



The Town of Barnstable
Affordable Housing Growth & Development
Trust Fund Board
367 Main Street, Hyannis MA 02601
www.town.barnstable.ma.us

Mark S. Ells, Chair

November 15, 2021

Lindsey Counsell, Chair
Community Preservation Committee
367 Main Street
Hyannis, MA 02601

Re: Report on the Affordable Housing/Growth & Development Trust Fund Activities Relating to the Award of Community Preservation Funds for Period from August 1, 2021 through October 31, 2021.

Dear Mr. Counsell:

On behalf of the Affordable Housing/Growth & Development Trust Fund Board, I am submitting the following report regarding the Trust's activities for the period from August 1, 2021 through October 31, 2021.

FUNDING ACTIVITIES

Issuance of the Notice of Funding Availability (NOFA) for FY 2022-2023.

The Trust is in the process of issuing a new Notice of Funding Availability (NOFA) for Fiscal Years 2022-2023 to reflect the increase in Community Preservation funds as a result of the CPC's positive recommendation and the unanimous vote of the Town Council. The NOFA will offer funding for Development Activities to support gap funding, where there is a shortfall of private and public funding to support the development of affordable/community housing, rental or homeownership units. Development activities include land acquisition, new construction, redevelopment of existing structures or buildings, the conversion of market units to affordable housing units and may include mixed-use development opportunities, in rounds. Applications for the first round of funding are due on January 22, 2022. Funds will also be available on rolling basis for Pre-Development Activities to enable a developer to determine the viability of residential development on a particular site, whether the site is vacant or developed. Funds will be made available for costs related to architect and engineering fees, financial feasibility analyses, appraisals, 21E reports, and other costs associated with examining the feasibility of an affordable housing and/or community housing development.

Seeking partnerships to leverage Community Preservation Act Funds for Community Housing.

The Trust has continued its dialogue with the Massachusetts Housing Partnership (MHP) to explore the possibility of being one of the Gateway cities which combines Community Preservation Act (CPA) funding and MHP's ONE + Mortgage program. As discussed in the Trust's previous report, the combination of CPA funds with the reduced interest rate offered by MHP's ONE + Mortgage program significantly increases the buying power of income-eligible purchasers, thereby helping to bridge the affordability gap.

Potential use of town-owned parcels for the development of affordable housing.

The Trust continues to work with the Town to explore the development of affordable housing on the portion of the property now addressed as 1200 Phinney's Lane, Hyannis, MA (Map 274, Parcel 031) which was formerly owned by the Disabled American Veterans (DAV).

EX[COMMUNITY PRESERVATION FUNDS EXPENDED DURING REPORTING PERIOD:

Administrative Support:

\$1,537.50 for staff wages and the associated Medicare expense of \$22.29.

PENDING EXPENDITURES:

Grant to the Cape and Islands Veterans Outreach Center, inc. for \$90,000 in to support the creation of 5 single room occupancy (SRO) units for homeless veterans to be located at 1341 route 134, Dennis, Ma.

On October 15, 2021, the Trust voted to approve the request of The Cape and Islands Outreach Center to convert the approved \$90,000 loan to a grant subject to the execution of an Amended Grant Agreement and the recordation of an Affordable Housing Restriction.

Award of \$1.4 million dollars to Standards Holdings, LLC from CPA funds held by the Trust to create ten (10) affordable rental units, which units would be affordable in perpetuity to households earning 50% or below of the Area Median Income (AMI).

The Trust has been working with Standard Holdings LLC and its Senior Lender, Bank Five, to meet the conditions of the Grant Agreement so the funds can be disbursed. Pursuant to the Agreement between Bank Five and the Trust, the Trust funds will be disbursed on a *pro rata* basis, subject to periodic inspections, with 10% of the \$1.4 million dollars to be withheld by Bank Five until occupancy permits are issued for all 53 units.

COMMUNITY PRESERVATION FUNDS RECAPTURED DURING REPORTING PERIOD.

Return of \$295,170 in Community Preservation Act Funds from the Housing Assistance Corporation

As was previously reported to the CPC, at the beginning of the pandemic, the Trust awarded a grant to the Housing Assistance Corporation in the amount of \$300,000 for temporary emergency rental assistance. Under the terms of the Trust's Grant Agreement, CPA funds could only be used after county, state, federal and private funds were expended for eligible Barnstable residents. As per the terms of the Grant Agreement, on September 24, 2021, HAC returned \$295,170 in unexpended CPA funds to the Trust.

Trust members and staff are available to appear before the CPC to answer any questions that you may have regarding the report. Thank you.

Sincerely,



Mark S. Ellis, Trust Chair

cc: Town Council

cc: Housing Committee