



Town of Sudbury

Community Preservation Committee

<http://www.sudbury.ma.us>
email: cpc@sudbury.ma.us

PROJECT SUBMISSION FORM

Submitter: Sheila M. Cusolito *smc*

Submission Date: 10/10/2019

Group or Committee Affiliation (if any): Sudbury Housing Authority

Submitter's address :

55 Hudson Road
Sudbury, MA 01776

Purpose (please select all that apply):

- Open Space
- Community Housing
- Historic
- Recreation

Submitter's email & phone number:

director@sudburyha.org
978-443-5112



Project Manager's email & phone number: director@sudburyha.org; 978-443-5112

Project Name: Acquisition, Creation, Preservation, Support of Affordable Rental Housing

Project Description: Attached

Costs:

Fiscal Year	Total Project Cost	CPC Funds Requested	Other Funding Sources (amount and source)
2021		10% of budget for housing	\$212.6K CPA FY18; \$180K CPA FY07; \$90K National Development;
2022			\$50K Sudbury Foundation (resubmission); \$10K SHA
2023			
2024			
2025			
Total			

How does this project meet the General Criteria and Category Specific Criteria for CPC projects (see attached)?

Attached

Does this project fall within the jurisdiction or interest of other Town Boards, Committees or Departments? If so, please list the boards, committees or departments, whether applications and/or presentations have been made, and what input or recommendations have been given.

Attached

For Community Preservation Committee Use:

Form received on: _____

Project presented to CPC on: _____

Reviewed by: _____

Determination: _____

Project Description

Consistent with the Sudbury Housing Authority's (SHA) 2016 proposal, the SHA requests a minimum of 10% of the CPC budget allocated to housing, to be utilized in combination with funding from other sources to create additional units of rental housing for families or individuals, particularly focused on those in the HUD-defined extremely low- or very low- income range. Much of the affordable rental housing recently developed or currently in the pipeline has focused on housing for the elderly and for empty nesters, or those at the higher end of the Area Median Income bracket, the same population that might qualify for affordable homeownership opportunities. The SHA primarily houses families and individuals who do not and will not qualify for affordable homeownership or the types of housing created by the various 40B developments in town. The Sudbury Housing Authority is singular in its exclusive commitment to the Town, combined with its interest in both expanding and managing rental opportunities for those with incomes at the lowest extreme of the income limit. The SHA prides itself in covering all of its operations costs through the rents it collects; as housing and development costs continue to rise, significant financial resources are required to maximize the SHA's flexibility to respond to those most in need of affordable housing.

The SHA, which is subject to all public procurement laws and administers its programs under the purview of the Department of Housing and Community Development, routinely explores sales opportunities to acquire existing homes, but is equally invested in exploring a more extensive development effort. At present, several initiatives are underway.

The Board of Selectmen recently voted to exercise and transfer its Right of First Refusal to purchase one of the affordable ownership units at The Villages at Old County Road. This transfer allows the SHA the opportunity to purchase the unit for use as an affordable rental. Following the subsequent, careful legal review of the existing development documents, the SHA voted against purchasing the unit. Simultaneously, the SHA is reviewing three responses to a recently advertised Request for Proposals for land or land and building(s), none of which includes habitable buildings, but each of which might have development potential. The SHA is mindful that the costs for land acquisition only add to the costs of an overall development effort. Moreover, the SHA currently must consider such opportunities within the context of applicable zoning restrictions.

In part for these reasons, the SHA plans to embark on a feasibility study of both its existing properties and one Town-owned parcel the Board of Selectmen authorized for such study. The SHA has also expressed interest in portions of parcels currently under broader review by the Town and hopes to work in partnership with the Town as it continues to consider the disposition of each: Broadacres Farm, the site of the original Frost Farm structure, and Camp Sewataro.

Simultaneous with our review of potential sites for renovation and/or new construction, we are continuing to assemble a development fund to support our efforts. The SHA has a history of CPA fund awards, including one voted at ATM 2006 for the purpose of affordable unit buy-down. A total of \$360,000 was awarded at that time, with both the timelines for use and the allowable per-unit expenditures modified at subsequent town meetings. The SHA purchased a single-family home in 2014 utilizing \$180,000 of these funds, creating not only a new Local Initiative Program (LIP), but adding to the Town's Subsidized Housing Inventory. The SHA

intended to use the balance of these funds toward the acquisition of The Villages at Old County Road unit, in keeping with the original intent of the award. In 2016, the SHA was awarded \$90,000 earmarked within the National Development and Town of Sudbury development agreement. In 2017, the SHA received the minimum of 10% of FY18 CPA funds earmarked for affordable housing, totaling \$212,600, and plans to resubmit an application to the Sudbury Foundation for \$50,000 in funds to support development feasibility studies. The SHA continues to be willing and able to commit a portion of its own reserves to this effort. And, finally, the SHA continues to explore development partnerships and state funding sources, should we be able to leverage matching funds and assistance necessary to garner both state support and, if necessary, a mortgage commitment.

In summary, the SHA would like to utilize CPA funds to acquire, create, preserve, or support affordable rental opportunities for those most in need. It is toward that end that the SHA seeks a commitment of at least the 10% annual CPA revenue appropriated for FY21.

Relevance of Proposed Project to CPC Criteria

The project meets the following *General Criteria* for eligibility:

- it is eligible for CPA funding;
- it is consistent with the 2016 Housing Production Plan in terms of identified needs, goals, and strategies; it provides housing options that address some of the challenges identified in summary reports of the Master Plan Steering Committee and previously identified in the WestMetro HOME Consortium Regional Fair Housing Plan, which includes Sudbury;
- the SHA has engaged in discussions of several opportunities with the Board of Selectmen and the Planning Department. Each has been supportive of the SHA's interests. The Planning Department is in active communication with the SHA about ongoing discussions of parcels under the Town's purview; the Board of Selectmen has shown a willingness to consider and approve proposals the SHA brings to its attention. The SHA has also engaged the SHT as appropriate and has enjoyed its support for creating additional affordable rental opportunities;
- as with all prior SHA development projects, creating housing which preserves the essential quality of the town and is harmonious architecturally with the surrounding neighborhood is a cornerstone consideration;
- as noted, this project will serve to expand opportunities for the population of extremely low- and very low-income families and individuals— those underserved by current resources, current development projects, or by any other entity that has Sudbury at the heart of its efforts;
- the SHA has expressed its interest in working in partnership with the Town as the latter considers the overall uses of newly acquired parcels such as Camp Sewataro and Broadacres Farm. Each of these parcels presents an opportunity to fulfill the breadth of opportunities covered by the CPA. While the opportunities for combining open space, recreation or other CPA priorities with the SHA's exploration of smaller parcels are constrained by the size of the development and the likelihood of purchase of an existing property, we are open to such combinations and will consider them as we review potential sites;

- the urgency of this project may be measured in the number of days, months and, most often, years that families on the SHA waiting list must languish;
- because the SHA is seeking funding that might be utilized as a match for a project that will involve multiple funding sources, the CPC's requirement that alternative funding mechanisms be explored will be fully met and that additional public and/or private funds will be leveraged; and
- should the Town agree to release one or more Town-owned properties or portions thereof for this effort, the project will most certainly "preserve or utilize currently owned Town assets."

The project also addresses every one of the *Specific Criteria* for Community Housing:

- it will contribute to goal of maintaining 10% affordability by mechanisms that will preserve the units as affordable in perpetuity;
- it will conform to the town's Housing Production Plan;
- it will promote socioeconomic diversity;
- it will integrate affordable units into the fabric of existing market-rate neighborhoods;
- it will ensure long-term affordability through deed restriction and regulatory agreement to an even greater extent than affordable homeownership program opportunities because income eligibility is recertified throughout tenancy; and
- through either renovation of existing stock or new construction, the project will promote the use of existing buildings or construction on previously developed or Town-owned sites;
- to the extent that the project entails renovation of existing stock, it will convert market-rate to affordable units; and
- the project will give priority to local residents, Town employees, and families participating in METCO.

Identified or Potential Stakeholders

The SHA has worked successfully with Town Boards, Committees and Departments on previous projects to increase and/or stabilize rental housing and/or tenancies in Sudbury, including:

- Town Manager
- Board of Selectmen
- Sudbury Housing Trust
- Planning and Community Development & related committees
- Community Preservation Committee
- Conservation Commission
- Department of Public Works
- Facilities Department
- Building Department
- Board of Health
- Town Social Worker
- Police and Fire Departments
- Senior Center
- SPS, LSRHS, particularly social workers

Other prospective or stakeholders/collaborators include the following:

- Park and Recreation
- Council on Aging
- Disability Commission
- Veteran's Affairs
- Representatives of other developments that include an affordable component

From: [Risotti, Shawna](#)
To: [Risotti, Shawna](#)
Subject: FW: SHA CPC Application - Additional Materials
Date: Monday, November 4, 2019 10:35:49 AM

From: Sheila M Cusolito <Director@SudburyHA.org>
Sent: Friday, November 1, 2019 2:22 PM
To: Duchesneau, Adam <DuchesneauA@sudbury.ma.us>
Subject: RE: SHA CPC Application

Hi Adam,

The SHA has previously expended CPA funds for a demolition/redevelopment project on its own properties; acquisition of a privately owned home it converted to an affordable rental, acquired through the c. 30B-required public procurement process; and physical preservation of its housing for the elderly and disabled. Two eligible uses that the SHA has yet to explore are adaptive re-use of an existing structure and rental assistance or another type of operating subsidy.

Current focus

The SHA's current focus is on either acquiring or developing new units—which could include the costs of acquiring vacant land or development on publicly-owned land—to be added to the Town's Subsidized Housing Inventory and, at least as important to the SHA, to provide housing opportunities for those in need of affordable rental housing.

Because SHA is subject to public procurement laws and affordable housing regulatory requirements for its programs, property acquisition and development of the associated rental program are drawn out over a broader timeline than is experienced in the private sector. This makes it nearly impossible to identify the acquisition or development parcel for the purposes of the application.

That said, the Town, though not specifically the CPC *is* involved with properties added to the SHI by local initiative mechanisms. These properties must be deed-restricted and have other regulatory requirements/restrictions as well. With our previously acquired unit, the Town was involved at the time of application to the state for the unit to be added to the SHI and is the monitoring agent for the unit (assigned to RHSO) as well.

Development projects go through the public process, including direct abutter outreach in the earliest of phases.

CPA funds have been used in other communities for preliminary environmental, feasibility, and site planning activities. Prior to your query from the CPC, the SHA reached out to the Community Preservation Coalition to confirm feasibility and design as allowable endeavors, additionally asking if mortgage payments can be made utilizing the funds. The Coalition recommended the SHA seek input from Town Counsel on these matters and we are awaiting a response. The question on the mortgage arose because, during development of the CPC application, the SHA was considering two acquisition opportunities (now down to one), but did not have quite enough cash to purchase both parcels.

Although there is a constant and compelling need to preserve the current portfolio (and such

projects are relatively much easier to define for the purposes of funding requests, if the timing of funding cycles allows), at this time, the intention is to acquire/develop, including allowable ancillary activities. I do envision a future (timeline not defined by any means) request for preservation; in fact, there is funding through the state for comprehensive preservation projects. The program requires a local funding commitment that will be matched up to 2.5X for each dollar of leveraged funds. CPA funds are eligible to be leveraged in this way.

I hope this suffices for the Committee's near-term purpose. I'll provide an update when I hear from Town Counsel.

Sheila

*****Please note our new email address*****

Sheila M Cusolito, MPHA; MCPPO
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From: Duchesneau, Adam <DuchesneauA@sudbury.ma.us>
Sent: Wednesday, October 16, 2019 11:59 PM
To: Sheila M Cusolito <Director@SudburyHA.org>
Subject: SHA CPC Application

Hello Sheila,

At October 16th's Community Preservation Committee (CPC) meeting, the CPC conducted a preliminary review of the Sudbury Housing Authority's funding application.

The CPC asked for further information on the following items:

- Members of the CPC were seeking a bit more of a detailed explanation about what or how the money would be used by the SHA.

This additional information/explanation should be submitted to the CPC (through the Planning Office) by **Friday, November 1st** in advance of the upcoming public hearing on the application.

The public hearing before the CPC for this application was scheduled for **Wednesday, December 4, 2019 at 7:00 PM in the Lower Town Hall, 322 Concord Road**. Please come prepared to discuss your application with the CPC that evening.

Please let me know if you have any questions. Thank you.

Adam

Adam L. Duchesneau, AICP

Director of Planning & Community Development

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