with the Massachusetts Department of Housing and Community Development (DHCD) requirements. The specific goals and initiatives recommended in this Action Plan tie directly into the goals of the HPP and, in addition, are based on a strong public process, which was led by the Affordable Housing Committee (AHC) to create this Plan. The AHC, which is focused on affordable housing policy and advocacy, worked closely with members of the Board of Trustees on this planning initiative.

The Trust's five goals, established through this Plan, are listed below and described in more detail in Section 3. The following goals are listed in order of priority:

GOAL ONE: RETAIN AND CREATE UNITS FOR LOW-INCOME HOUSEHOLDS

GOAL TWO: FUND PRODUCTION OF HOUSING UNITS

GOAL THREE: HELP AND PROMOTE OTHER LOCAL AFFORDABLE HOUSING EFFORTS

GOAL FOUR: HELP HOMEOWNERS STAY IN HOMES

GOAL FIVE: DIVERSIFY TRUST FUND REVENUE

In order to accomplish these goals, this Plan sets out seven primary initiatives to focus on in the Trust's first five years (FY12-FY16). These initiatives are listed below and described in more detail in Section 4:

INITIATIVE 1: BUILD THE TRUST'S CAPACITY

INITIATIVE 2: IDENTIFY AND ACQUIRE APPROPRIATE PRIVATE AND/OR TOWN-OWNED VACANT PARCELS FOR AFFORDABLE HOUSING

INITIATIVE 3: SUPPORT DEVELOPERS AND OTHER ENTITIES IN CREATING AFFORDABLE HOUSING

INITIATIVE 4: IMPLEMENT A LOTTERY AND MONITORING PROGRAM

INITIATIVE 5: ACTIVELY RETAIN EXISTING AFFORDABLE UNITS

INITIATIVE 6: PROVIDE SMALL GRANTS FOR HOME REPAIRS

INITIATIVE 7: ESTABLISH A HOMEBUYER ASSISTANCE PROGRAM

To accomplish these initiatives, the Affordable Housing Committee, working in concert with the members of the Board of Trustees, laid out a five-year budget that demonstrates targeted revenue sources and planned expenditure for these initiatives. The budget is presented in Section 5.

The Affordable Housing Committee and members of the Board of Trustees have prepared this Plan with full due diligence to formalize the community's goals for the Trust and lay out a realistic and logical blueprint for accomplishing those goals.

Section 1: Introduction

What is the Medway Affordable Housing Trust?

The Town created the Medway Affordable Housing Trust, per Massachusetts General Laws Chapter 44 Section 55C (MGL c.44 s.55C), in May 2008 with a majority vote of Town Meeting. The purpose of the Housing Trust is to “support the creation and preservation of affordable housing in order to secure rental and homeownership opportunities for the community’s low and moderate income households.” (See Appendix A for full text of MGL c.44 s.55C and Appendix B for the full text of Article 16.)

What is the Board of Trustees?

The Town created the five-plus-member Board of Trustees to oversee the Medway Affordable Housing Trust Funds. The Board’s required membership is at least five Trustees including a member of the Board of Selectmen, the Town Administrator, and other Trustees as appointed by the Board of Selectmen. The current members of the Board of Trustees are listed on the following page.

The Town Meeting vote instructed the Board of Selectmen to “endeavor to provide a broad based membership including affordable housing advocates, legal, banking, financial, and real estate professionals, and other members of the local business community.” With the exception of the Town Administrator, whose term ends upon the date of resignation or termination, the members of the Board of Trustees have staggered initial terms of one or two years (listed on the following page). Upon expiration of terms, the Board of Selectmen is authorized to conduct reappointments or to appoint successors.

As set forth in accordance with MGL c.44 s.55C, the Town Meeting vote authorizes the Board of Trustees to “receive, hold, invest, and/or expend funds for research, acquisition, construction, rehabilitation, renovation, repair, maintenance, financing or refinancing of property within the Town of Medway so that such property will be substantially available as affordable housing. . .” Furthermore, Town Meeting authorized the Board of Trustees to engage consulting services and employ full or part-time staff (up to 10% of Trust Fund receipts). The Board of Trustees must receive Town Meeting approval in order to borrow money, or mortgage or pledge Trust assets.

It is the Board of Trustees fiduciary responsibility to ensure that the Medway Municipal Affordable Housing Trust funds are managed and used in a responsible manner. As such, the Affordable Housing Committee and Affordable Housing Trust Board of Trustees have established this Action Plan to provide transparent communication of the Trust’s mission, goals, and priority initiatives.

Medway Affordable Housing Trust	
Board of Trustees	
Member Biographies	Term Expiration Date
<p>Ralph Caton - Ralph has been a resident of Medway for 41 years and graduated from Xaverian Brothers High School in 1987. He received his associates degree in culinary arts from Johnson & Wales University in 1996, as well as a masters degree in business management in 2008 from Cambridge College. Ralph has been an active member of Medway's Affordable Housing Committee for the past five years. Ralph has worked for the family-owned supermarket chain Roche Brothers for the past nine years.</p>	June 30, 2012
<p>James Gillingham - Jim has been a resident of Medway for 30 years and graduated from Medway High School in 1987. He received his bachelors degree in accounting from Bentley University, as well as an MBA and certificate in financial planning from Suffolk University. He is currently a candidate for a masters degree in taxation from Bryant University. Jim has been an active member of Medway's Capital Improvement Planning Committee for the past three years.</p>	June 30, 2012
<p>Michael Heineman, Chair - Michael is an attorney with a private practice since 1996 which includes real estate and real estate conveyancing. He has been a resident of Medway for over 10 years. Michael serves on the Board of Directors of MetroWest Legal Services, which provides legal services to indigent-non-criminal matters. He is also the president of the Tri Valley Youth Hockey Association. Michael is a graduate of the University of Notre Dame and Suffolk Law School.</p>	June 30, 2011
<p>Suzanne Kennedy - With over 25 years in local government, Suzanne has a wide background in fiscal, strategic, and operations planning and management at increasing levels of organizational and bottom-line impact. Prior to joining the Town of Medway as Town Administrator, Suzanne served as Budget Director in Monroe County New York from 1997-2005 and as the first City Manager for the City of Corning, New York from 1995-1997. In addition, Suzanne has served as Town Manager in Standish, Maine as well as Town and County Administrator in Nantucket, Massachusetts.</p>	Ongoing
<p>Ann Sherry, Vice Chair - Ann has been a Medway resident for 20 years and is currently Senior Vice President at Charles River Bank in Medway, overseeing retail banking, mortgage originators, financial services, and private banking and marketing. Ann has been in the banking industry for over 25 years. She graduated from Boston College with an MBA in finance and marketing. Ann is also the past president of the Medway Business Council and New England Financial Marketing Association. She is the current vice-chair of the Medway Economic Development Committee, a volunteer for Medway Pride Day for 15 years, and a Confraternity of Christian Doctrine (CCD) instructor at St. Joseph Parish in Medway.</p>	June 30, 2011
<p>Glenn Trindade - Glenn has been a resident of Medway since 1990. He has been active in town affairs first as a founding board member of Medway Extended Day in 1995, Finance Committee from 1995-2000, Open Space Committee 2000-2003, Industrial Development Committee 2000-2007, and a member of the Board of Selectman since 2005. He served on the committee that made the recommendation to adopt the CPA in 2000-2001. He has been active in youth sports, coaching soccer and basketball, and is a board member of Medway Amateur Basketball. He is a member of the Board of Directors of the 495 Metrowest Partnership, currently serving as the Public Sector Co-Chair. He is a Freemason and a member of the Charles River Lodge. Glenn is a Regional Director for Recondo Technology, a software and services firm providing technology to automate the healthcare revenue cycle.</p>	June 30, 2011

How is the Board of Trustees Different than the Affordable Housing Committee?

The role and purpose of the Board of Trustees (Board) is to oversee the Affordable Housing Trust funds to create and preserve affordable housing. The Board has the authority to use the Trust funds to purchase real estate, among other powers.

Therefore, the Board of Trustees will take an active and direct role in creating and preserving affordable housing in Medway - a “brick and mortar” approach - whereas the Affordable Housing Committee (AHC) is a policy and advocacy entity without control of any funds and without any real estate powers.

The AHC will continue to serve as a resource on all issues relating to affordable housing in Medway in addition to advocating for affordable housing opportunities, recommending changes to Town bylaws, and establishing standards of eligibility for affordable housing in Medway.

How was this Action Plan developed?

This section explains the process the Affordable Housing Committee used to develop this Action Plan and includes three subsections: 1) Understanding Medway’s Housing Needs; 2) Engaging Stakeholders; and 3) Creating the Plan.

This Action Plan was developed with funding from the Medway Community Preservation Act (CPA) fund. After securing CPA funding, the Medway Affordable Housing Committee issued a request for proposals in March 2010 to complete an Action Plan and associated documents for the new Affordable Housing Trust.

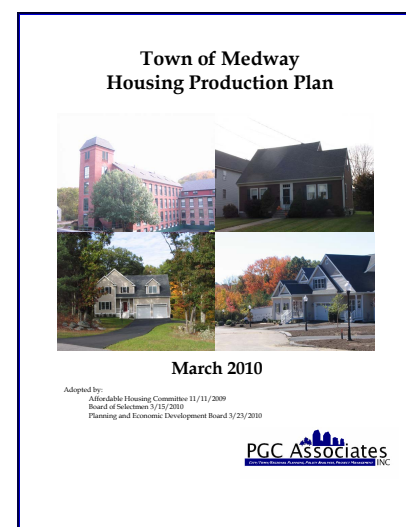
The Committee selected JM Goldson community preservation + planning and team member Elizabeth Rust of ECR Enterprises to assist with this important first step for the new Affordable Housing Trust.

1. Understanding Medway’s Housing Needs

As part of the project kickoff, members of the Affordable Housing Committee led the consultants on a driving tour of Medway on June 2, 2010 to better understand Medway’s neighborhoods as well as past, present, and proposed affordable housing initiatives.

The planning consultants reviewed Medway’s current Housing Production Plan (March 2010), updated data where available, particularly regarding housing sale prices, and summarized Medway’s housing needs (see Appendix C).

The Housing Production Plan can be downloaded at www.townofmedway.org, go to the Affordable Housing Committee page.



Housing Production Plans (HPP) are prepared in accordance with the Massachusetts Department of Housing and Community Development (DHCD) requirements under 760 CMR 56.03(4). HPPs set a target for annual increases of eligible affordable housing units.

HPPs are comprised of a comprehensive needs assessment, affordable housing goals, and implementation strategies. After approval of an HPP, a municipality can be “certified” if it produces the required number of units in one year to retain certification. This is 0.5% of year round units for a one-year certification (22 units of affordable housing in Medway) or 1.0% for a two year certification (44 units of affordable housing).

Once the required number of units is reached and is certified by DHCD, then the Zoning Board of Appeals may deny Comprehensive Permit (40B) applications if such applications are not consistent with local needs. Therefore, an approved HPP allows for greater control over affordable housing development within the community.

The following chapter of this plan provides a brief summary of Medway’s housing needs that is largely derived from Medway’s HPP.

2. Engaging Stakeholders

The consultants conducted 13 interviews and facilitated a consensus-building workshop on July 20, 2010 in order to engage key stakeholders in shaping this Action Plan. The purpose of the interviews and workshop was to identify possible goals and priority initiatives for the Housing Trust. A summary of the interviews can be found in Appendix D.

The workshop, which was held at the Medway Senior Center, was attended by representatives from a variety of town boards and commissions, town officials, as well as Medway citizens. At the workshop, the consultants presented a summary of Medway’s housing needs and background information regarding the types of programs and projects that Trusts in other communities have initiated. After the presentation, the workshop participants formed break-out groups which were asked three questions:

1. From your first-hand experience and perspective as a citizen of Medway, what types of households do you know of or have heard about who are struggling with costs of housing/living?
2. What do you believe should be the primary purpose and focus of the Medway Affordable Housing Trust?
3. If the Trust can only do three things in the next few years, what should they be?

The workshop identified multiple priorities appropriate to the Trust’s purpose including: building relationships with housing developers, creating small homes and top-of-the-shop development, establishing a purchase and resale program to buy existing market-rate homes to convert to affordable homes, creating grants to homeowners for small repairs, and developing affordable housing on surplus town-owned land. (A full summary of the workshop participants’ responses to these questions and the priorities they identified are included in Appendix E.)

3. Creating the Plan

The Affordable Housing Committee (AHC) and members of the Affordable Housing Trust Board of Trustees (Board) worked with the planning consultants to analyze the workshop results in the context of Medway's housing needs, goals and strategies identified through the Housing Production Plan, and practical administrative and financial considerations. Through this analysis the Trust's mission, goals, and priority initiatives were developed, (see page 1 and Sections 3 and 4). For more information including a compilation of possible housing initiatives, analysis of pros and cons of possible initiatives, and the results of the priorities exercise on 8/18/10, see Appendices F, G, and H.

The Affordable Housing Committee released the draft Action Plan for public review and comments between November 24 and December 31, 2010. In addition, the Affordable Housing Committee and members of the Board of Trustees held a public forum on December 1st where members of the public, including Community Preservation Committee members, offered feedback on the draft plan. The Affordable Housing Committee and members of the Board of Trustees approved final modifications to the Action Plan based on the public feedback.

The first meeting of the Board of Trustees was held on January 5, 2011. On that day, both the Board of Trustees and the Affordable Housing Committee adopted the final Action Plan.

Section 2: Affordable Housing Needs

This brief description of Medway's affordable housing needs is based on the detailed housing needs analysis completed in March 2010 as part of the Medway Housing Production Plan (HPP) (an initiative of the Affordable Housing Committee), which considered the needs of low-income and moderate-income households, and the subcategories of low- and moderate-income families, elderly, and special needs populations. The HPP also examined the availability of affordable rental and homeownership units, in addition to the availability of programs to create more affordable housing.

The Massachusetts Department of Housing and Community Development approved the Medway HPP on May 3, 2010. This approved plan outlines a strategy to produce a total of 93 affordable units from 2010 to 2014. On an annual basis, this numerical target requires that twenty-two affordable units are produced to certify Medway's HPP. As described in the previous chapter, a certified HPP enables Medway to deny Comprehensive Permit applications if such applications are not "consistent with local needs."

The HPP envisions these 93 affordable units will be created through a variety of initiatives including the Inclusionary Zoning Bylaw, Chapter 40B Comprehensive Permits, Chapter 40R Overlay District, the Medway Mill project, in addition to initiatives of the Affordable Housing Trust. Of the total 93 units required through the HPP, 12 are to be created through the Trust between FY2012 and FY2014.

Medway's housing needs are described in more detail in HPP and are summarized below with updated figures. In addition, there is a detailed summary in Appendix C.

Low-Income Households

Low-income households are households with incomes at or below 80% of the Area Median Income (AMI) as published by the US Department of Housing and Urban Development (HUD). Households with this level of income often include households with single earners, young professional singles and couples just entering the workforce, families, single-parents, elderly individuals, individuals with a disability, as well as teachers and municipal employees. For example, a four-person household making at or below to \$64,400 annually is considered a low-income household.¹

¹ Note: The 80% limits published by HUD are not arithmetically derived from the 100% Area Median Income due to a federal cap related to the U.S. median income.

One criteria for affordable housing units to qualify for the State’s Subsidized Housing Inventory is that the units are restricted to households with incomes at or below 80% AMI. As defined by the Massachusetts Department of Housing and Community Development: “The Subsidized Housing Inventory is used to measure a community’s stock of low-or moderate-income housing for the purposes of M.G.L. Chapter 40B, the Comprehensive Permit Law. While housing developed under Chapter 40B is eligible for inclusion on the inventory, many other types of housing also qualify to count toward a community’s affordable housing stock.” (For more information go to www.mass.gov and search “Subsidized Housing Inventory.”)

There are a number of requirements for housing to qualify for the state’s Subsidized Housing Inventory. One requirement is that the property must be restricted to low-income households through a property restriction or deed rider. Income limits and affordability requirements for the residents of affordable units will vary depending on the project and requirements of the housing development’s funding source. In this way, the government agencies that provide the required subsidy and grant amounts ensure that the developed housing inventory will benefit its intended residents over time as rentals turnover or as homes are resold.

The 2010 household income limits for the Boston-Cambridge-Quincy Metropolitan Area are listed in the table below. These limits are published annually by the US Department of Housing and Urban Development (HUD) for each area in the country.

2010 Income Limits by Household Size for Boston-Cambridge-Quincy Metro FMR Area						
	1	2	3	4	5	6
50% Area Median Income – Very Low Income	\$32,150	\$36,750	\$41,350	\$45,900	\$49,600	\$53,250
80% Area Median Income - Low Income	\$45,100	\$51,550	\$58,000	\$64,400	\$69,600	\$74,750

Renters: Only 15.9% of housing units in Medway were rental as of the 2000 U.S. Census, whereas in Massachusetts 38.3% are rental units. The household size of renter-occupied households was an average of 1.96 people in 2000 whereas for Massachusetts it was 2.17. The rental vacancy rate was only 3.1% in Medway in 2000, whereas it was 3.5% in Massachusetts. As of 2000, Medway had the fourth highest median rent among its neighbors and the highest rate of increase between 1990 and 2000 - median rent values increased by 39% in that period. 2010 Census data will be required to update these figures and analyze current trends. Over 16% of Medway’s renter households were cost burdened (spending more than 30% of their income for housing) in 2000; with 13% spending over 35% of their income for housing.

Homebuyers: Homeownership is out of reach for most low-income households in Medway. Based on the analysis of Medway’s housing market from Jan-May 2010, the median sales price of a single-family home (\$325,000) was approximately \$133,000 more than what a four-person household with low-income could afford. From Jan-June 2010, two homes (3% of all units sold) sold at prices that would be affordable to a four-person household with low-income. The median sales price (\$352,500) of a condominium in Medway in

the same period was about \$178,500 more than what a two-person household with low-income could afford.

From March-August 2010, only three units (5.5% of all units sold) sold at prices affordable to four-person households.²

While no public programs are currently in place to create more units of affordable rental and homeownership housing, the Town of Medway has implemented several strategies to promote the development of affordable units. Among these are the adoption of the Community Preservation Act, an inclusionary zoning bylaw, and an infill development bylaw, as well as the creation of a Municipal Affordable Housing Trust.

Conclusions of needs for low-income households

This analysis indicates a significant need for homebuying assistance for low-income homebuyers, with an affordability gap of approximately \$133,000.

Further analysis with 2010 Census data will be required to substantiate the availability of affordably-priced rental units..

² Source: www.zillow.com, search of recently sold units of 3+ bedrooms (assuming a household size of four) for a maximum purchase price of \$192,000; Search found three units out of a total of 54 units sold under this criteria between March and August 2010. The search excluded 3+ bedroom units that sold for less than \$10,000 to remove bargain/gift sales.

Moderate-Income Households

Moderate-income households are those with incomes between 80-100% of the area median. For example, a four-person household with an income between \$65,000 and \$91,800 is a moderate-income household in Medway's metropolitan area.

Homebuyers: Although Medway has experienced a rapid increase in the number of housing units in the past ten years, affordable homeownership is still out of reach of many Medway moderate-income households.

The median sales price of a single-family home, approximately \$325,000, based on an analysis of Medway's housing market from January-May 2010, is outside the range of what a four-person household with moderate income in Medway's metropolitan area could afford by approximately \$50,000: A four-person household with moderate income could afford a sales price of no more than \$275,000.

Between March and the end of August 2010, 17 units sold at or below \$275,000 in Medway, which is approximately 31% of the total number of units that were sold in Medway in that same period.³

Conclusions of needs for moderate-income households

This analysis demonstrates that median sales price in Medway is approximately \$50,000 above what a moderate-income homebuyer could afford.

Further analysis with 2010 Census data will be required to determine the need for additional rental units with rents affordable to moderate-income households.

³ Source: www.zillow.com, search of recently sold units of 3+ bedrooms (assuming a household size of four) for a maximum purchase price of \$275,000; Search found 17 units out of a total of 54 units sold under this criteria between March and August 2010. The search excluded 3+ bedroom units that sold for less than \$10,000 to remove bargain/gift sales.

Families

Medway's families have critical housing needs, particularly low-income families.⁴ Forty-eight percent of low-income families who rent a home in Medway pay more than 30% of their gross income for housing costs.⁵ According to standards used by the US Department of Housing and Urban Development, households are considered cost burdened when housing costs are more than 30% of gross income.⁶

It is interesting to note that all of the cost burdened families' incomes are in the 30 to 50% of area median income range. There were no cost burdened families earning below 30% of area median income. This may be attributed to the lowest income families living in subsidized housing through the Medway Housing Authority.

As stated earlier, opportunities for low-income households to own a home in Medway are limited. This holds true for families. Of the low-income families who own a home in Medway a high percentage are cost burdened, with 79% (144) of families paying more than 30% of their income towards housing costs.

In comparing the high level of need among both low-income renter and homeowner families with the current number of affordable units available, the need for assistance is significant. There is currently a long waiting list for the 68 family units operated by the Medway Housing Authority.

Conclusions of needs for families

Families in Medway, especially households with low-incomes, have a significant need for affordable homes, both to rent and to own.

Elderly

Medway's elderly residents (age 62 years and older)⁷ are also in need of affordable homes, particularly among the low-income homeowner population. The Medway Housing Authority has 164 affordable rental units available to low-income elderly and persons with disabilities with a current waiting list of 15 families and 65 seniors on the federal list and 67 seniors on the state list. The average wait for families waiting for two or three bedroom units is approximately two years.

⁴ Note: According to US Census Bureau, "A family is a group of two people or more (one of whom is the householder) related by birth, marriage, or adoption and residing together; all such people (including related subfamily members) are considered as members of one family." See "Current Population Survey – Definitions and Explanations" at <http://www.census.gov/population/www/cps/cpsdef.html>

⁵ This figure refers to families of 2 to 4 people.

⁶ See HUD definition of "moderate rent or cost burden": <http://www.huduser.org/publications/affhsg/worstcase/appendixb.html>

⁷ For the purposes of this report, the definition of "Elderly" is based on HUD, CHAS 2000 Data.

Among low-income elderly renters in Medway, 30 renters (21.4% of total low-income elderly renters) are cost burdened. However, as the elderly population experiences significant growth over the next decade, the demand for the limited number of rental units in Medway is projected to increase for this population.

Among Medway’s low-income elderly homeowners, almost half (44%) are cost burdened. Since the elderly population is more likely to experience mobility, visual, and hearing disabilities, programs may need to be designed to help already cost burdened elders with accessibility improvements to allow them to remain in their home for as long as possible.

Conclusions of needs for elderly households

With the elderly population expected to double in the next twenty years, there is a need for additional elderly rental housing and for housing assistance and/or greater housing choice within Medway, particularly for low-income elderly homeowners.

Special Needs Population

The term “special needs” is a general term used to refer to people with physical, mental health, or developmental disabilities. These special needs populations often require specially designed housing and/or professional services. In addition, some communities have identified other special needs populations and developed housing to accommodate those needs, for example: parenting grandparents, HIV/AIDS population, people in recovery for substance abuse, victims of domestic violence, etc.

According to the US Census 2000, an estimated 1,272 Medway residents have a disability, which equates to approximately 11.2% of Medway’s total population of people age five years and over (11,331). Medway’s percent of population with a disability is lower than the Norfolk County and state population with disabilities in all age groups, as shown in the table below.

Population, By Age, with a Disability			
	Medway	Norfolk County	Massachusetts
5-20 Years	129 (4.1%)	8,407 (6.5%)	116,151 (8.6%)
21-64 Years	838 (11.7%)	51,433 (13.5%)	663,354 (17.9%)
65+ Years	305 (29.8%)	29,952 (34.1%)	305,241 (37.8%)
Total	1,272 (11.2%)	89,792 (15%)	1,084,746 (17%)
Source: Bureau of the Census, Census 2000, Summary File 3, Table DP-2, via American Fact Finder at www.census.gov			

Medway's current inventory of special needs housing includes 89 units of housing that are targeted to people with disabilities, and in some cases elderly people as well. All of these units are owned by the Medway Housing Authority.⁸ In addition, according to the MA Department of Developmental Services South Valley/Milford Office, there are currently 18 persons who are receiving assistance who are living in Medway.

Conclusions of needs for special needs individuals

Over 11% of Medway residents have special needs and only 2% of Medway's total housing stock is targeted to persons with disabilities. The Town may consider preparing a comprehensive analysis to determine level of need for various the types of special needs housing.

⁸ Source: Medway 2010 Affordable Housing Production Plan.

Section 3: Goals of the Trust

The Housing Production Plan laid a foundation for the goals presented here. The Affordable Housing Committee's planning process to engage input from various key stakeholders through interviews and the interactive workshop built on that solid foundation to create more detailed implementation strategies consistent with prior planning efforts. The goals incorporated here are a direct result of the Committee's strategic response to what the Committee learned and heard through this process.

The Housing Production Plan established the strategic goal for the Trust to create at least four units on the State Subsidized Housing Inventory annually, beginning in FY2012. This goal informed and prioritized the decisions used to create this Action Plan.

*** Goal One: Retain & Create Units for Low-Income Households**

Actively retain existing affordable housing units that count on the Medway's Subsidized Housing Inventory (SHI), per MGL C.40B and strive to create at least four units per year that are affordable to low-income households to increase Medway's SHI.

*** Goal Two: Fund Production of Housing Units**

Support private developers, non-profit organizations, and/or the Medway Housing Authority to increase the supply of affordable housing to meet a variety of Medway's housing needs including homeownership and rental units for low-income households and family households, elderly housing options, and special needs housing. Provide financial resources and other assistance to developers and builders. Facilitate locally-sponsored development by being a funder not a developer or property manager. Encourage and support new development of affordable housing in small, scattered site developments that are in harmony with the neighborhood context.

*** Goal Three: Help and Promote Other Local Affordable Housing Efforts**

Support other housing-related initiatives in Medway, including those of the Affordable Housing Committee, project reviews by the Planning and Economic Development Board, Zoning Board of Appeals, and Community Preservation Committee, and Town consideration of policies or land use regulations related to affordable housing. Work collaboratively with the Affordable Housing Committee to educate, build consensus, and gain community support for affordable housing initiatives.

*** Goal Four: Help Homeowners Stay in Homes**

Provide financial assistance to help eligible Medway homeowners, including seniors, afford to stay in their homes.

*** Goal Five: Diversify Trust Fund Revenue**

Utilize a variety of funding sources to capitalize the Medway Affordable Housing Trust Fund. Community Preservation Act funds, inclusionary housing payments in lieu of construction, and revenue generation from lottery and monitoring services can leverage and grow the Trust fund.

Section 4: The Trust’s Initiatives

The seven initiatives, summarized below and described in more detail to follow, illustrate how the Medway Affordable Housing Trust funds will be used to address each of the Trust’s goals over the next five years. The immediate initiatives will be the focus of the first year’s efforts and will build a strong foundation of accomplishment.

Many of the immediate initiatives are intended to expand the Trust’s capacity before it focuses on the future initiatives in the next 2-5 years. For the purposes of clarification, it is assumed that the Trust is funded in Fiscal Year 2012 (7/1/11 to 6/30/12) as its first year of operation.

The Trust’s initiatives are briefly listed in the matrix below and described in greater detail on the following pages in this Section.

THE INITIATIVES	
1	BUILD THE TRUST’S CAPACITY
2	IDENTIFY AND ACQUIRE APPROPRIATE PRIVATE AND/OR TOWN-OWNED VACANT PARCELS FOR AFFORDABLE HOUSING
3	SUPPORT DEVELOPERS AND OTHER ENTITIES IN CREATING AFFORDABLE HOUSING
4	IMPLEMENT A LOTTERY AND MONITORING PROGRAM
5	ACTIVELY RETAIN EXISTING AFFORDABLE UNITS
6	PROVIDE SMALL GRANTS FOR HOME REPAIRS
7	ESTABLISH A HOMEBUYER ASSISTANCE PROGRAM

Immediate Initiatives

To initiate in FY12 (July 1, 2011 - June 30, 2012)

1 INITIATIVE ONE: BUILD THE TRUST'S CAPACITY

To build the Trust's capacity and establish strong communication, the Board of Trustees should report regularly to the Community Preservation Committee, expand its membership and engage a part-time community housing specialist.

1. Establish quarterly reporting to the CPC and include an AHC member on the Board of Trustees: The Board of Trustees is committed to providing quarterly updates of its activities to the Community Preservation Committee for at least its first full year (FY12). This will ensure strong communication between the Board of Trustees and the Community Preservation Committee regarding the status of the Trust's initiatives.

The current membership requirements for the Board of Trustees mandate the inclusion of one member of the Board of Selectmen and at least four other members appointed by the Board of Selectmen. In order to maximize collaboration and communication, the Town should amend the Board of Trustee's required composition (Section (e) of Article II, Section 2.18 of Town's General Bylaws) to require the Board of Selectmen to appoint a representative from the Affordable Housing Committee (AHC).

These changes will create direct coordination with the CPC's and AHC's goals and initiatives and enhance communication, accountability, and coordination between these committees and the Board of Trustees.

2. Retain a part-time community housing specialist: Retain the services of a part-time community housing specialist. The housing specialist could be a town employee within the Planning and Economic Development Department, a contracted planning consultant, or shared employee with another municipality. The housing specialist will be technically competent and versed in all the pertinent laws, regulations, and best practices in affordable housing.

The expertise of a community housing specialist will enable the Trust to create housing units and monitor and preserve the existing affordable housing stock, while generating external revenue and funds through lottery, resale, and monitoring services (described more in Initiative Four). A community housing specialist can administer the Trust's programs and ensure that their activities align with Medway's housing needs, policies, and strategies as well as coordinate with initiatives of other Town Boards and Committees.

In addition, the community housing specialist would support the implementation of all the Trust's initiatives, administer housing programs in compliance with appropriate policies and regulations, monitor accessory

* Initiative One Responds to All Five Goals

Goal One: Retain & Create Units for Low-Income Households

Goal Two: Fund Production of Housing Units

Goal Three: Help and Promote Other Local Affordable Housing Efforts

Goal Four: Help Homeowners Stay in Homes

Goal Five: Diversify Trust Fund Revenue

apartments, monitor implementation of the inclusionary zoning bylaw, and provide critical outreach to property owners and builders with regard to tools available for creation of housing, such as Medway’s infill bylaw.

The community housing specialist could grow in future years to provide a focal point for municipal housing services and assist the Affordable Housing Committee, the Planning and Economic Development Board, the Zoning Board of Appeals and other town entities with housing related efforts from communication and outreach to development and creation of housing units.

Measurable Objectives: Amend Board of Trustees’ membership requirements to include a standing seat for a member of the Affordable Housing Committee at Spring 2011 Town Meeting.

Notice the town position, issue RFP for consulting services, or take necessary steps to secure inter-municipal agreement for shared community housing specialist by Summer 2011 with the objective to engage the specialist in Fall 2011.

② INITIATIVE TWO: IDENTIFY AND ACQUIRE APPROPRIATE PRIVATE AND/OR TOWN-OWNED VACANT PARCELS FOR AFFORDABLE HOUSING

To accomplish this initiative it will be important to first methodically identify appropriate parcels to foster the development of affordable housing. This first step may lead to transfer of town-owned land or purchase of private vacant land to foster and encourage development.

The vision for this initiative is to foster the development of one or two units of small single or duplex homes every two years. A similar project was completed at 9 Walker Street by South Shore Habitat for Humanity, with town support through the donation of tax title land.

This initiative would involve preparation of an analysis of other town-owned, tax-title, and privately-owned parcels. The Board of Trustees should finalize specific evaluation criteria for parcel selection that includes various planning considerations such as environmental constraints, zoning requirements, proximity to commercial areas, schools, parks, and other amenities, and availability of public infrastructure. The Board should request feedback regarding the criteria from the Community Preservation Committee, Conservation Commission, Planning and Economic Development Board, and other relevant town boards.

This initiative stresses the Trust’s role to proactively identify properties with potential for affordable housing including non-conforming parcels that may meet the requirements of Medway’s infill bylaw (Town of Medway Zoning Bylaw Section V(F)(9)), which allows undersized parcels to be developed as affordable housing in accordance with certain specified criteria.

*** Initiative Two Responds to Three Goals**

Goal One: Retain & Create Units for Low-Income Households

Goal Two: Fund Production of Housing Units

Goal Three: Help and Promote Other Local Affordable Housing Efforts

Parcels identified through this analysis will be reviewed with staff for initial feasibility and contact will be made with owners of any identified private property to open discussions. This outreach has the additional benefit of introducing the Trust to community members and providing education on affordable housing initiatives.

To acquire such developable property, the Trust may accept a transfer of town-owned or tax title property for no cost, bid in a tax-title auction, or purchase private property at fair market value or as a bargain sale. In addition to acquisition costs, the Trust funds may also be used for feasibility and predevelopment activities (e.g., appraisals, environmental feasibility studies, financial feasibility analysis, legal costs, brownfield mitigation, preparation of Requests for Proposals (RFP), site planning and design studies, and surveys).

Measurable Objectives: The creation of evaluation criteria and the initial analysis of town-owned, tax title, and non-conforming lots should begin immediately with the objective to complete a short-list of possible properties by June 2011. Outreach to property owners would begin in Summer 2011. The Trust's objective is to acquire one property every two years with the intent of fostering the development of one to two units. The complete process from acquisition to occupancy often takes 18 months to two years or longer, in some cases.

3 INITIATIVE THREE: SUPPORT DEVELOPERS AND OTHER ENTITIES IN CREATING AFFORDABLE HOUSING

The Trust can be successful by providing assistance and collaboration to developers, non-profit organizations, and/or the Medway Housing Authority to increase the supply of affordable housing in Medway. Developing partnerships can utilize the strengths of both entities - the Trust as a funder and local public sponsor and the private entities/housing authority as developers.

This can be done by providing financial resources and funding from the Trust to developers to create additional affordable units above the minimum required for developments under Medway's Adult Retirement Community Planned Unit Development (over-55 residential development), Inclusionary Housing Bylaw, or Chapter 40B.

This initiative would encompass the Trust actively reaching out to all developers with projects in discussion or permitting in Medway and to local and regional non-profit housing development corporations, such as Habitat for Humanity, and community development corporations.

It is important to note that the Trust is likely to be one of many funding sources for projects such as these. These projects may also request additional funds from Medway's Community Preservation Act fund undesignated reserve as well as other public/private funding sources.

*** Initiative Three Responds to Three Goals**

Goal One: Retain & Create Units for Low-Income Households

Goal Two: Fund Production of Housing Units

Goal Three: Help and Promote Other Local Affordable Housing Efforts

Measurable Objectives: This initiative could begin immediately with introductions to builders with active projects in Town, with targeted outreach in FY2011 and a potential first grant within FY2012.

④ INITIATIVE FOUR: IMPLEMENT A LOTTERY AND MONITORING PROGRAM

The Trust and the housing specialist are able to strengthen the local housing program by locating eligible buyers and renters for the affordable housing in Medway and surrounding communities by providing lottery and monitoring agent services. The Sudbury Affordable Housing Trust provides a strong model for implementing a successful program that generates significant revenue for the Trust.

Lottery services are contracted by private developers to prepare and execute affirmative fair marketing plans, and to locate and qualify eligible households for the contracted units. Monitoring agent services, also funded by the developer/property owner, ensure the residents are in compliance with the terms of the affordability restriction and are responsible for locating residents upon release/resale of the housing unit.

The benefits to retaining these services in-house are many:

- Units are preserved by proactive local annual monitoring.
- Units are purchased and leased by local residents (to the extent allowed by law) through increased local outreach, which in turn strengthens local support for affordable housing.
- Services generate external non-CPA revenue to help leverage limited CPA funds to the greatest extent possible.

It is essential that a housing specialist be engaged in order to pursue this revenue-generating initiative. This program can grow each year to generate additional revenue to support other Trust initiatives and, particularly, to fund Initiative Six, a small grants program for home repairs.⁹

Measurable Objectives: Immediately upon engaging the community housing specialist, secure appropriate training to assure the specialist's effectiveness to provide the lottery and monitoring services. Actively promote these services to local and regional developers and other nearby communities. Conduct first lottery in FY2012.

* Initiative Four Responds to Three Goals

Goal One: Retain & Create Units for Low-Income Households

Goal Three: Help and Promote Other Local Affordable Housing Efforts

Goal Five: Diversify Trust Fund Revenue

⁹ Note: While there are differing legal opinions, the assumption (and more conservative approach) in this Action Plan is that the CPA funds in the Trust's account retain their CPA restrictions, namely that the funds must benefit low to moderate income households (< 100% Area Median Income) and that the property must have a restriction placed on it in exchange for the funds. The Small Grants program per Initiative Six would provide funds in the form of a grant, or perhaps a mortgage with a forgivable note, but these do not constitute a property restriction and would not qualify for CPA funding. Thus, the need for non-CPA revenue to appropriate to such a program.

5 INITIATIVE FIVE: ACTIVELY RETAIN EXISTING AFFORDABLE UNITS

The community housing specialist has a critical role to monitor the status of private affordable housing units in Medway and to assist with the resale of affordable units and extension of any expiring use restrictions.¹⁰ Medway has two existing private affordable housing developments: Kingson Lane and Colonial Park Condominiums (Heritage Drive). Colonial Park Condominiums was developed in the early 1990s with six affordable units that counted on the State's Subsidized Housing Inventory. Recently, two of those units were removed from the SHI due to the inability of finding an eligible homebuyer upon resale. Colonial Park Condominiums also have affordable deed restrictions that are not permanent - they are set to expire in 2030.

To protect and preserve the units that count on the Subsidized Housing Inventory, the Trust and the housing specialist will actively monitor affordable units and expiring use restrictions and will assist with resales so that units remain affordable upon change in ownership. In addition, the Trust will be poised and ready to purchase and resell affordable units to preserve affordability and maintain units on the SHI.

Measurable Objectives: Community housing specialist to establish database with pertinent information of all affordable units in Medway including terms of deed riders and to make contact with all owners within three months of beginning work.

* Initiative Five Responds to One Goal

Goal One: Retain & Create Units for Low-Income Households

¹⁰ Definition of Expiring Use Restrictions: "Refers to affordable rental housing where the restrictions on rents and/or incomes of occupants could or will expire in the near future if property owners prepay their publicly assisted mortgages and convert the units to market rate housing." (Source: Massachusetts Housing Partnership, Citizens' Housing and Planning Association, CPA and Affordable Housing p.45)

Future Initiatives

To initiate in FY13-FY16 (July 1, 2012-June 30, 2016)

⑥ INITIATIVE SIX: PROVIDE SMALL GRANTS FOR HOME REPAIRS

This initiative provides small grants for health and safety repairs to eligible homeowners of Medway. Program guidelines could be modeled on Sudbury’s program which provides an average grant of \$3,000 to pay contractors for home improvements such as roof-work, new septic system, handicap ramp, etc.

This sort of program helps to communicate the breadth of support that housing programs can achieve. It reaches out to a different segment of the population, and with limited financial resources, is able to assist seniors and others struggling to maintain their homes.

The community housing specialist would prepare program guidelines including eligibility criteria, repayment terms (if any), legal documents required (if any), and application materials. Construction oversight would also be provided by the community housing specialist. The Trust and the community housing specialist would announce the program widely within Medway.

Measurable Objective: Launch program in FY2013 after securing additional non-CPA revenue from lottery services or inclusionary zoning.

*** Initiative Six Responds to One Goal**

Goal Four: Help Homeowners Stay in Homes

⑦ INITIATIVE SEVEN: ESTABLISH A HOMEBUYER ASSISTANCE PROGRAM

Medway can realize many benefits from a Homebuyer Assistance Program. Unlike affordable housing units that are part of specific new developments, a Homebuyer Assistance Program typically targets existing housing that is for sale and converts it to affordable housing.

The affordable units created through this program can count on the state’s Subsidized Housing Inventory if the program is structured to qualify as a Local Action Unit program within the State’s Local Initiative Program.

There are many variations on this type of program. In some, the program’s subsidy takes the form of direct payments to the purchaser, and acts as a homebuyer assistance grant. In other programs, the subsidy is provided by the Trust to the seller at closing, in addition to the end-buyer’s funds. In this model, repairs are

*** Initiative Seven Responds to Two Goals**

Goal One: Retain & Create Units for Low-Income Households

Goal Two: Fund Production of Housing Units

performed after the buyer has purchased the home. Another model includes having the Trust purchase the property, perform the repairs, and sell it to an eligible household. In all of these models, the program documents would establish parameters regarding property condition and sales price/subsidy amount.

Measurable Objective: Launch program in FY2013 after defining the program and securing DHCD approval. The eligible buyers are typically located next, followed by selection of the property.

Section 5: Proposed Five-Year Budget

Description of Budget

The proposed budget provides a current view into the next five year plan for the Medway Affordable Housing Trust. It is intended to demonstrate, through financial estimates, the on-going cost of the programs and initiatives described in more detail in this action plan. Through the balanced and realistic five-year plan, the Trust plans to create 10 units of housing eligible for addition to the Subsidized Housing Inventory, and is able to preserve (not lose) two existing units. Additional projects may come forward that are above and beyond this budget, and those proposals will be brought separately forward to the CPC for approval and funding. Those projects can increase the units created by the Trust through this baseline budget, to its goal of 20 units over 5-years (or 4 units per year), as articulated in the approved Housing Production Plan.

REVENUE

The revenue section details the sources and amounts of all incoming funds. It starts each year with the carryover balance in the fund, and then adding:

*** Anticipated Annual CPA Appropriations:** These are requested each year by the Trust, voted by the CPC and then advanced to Town Meeting for final vote. The plan includes three aspects of CPA funding: the accumulated housing reserves (monies from past years that have been set aside for affordable housing), the annual 10% housing mandate, and a special request in year three for the preservation of existing units. The plan proposes to request the entire 10% mandated amount each year, and the prior year's housing reserves over three years.

*** Inclusionary Zoning Payments:** These are estimated payments in lieu of constructing affordable units for developments permitted under the Inclusionary Zoning bylaw.

*** Lottery/Monitoring Services:** The community housing specialist is able to develop expertise to provide these services to private developers. This external income has expenses that have been included in the administrative expense line.

EXPENSES

The expense projections describe estimates for each program and initiative. They are informed estimates, and the actual expenses will vary some. The administrative expenses and legal fees are detailed below and self-explanatory.

*** Community Housing Specialist:** As outlined below, this position is intended to provide part-time support to implement and administer the programs and activities of the Trust in full compliance with state regulations and local preferences. The position may be contract or staff, shared with other neighboring municipalities or not. The funds allocated provide for small escalation in hours over the five-year plan, starting with 11-18 hours per week.

*** Potential Land Purchases:** Building from the parcel inventory compiled and vetted by the Trust, this initiative plans for the purchase of three parcels over five years, each up to \$100,000. The parcels are assumed to be small privately owned vacant, unimproved, and non-conforming and could produce one to two units for each project.

*** Support Private Developments:** Three projects over five years, each producing one unit of housing, is the proposal for this initiative. The Trust would financially contribute to current projects, increasing the affordable unit mix. The \$125,000 per unit subsidy is based on a unit development cost of \$300,000 with a regulated affordable sales price of \$175,000.

*** Retain Existing Units:** The Trust proposes to have funds set aside for the preservation of two existing housing units in years one and three, by being able to purchase or buy-down the price of the units to preserve the affordable housing restrictions. Units created before 2003 have older deed riders that are 'unaffordable' at resale. For these units, the Trust will buy-down the price and it would be resold to an eligible purchaser with the perpetual deed restriction. In other scenarios, the Trust may need to purchase the unit, which it would then resell it to an eligible purchaser with the perpetual deed restriction.

*** Small Homeowner Grants:** Development and implementation of a small grant program that assists existing homeowners. Starting in year two, the budget assumes three to four grants per year.

*** Home Preservation Program:** This program, starting in year two, produces one unit of housing each year by converting market rate homes to affordable homes, with the Trust purchasing the perpetual deed restriction for \$125,000 by subsidizing the difference between the market price (assumed at \$300,000, just slightly below the median sales price of \$325,000) and the affordable price (\$175,000). Additional funds are included for transaction costs including appraisal, inspections and other costs and requirements.

Five-Year Budget Spreadsheet

Description	FY12	FY13	FY14	FY15	FY16	5 Year Total	Notes
Prior Year Carry Forward		\$2,916	\$66,936	\$230,061	\$132,791	\$432,705	
CPA Accumulated Housing Reserves	\$358,400	\$150,000	\$233,600			\$742,000	Current housing reserves, to be distributed over three years.
CPA Annual 10% Housing Requirement	\$73,827	\$69,971	\$66,114	\$62,257	\$58,401	\$330,571	Projected 10% community housing reserve based on estimate of State CP Trust Fund distributions continuing to decline.
CPA Special Request - Retention of existing unit			\$175,000			\$175,000	Additional (gap) funding required for retention of unit.
Inclusionary Zoning Payments			\$125,000	\$125,000	\$125,000	\$375,000	Assuming Inclusionary Housing cash option for approximately one unit per year.
Lottery/Monitoring Services		\$10,000	\$25,000	\$35,000	\$35,000	\$105,000	Initiative #4 - Assuming earnings ranging from \$2,500 to \$5,000 per unit.
Interest	\$738	\$800	\$2,161	\$2,223	\$2,184	\$3,306	1% of revenue annually.
Total Revenue	\$432,966	\$233,686	\$693,811	\$454,541	\$353,376	\$2,160,275	
Administrative	\$2,500	\$4,500	\$7,500	\$9,500	\$9,500	\$33,500	Printing, postage, advertising, etc (baseline of \$1,000 plus expenses at 20% of lottery revenue and annual audit fees of \$1,500).
Legal Expenses	\$5,250	\$5,250	\$5,250	\$5,250	\$5,250	\$26,250	Estimating \$175 per hour with average 2.5 hours per month.
Community Housing Specialist	\$22,300	\$23,000	\$32,000	\$35,000	\$35,000	\$147,300	Initiative #1 - Part-time resource, could be contract or staff position and shared with other municipalities, with no benefits. Note: Per Town Meeting, staff cost is not to exceed 10% of Trust revenue.
Potential Land Purchases	\$100,000		\$100,000		\$100,000	\$300,000	Initiative #2 - Purchase of vacant unimproved land/non-conforming or tax title land. Convey to non-profit developer (e.g., Habitat) to build one or two units per project.
Support Private Developments	\$125,000	\$125,000		\$125,000		\$375,000	Initiative #3 - Target to produce one unit per project.
Retain Existing Affordable Units	\$175,000		\$175,000			\$350,000	Initiative #5 - Funds in reserve to retain two units if needed.
Small Homeowner Grants		\$9,000	\$9,000	\$12,000	\$12,000	\$42,000	Initiative #6 - Average grant of \$3000 per household.
Home Preservation Program		\$135,000	\$135,000	\$135,000	\$135,000	\$540,000	Initiative #7 - Average subsidy of \$125K per unit plus expenses (target to create one unit per year).
Expense	\$430,050	\$166,750	\$463,750	\$321,750	\$296,750	\$1,814,050	
Total (Revenue-Expense)	\$2,916	\$66,936	\$230,061	\$132,791	\$56,626		
Units Planned	2	2	2	2	2	10	Ten new units planned, and two units preserved (not lost).

Appendix A: MGL c.44 s.55c

Section 55C. (a) Notwithstanding section 53 or any other general or special law to the contrary, a city or town that accepts this section may establish a trust to be known as the Municipal Affordable Housing Trust Fund, in this section called the trust. The purpose of the trust is to provide for the creation and preservation of affordable housing in municipalities for the benefit of low and moderate income households. Acceptance shall be by majority vote of the municipal legislative body under section 4 of chapter 4.

(b) There shall be a board of trustees, in this section called the board, which shall include no less than 5 trustees, including the chief executive officer, as defined by section 7 of chapter 4, of the city or town, but where the chief executive officer is a multi-member body, that body shall designate a minimum of 1 of its members to serve on the board. Trustees shall be appointed in a city by the mayor or by the city manager in a Plan D or Plan E municipality, subject in either case, to confirmation by the city council, and in a town by the board of selectmen, shall serve for a term not to exceed 2 years, and are designated as public agents for purposes of the constitution of the commonwealth. Nothing in this subsection shall prevent a board of selectmen from appointing the town manager or town administrator as a member or chair of the board, with or without the power to vote.

(c) The powers of the board, all of which shall be carried on in furtherance of the purposes set forth in this act, shall include the following powers, but a city or town may, by ordinance or by-law, omit or modify any of these powers and may grant to the board additional powers consistent with this section:

(1) to accept and receive real property, personal property or money, by gift, grant, contribution, devise or transfer from any person, firm, corporation or other public or private entity, including but not limited to money, grants of funds or other property tendered to the trust in connection with any ordinance or by-law or any general or special law or any other source, including money from chapter 44B;

(2) to purchase and retain real or personal property, including without restriction investments that yield a high rate of income or no income;

(3) to sell, lease, exchange, transfer or convey any personal, mixed, or real property at public auction or by private contract for such consideration and on such terms as to credit or otherwise, and to make such contracts and enter into such undertaking relative to trust property as the board deems advisable notwithstanding the length of any such lease or contract;

(4) to execute, acknowledge and deliver deeds, assignments, transfers, pledges, leases, covenants, contracts, promissory notes, releases and other instruments sealed or unsealed, necessary, proper or incident to any transaction in which the board engages for the accomplishment of the purposes of the trust;

(5) to employ advisors and agents, such as accountants, appraisers and lawyers as the board deems necessary;

(6) to pay reasonable compensation and expenses to all advisors and agents and to apportion such compensation between income and principal as the board deems advisable;

(7) to apportion receipts and charges between incomes and principal as the board deems advisable, to amortize premiums and establish sinking funds for such purpose, and to create reserves for depreciation depletion or otherwise;

(8) to participate in any reorganization, recapitalization, merger or similar transactions; and to give proxies or powers of attorney with or without power of substitution to vote any securities or certificates of interest; and to consent to any contract, lease, mortgage, purchase or sale of property, by or between any corporation and any other corporation or person;(9) to deposit any security with any protective reorganization committee, and to delegate to such committee such powers and authority with relation thereto as the board may deem proper and to pay, out of trust property, such portion of expenses and compensation of such committee as the board may deem necessary and appropriate;

(10) to carry property for accounting purposes other than acquisition date values;

(11) to borrow money on such terms and conditions and from such sources as the board deems advisable, to mortgage and pledge trust assets as collateral;

(12) to make distributions or divisions of principal in kind;

(13) to comprise, attribute, defend, enforce, release, settle or otherwise adjust claims in favor or against the trust, including claims for taxes, and to accept any property, either in total or partial satisfaction of any indebtedness or other obligation, and subject to the provisions of this act, to continue to hold the same for such period of time as the board may deem appropriate;

(14) to manage or improve real property; and to abandon any property which the board determined not to be worth retaining;

(15) to hold all or part of the trust property uninvested for such purposes and for such time as the board may deem appropriate; and

(16) to extend the time for payment of any obligation to the trust.

(d) Notwithstanding any general or special law to the contrary, all moneys paid to the trust in accordance with any zoning ordinance or by-law, exaction fee, or private contributions shall be paid directly into the trust and need not be appropriated or accepted and approved into the trust. General revenues appropriated into the trust become trust property and to be expended these funds need not be further appropriated. All moneys remaining in the trust at the end of any fiscal year, whether or not expended by the board within 1 year of the date they were appropriated into the trust, remain trust property.

(e) The trust is a public employer and the members of the board are public employees for purposes of chapter 258.

(f) The trust shall be deemed a municipal agency and the trustees special municipal employees, for purposes of chapter 268A.

(g) The trust is exempt from chapters 59 and 62, and from any other provisions concerning payment of taxes based upon or measured by property or income imposed by the commonwealth or any political subdivision thereof.

(h) The books and records of the trust shall be audited annually by an independent auditor in accordance with accepted accounting practices.

(i) The trust is a governmental body for purposes of sections 23A, 23B and 23C of chapter 39.

(j) The trust is a board of the city or town for purposes of chapter 30B and section 15A of chapter 40; but agreements and conveyances between the trust and agencies, boards, commissions, authorities, departments and public instrumentalities of the city or town shall be exempt from said chapter 30B.

Appendix B: Warrant Article

Medway Affordable Housing Trust Warrant Article/Town Meeting Vote May 12, 2008 Annual Town Meeting

ARTICLE 16: To see if the Town of Medway will vote to amend the General By-laws of the Town of Medway by adding a new Section 2.18 to Article II Town Officers and their Duties as follows:

Section 2.18 Medway Affordable Housing Trust Fund

(a) Authority/Establishment - Pursuant to the authority of Massachusetts General Laws chapter 44 section 55C, there is hereby created a local municipal affordable housing trust fund to be known as the Medway Affordable Housing Trust Fund (hereinafter: "Trust Fund")

(b) Purposes - The purposes of the Trust Fund shall be to:

1. Receive, hold, invest, and/or expend funds for research, acquisition, construction, rehabilitation, renovation, repair, maintenance, financing or refinancing of property within the Town of Medway so that such property will be substantially available as affordable housing for low and moderate income households and to further provide mechanisms to ensure such use; and
2. Utilize funds for temporary consulting services including but not limited to engineering and legal fees that allow the Town of Medway to provide or preserve real property in the Town so that such property will be substantially available as affordable housing for low and moderate income households and to further provide mechanisms to ensure such use.

(c) Powers and Duties - The Trust Fund shall have the responsibility to support the creation and preservation of affordable housing in order to secure rental and home ownership opportunities for the community's low and moderate income households. The Trust Fund shall have the powers and duties specified in Massachusetts General Laws chapter 44 section 55C provided that it shall have no ability to borrow money, or mortgage or pledge Trust assets without prior Town Meeting approval. It shall have the following additional powers and duties:

1. To establish criteria and/or qualifications for recipients and expenditures in accordance with the Trust Fund's above stated purposes.
2. To employ consultants and full or part-time staff, to contract for administrative and support good and services, and to expend up to ten percent (10%) of Trust Fund receipts for these purposes.

(d) Source of Funds - As a means of providing available assets for the Trust Fund, all monies received by the Town through the following means shall be paid over to and become a part of the fund for the purposes set forth herein.

1. Cash payments made by developers to the Town under applicable provisions of the Medway Zoning Bylaw in lieu of affordable dwelling unit set asides and developer agreements made under Section 14 of Chapter 716 of the Acts of 1989.

2. Funds authorized by Town meeting for community housing purposes under chapter 44B of Massachusetts General Laws, the Community Preservation Act.
3. Public and private gifts, grants, donations, contributions or other cash payments made to and accepted by the Town for the purpose of providing low and moderate income housing.
4. Monies obtained through fines, restitution or damages collected in connection with the administration of any local affordable housing bylaw.
5. Any other source of revenue determined by Town Meeting, as allowed by law.

(e) Composition - The Trust Fund shall have at least five (5) Trustees at all times. The Medway Town Administrator shall serve as a Trustee by virtue of the office held. The remaining Trustees shall be appointed by the Board of Selectmen. In making appointments, the Board of Selectmen shall endeavor to provide a broad based membership including affordable housing advocates, legal, banking, financial, and real estate professionals, and other members of the local business community.

(f) Term of Office - The Town Administrator's term as Trustee shall begin on the day that the Town Administrator is appointed and shall end upon the date that the Town Administrator's resignation or termination is effective. The other Trustees shall serve a term of two (2) years except that one half of the initial Trustee appointments shall be for a term of one (1) year, or until such time as a successor is appointed, should said appointment be delayed.

(g) Organization - The Trustees shall annually elect one Trustee who shall not be the Town Administrator to serve as Chairperson. The Chairperson may establish sub-committees and/or ad hoc task related committees to carry out the purposes of the Trust Fund. Chairpersons of the sub-committee may be selected by the members of the sub-committees.

(h) Filling of Vacancies - In the event of a vacancy in the position of Trustee, the appointment shall be made in the same manner as the original appointment.

(i) Meetings/Quorum - Meetings of the Trust Fund shall be held on a regular basis. Special meetings maybe called by the Chairperson or by any two (2) Trustees. Notice of any meeting of the Trust Fund shall be filed with the Town Clerk and posted in accordance with Massachusetts General Laws chapter 39, section 23, the Open Meeting Law. A majority of the number of appointed members shall constitute a quorum and shall be required to approve any motion.

(j) Treasurer-Collector as Custodian - The Medway Treasurer-Collector shall be the custodian of the Trust's funds and shall maintain separate accounts and records for said funds. He or she shall invest the funds in the manner authorized by sections 55, 55A and 55B of chapter 44 of the Massachusetts General Laws. Any income or proceeds received from the investment of funds shall be credited to and become part of the Trust.

Or to act in any manner relating thereto.

Appendix C: Medway's Unmet Housing Needs

Q & A: MEDWAY'S UNMET HOUSING NEEDS

Prepared for the Town of Medway, MA

by Jennifer Goldson, JM Goldson community preservation + planning and Beth Rust, ECR Enterprises
July 2010

Q.1. What is affordable housing?

- A. When we refer to "affordable housing" we generally mean one of two types of residential property:
1. property which is legally restricted to have a sales price or rent that is affordable to "income-eligible households"
 2. property where "income-eligible households" have received public funds toward housing costs including costs of rehabilitation (these properties may or may not have affordable housing deed restrictions)

Q.2. What is affordable housing that counts on the State's "Subsidized Housing Inventory" (SHI)?

A. For the purposes of Chapter 40B, in order to count on the State's SHI, affordable housing is more narrowly defined:

- Purchase price/rent is restricted to be affordable to income eligible households (with incomes not greater than 80% of the area median income, which we describe more below)
- Property is restricted to be affordable for a specified term, which varies depending on the project, and is monitored by a public agency or non-profit organization
- Marketing of units and resident selection must comply with a state-approved Affirmative Fair Housing Marketing Plan
- Units are part of a subsidized development, as determined by the state

(Note: Under Chapter 40B, all the units in a rental development count on the SHI if at least 25% are to be occupied by households earning 80% or less than AMI or at least 20% of the units are to be occupied by households earning 50% or less than AMI.)

Q.3. What is an "income eligible household?"

A. To be counted on the state's Subsidized Housing Inventory (SHI) units need to be affordable to households with a total income **at or below 80%** AMI. In Medway's metro area, this includes households (HH) with the following incomes:

- **1 person HH** - up to **\$45,100**
- **2 person HH** - up to **\$51,550**
- **3 person HH** - up to **\$58,000**
- **4 person HH** - up to **\$64,400**

(Source: FY2010 income limits reported on www.huduser.org, for the Boston-Cambridge-Quincy HUD Metro FMR Area.)

In addition, Medway's adoption of the Community Preservation Act allows for the creation of affordable housing for middle-income households that is **equal to or less than 100% AMI**.

Q.4. How many low-income households are in Medway?

A. Out of a total 1,084 households in Medway, about **26%** have incomes less than or equal to 80% AMI.

(Source: HUD CHAS 2000 Data reported on www.huduser.org.)

Q.5. To what degree are Medway residents burdened by housing costs?

A. Approximately **21%** of all owner households (730) pay more than 30% of their gross income for housing.

Approximately **31%** of all renter households (185) pay more than 30% of their gross income for housing.

(Source: HUD CHAS 2000 Data reported on www.huduser.org.)

Q.6. How many income-restricted affordable units exist in Medway?

A. Medway has **227 units** of affordable housing (this represents **5.3%** of Medway's total year round housing units – 4,243). Of these 207 are rental units managed by the Medway Housing Authority.

(Source: Department of Housing and Community Development Ch40B Subsidized Housing Inventory, May 2010)

HOMEOWNERSHIP ANALYSIS

Q.7. What purchase price could a household with 80% AMI afford for a home?

A. That depends on multiple factors including household size, housing costs, structure of financing, amount of down payment, level of debt, etc. However, making a number of assumptions and using the Department of Housing and Urban Development's sales prices calculator, here is a benchmark:

- A **4-person HH** with **80% AMI** could afford a condominium that costs no more than **\$174,000** and a single-family that costs no more than **\$192,000**.

(Source: FY2010 income limits reported on www.huduser.org, for the Boston-Cambridge-Quincy HUD Metro FMR Area; calculated using the DHCD sales price calculator for 30 year mortgage at 5.32% rate with 5% down payment and Medway's FY10 tax rate.)

Q.8. What have homes been selling for lately in Medway?

A. The sales price of a home varies depending on the unit type, location, condition, amenities, and other factors; however, we use the median sales price as the standard indicator of sales price trends.

For sales of **single-family** homes in Medway in 2010 (Jan-May) the median price was about **\$325,000**.

The median sales price of single-family homes is approximately **\$133,000 more** than what a 4-person HH at 80% AMI could afford.

The **median sales price** of a **condominium** in Medway in 2010 (Jan-May) was approximately **\$352,500**.

The median sales price of a condo is about **\$178,500 more** than what a 4-person HH at 80% AMI could afford.

(Source: The Warren Group: Town Stats – www.thewarrengroup.com; note: this is a subscription service)

RENTAL ANALYSIS

Q.9. How many total units are rental in Medway?

A. According to Medway’s Assessor, approximately 605 dwelling units in Medway are currently rental units – this represents about 14% of total dwelling units (4,248 as of the 2000 US Census).

Q.10. How much rent can a household earning 80% AMI afford?

A 4-person household earning 80% AMI could afford a monthly rent of up to approximately \$1,610 (including utilities).

As of the 2000 US Census, there were 564 rental units priced affordably for households earning less than \$50,000 annually. Yet, at the same time, there were almost 1,200 households with this income range residing in Medway. Although some of these households may qualify as homebuyers, these figures indicate a substantial shortage of rental units for low-income households.

(Source: US Census, 2000, and 2010 Medway Housing Production Plan [2010 HPP], Table 15)

Q.11. Can a low-income renter find an affordably-priced unit to rent?

A. Based on the conclusions of the 2010 Housing Production Plan, the data suggests that Medway has an inadequate supply of housing to accommodate the number of households within the population with incomes less than \$35,000.

In addition, based on a one-day snapshot of the rental market summarized in the table below, very few rental units are on the market in Medway. Of the five units listed below, one-bedrooms were more available and were in a range affordable to households with incomes at 80% of the area median income, however no 2+ bedroom units were available with rents affordable at this level.

	# Bedrooms	Listing Price	Median Price by # Bedrooms	Affordable Monthly Rent to HH at 80%AMI	Difference (affordable price - median price)
	00 studio	na	na	\$928	na
	11 bed	\$750	\$805	\$1,089	\$284
	21 bed	\$750			
	31 bed	\$859			
	41 bed	\$1,050			
	02 bed	na	na	\$1,250	na
	53 bed	\$1,600	\$1,600	\$1,410	(\$190)
	04 bed	na	na	\$1,535	na

Sources: www.boston.craigslist.org for MetroWest, Medway on July 16, 2010; author's calculations based on FY2010 HUD Income Limits assuming household size of # bedroom + one and subtracting \$200 to accommodate utility costs.

What do the facts tell us about Medway's affordable housing needs?

- Many of Medway's current residents are burdened by housing costs in relation to income level: 31% of Medway renter households are burdened by housing costs; 21% of Medway owner households are burdened by housing costs.
- The median sales price of a single-family home in Medway is over \$130,000 more than what households with incomes at 80% AMI could afford to purchase.
- The few units available to rent and even fewer at affordable prices.
- Although home values are depressed in this market, it is significant to note that in the period between 1990 and 2008, housing prices in Medway increased by 133% while incomes in Medway increased by only 89% during that period (2010 HPP, p. 21)
- There are very few alternatives to the traditional single-family home in Medway: 81% of all dwelling units are single-family detached homes (2010 HPP, p. 13)

Appendix D: Interview Results

Prepared by JM Goldson and ECR Enterprises for the Medway Affordable Housing Committee, July 2010

The Medway Affordable Housing Committee sponsored detailed on-on-one interviews with key stakeholders in the affordable housing efforts in Town. These included members of the Board of Selectmen, the Community Preservation Committee, the Zoning Board, the Planning Board, the Historic Commission and other residents at large. The objective of the interviews was to identify goals and priority initiatives for the Affordable Housing Trust to incorporate into its consideration of elements for the Medway Affordable Housing Trust Action Plan and in preparation for the July 20, 2010 workshop.

Responses by Question

1. Overall, what is your perception of the need for affordable housing in Medway?

There is a range of opinion and perception of affordable housing, its definition and the need for it in Medway.

Statistics and demographics show clearly that there is a need, especially for apartments and rental housing, two-family homes, and transitional housing. Times have changed with the market, and there is more need now. Medway needs more housing options for a range of incomes.

Less than 10% of Medway's housing is affordable, so the Town must address this state mandate. However 40B is perceived to be difficult and a burden to the community; it does not necessarily create the desired affordable housing. Affordable housing is seen at times as public housing with a hand out.

The Master Plan has articulated the need for affordable housing well, and includes creating housing in community settings as well as the need for some alternatives to the larger more expensive homes.

Affordable housing is an economic issue to Medway, the region and the State. The lack of more affordable housing is a severe economic impediment to growth.

2. What types of individuals or households do you think are more likely to struggle with housing costs in Medway (families, seniors, employees of local businesses, municipal employees, young adults, single parents)?

There is a strong need to help young starting families from Medway and many felt that older people need assistance as well. Young starting families are struggling to find housing they can afford in Medway; especially single parents with one wage earner have a difficult time finding housing in Medway.

There was diversity on opinions on college graduates and those in their 20's and 30's. Some felt that singles move to a more urban environment, while others noted that students leave home go to college and then want to return to Medway, and find that there are not a lot of housing options for them.

Some felt that Medway already does good job for the seniors in this town, and that the senior population is not as susceptible to housing issues as they are often house-rich, cash-poor. Others commented that there is nothing to rent in town that is affordable when downsizing. The 60-70 year olds want to move out of their houses but downsizing and taxes are a problem. Additionally, the population is aging, and as Medway looks to the future, more senior housing will be required.

It is an issue of how people take care of other family members, including parents and children.

Affordable housing should be created for Medway residents and focused on this, irrespective of age group.

When housing is expensive, people live elsewhere. The Town is unwittingly encouraging high-income earning families with children to raise their family in suburbs.

There are increasing housing needs for people with disabilities: physical, emotional and mental.

3. Based on your experience in Medway, which of the following general activities do you see a need for?

- Help for existing homeowners to afford to stay in their homes
- Help for existing residents to rehabilitate their homes
- Help for existing renters with the cost of rent
- More units affordable for renters with modest incomes
- More units affordable for homeowners with modest incomes
- More housing options for people in changed circumstances to live in the community

Creating rental housing emerged as a strong need, though homeownership was also mentioned many times.

The majority of respondents felt that creating housing units is the priority, both rental and ownership units. There is absolutely a need for more rental units, as well as a greater variety of single-family dwellings and condos in terms of size, style, and price. Medway needs better diversity of stock, from high quality high end condo with no maintenance to more units affordable for homeowners with modest incomes. The Habitat house is wonderful, and was cited as a positive example numerous times.

There is concern about family housing because of school costs. \$11,000 per student – and not getting any tax base back to pay for that service.

Medway does have some rental units and there are some apartments available for rent – but this market is different than a few years ago. Some wondered if there is a big need for rental units.

There is a need for senior non-assisted living and senior living – Medway has an inadequate supply of both. There are a number of elderly over 55 communities that are too expensive or too small.

There is a need for more housing options for people in changed circumstances to live in the community - circumstances change (people get divorced or lose their jobs – single mother divorced with three kids) and people can't live in the \$400K house anymore and it's difficult with kids to uproot them.

There are activities that also could be undertaken to assist residents including advocating for homeowners during refinancing, tapping into existing programs, and helping people obtain counseling and other available services to help people take advantage of something that is free. There is a need to help existing residents during winter with fuel and costs such as that. Many people cannot afford to fix up their homes and need help to get financing and rehab funds.

4. What do you think affordable homes look like (physically)? What do you believe they SHOULD look like?

It is very important to create good looking housing through setbacks, lot placement and landscaping. The housing should be harmonious with the neighborhood.

The affordable housing in Medway looks like Section 8 housing. They are apartment buildings and appear to be in deplorable condition. The term “housing ghettos” was used.

Affordable homes should look in keeping with the surrounding neighborhood and blend in with the other homes. They should be capes and colonials, keeping with the look of the town. Landscaping and setbacks are very important. It is absolutely essential that the exterior of an affordable home and market rate home that there is absolutely no discernable difference.

Affordable housing should be developed in a walkable community that is attractive for everyone, and not be located in poor places. Do not isolate people. The housing should not be at the edge of town.

The most cost effective model is to have two and three bedroom apartments, but attractive multifamily housing can also be built, both apartments and townhouses.

5. What, if any, specific activities do you think should the Affordable Housing Trust engage in to address housing needs in Medway?

Consensus building and gaining support for the Action Plan is important. Responses ranged from creating guidelines and policy, to assisting with zoning changes, to creating units directly.

Outreach, Education and Guidelines: The Trust should provide guidelines on vision of location and look. The Trust should look at design models of what it should look like in keeping with the tradition of the town itself. Create guidelines for the Zoning Board of Appeals and the Planning Board.

Outreach and education is very important. There is a very negative stereotype held by some in this community. The Trust should do research to demonstrate that 3BR condos attract no greater number of children than other styles of property. They need to communicate that affordable housing is for families, single people, old people, and young people. Paint the picture of affordable housing profile in Medway. Because it is "affordable" does not mean that the prospective owners or tenants are on welfare. Resident profiles can be an important educational tool to deal with the stereotypes.

The Trust could administer a survey to see what the townspeople are looking for and determine the demand and acceptance for certain types of housing.

The Trust should define local preference policies making housing affordable for people with Medway connection and perform outreach to those people for available opportunities. There were no Medway applicants in the last affordable lottery. The Trust can assist municipal employees find a place to live in Town. People in the service industry in Medway (retail, medical, other) are in a position to continue to live in the community. The Trust can help Medway become a multi-generational community which is very important.

The Trust should fight 40B. The Town, not State mandate, should be responsible to create affordable housing.

Zoning: The existing bylaw makes it too difficult to create affordable housing as a matter of right. The OSRD formula needs to be amended so that it's less onerous on the developer. Perhaps staggered cash payments for smaller developments could be included.

Medway needs apartments and affordable single-family homes and condos but needs to do it in a way that gives property owners the right to build this without any community intervention or support, through by-right zoning.

The Trust should initiate a change in the zoning bylaw to allow the construction of duplex homes as a matter of right and eliminate the need for special permits for conforming two family dwelling. If this was allowed as a matter of right Medway might have more affordable housing options. There are a large number of illegal apartments that are substandard in terms of fire code and building code, but if the law is enforced then people would not find a place to live.

The Trust should be active and involved in the future zoning for the mixed use development that's proposed near the Milford town line. In addition, work on the discussed projects for Winthrop Street, RT109, and Medway Mills. Other ideas include rezoning the C-1 districts, to facilitate developing downtown as a neighborhood with access to services.

Programs/Development: The Trust should advocate for affordable units and affordable residents in all projects. This includes increasing the numbers of affordable units, including local preferences, and prioritizing other local concerns.

The Trust could create first time homebuyer programs and offer money management and budgeting training. They could work on a tax deferral program for seniors.

They should work with the housing authority to create active, senior communities, with all units counting. Develop a large 50 unit development on Town-owned land that is all affordable, with 70% local preference. There is some concern that Medway is nearing build-out and running out of buildable land so opportunities to create truly diverse housing stock are decreasing. There is a need to fill the gap between small apartment for elderly and family oriented single family, an affordable 55+ community.

The Trust could develop a Habitat-type development and subsidize new development.

6. How important do you believe it is for the Trust to focus on creating only units that will count toward the state's 10% 40B mandate?

Responses varied from creating only 40B units, to creating workforce housing at higher income limits.

Some felt that the job of the Trust is to create 40B units, and that should be the primary focus. "What else would they do?" There is existing housing stock in Medway for middle income, so the Trust should drive to the 10% plan.

Others felt that Medway needs to create diverse housing stock across the board. Many felt that Medway probably would not ever hit the 10% mark. And while the goal is laudable, it is set too high. The most important thing is providing diverse opportunities to satisfy the need for more housing options.

Workforce housing would be welcome. If there was more housing with a lower case "a" then maybe less of a need for affordable housing with upper case "A".

7. What guidance would you give to the Trust?

Focus on obtaining funding and defining an enlightened vision, quality and design. Build on the prior planning documents. Education, outreach and support building are important. The Action Plan will provide a structured approach to assist the CPC in supporting the funding request.

In the words of one interviewee: "Be an advocate but not adversarial. A lot of people think this is about affordable housing and social engineering. This is not so – this is about neighbors, friends, family members. If the community is going to be successful a hundred years from now the actions that this committee takes today will have a lot to do with it – if they are meek in their vision – weak kneed in their ability to do battle we will be an upper middle class community with the same problems that we have today."

It is important to continue the positive enthusiasm already created. It is already a great committee and group of people.

Obtaining funding support from the CPC should be the first priority and will take some effort as the CPC prioritizes open space. The Trust should focus on funding, and appropriate (actually the word hijack was used) every housing dollar from CPA.

Plan to build consensus and a coalition of support to get people to Town Meeting. Align with prior planning resources especially the Master Plan, and Housing Production Plan. The plan is important; it shows a structured and thoughtful approach.

Town Meeting will need a very detailed explanation. Provide specific examples of what the funds would be used for, how you determine who is the eligible applicant; and define financial need and length of residency. Site-specific projects make it more concrete and easier for people to imagine.

Look at being conservative. There is concern that once the money is in the Trust, there is no additional town approval. The trust makes that decision.

The Trust should be careful about staff resources. Development requires dedicated professional expertise. Follow-through is important. Think carefully about Town responsibilities with property management.

Start with a small project and be successful, or conversely, go for one big shot and go for 50 units.

Once funded, act swiftly. This is a good time to build, and use local contractors and builders and engineers and surveyors.

Appendix E: Workshop Results

SUMMARY OF 7/20/10 MEDWAY WORKSHOP FOCUS GROUP DISCUSSIONS AND PRIORITIZATION EXERCISE

Prepared by JM Goldson and ECR Enterprises, 7/21/10

Question 1

From your first-hand experience and perspective as a citizen of Medway, what types of households do you know of or have heard about who are struggling with costs of housing/living?

Table A

- Seniors
 - o House rich, cash poor
 - o Fixed income, rising expenses (couples and individuals)
- Young families
 - o 1st time buyer; 2-3 kids
- Employees of local businesses
- Folks with annual income limitations
- One-parent income
- Longer than expected financial issues
 - o Medical or death

Table B

- Single, recent graduates
- Young families
- Retired empty nesters
- Persons who lost job
- Widowed/fixed income; especially regarding maintenance and mobility issues

Table C

- Seniors – homeowners
- Unemployed
- Kids
- Single parents
- Those needing to downsize

Table E

- Elderly, on fixed incomes
- People with health problems
- People who have been unemployed or are now underemployed
- Single-parent households
- Loss of income due to death of a spouse/partner

Table F

- Single household heads
- Dual income families losing one job
- Older adults looking to downsize
- Kids wanting but unable to move out of parent's house staying in Medway
- Recently separated/divorced people wanting to stay in Medway
- Young startup families looking to stay in Medway
- Retired couples looking to move closer to their children in Medway

Question 2

What do you believe should be the primary purpose and focus of the Medway Affordable Housing Trust? What are the main issues that the Trust should help address?

Table A

- Integrated neighborhoods
- To achieve integration – do not broadcast [location of affordable units]
- Need to support folks with Medway ties
- Strategically attempt to achieve housing production goal
- Downsize capacity for seniors/Medway residents

Table B

- Good stewardship of town resources Work collaboratively with other boards to achieve multiple goals
- Look for opportunities (abandoned properties, etc.)
- o Condos
 - o Apartments

Table C

- Building consensus
- No zoning bylaw for apartments
- Help jumpstart projects (work with developers and boards to come together)
- Opportunities with foreclosures

Table E

- Help people stay in their homes
 - o Through subsidies, renovations
 - o Modified mortgages
- Pro-active in rehabilitating existing property that may be run down such as what Habitat for Humanity does
- Share planning concepts with other boards
- Create affordable housing for Medway residents to stay in town
- Improve affordable renting market
- Focus on lower rents by encouraging building of multi-unit affordable apartments
- Promote what help is available to them; for example, subsidies

Table F

- Make housing affordable for local residents
- Increase the supply of affordable housing units
- Aid and help in different types of affordable housing
- Promote by public and private sector affordable housing
- Keep residents in Medway that want to stay
- Preserve existing affordable housing units
- Overcome the issue of the affordable housing definition

Question 3

If the Trust can only do three things in the next few years, what should they be? Responses could include programs or projects – the handout “List of Project Ideas” may be helpful to refer to. (Note: numbers indicated below correlate with the “List of Project Ideas.”)

Table A

- Build strong community commitment [and] consensus
- Educate community
 - o In process to building consensus
 - o What affordable housing is
 - o Proper uses of CPA funds
 - o Initiate the CPC spend down/open space vs. other purposes
- Build relationships with developers to provide best opportunities in Medway market to developers
- Home Preservation
 - o Prevent disrepair
 - o Sustain ownership
 - o Deed restriction

Table B

- Top of shop development - #5
- Revolving fund/rehab - #4
- Housing on tax title and surplus land
- Convert historic houses - #7
- Purchase & Resale/Home Preservation - #1&3
- Homes for Special Needs - #10
- Connect Medway to state programs - #16
- Build relationships with developers - #9

Table C

- Smaller home opportunities, affordable – density – relationship with developer, cluster neighborhoods – i.e. Lincoln - #9
- Develop surplus town land - #8
- Small grants for home repairs - #13
- Affordable over 55
- Home Preservation - #1
- Outreach/education (zoning in place – work with developer, incentives to developers) - #17
- Purchase & resale - #3

Table E

- Help people stay in their homes through subsidies, etc.
- First time homebuyers assistance
- Integrating affordable units into existing neighborhoods
- Programs to work with Medway residents who qualify and may be behind on mortgage or rents
- Provide info to residents about options available to assist
- Encourage seniors to move or stay in Medway by developing affordable apartments or condos
- Purchase existing properties for rehab
- Collaborate with developers at time of land acquisition, planning proactively to increase affordable units
- Hiring consultants to help integrate affordable housing into project planning
- Focus on town employees who need affordable housing
- Build the size of the trust
- Establish effective working relationships with other town boards and stakeholders (developers, realtors)

- Complete one really brilliant project
- Success breeds success

Table F

- Home Preservation - #1
- Purchase & Resale - #3
- Develop surplus town land - #8
- Build relationships with developers - #9
- Lottery/monitoring agent - #12
- Increase affordability in developments - #14
- Connect Medway residents to existing programs #16
- Outreach & Education - #17
- Capacity Building with professional housing planner - #18
- Lead the change to zoning bylaws to allow duplex units as a matter of right
- Spend CPA funds wisely to build scattered affordable housing units
- Lead the change to zoning bylaws to allow for mixed use development
- Change the zoning bylaws to allow for additional transitional housing units for assisted/unassisted living units
- Establish specific goals for resource acquisitions and objectives to achieve the goals to establish sustainability of affordable housing [trust as a revolving fund]

Question 3 – Prioritization Exercise

Each participant had five dots to indicate the projects/programs they believe should be top priorities for the Trust to focus on in the next few years. The top ten are emphasized in bold.

# Corresponding to "List of Project Ideas"	Project/Program	# of Dot Votes
17	Outreach/Education and Collaboration	13
9	Build Relationships with Developers	9
25	Build Small Homes	8
5	Top of the Shop Development	7
3	Purchase & Resale Program	6
1	Home Preservation Program	5
3	Homeowner Grants for Small Repairs	5
8	Develop Surplus Town Land	5
15	Foreclosure Prevention	5
20	Develop scattered affordable units	5
19	Change Zoning to Allow Duplexes	4
4	Rehab Program	3
24	Develop Homes for Seniors	3
2	First-time Homebuyer Assistance Program	2
10	Develop homes for special needs	2
12	Lottery/Monitoring Agent	2
18	Capacity Building with Professional Housing Planner	2
22	Allow Transitional Housing (Assisted and Unassisted Units)	2
14	Increase Affordability in Developments	1
21	Change Zoning to Allow Mixed Use	1
7	Convert Historic Properties	0
16	Connect Residents to Programs	0
23	Grow the Trust Fund and use as Revolving Fund	0

Appendix F: Compilation of Housing Initiatives

Medway Housing Initiatives

(originating from the 2010 Housing Production Plan and 7/20/10 Housing Trust Workshop)

Unbold = HPP Chapter 2 “Implementation Actions”

Bold = HPP Chapter 3 “Strategies”

Blue = Workshop Project Ideas

AHC = Affordable Housing Committee

AHT = Affordable Housing Trust

PB = Planning & Economic Dev. Board

Town = Appropriate town representative

HA = Housing Authority

Initiative	Workshop Priority Ranking	Lead (L) or Support (S) Responsibility				
		AHC	AHT	PB	Town	HA
Complete a Housing Production Plan per DHCD requirements		L				
Research and apply for public housing resources, Develop additional public housing			S			L
Encourage private development of market and restricted affordable housing		S	L	S	S	
Retain a housing consultant to help manage restricted affordable housing processing and compliance, monitor accessory apartments, monitor inclusionary zoning bylaw, Capacity building with professional housing planner	2		L		L	
Continue to actively engage the Affordable Housing Committee		L	S	S	S	S
Identify appropriate parcels for market and restricted affordable housing, Identify surplus Town land	5		L	S	S	
Purchase land for open space/restricted affordable housing combination			L		L	
Adopt provisions for Transfer of Development Rights Allow for “in-fill” development of smaller parcels of land for restricted affordable housing		S		L		
Adopt options for 40R development (higher density)		S		L		
Adopt provisions for the development of duplexes and/or multi-family housing in appropriate locations, including “by-right.”, Change zoning to allow duplexes, Change zoning to allow mixed use, Allow transition housing (assisted and unassisted)	7	S		L		
Solicit local builders and non-profit organizations to build “friendly 40B” projects, Develop criteria for Local Initiative Program (LIP) projects, Build Relationship with Developers	9	S	L			

Medway Housing Initiatives
(originating from the 2010 Housing Production Plan and 7/20/10 Housing Trust Workshop)

Initiative	Workshop Priority Ranking	Lead (L) or Support (S) Responsibility				
		AHC	AHT	PB	Town	HA
Look into “buying down” existing residences and foreclosed properties to transfer them into restricted affordable units, Identify Existing Housing Units for Purchase for Affordable Housing, Purchase and Resale program, Home preservation Program	11		L			
Use Affordable Housing Trust/CPC funds to rehabilitate older homes into restricted affordable units, Develop Rehab program	3		L			
Encourage use of ARCPUD and OSRD development options		S		L		
Research and propose ways to use CPC funds to support development of affordable housing		S	S		L	
Implement inclusionary zoning bylaw		S		L	S	
Adoption of mixed-use/Town Center zoning district		S		L	S	
Utilize Affordable Housing Trust (AHT)		S	S	L	S	
Education and Collaboration	13	L				
Build Small Homes, develop scattered homes	13		L			
Top of the Shop, zoning and building	7		L	L		
Homeowner Grants for Small Repairs	5		L			
Foreclosure Prevention, Connect residents to programs	5	S	L		S	
Develop Homes for Seniors	3		L			
Develop Homes for Special Needs	2		L			
First-time Homebuyer assistance program	2		L			
Lottery and Monitoring Agent	2		L			
Increase affordability in developments	1		L			
Convert historic properties	0		L			
Grow the Trust Fund and use as a revolving fund	0		L			

Appendix G: Pros & Cons Analysis of Possible Initiatives

3. Medway Possible Trust-Lead Housing Initiatives - Analysis of Pros & Cons

Key to Formatting:
 Unbold = HPP Chapter 2 "Implementation Actions"
Bold = HPP Chapter 3 "Strategies"
Blue = Workshop Project Ideas

Key to #:
 C = Communication/Capacity/Collaboration
 D = Development
 P = Program
 Z = Zoning/Land Use Regulations

#	Initiative	Implementation Timeline	Housing Need Met	SHI Eligible	Could meet HPP 4-unit goal by 2012	Cost	\$\$\$/ per unit
D7	Build Small Homes, develop scattered homes	2 Years	Low Income, Family Homeownership	Yes	Partial	Land cost, Construction cost, Administrative costs	\$\$\$-\$\$\$
P1	Buy down existing properties to transfer into restricted affordable units, Id Existing Units for Purchase for Affordable Housing, Purchase and Resale program, Home Preservation Program	2 Years	Low Income, Family Homeownership	Yes	Yes	Purchase property, Administrative costs	\$\$\$-\$\$\$
D5	Solicit local builders and non-profit to build "friendly 40Bs", Develop criteria for Local Initiative Program (LIP) projects, Build Relationship with Developers	1-2 Years	All/Any	Yes	Yes	Subsidy, expedited process	\$-\$\$
Z7	Top of the Shop, zoning and building	4 Years, 2 years for zoning, 2 years for building	Rental?	Yes	No	Construction cost, Administrative costs	\$\$\$
D3	Identify appropriate parcels for market and restricted affordable housing, Identify surplus Town land	2 – 3 Years	None	No	No	Potential Town Meeting Land cost	\$-\$\$\$
P3	Homeowner Grants for Small Repairs	1 Year	Elderly and other homeowners	No	No	Rehab costs Administrative costs	\$
P4	Foreclosure Prevention, Connect residents to programs	1 Year	Homeowners	No	No	Administrative costs	\$
D8	Develop Homes for Seniors	1 Year	Homeowners	Yes/No	No	Administrative costs	\$
P2	Use Affordable Housing Trust/CPC funds to rehabilitate older homes into restricted affordable units, Develop Rehab program	4+ Years	Elderly	Yes	No	Land cost, Construction cost, Administrative costs	\$\$\$
C2	Retain a housing consultant to help manage restricted affordable housing processing and compliance, monitor accessory apartments, monitor inclusionary zoning bylaw, Capacity building with prof. housing planner	1 Year	All	No	No	Administrative costs	\$
D9	Develop Homes for Special Needs	4+ Years	Special Needs	Yes	No	Land cost, Construction cost, Administrative costs	\$\$\$
P5	First-time Homebuyer assistance program	1 Year	New homebuyers	No	No	Closing Costs	\$
P6	Lottery and Monitoring Agent	1 – 2 Years	Trust, residents	No	No	Administrative costs	Revenue Generating
D10	Increase affordability in private developments (increase # of affordable units)	2-3 Years	Family Homeownership	Yes	Partial	Property Cost, Rehab, Administrative costs	\$\$\$
C6	Grow the Trust Fund and use as a revolving fund	1 Year	None	No	No	Administrative costs	\$
D11	Convert historic properties	2 Years	Homeownership/possibly rental Family Low/Moderate Income	Yes	No	Property Cost, Rehab, Administrative costs	\$\$\$
C4	Utilize Affordable Housing Trust (AHT)	na	na	na	na	na	na
D2	Encourage private development of market and restricted affordable housing	2 Years	any	Yes	Partial	Subsidy, expedited process	\$-\$\$
D4	Purchase land for open space/restricted affordable housing combination	1-2 Years	any	Yes	No	Land cost	\$\$\$
D6	Research and propose ways to use CPC funds to support development of affordable housing	immediately	None	No	No	None	na

Appendix H: Priorities Exercise

Summary of Results of Planning Exercise with Medway Affordable Housing Committee and Members of the Trust on August 18, 2010

Key to #
 C = Communication/Capacity/Collaboration
 D = Development
 P = Program
 Z = Zoning/Land Use Regulations

Notes: (1) Bold items indicate the initiatives that participants of the 8/18/10 meeting were most supportive of having the Trust focus on in the next 2-3 years. (2) This summary also incorporates responses from two members who were not present at the 8/18/10 meeting.

#	Initiative	Strongly Agree	Agree Somewhat	Neutral	Disagree Somewhat	Disagree
D3	Identify appropriate private and town-owned parcels for affordable housing (This is first step to deliberate outreach to property owners as well as local builders/non profits and can work in conjunction with outreach efforts regarding use of inclusionary zoning and infill bylaws)	11				
C2	Retain a housing planner to help manage restricted affordable housing processing and compliance, monitor accessory apartments, monitor inclusionary zoning bylaw, and support Trust in its initiatives	10				1
P6	Lottery and Monitoring Agent as a revenue generator for the Trust	9	1	1		
D5	Solicit local builders and non-profit to build "friendly 40Bs", Develop criteria for Local Initiative Program (LIP) projects, Build Relationship with Developers. Encourage building small homes on scattered sites.	9	2			
D10	Increase # of affordable units in private developments by subsidizing additional affordable units above the minimum required	6	5			
P3	Homeowner Grants for Small Repairs (using non-CPA revenue only)	4	5	1		
D4	Purchase land for open space/restricted affordable housing combination	2	3	3	2	1
P1	Buy down existing properties to transfer into restricted affordable units, Id Existing Units for Purchase for Affordable Housing, Purchase and Resale program, Home Preservation Program	1	3	3	1	3
P2	Use Affordable Housing Trust/CPC funds to rehabilitate older homes into restricted affordable units, Develop Rehab program (only for units that will count on the SHI)	1	4	6		
Z7	Top of the Shop, zoning and building		1	4	4	2
P4	Foreclosure Prevention, Connect residents to programs		1	4	4	2
D11	Convert historic properties			7	3	1

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