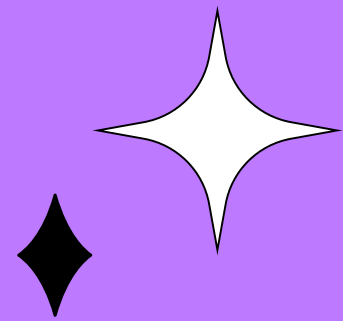


CHAPA

Affordable Housing 101

MUNICIPAL ENGAGEMENT INITIATIVE

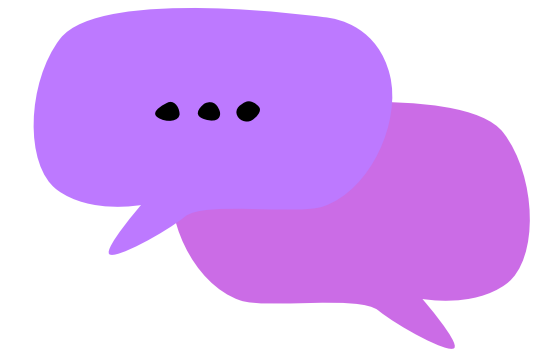


What Does CHAPA Do?

OUR MISSION IS TO ENCOURAGE THE PRODUCTION AND PRESERVATION OF HOUSING THAT IS AFFORDABLE TO LOW AND MODERATE INCOME FAMILIES AND INDIVIDUALS AND TO FOSTER DIVERSE AND SUSTAINABLE COMMUNITIES THROUGH PLANNING AND COMMUNITY DEVELOPMENT.



Language Rules



UNIT VS. HOME
HOMELESS VS. HOUSELESS
MINORITY VS. MARGINALIZED

PLEASE ACTIVELY LISTEN TO WHAT PEOPLE ARE SAYING, AND IF YOU DISAGREE
STILL BE RESPECTFUL AND NON-DEFENSIVE
THIS IS AN OPEN SPACE FOR US ALL TO CONTINUOUSLY LEARN FROM EACH
OTHER

IT IS IMPORTANT TO GIVE AGENCY TO OURSELVES AND THOSE WE ARE
DISCUSSING

What is Affordable Housing?

HOUSING IS CONSIDERED “AFFORDABLE” WHEN ASSOCIATED COSTS ARE 30% OR LESS OF A HOUSEHOLD’S INCOME. DEED-RESTRICTED AFFORDABLE HOUSING IS RESERVED FOR INCOME-ELIGIBLE HOUSEHOLDS, AND GENERALLY THE COST CANNOT BE MORE THAN 30% OF THEIR INCOME.

What is Area Median Income (AMI)?

TO DETERMINE HOUSING ELIGIBILITY FOR DEED-RESTRICTED AFFORDABLE HOUSING, GOVERNMENT PROGRAMS USE AMI. THE AMI FOR A FAMILY OF 4 IN REVERE, LYNN, AND SURROUNDING COMMUNITIES IS \$119,000. REFERENCE THIS [LINK](#)

What are Income Limits?

THE US DEPT. OF HOUSING + URBAN DEVELOPMENT (HUD), MASSACHUSETTS DEPARTMENT OF HOUSING AND COMMUNITY DEVELOPMENT (DHCD) AND OTHER AGENCIES USE INCOME LIMITS TO ASSESS WHO QUALIFIES FOR AFFORDABLE HOUSING.

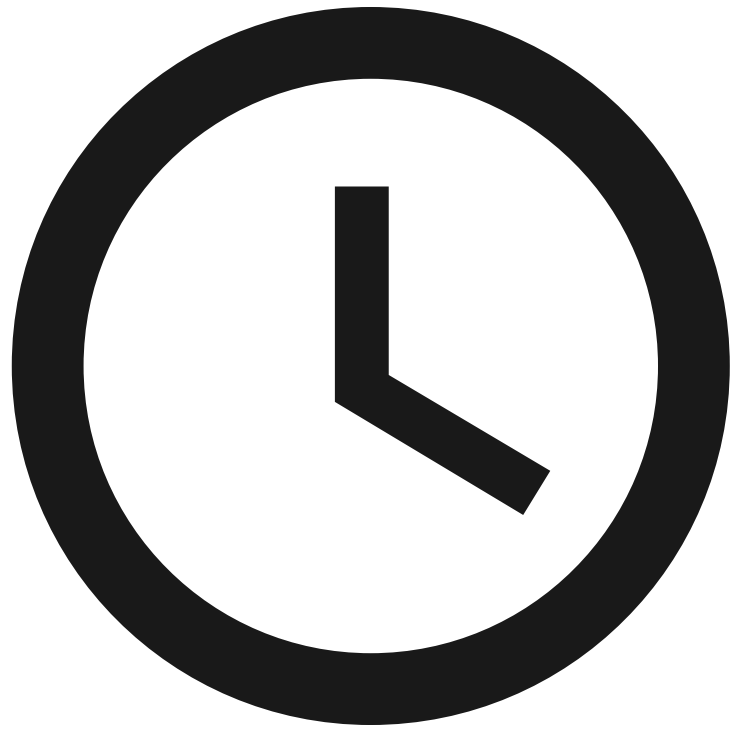
GENERALLY, HOUSEHOLDS NEED TO EARN 80% OR LESS OF THE AMI. SOME PROGRAMS EXPLICITLY TARGET LOWER INCOME HOUSEHOLDS AND OTHERS SERVE HOUSEHOLDS AT HIGHER INCOMES.

What does it mean to be...Cost Burden(ed)

BECAUSE HIGH HOUSING COSTS ARE MORE LIKELY TO LEAVE LOWER INCOME HOUSEHOLDS UNABLE TO PAY FOR OTHER BASIC NEEDS, MOST HOUSING NEEDS ASSESSMENTS FOCUS ON HOUSEHOLDS OF 80% OF AMI OR LESS. HOUSEHOLDS PAYING MORE THAN 30% OF THEIR INCOME TOWARDS HOUSING ARE CONSIDERED "COST-BURDENED." THOSE PAYING MORE THAN 50% ARE "SEVERELY COST BURDENED."

What are...Housing Costs

HOUSING COSTS ARE USED TO HELP CALCULATE HOUSING AFFORDABILITY AND DETERMINE WHETHER A HOUSEHOLD IS COST BURDENED. FOR RENTERS, HOUSING COSTS GENERALLY INCLUDE RENT PLUS ESTIMATED UTILITIES. FOR HOMEOWNERS, HOUSING COSTS GENERALLY INCLUDE MORTGAGE PAYMENTS, TAXES, INSURANCE AND ESTIMATED UTILITIES.

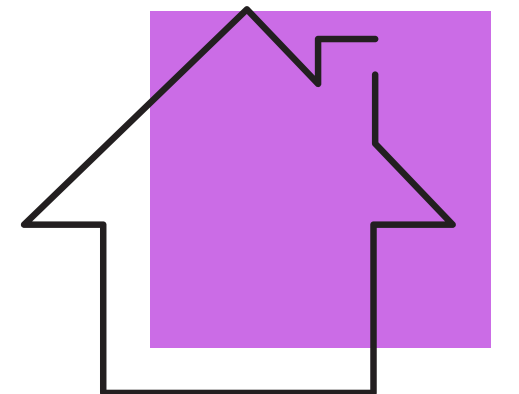


PAUSE FOR QUESTIONS

**Next: How does Affordable
Housing get built?**

What is...Public Housing?

HOUSING AUTHORITIES PROVIDE PUBLICLY MANAGED AFFORDABLE HOUSING FOR INCOME-ELIGIBLE HOUSEHOLDS, INCLUDING OLDER RESIDENTS, FAMILIES, AND PEOPLE WITH DISABILITIES.



What is...

Housing Choice Voucher Program (HCVP)- Section 8*

Massachusetts Rental Voucher Program (MRVP)

*People with a housing
voucher are protected by fair
housing laws in MA

GRANTS A RENTAL VOUCHER TO ELIGIBLE HOUSEHOLDS INCLUDING LOW-INCOME FAMILIES, THE ELDERLY, AND PERSONS WITH DISABILITIES TO ASSIST WITH MONTHLY HOUSING COSTS. TENANTS RECEIVING A VOUCHER GENERALLY PAY 30-40% OF THEIR INCOME TOWARDS HOUSING AND THE BALANCE IS COVERED BY A HOUSING AUTHORITY OR OTHER SUBSIDIZING AGENCY

What is...

Low Income Housing Tax Credit (LIHTC)

THIS IS A FEDERAL GOVERNMENT PROGRAM THAT PROVIDES STATE AND LOCAL AGENCIES TAX CREDITS FOR DEVELOPERS TO ACQUIRE, REHABILITATE, OR CONSTRUCT RENTAL HOUSING TARGETED TO LOWER-INCOME HOUSEHOLDS.

What is... **Project-Based Rental Assistance**

PLACES A RENTAL SUBSIDY ON A UNIT IN A HOUSING DEVELOPMENT, THAT MAY BE RENTED AT A RATE THAT IS AFFORDABLE TO ELIGIBLE HOUSEHOLDS INCLUDING LOW-INCOME FAMILIES, THE ELDERLY, AND PERSONS WITH DISABILITIES TO ASSIST WITH MONTHLY HOUSING COSTS.

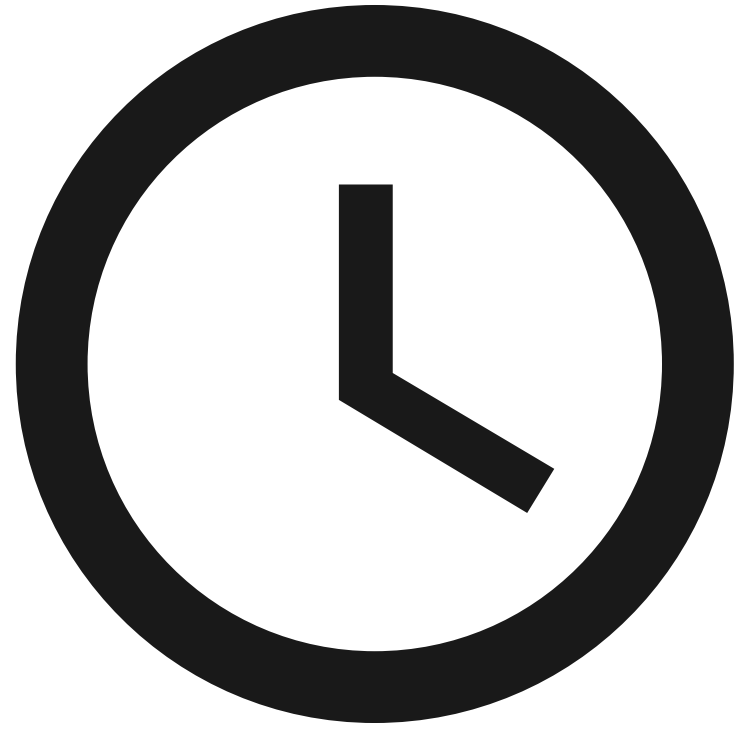
THE ASSISTANCE STAYS WITH THE UNIT, NOT THE HOUSEHOLD. WHEN A HOUSEHOLD MOVES OUT, THEY LOSE THE SUBSIDY, AND THE NEW RENTER HOUSEHOLD GETS IT.

What is...

Inclusionary Zoning (IZ)

ZONING THAT REQUESTS OR REQUIRES A PERCENTAGE OF NEW HOUSING DEVELOPMENTS TO BE DEED-RESTRICTED AFFORDABLE. IN RETURN, DEVELOPERS MAY BE ABLE TO ADD MORE MARKET-RATE UNITS, INCLUDE LESS PARKING, PAY LESS FOR BUILDING PERMITS, OR ACCESS OTHER INCENTIVES.





PAUSE FOR QUESTIONS

**Next: What are some
additional tools that
communities use?**

Affordable Housing Trust Fund

MOST HOUSING TRUST FUNDS IN MASSACHUSETTS ARE MUNICIPAL ENTITIES FOCUSED ON CREATING AND PRESERVING AFFORDABLE HOUSING, GENERALLY DESCRIBED AS HOUSING FOR HOUSEHOLD EARNING UP TO 100% OF THE AREA MEDIAN INCOME (AMI). OVER 100 COMMUNITIES IN THE STATE HAVE A LOCAL AFFORDABLE HOUSING TRUST FUND.

A HOUSING TRUST FUND MUST HAVE A MINIMUM OF 5 TRUSTEES, INCLUDING THE COMMUNITY'S CHIEF EXECUTIVE OFFICER. TERMS ARE SET AT 2 YEARS AND OFTEN STAGGERED. APPOINTMENTS ARE MADE BY THE MAYOR OR MANAGER IN A CITY OR TOWN, SUBJECT TO CONFIRMATION BY THE CITY COUNCIL OR SELECT BOARD.

Now for some examples...

Trust Examples

BUY DOWN PROGRAMS
HOUSING DEVELOPMENT
HOUSING PRESERVATION
DIRECT ASSISTANCE

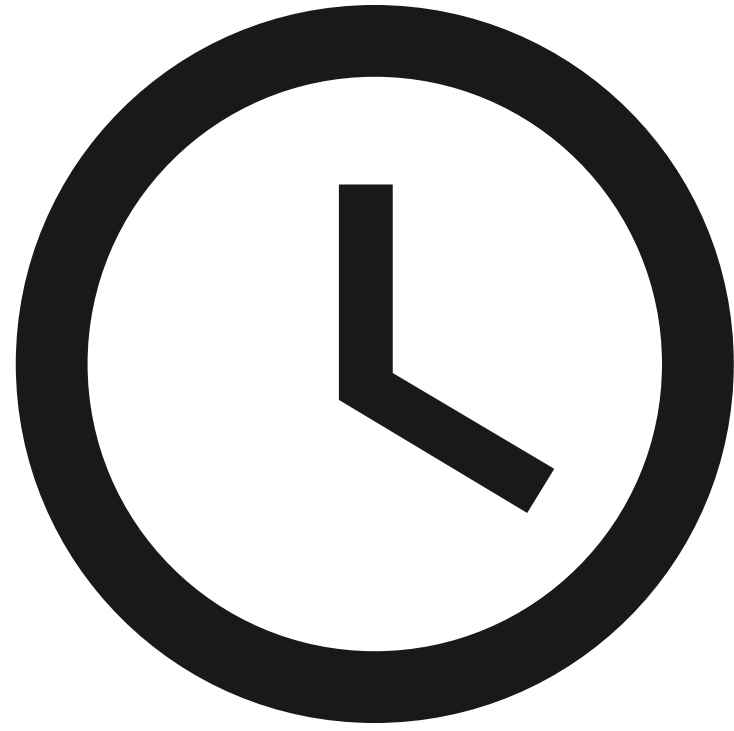
Sources of Funding



COMMUNITIES HAVE CREATED MANY WAYS TO CAPITALIZE THEIR HOUSING TRUST FUNDS

WHILE CPA (COMMUNITY PRESERVATION ACT) REMAINS THE MOST COMMON RESOURCE, OTHER SOURCES INCLUDE BONDING, TAX OVERRIDES, AND IZ IN LIEU PAYMENTS AND FREE CASH TRANSFERS

THE MOST ACTIVE AND SUCCESSFUL HOUSING TRUST FUNDS TEND TO HAVE A VARIETY OF FUNDING SOURCES THAT ALLOW THEM TO HAVE A STEADY FLOW OF FINANCIAL RESOURCES TO WORK WITH



PAUSE FOR QUESTIONS

Next: Inclusionary Zoning

Inclusionary Zoning

INCLUSIONARY ZONING, SOMETIMES REFERRED TO AS INCENTIVE ZONING, MANDATES THAT DEVELOPERS PROVIDE AFFORDABLE HOUSING UNITS IN ADDITION TO THEIR MARKET-RATE HOUSING

COMMUNITIES ADOPT BYLAWS THAT REQUIRE A DEVELOPER TO PROVIDE A CERTAIN PORTION OF AFFORDABLE UNITS (USUALLY 10% TO 25%) WITHIN AN OVERALL DEVELOPMENT. TO HELP OFFSET THE COST OF PROVIDING THESE UNITS, THE BYLAW MAY OFFER AN INCENTIVE, MOST COMMONLY A DENSITY BONUS. OTHER INCENTIVES INCLUDE WAIVER OF ZONING REQUIREMENTS OR PERMIT FEES, FAST-TRACK PERMITTING, LOCAL TAX ABATEMENTS, AND SUBSIDIZED INFRASTRUCTURE.

IN MANY COMMUNITIES, THE MOST EFFECTIVE WAY TO ENSURE THE CREATION OF AFFORDABLE HOUSING HAS BEEN TO ALLOW THE DENSITY BONUS.

Inclusionary Zoning (Continued)

BUILDING UNDER INCLUSIONARY ZONING REGULATION REQUIRES A RELATIVELY STRONG HOUSING MARKET TO SUPPORT THE INCREASED COSTS BORNE BY THE DEVELOPER AND ABSORBED, IN PART, BY THE MARKET UNITS.

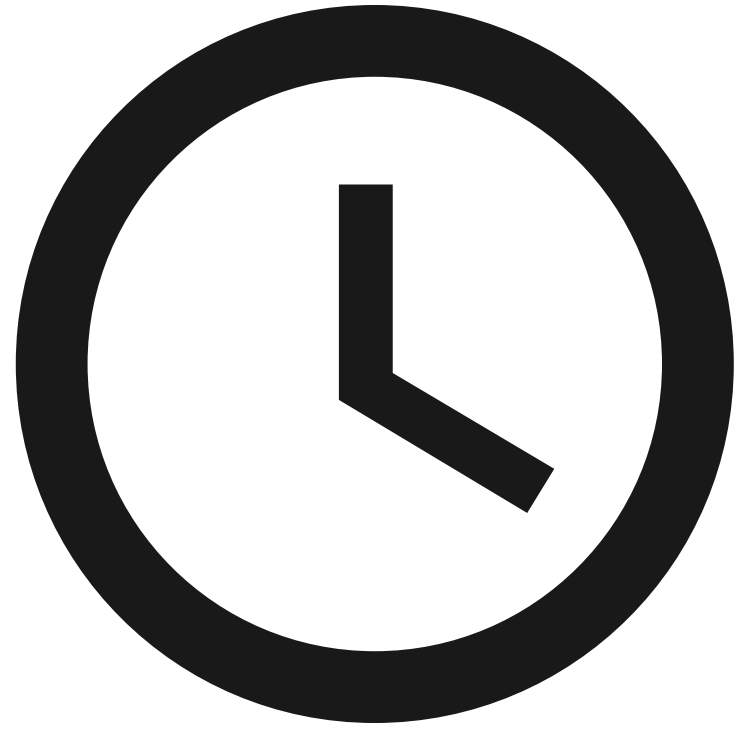
ONCE BUILT, UNITS ARE RENTED TO SOLD TO INCOME ELIGIBLE HOUSEHOLDS AT AN AFFORDABLE PRICE.

Inclusionary Zoning (Continued)

SOME COMMUNITIES ADMINISTER THE PROGRAM THEMSELVES. OTHERS HIRE AN OUTSIDE CONSULTANT OR AGENCY TO ASSIST.

UNITS ARE GENERALLY DEED RESTRICTED IN PERPETUITY AS AFFORDABLE SO WHEN THE ORIGINAL RENTER/HO MOVES OUT, THE NEXT PERSON MUST BE INCOME ELIGIBLE TOO.

UNITS CAN BE COUNTED ON THE 40B SUBSIDIZED HOUSING INVENTORY IF COMMUNITIES FOLLOW SPECIFIC REGULATIONS AND WORK WITH DHCD.



PAUSE FOR QUESTIONS

Next: Chapter 40B

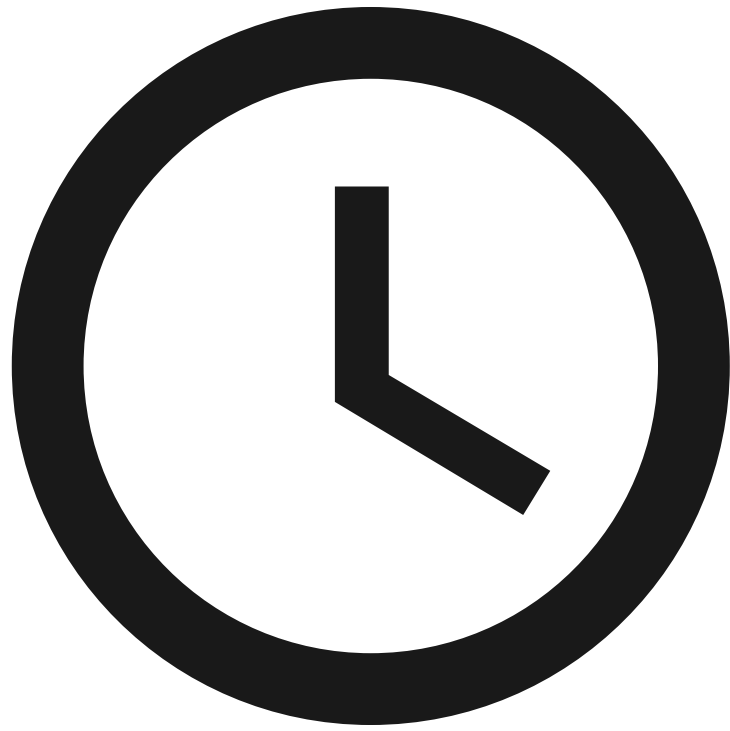
Chapter 40B

MA LAW THAT ALLOWS DEVELOPMENTS TO OVERRIDE LOCAL ZONING CODES IF A PERCENTAGE OF AFFORDABLE UNITS ARE ALSO PROVIDED IN THE DEVELOPMENT. ONCE A COMMUNITY HAS 10% OF ITS TOTAL HOUSING UNITS LISTED ON THE STATE SUBSIDIZED HOUSING INVENTORY (SHI), THEY ARE NO LONGER SUBJECT TO CHAPTER 40B. THERE ARE ALSO SEVERAL OTHER MECHANISMS TO BE EXEMPT FROM 40B TEMPORARILY, INCLUDING CREATING AND IMPLEMENTING A HOUSING PRESERVATION PLAN (HPP).

PEOPLE OFTEN USE 40B AS A PROXY TERM FOR ALL AFFORDABLE HOUSING, BUT THIS IS NOT ACCURATE.

IMPORTANT TO NOTE THAT JUST BECAUSE A COMMUNITY IS AT OR OVER 10%, DOES NOT MEAN THEY HAVE MET THEIR HOUSING NEEDS

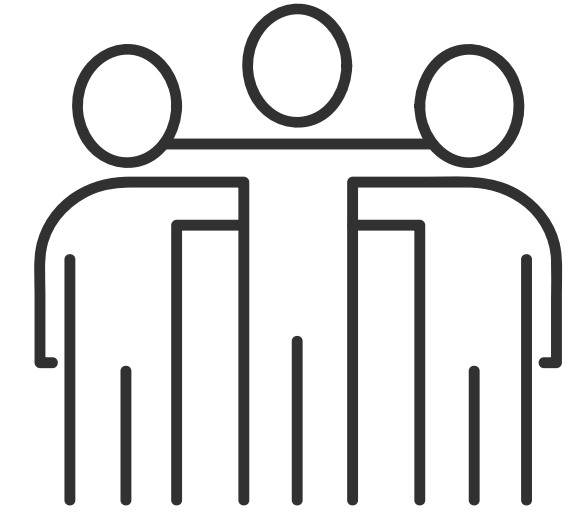
[Subsidized Housing Inventory](#)



PAUSE FOR QUESTIONS

**Next: Community
Preservation Act**

Community Preservation Act (CPA)



A FLEXIBLE TOOL THAT HELPS COMMUNITIES PRESERVE OPEN SPACE, HISTORIC RESOURCES, AND AFFORDABLE HOUSING VIA A SURCHARGE ON PROPERTY TAXES.

THE SURCHARGE CAN RANGE ANYWHERE FROM 0.5% TO 3%. MUNICIPALITIES CAN EXEMPT LOW- AND MODERATE-INCOME HOUSEHOLDS AND/OR COMMERCIAL PROPERTIES. THE FUNDS GO INTO A LOCAL COMMUNITY PRESERVATION FUND AND THE STATE PROVIDES MATCHING FUNDS FROM ITS OWN COMMUNITY PRESERVATION TRUST FUND.

COMMUNITIES ARE REQUIRED TO ALLOCATE AT LEAST 10% OF FUNDS RAISED EACH YEAR TO EACH OF THE 3 CATEGORIES – OPEN SPACE, HISTORIC PRESERVATION, AND AFFORDABLE HOUSING. THE REMAINING 70% MAY BE ALLOCATED AMONG ANY OF THE CATEGORIES AND ALSO RECREATION.

CPA (continued)

CPA FUNDS CAN BE USED FOR A WIDE RANGE OF HOUSING PURPOSES, FROM DEVELOPING INITIAL STRATEGIES TO CREATING PROGRAMS AND PRESERVING EXISTING DEVELOPMENTS.

ELIGIBLE HOUSEHOLDS CAN EARN UP TO 100% AMI, WHICH IS DIFFERENT FROM MANY OTHER PROGRAMS.

177 MUNICIPALITIES HAVE ADOPTED CPA

Tenant Opportunity to Purchase Programs (TOPA)

TOPA BILLS PROMOTE THE TRANSFER OF PROPERTY OWNERSHIP INTO THE HANDS OF TENANTS AND AFFORDABLE HOUSING DEVELOPERS BY ENABLING TENANTS TO EXERCISE A FIRST RIGHT OF PURCHASE

LANDLORDS ARE REQUIRED TO GIVE NOTICE TO TENANTS, AND THEN ALLOW A SPECIFIED AMOUNT OF TIME FOR TENANTS TO EXPRESS INTEREST, MAKE AN OFFER, AND SECURE FUNDING.

THE FIRST TOPA BILL WAS ENACTED IN WASHINGTON, D.C., IN 1980 TO GIVE TENANTS AT RISK OF EVICTION A PATHWAY TO OWNERSHIP AND CONTROL OVER THEIR HOMES. A 2013 REPORT FROM THE D.C. FISCAL POLICY INSTITUTE FOUND THAT TOPA HELPED PRESERVE NEARLY 1,400 UNITS OF AFFORDABLE HOUSING IN THE DISTRICT BETWEEN 2003 AND 2013, AT JUST A FRACTION OF A COST OF BUILDING NEW AFFORDABLE UNITS.

TOPA (continued)

D.C. TOPA WAS SUCCESSFUL IN PART BECAUSE A FUNDING SOURCE, THE HOUSING PRODUCTION TRUST FUND, WAS CREATED ABOUT 10 YEARS AFTER THE LAW'S ENACTMENT.

SOME PROGRAMS ARE ALSO SUGGESTING A LOCAL NON-PROFIT CAN BE DESIGNATED AS AN AGENT OF THE MUNICIPALITY, SO THAT IF THE TENANTS CANNOT PURCHASE THE UNITS THEMSELVES, THE NON-PROFIT IS ALSO GIVEN A CHANCE TO PURCHASE AND KEEP IT AFFORDABLE, EITHER FOR THE CURRENT TENANTS OR NEW ONES.

SOMERVILLE AND BOSTON HAVE BOTH SUBMITTED HOME RULE PETITIONS FOR LOCAL TOPA PROGRAMS.

Using Federal and State Funds

MOST AFFORDABLE HOUSING DEVELOPMENTS REQUIRE FINANCIAL SUPPORT FROM FEDERAL, STATE AND/OR LOCAL PUBLIC SOURCES, AND THE FUNDS GENERALLY COME WITH RESTRICTIONS AND REQUIREMENTS. IN ADDITION, FINANCING OPTIONS VARY DEPENDING ON THE TYPE OF HOUSING (RENTAL OR OWNERSHIP) AND THE CHARACTERISTICS (E.G., INCOME, HOUSEHOLD SIZE, DISABILITY STATUS) OF THE HOUSEHOLDS A PROGRAM OR PROJECT IS DESIGNED TO ASSIST.

A COMMUNITY CAN REDUCE PROJECT COSTS AND THE NEED FOR PUBLIC FUNDS BY PROVIDING NON-CASH ASSISTANCE IN THE FORM OF ZONING THAT SUPPORTS AFFORDABLE HOUSING, DONATED LAND OR BUILDINGS AND FEE WAIVERS.

THE RESTRICTIONS THAT COME WITH PUBLIC FUNDING VARY BY PROGRAM. WHEN A PROJECT USES MULTIPLE FUNDING SOURCES, MESHING THE VARIOUS RULES CAN BE COMPLICATED.

Common Restrictions Include:

INCOME LIMITS ON TENANTS OR BUYERS OF AFFORDABLE UNITS AT INITIAL OCCUPANCY OR PURCHASE

LIMITS ON THE PRICES OR RENTS CHARGED FOR AFFORDABLE UNITS

A REQUIREMENT THAT THE UNITS BE MAINTAINED AS AFFORDABLE HOUSING FOR A MINIMUM PERIOD OF TIME (OFTEN AT LEAST 30 YEARS IN MASSACHUSETTS) THROUGH A LEGALLY BINDING DEED RESTRICTION OR OTHER AGREEMENT

A REQUIREMENT THAT THE RENTAL AND OWNERSHIP UNITS BE MARKETED IN A WAY THAT AFFIRMATIVELY FURTHERS FAIR HOUSING AND LIMITS THE USE OF LOCAL PREFERENCES

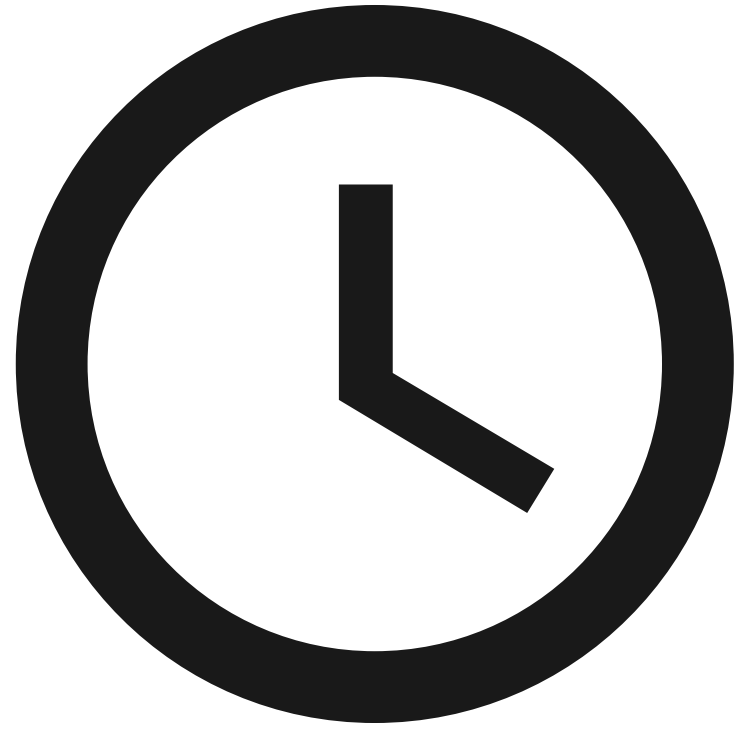
Common Restrictions (Continued)

LIMITS ON HOW PROJECTS ARE BID

CERTIFICATION OF PROJECT EXPENSES

A REQUIREMENT FOR ONGOING MONITORING OF PROJECTS TO ASSURE COMPLIANCE WITH REQUIREMENTS

SOME FUNDING SOURCES MAY ALSO REQUIRE SERVING A SPECIFIC POPULATION SUCH AS HOMELESS OR AT-RISK HOUSEHOLDS, VETERANS, OR ELDERLY HOUSEHOLDS.



PAUSE FOR QUESTIONS

**Next: Housing Production
Timeline**

Housing Production Timeline

THE HOUSING TOOLBOX

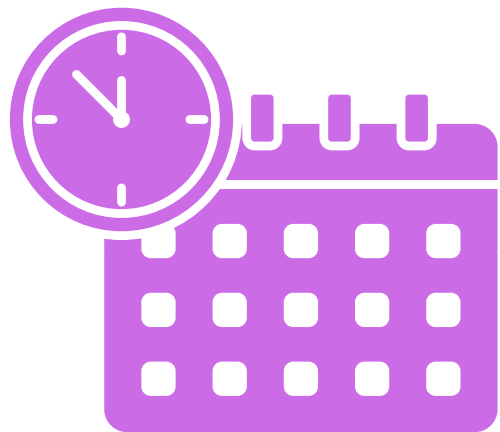
[HTTPS://WWW.HOUSINGTOOLBOX.ORG/DEVELOPMENT-PROCESS](https://www.housingtoolbox.org/development-process) HAS A GREAT RUNDOWN OF THE FULL PROCESS, BUT THE BASIC STEPS INCLUDE

CONCEPT

PREDEVELOPMENT

CONSTRUCTION

LEASE-UP/OCCUPANCY AND ONGOING OPERATIONS



Housing Production (Continued)

WHERE DOES THE COMMUNITY HAVE INPUT AND IMPACT?

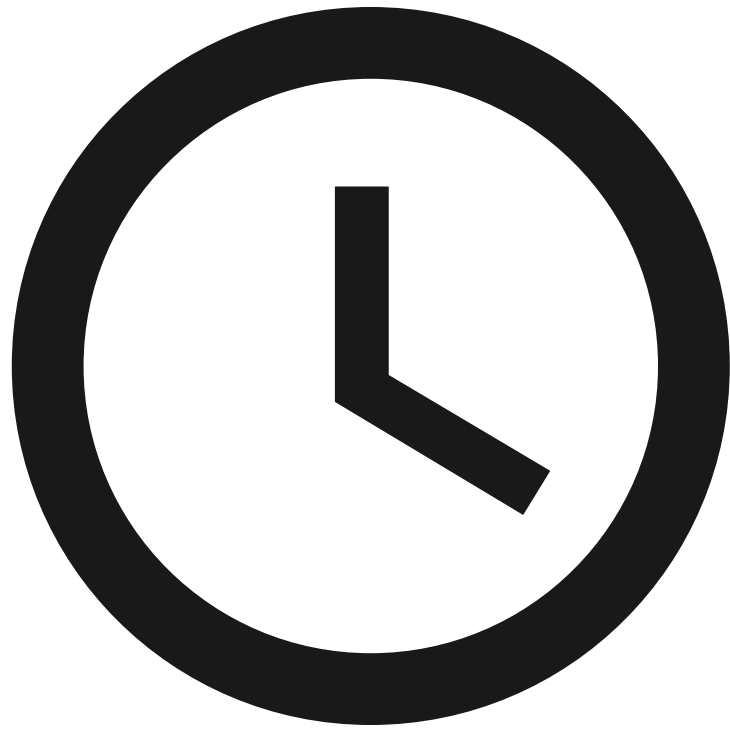
DEVELOPMENT OF STRATEGIES AT THE MUNICIPAL LEVEL – HOUSING NEEDS ASSESSMENT AND HPP (HOUSING PRODUCTION PLAN)

IDENTIFYING AND SUPPORTING MUNICIPAL OWNED SITES AS LOCATIONS FOR HOUSING AND AFFORDABLE HOUSING

PLANNING AND ZONING MEETINGS TO DISCUSS PROPOSED PROJECTS – REQUIRE CITIZEN INPUT AND THIS IS YOUR TIME TO HEAR WHAT DEVELOPERS ARE PROPOSING, GIVE YOUR INPUT AND ASK YOUR REPRESENTATIVES TO ENSURE PROJECTS REFLECT COMMUNITY NEEDS/DESIRES AND ARE FEASIBLE

Housing Production (Continued)

YOU CAN SUBMIT LETTERS, APPEAR AT MEETINGS AND GIVE TESTIMONY, CONDUCT CAMPAIGNS TO ELECTED OFFICIALS, WRITE OP-EDS AND LETTERS TO THE EDITOR TO GET MORE ATTENTION, ADDRESS COMMUNITY CONCERNS AND DEBUNK MYTHS AS THEY COME UP IN THE COMMUNITY ENGAGEMENT PROCESS



PAUSE FOR QUESTIONS

**Next: Systemic Racism and
Housing Inequities**

Systemic Racism and Housing Inequities

[HTTPS://WWW.SEGREGATEDBYDESIGN.COM/](https://www.segregatedbydesign.com/)

MANY OF THE HOUSING CONDITIONS WE TAKE FOR GRANTED TODAY
AND ASSUME ARE ACCIDENTAL ARE BY DESIGN

REDLINING

RESTRICTIVE COVENANTS

DISCRIMINATION

MORTGAGE LENDING

EXCLUSIONARY ZONING

LOCATIONS OF PUBLIC HOUSING AND AFFORDABLE HOUSING DEVELOPMENTS

ALL OF THIS HAS LED TO A HOUSING SYSTEM THAT IS INEQUITABLE. AS THESE POLICIES AND PROGRAMS WERE CREATED BY DESIGN, SO TOO MUST BE OUR REMEDIES TO UNDO THEM.

WHEN YOU ARE REVIEWING ANY HOUSING OR AFFORDABLE HOUSING STRATEGY, KEEP IN MIND THAT POTENTIAL IT MAY HAVE TO UNDO SYSTEMIC RACISM IN HOUSING AND ZONING, OR POTENTIAL TO REINFORCE IT.

Neighborhood Defenders: Participatory Politics and America's Housing Crisis

COMPARED WITH VOTERS, COMMENTERS WERE DISPROPORTIONATELY WHITE, MALE, OLDER, AND HOMEOWNERS.

THESE TRENDS PERSIST IN HIGH- AND LOW-COST CITIES, AND CONTRIBUTE TO AN INADEQUATE HOUSING SUPPLY IN HIGHLY DESIRABLE NEIGHBORHOODS.

NEIGHBORHOOD DEFENSE IN ADVANTAGED NEIGHBORHOODS PUSHES DEVELOPMENT INTO LESS AFFLUENT COMMUNITIES, LEADING TO GENTRIFICATION AND DISPLACEMENT

HOUSINGPOLITICS.COM

COMMUNITY SUPPORT CAN MAKE
OR BREAK HOUSING
DEVELOPMENT AT LOCAL LEVEL,
BUT MANY COMMUNITIES HAVE NO
STRATEGY OR COALITION TO BUILD
LOCAL SUPPORT.



Coalition Building Model

MUNICIPAL STAFF

ELECTED OFFICIALS

HOUSING ADVOCATES AND DEVELOPERS

LOCAL BUSINESSES

CIVIC GROUPS

HOUSES OF WORSHIP

ENVIRONMENTAL GROUPS

SERVICE PROVIDERS

RESIDENTS (RENTERS, HOMEOWNERS)

CULTURAL GROUPS

BLACK LIVES MATTER SUPPORTERS

What Does Success Look Like?



Thank You

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