



TOWN OF HAMILTON

APPLICATION FOR COMMUNITY PRESERVATION FUNDING

Date: September 1, 2020

Project Title: Creation of Affordable Housing
Name of Applicant: Hamilton Affordable Housing Trust
Name of Organization: Hamilton Affordable Housing Trust
Address: 577 Bay Road, Hamilton, MA 01982
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CPA Category (underline all that apply): **Open Space** **Historic Preservation**
Recreation **Community Housing**

CPA Funding Requested: \$200,000 **Total Project Cost:** \$200,000

Please attach answers to the following questions. Include supporting materials as necessary.

1. **Project Description:** Please give a detailed project description, including specific objectives.

The purpose of this grant is to assist in funding efforts of the Hamilton Affordable Housing Trust (HAHT) to create affordable housing in the Town of Hamilton, specifically related to proposed projects at 434/436 Asbury Street, as well as on the Gordon Conwell Theological Seminary campus.

The project at 434/436 Asbury Street project has been proposed by Habitat for Humanity-North Shore, Inc. (Habitat) and is expected to create 10 deed restricted affordable housing units on approximately 4.75 acres of land. Habitat's plans include five 3-bedroom units and five 1-bedroom units. The home prices will be set at an amount affordable by a household earning 40% to 60% of the median income for the area.

A map of the site is shown to the right. The site is predominantly upland. It is in a Zone II (Zone of Contribution to a Public Supply Well). It is partially developed with an existing house (which is intended to be demolished) and a cell tower (which will be retained).



Please be sure to read through the CPA Guidelines for Project Submission prior to completing this application.

To date, the AHT has granted Habitat \$35,000 for it to obtain an extension of the purchase and sale agreement between Habitat and the property owner. Habitat has requested that the AHT contribute \$1 million towards the project. The AHT is unable to commit that sum to Habitat. In the time since the project was first proposed, the AHT has committed \$500,000 to support a project located on Willow Street that will result in 18 units added to the town's Subsidized Housing Index (SHI). The AHT is concerned about committing twice the amount of funds to Habitat for just over half the number units. The AHT, however, would like to be prepared to assist in the funding the project if Habitat can commit to obtaining funds from sources other than the AHT.

The second proposed project is a conversion of existing student housing on the Gordon Conwell Theological Seminary (GCTS) campus to affordable housing. GCTS is currently working to sell a portion of their student and faculty housing buildings to a developer. This will be a private sale between GCTS and the future buyer. GCTS administrators have stated their intention for at least two of the buildings, Apartment A and Apartment B, to become affordable housing. This is expected to add approximately 60 affordable housing units to the town's SHI if the housing units were sold. The buildings currently house a combination of one, two, and three-bedroom units and will require significant upgrades prior to becoming affordable units. This project would result in a significant increase to the town's affordable housing stock, especially if all units, both affordable and market rate, were leased. The AHT would like to be prepared to contribute funds to this project if needed for the project's feasibility.



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2. **Goals:** How does this project accomplish the goals of the CPA? (See Guidelines for Project Submission for general criteria)

The first goal for Community Housing projects within the 2020 Community Preservation Plan is to “Support the creation of 70 or more low/moderate income (LMI) homes over five years that will qualify for the state’s Subsidized Housing Inventory (SHI).” The AHT exists to support that goal by providing financial support for projects that will increase the town’s subsidized housing stock. Although the AHT requests that the monies granted are allowed to be used to support any affordable housing opportunities that arise, if the two potential projects currently on the horizon materialize, they would satisfy the five-year goal of adding 70 units to the town’s SHI.

The AHT hopes that the goal of encouraging a mix of housing types that are financially attainable will be satisfied by the anticipated projects through a mix of one, two, and three-bedroom units. The Habitat project would create 10 duplex style units while the GCTS project would house apartment or condo style units. These projects would fit the character of their surrounds environments: Habitat would construct duplex structures resembling traditional suburban, single family homes while the GCTS project would involve renovating the interior of existing structures. In addition, the AHT will work with any other developers that propose affordable housing projects in town to encourage design that fits the town’s character and feel.

Regardless of whether the AHT uses funds to support the GCTS and Habitat projects or any other new affordable housing development, the Trust looks to the same goals outlined in the town’s Housing Production Plan as cited in the Community Preservation Plan to guide decision making and financial support.

3. **Timeline:** What is the schedule for project implementation, including a timeline for all critical milestones? Will this be a multi-year/multi-faceted project? If so, the proposal should be submitted in two phases; phase one for the study/engineering, followed by phase two for the project completion.

At this time, the timeline for the two potential projects are unknown. The AHT provided Habitat with \$35,000 on April 27, 2020 to extend their purchase and sale agreement with the seller for the 434/436 Asbury Street project. Don Preston, the executive director of Habitat is scheduled to provide an update on the status of the project at the September 30, 2020 AHT meeting.

4. **Budget:** Please provide a full budget including the following information, as applicable.

(NOTE: CPA funds may not be used for maintenance):

- a. Total amount of the project cost, with itemization of major components.

As stated in the AHT’s previous application, the Habitat project is expected to cost \$1,200,000 plus acquisition costs to complete. It is anticipated that each house will cost \$150,000. Approximately \$150,000 will be incurred for site preparation and the construction of a road. The amount of funds to be contributed by the AHT, on top of the \$35,000 already contributed, is undetermined at this time. As noted above, Don Preston will update the AHT on September 30, 2020.

The AHT has not received any information regarding the costs associated with the GCTS project.

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- b. Additional funding sources. Please include those that are available, committed, or under consideration including fundraising, other grants, etc.

The AHT has been told that the Habitat project will utilize HOME funds and Federal Home Loan Bank Funds. Habitat also will apply to People's United Bank and the Institution for Savings for grants.

Additional funding sources for the GCTS project are unknown at this time.

- c. Describe the basis for your budget and the sources of information you used, including evidence detailing that the lowest bid has been received.

Habitat has constructed several affordable homes in the past, including 2 condominium units at 270 Asbury Street in Hamilton. Much of the work on Habitat projects is completed by volunteers and students from nearby vocational schools. Some of the construction materials are donated.

The AHT relies on AHT member David Smith to monitor the GCTS project in his capacity of the chair of the town's Gordon Conwell Theological Seminary Task Force and to provide updated information about the status of the project.

5. **Support:** Have the appropriate Town Boards and Commissions expressed support and/or approved the project? What is the nature and level of community support for this project? Please provide evidence that you are qualified and eligible to undertake the project.

The CPC has expressed support for the AHT's mission to create affordable housing by granting six awards totaling \$1,135,000 since 2012. The CPC has been the main source of revenue for the AHT and is the reason that the AHT has been able to support projects such as the construction of Habitat homes at 270 Asbury Street and the ongoing project at 59 Willow Street.

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