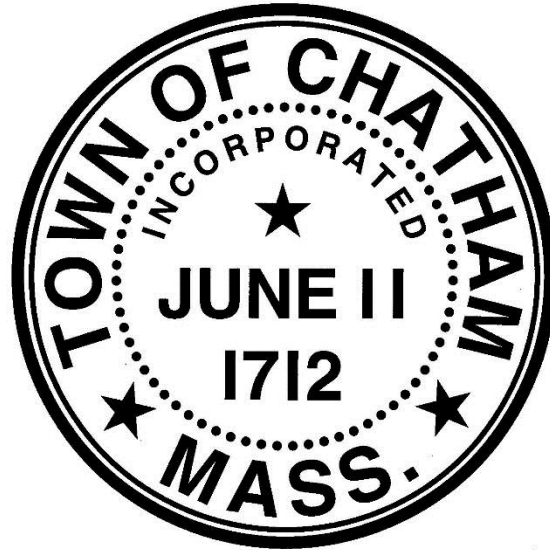


TOWN of CHATHAM, MASSACHUSETTS



HOUSING GUIDELINES AND APPLICATION PACKAGE

Chatham Affordable Housing Trust

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Approved March 31, 2015

**Chatham Affordable Housing Trust
Housing Guidelines and Application Package**

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Town of Chatham Affordable Housing Trust Fund Housing Guidelines

I. Roles and Responsibilities of the Affordable Housing Trust¹

In 2006, on the recommendation of the Affordable Housing Committee (AHC), Chatham Town Meeting approved Article 16 creating an Affordable Housing Trust Fund (AHTF) for the specific purpose of establishing a mechanism for the Town to receive funds to plan for and create affordable housing. The Trust is managed by a Board of Trustees, made up of members of the Board of Selectmen and two (2) appointees, who appropriate funds for the creation and preservation of affordable housing in Chatham. The Trust Fund can be funded through contributions from developers under the Inclusionary Zoning Bylaw, as well as funds appropriated under the Community Preservation Act (CPA), MGL Chapter 44B and Chapter 267 of the Acts 2000 as amended, and other sources.

Details of the Trust are as follows:

- Management of the Trust - Administered by a Board of Trustees (the “Trustees”) which includes seven (7) trustees, including all of the members of the Board of Selectmen, with the remaining two (2) members to be appointed by the Board of Selectmen. Trustees serve for a term not to exceed three (3) years. A quorum of the Board of Trustees shall be the majority of the number of authorized Trustees, four (4), except when voting to appropriate funds and in that instance the minimum necessary members present shall be five (5).
- Powers of Trustees - As stated in the Act, the Trustees may undertake any activity that would create and preserve affordable housing for the benefit of low and moderate income households. Their powers include, but are not limited to, the right to receive, purchase, and convey real or personal property; to exchange deeds, contracts, and various other legal documents in connection with the Trust’s activities; to employ and compensate advisors and agents; to conduct itself in its discretion with respect to legal claims by or against the Trust; to manage or improve real property and to abandon property when the Trustees deem advisable; and to extend the time for payment of any obligation to the Trust.²
- Trust Assets - The Act provides that any money paid to the Trust through grants, a zoning ordinance or bylaw, as an exaction fee, or from private contributions shall be deposited directly into the Trust’s account and need not be appropriated or accepted and approved into the Trust. When general revenues of a municipality are appropriated to the Trust, the Trust retains money so appropriated as Trust property and may expend it without further appropriation. Moreover, funds remaining in the Trust at the expiration of a fiscal year stay with the Trust, irrespective of when such money was received. The Trustees are required to obtain an independent audit of all books and records on an annual basis, in accordance with accepted accounting practices.

¹ Created pursuant to Massachusetts General Law Chapter 44, Section 55C.

² Eliminating the Trust’s ability to borrow money requires amending §10-5. Affordable Housing Trust Fund of the General Bylaws to make distributions or divisions of principal in kind.

- Legal Status of the Trust - The Trust is deemed to be a public employer and municipal agency pursuant to MGL Chapter 268A. Likewise, Trustees are classified under the Act as public employees and special municipal employees, also in accordance with the terms of MGL Chapter 268A. As a governmental body, the Trust must comply with the open meeting requirements set forth under MGL Chapter 39 and is likewise subject to MGL Chapter 40, Section 15A and MGL Chapter 30B with the exception that agreements and conveyances between a Trust and other public instrumentalities are excluded from the application of Chapter 30B.
- Community Preservation Act - Section 2 of Chapter 491 of the Acts of 2004, “Municipal Affordable Housing Trust Fund” bill (effective April 7, 2005) amended Section 5 of the Community Preservation Act (MGL Chapter 44B) by giving cities and towns the right to appropriate money from the Community Preservation Act funds into an Affordable Housing Trust. Funds paid to the AHTF are specifically limited to affordable housing purposes and not for general administrative expenses.
- Respective Roles of the Trustees and Other Local Housing Entities - The role and purpose of the Board of Trustees is to manage the Affordable Housing Trust Fund in order to create and preserve affordable housing. The Board has the authority to use the Trust funds to purchase real estate, among other powers listed above. Therefore, the Board of Trustees will take an active and direct role in creating and preserving affordable housing in Chatham - a “brick and mortar” approach.

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 Chatham in addition to advocating for affordable housing opportunities, recommending changes to Town bylaws, and establishing standards of eligibility for affordable housing in Chatham.

The Chatham Housing Authority was established by the state pursuant to MGL Chapter 121B, Section 3 to build, maintain and administer affordable housing with particular attention to the elderly, disabled and families. While not a part of municipal government, the Housing Authority has been an effective partner with the Town in promoting affordable housing opportunities. The Authority not only has been involved in the development and/or management of 158 units of affordable housing but also manages five (5) Section 8 Housing Choice Vouchers and four (4) MRVP vouchers. The Chatham Housing Authority has also been effectively administering a number of special programs that have assisted qualifying residents in accessing homeownership and rental opportunities (Chatham Homebuyer Assistance Program/CHAP, Chatham Housing Opportunities Program/CHOP, MCI Rent Escrow Program, Chatham Voucher Program, etc.).

II. Funding Priorities

The Trustee Board has prepared a Housing Policy Statement that provides information on the local housing goals and priority housing needs that were identified in the Town’s 2012 Housing Production Plan as well as **six (6) guiding principles**. Whenever possible, the Town of Chatham will pursue affordable housing development opportunities that:

Highest priority

1. Increase housing opportunities available to those who live or work in the community but are hard-pressed to find affordable housing in Chatham or are finding it difficult to continue to afford to live in the community. While the goals set forth in the Housing Production Plan suggests the need to make strides towards reaching the 10% state affordability goal under Chapter 40B, the Town should give top priority to pursuing housing opportunities that support its local citizenry even if the units may not be eligible for inclusion in the state Subsidized Housing Inventory (SHI).
2. Develop year-round affordable rental units to serve Chatham's most financially vulnerable residents.

Lower priority

3. Identify and take advantage of properties that have discounted or nominal acquisition costs, such as town owned or tax foreclosure properties, to make the development of affordable housing more financially feasible.
4. Minimize impacts on the built environment such as accessory apartments, small infill developments in existing neighborhoods, or buy-down initiatives that convert existing housing into affordable units.
5. Develop a range of projects to serve a range of housing needs including housing for families, seniors, and special needs populations.
6. Encourage mixed-income development to minimize stigmas associated with concentrations of low-income units.

By establishing this proactive affordable housing policy, Chatham plans to continue to shape its housing agenda to fit its own needs for more diversity in housing types and cost, while still complementing the community's traditional development patterns and advancing the town's efforts to meet state affordability goals as opportunities arise.

III. Eligible Activities

The Housing Trust Fund can be used in support of the following activities:

- Predevelopment Activities – Includes costs related to architect and engineering fees, legal fees, financial feasibility analyses, permits, appraisals, 21E reports, property acquisition, and other costs associated with examining the feasibility of a potential development including improving projects such as septic upgrades, creating additional open space, designing passive/active recreational space, etc. (*Note: The items listed above are limited to funding through loans only, with the exception that the AHTF Trustees may authorize a self-initiated grant for any amount for projects included in this category*).
- Development Activities – Includes costs related to filling the gap between total project costs (minus other private and public funding) and what qualifying occupants (owners or renters) can afford to pay. Development activities include new construction, rehabilitation and redevelopment.

- Housing Preservation and Improvement Activities – Includes costs related to preserving the relative affordability of private unsubsidized housing units (little “a” affordable units), insuring the continued affordability of SHI units (big “A” affordable units), as well as making necessary improvements or replacing unsound structures, thus enabling residents to afford to remain in the community.
- Direct Assistance Activities – Includes direct support to eligible households to lower the costs of obtaining housing in Chatham and/or affording to remain in the community. The Town of Chatham has been a pioneer in its creation of special programs that provide important assistance to residents, establishing models that other communities have adopted such as Chatham Homebuyer Assistance Program (CHAP), Chatham Housing Opportunities Program (CHOP), MCI Rent Escrow Program, Chatham Voucher Program, etc. Such direct assistance has been important in addressing the local needs of some of the community’s most “at risk” residents.
- Multiple Use Activities – Includes support for developments that incorporate housing and one or more of the other categories of CPA funding – historic preservation, open space preservation and eligible recreational opportunities.

IV. Funding Guidelines

The Board of Trustees has established the following funding guidelines for eligible activities:

- All financial transactions undertaken by the Trust must comply with Community Preservation Act (CPA) guidelines.
- Funding for predevelopment and/or acquisition activities will be provided in the form of a zero percent deferred loan of up to \$100,000 for a term of two (2) years, after which interest of 3% begins to accrue. The loan and any accrued interest are due and payable at the time of construction financing with the funding revolving back into the Housing Trust Fund. *The AHTF Trustees may authorize a self-initiated grant for projects included in this category for any amount of funding.*
- All affordable units must be deed restricted unless the Housing Trust funding is less than \$25,000 per unit. If Housing Trust Funds are used for housing rehabilitation purposes involving more than \$50,000 per unit, a 15-year deed restriction will apply.
- Development grants are limited to no more than \$25,000 per unit.
- Development loans are limited to up to \$100,000 per unit. The Board of Trustees will determine the interest rate of between 0% and 3%, depending upon project feasibility. Payments will be deferred until the property is transferred unless the recipient is determined to be in violation of loan terms (allowances for extenuating circumstances, appeal process) in which case payments will be due. Any loan proceeds will be deposited into the Housing Trust Fund. All loans must be in the form of a mortgage against the property and may be subordinated to other project lenders. Deed riders for 15 years are required for projects where the loan is more than \$25,000 per unit and required in perpetuity for loans of more than \$50,000/unit.

- Funding guidelines can be modified upon a unanimous vote of the Board of Trustees.

Summary of Funding Guidelines by Eligible Activities

ELIGIBLE ACTIVITIES	GRANTS		LOANS		
	ELIGIBILITY	DEED RESTRICTIONS	ELIGIBILITY	DEED RESTRICTIONS	LOAN TERMS
Predevelopment/ Acquisition <i>*The AHTF Trustees may authorize a self-initiated grant for projects included in this category for any amount of funding.</i>	*NO	N/A	YES Up to \$100,000	NO	deferred payment at 0% for 2 years and 3% after that; secured by a note and mortgage with full payment due upon construction closing
Development Activities Housing Preservation/Rehab Multiple Use Projects	YES Up to \$25,000/unit	YES 15 Years	YES Up to \$100,000/unit	YES <= \$25,000/ unit = 15 Years >\$25,000 - \$50,000/unit = 30 Years >\$50,000/unit = Perpetuity	0% to 3% interest; payments deferred until property is transferred
Direct Assistance			YES Up to \$25,000/ household	NO	0% to 3% interest; payments deferred until property is transferred

V. Application Process

The application process involves providing information to the Town’s Affordable Housing Committee, Community Preservation Committee, and Housing Trust before funding approvals can be granted. All submissions, scheduling and communications will be through the Chatham Community Development Department. The Board of Trustees will potentially hold two (2) annual funding rounds with submission and review deadlines as described below, assuming there is sufficient funding to warrant two (2) rounds. The Spring Round will become optional.

Fall Funding Round

Deadline	Task
October 15	Submit pre-application to the Affordable Housing Committee (AHC) via the Town's Community Development Department ³ for recommendation to Board of Trustees
Before Nov. 15	Present proposal to the Community Preservation Committee for informational purposes only ⁴
November 15	Submit full application to the Community Development Department, assuming go-ahead from the Affordable Housing Committee on the pre-application
December	Board of Trustees meet to review application(s) and determine if any additional information is required
January 15	Board of Trustees votes to grant or disapprove application(s)

Spring Funding Round (Optional)

Deadline	Task
March 15	Submit pre-application to the Affordable Housing Committee via the Town's Community Development Department (see footnote #3) for recommendation to Board of Trustees.
Before April 15	Present proposal to the Community Preservation Committee for informational purposes only (see footnote #4)
April 15	Submit complete application to the Community Development Department, assuming go-ahead from the AHC on the pre-application
May	Board of Trustees meet to review applications and determine if any additional information is required from applicants
June 15	Board of Trustees votes to grant or disapprove application(s)

Only those projects that receive the approval of the Board of Trustees are eligible to access funding from the Affordable Housing Trust Fund. The approved applicant must enter into a contract with the Affordable Housing Trust that specifies the purpose and scope of the project, projected timeframe, and approved funding for the project. The applicant must submit an original copy of the signed contract to the Community Development Department which will forward it to the CPC.

Tasks are to be completed on or before the dates listed above. If the date falls on a weekend or legal holiday observed by the Town of Chatham, the deadline will be the next following business day. Applications must be submitted no later than 4:00 p.m. to the Board of Trustees via the Community Development Department.

³ At least five (5) Affordable Housing Committee members must vote in the affirmative on a proposed project to pass on a favorable recommendation to the Trustees.

⁴ The presentation to the Community Preservation Committee may be made concurrently with the presentation to the Board of Trustees.

Note: If the project is time-sensitive the Board of Trustees may accept applications off-cycle on an as-need basis at the Board of Trustees’ discretion.

VI. Selection Criteria

The Board of Trustees will apply the following selection criteria in its review of applications:

Priority Order	Total Points	Selection Criteria
1	40	The project/program proposal is consistent with the Board of Trustees’ Funding Priorities. These include the following: Highest priority 1. Increase housing opportunities available to those who live or work in the community but are hard-pressed to find affordable housing in Chatham or are finding it difficult to continue to afford to live in the community. While the goals set forth in the Housing Production Plan suggests the need to make strides towards reaching the 10% state affordability goal under Chapter 40B, the Town should give top priority to pursuing housing opportunities that support its local citizenry even if the units may not be eligible for inclusion in the state Subsidized Housing Inventory (SHI). 2. Develop year-round affordable rental units to serve Chatham’s most financially vulnerable residents.
	20	Lower priority 3. Identify and take advantage of properties that have discounted or nominal acquisition costs, such as town owned or tax foreclosure properties, to make the development of affordable housing more financially feasible. 4. Minimize impacts on the built environment such as accessory apartments, small infill developments in existing neighborhoods, or buy-down initiatives that convert existing housing into affordable units. 5. Develop a range of projects to serve a range of housing needs including housing for families, seniors, and special needs populations. 6. Encourage mixed-income development to minimize stigmas associated with concentrations of low-income units.
2	20	The funding request is reasonable as a portion of the overall project costs and on a per-unit basis and adheres to the Town’s Funding Guidelines.
3	10	The development pro forma demonstrates that the project is feasible (not applicable if Trust Funds are requested for predevelopment activities to determine feasibility).
4	10	The applicant has demonstrated significant leveraging of the requested Trust Funds with other public and/or private funding sources.
5	10	The applicant is qualified to undertake the project and has demonstrated success in similar capacity with comparable projects.
6	10	The applicant has demonstrated appropriate site control.
7	10	Projects providing additional public benefits such as open space, historic preservation, public safety, economic development, etc.
8	10	The project meets demonstrated community needs.
9	10	The applicant has demonstrated project support by other Town boards, committees, the Cape Cod Commission, other pertinent organization, and Chatham citizens, as appropriate.

The calculations involve 40 points when a project meets any or both of the highest priority criteria, 20 points if it meets any of the lower priorities and 20 or 10 points as listed for each of the other criteria.

VII. Project Monitoring

The Board of Trustees, with staff support from the Community Development Department, will work with the state's Department of Housing and Community Development (DHCD) and the project sponsors to insure that all units that have been funded by the Affordable Housing Trust Fund to be eligible for inclusion on the Subsidized Housing Inventory (SHI) meet all requirements to get counted as part of the SHI and are monitored to insure the continued affordability of such units.

It will also be important to monitor the affordability of units that have received Affordable Housing Trust funding but are not eligible for inclusion on the Subsidized Housing Inventory (SHI). In these cases, the Board of Trustees, with support from the Community Development Department (CDD), must annually confirm the continued occupancy and eligibility of unit occupants. At the beginning of each calendar year, the CDD will do the following:

- Check Assessors records and resident mail listings to verify the continued occupancy of the units. If the units involve homeownership, the deed rider will require that the occupant notify the Town upon any intent to sell, and the Town will have an opportunity to purchase or resell the unit based on a prescribed process included in the deed rider (adaptation of DHCD's deed rider). If the units involve rentals, send a formal certified letter to the project sponsor requesting documentation regarding the incomes of the tenants and a copy of their leases to insure that the tenants are within prescribed income limits and have rents that do not exceed acceptable Fair Market Rents (FMR's).
- Check the Barnstable County Registry of Deeds to make sure that there have been no changes in ownership/residency.
- Prepare an annual compliance report that documents the continued affordability of these units.

VIII. Reporting

With staff support from the Community Development Department, the Board of Trustees must prepare and submit an annual report that summarizes the use of Housing Trust funds during the fiscal year including amounts of funding, type of funding, project description and status, as well as the balance in the Affordable Housing Fund. The Trustees are also required to obtain an independent audit of all books and records on an annual basis, in accordance with accepted accounting practices.

IX. Periodic Updating of Housing Guidelines

These Housing Guidelines must be reviewed and updated a minimum of once every three (3) years by the Board of Trustees with input from the CPC and the AHC. The Board of Trustees is responsible for approving any changes and can also chose to amend the Guidelines within the 3-year period if it determines that certain requirements are no longer effective or viable.

Town of Chatham Affordable Housing Trust Application Package

I. Application Process

Pre-application/Project Summary

Based on the schedule included below, you may submit a one-page summary of your project at any time to the Chatham Affordable Housing Committee (AHC) and the Community Preservation Committee (CPC). The AHC will review the pre-application and make a recommendation to the Board of Trustees. You may submit the pre-application by email or hard copy to the AHC and CPC through Chatham's Community Development Department via the contact information provided below. All submissions, scheduling and communications will be through the Chatham Community Development Department.

For informational purposes, the project developer and/or representatives of the housing groups in support of the application must also present the project to the Chatham Community Preservation Committee (CPC). The CPC shall not endorse or deny the project as the presentation is solely required to keep the CPC apprised of any action to potentially drawdown funding from the Chatham Affordable Housing Trust Fund. The presentation to the Community Preservation Committee may also be made concurrently with the presentation to the Affordable Housing Committee.

The Board of Trustees will then review the pre-application in the context of AHC's recommendation and determine funding eligibility based on their funding priorities and Housing Guidelines. If the Board of Trustees determines that the proposed project meets these priorities and Guidelines, you will be invited to submit a full application.

Full Application

Complete applications must be received in accordance with the schedule described below. **If the project is time-sensitive, the Board of Trustees may accept applications off-cycle on an as-need basis at the Board of Trustees' discretion.**

1. Please submit six (6) hardcopies of your complete application to the following:
Board of Trustees, Affordable Housing Trust Fund
C/o Community Development Department
261 George Ryder Road
Chatham, MA 20633
2. Email a pdf of the complete application to druffer@chatham-ma.gov .
3. If you have any questions, please email, druffer@chatham-ma.gov or call 508-945-5168.
4. This Application Package is available online at:

http://www.chatham-ma.gov/Public_Documents/ChathamMA_BComm/TrustFund

The Board of Trustees will potentially hold two (2) annual funding rounds with submission and review deadlines as described below, assuming there is sufficient funding to warrant two (2) rounds. The Spring Round will become optional.

Fall Funding Round

Deadline	Task
October 15	Submit pre-application to the Affordable Housing Committee (AHC) via the Town’s Community Development Department ⁵ for recommendation to Board of Trustees
Before Nov. 15	Present proposal to the Community Preservation Committee for informational purposes only ⁶
November 15	Submit full application to the Community Development Department, assuming go-ahead from the AHC on the pre-application
December	Board of Trustees meet to review application(s) and determine if any additional information is required
January 15	Board of Trustees votes to grant or disapprove application(s)

Spring Funding Round (Optional)

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March 15	Submit pre-application to the Affordable Housing Committee via the Town’s Community Development Department (see footnote #3) for recommendation to Board of Trustees.
Before April 15	Present proposal to the Community Preservation Committee for informational purposes only (see footnote #4)
April 15	Submit complete application to the Community Development Department, assuming go-ahead from the AHC on the pre-application
May	Board of Trustees meet to review applications and determine if any additional information is required from applicants
June 15	Board of Trustees votes to grant or disapprove application(s)

Tasks are to be completed on or before the dates listed above. If the date falls on a weekend or legal holiday observed by the Town of Chatham, the deadline will be the next following business day. Applications must be submitted no later than 4:00 p.m. to the Board of Trustees.

II. Eligible Activities

The Housing Trust Fund can be used in support of the following activities:

- Predevelopment Activities – Includes costs related to architect and engineering fees, legal fees, financial feasibility analyses, permits, appraisals, 21E reports, property acquisition, and other costs associated with examining the feasibility of a potential development including improving projects such as septic upgrades, creating additional open space, designing passive/active recreational space, etc. *(Note: The items listed above are limited to funding through loans only, with the exception that the AHTF Trustees may authorize a self-initiated grant for any amount for projects included in this category).*

⁵ At least five (5) Affordable Housing Committee members must vote in the affirmative on a proposed project to pass on a favorable recommendation to the Trustees.

⁶ The presentation to the Community Preservation Committee may be made concurrently with the presentation to the Board of Trustees.

- Development Activities – Includes costs related to filling the gap between total project costs (minus other private and public funding) and what qualifying occupants (owners or renters) can afford to pay. Development activities include new construction, rehabilitation and redevelopment.
- Housing Preservation and Improvement Activities – Includes costs related to preserving the relative affordability of private unsubsidized housing units (little “a” affordable units), insuring the continued affordability of SHI units (big “A” affordable units), as well as making necessary improvements or replacing unsound structures, thus enabling residents to afford to remain in the community.
- Direct Assistance Activities – Includes direct support to eligible households to lower the costs of obtaining housing in Chatham and/or affording to remain in the community. The Town of Chatham has been a pioneer in its creation of special programs that provide important assistance to residents, establishing models that other communities have adopted such as the Chatham Homebuyer Assistance Program (CHAP), Chatham Housing Opportunities Program (CHOP), MCI Rent Escrow Program, Chatham Voucher Program, etc. Such direct assistance has been important in addressing the local needs of some of the community’s most “at risk” residents.
- Multiple Use Activities – Includes support for developments that incorporate housing and one or more of the other categories of CPA funding – historic preservation, open space preservation and eligible recreational opportunities.

III. Funding Guidelines

The Board of Trustees has established the following funding guidelines for eligible activities:

- All financial transactions undertaken by the Trust must comply with Community Preservation Act (CPA) guidelines.
- Funding for predevelopment and/or acquisition activities will be provided in the form of a zero percent deferred loan of up to \$100,000 for a term of two (2) years, after which interest of 3% begins to accrue. The loan and any accrued interest are due and payable at the time of construction financing with the funding revolving back into the Housing Trust Fund. *The AHTF Trustees may authorize a self-initiated grant for projects included in this category for any amount of funding.*
- All affordable units must be deed restricted unless the Housing Trust funding is less than \$25,000 per unit. If Housing Trust Funds are used for housing rehabilitation purposes involving more than \$50,000 per unit, a 15-year deed restriction will apply.
- Development grants are limited to no more than \$25,000 per unit.
- Development loans are limited to up to \$100,000 per unit. The Board of Trustees will determine the interest rate of between 0% and 3%, depending upon project feasibility. Payments will be deferred until the property is transferred unless the recipient is determined to be in violation of

loan terms (allowances for extenuating circumstances, appeal process) in which case payments will be due. Any loan proceeds will be deposited into the Housing Trust Fund. All loans must be in the form of a mortgage against the property and may be subordinated to other project lenders. Deed riders for 15 years are required for projects where the loan is more than \$25,000 per unit and required in perpetuity for loans of more than \$50,000/unit.

- Funding guidelines can be modified upon a unanimous vote of the Board of Trustees.

Summary of Funding Guidelines by Eligible Activities

ELIGIBLE ACTIVITIES	GRANTS		LOANS		
	ELIGIBILITY	DEED RESTRICTIONS	ELIGIBILITY	DEED RESTRICTIONS	LOAN TERMS
Predevelopment/ Acquisition <i>*The AHTF Trustees may authorize a self-initiated grant for projects included in this category for any amount of funding.</i>	*NO	N/A	YES Up to \$100,000	NO	deferred payment at 0% for 2 years and 3% after that; secured by a note and mortgage with full payment due upon construction closing
Development Activities Housing Preservation/Rehab Multiple Use Projects	YES Up to \$25,000/unit	YES 15 Years	YES Up to \$100,000/unit	YES ≤ \$25,000/unit = 15 Years >\$25,000 - \$50,000/unit = 30 Years >\$50,000/unit = Perpetuity	0% to 3% interest; payments deferred until property is transferred
Direct Assistance			YES Up to \$25,000/ household	NO	0% to 3% interest; payments deferred until property is transferred

IV. Selection Criteria

All applications must meet the submission requirements included in the above checklist. Beyond that the Board of Trustees will use the following selection criteria and corresponding point system to evaluate applications:

Priority Order	Total Points	Selection Criteria
1	40	The project/program proposal is consistent with the Board of Trustees' Funding Priorities. These include the following: Highest priority 1. Increase housing opportunities available to those who live or work in the community but are hard-pressed to find affordable housing in Chatham or are finding it difficult to continue to afford to live in the community. While the goals set forth in the Housing Production Plan suggests the need to make strides towards reaching the 10% state affordability goal under Chapter 40B, the Town should give top priority to pursuing housing opportunities that support its local citizenry even if the units may not be eligible for inclusion in the state Subsidized Housing Inventory (SHI). 2. Develop year-round affordable rental units to serve Chatham's most financially vulnerable residents.
	20	Lower priority 3. Identify and take advantage of properties that have discounted or nominal acquisition costs, such as town owned or tax foreclosure properties, to make the development of affordable housing more financially feasible. 4. Minimize impacts on the built environment such as accessory apartments, small infill developments in existing neighborhoods, or buy-down initiatives that convert existing housing into affordable units. 5. Develop a range of projects to serve a range of housing needs including housing for families, seniors, and special needs populations. 6. Encourage mixed-income development to minimize stigmas associated with concentrations of low-income units.
2	20	The funding request is reasonable as a portion of the overall project costs and on a per-unit basis and adheres to the Town's Funding Guidelines.
3	10	The development pro forma demonstrates that the project is feasible (not applicable if Trust Funds are requested for predevelopment activities to determine feasibility).
4	10	The applicant has demonstrated significant leveraging of the requested Trust Funds with other public and/or private funding sources.
5	10	The applicant is qualified to undertake the project and has demonstrated success in similar capacity with comparable projects.
6	10	The applicant has demonstrated appropriate site control.
7	10	Projects providing additional public benefits such as open space, historic preservation, public safety, economic development, etc.
8	10	The project meets demonstrated community needs.
9	10	The applicant has demonstrated project support by other Town boards, committees, the Cape Cod Commission, other pertinent organization, and Chatham citizens, as appropriate.

The calculations involve 40 points when a project meets any or both of the highest priority criteria, 20 points if it meets any of the lower priorities and 20 or 10 points as listed for each of the other criteria listed.

V. APPLICATION FORM

Project/Program Name: _____

Project Location

Street Address: _____ **Assessor's Map & Lot #:** _____

Legal Property Owner of Record: _____

Sponsor(s)/Organization: _____

Contact Person Name & Title: _____

Telephone: _____ **Email:** _____

Mailing Address: _____

Budget Summary

Total Trust Funds Requested: _____

Total Project Cost: _____

Sponsor's Signature: _____ **Date:** _____

Sponsor's Printed Name & Title: _____

Project Summary: *Please summarize the proposed project and any special features (support services, sustainability or energy conservation components, historic preservation, etc.)*

Suggested Vote Language (only for use by the Affordable Housing Trustees)

1. Sources of Funds: Check all that apply, include dollar amount, and circle if funds are committed or proposed.

- | | | | |
|--------------------------|-------------------------------------|---------|--------------------|
| <input type="checkbox"/> | Chatham Affordable Housing Trust | \$_____ | committed/proposed |
| <input type="checkbox"/> | Chatham Community Preservation Fund | \$_____ | committed/proposed |
| <input type="checkbox"/> | Private Bank Loan | \$_____ | committed/proposed |
| <input type="checkbox"/> | Sales Revenue | \$_____ | committed/proposed |
| <input type="checkbox"/> | Other: _____ | \$_____ | committed/proposed |
| <input type="checkbox"/> | Other: _____ | \$_____ | committed/proposed |
| <input type="checkbox"/> | Other: _____ | \$_____ | committed/proposed |

2. Uses of Funds: Check all that apply.

- Predevelopment (feasibility, engineering, appraisals, environmental studies/testing/mitigation, legal work, etc.)
- Acquisition
- Rehabilitation/Capital Improvements
- Site Preparation (tree clearing, earth removal, etc.)
- New Construction
- Redevelopment
- Other (please explain) _____

3. Targeted Population: Check all that apply.

- Family
- Homeless/At Risk of Homelessness
- Housing with Support Services (identify service providers): _____
- Other (identify): _____
- Senior/Elderly
- Special Needs (identify population): _____

4. Type of Housing: Check all that apply.

- | | |
|--|--|
| Homeownership: | Rental: |
| <input type="checkbox"/> Single-family | <input type="checkbox"/> Single Room Occupancy |
| <input type="checkbox"/> Condominium | <input type="checkbox"/> Individual/Family |
| <input type="checkbox"/> Cooperative | <input type="checkbox"/> Group Residence, Congregate |
| <input type="checkbox"/> Other | <input type="checkbox"/> Other (identify): _____ |

5. Unit Composition: *List number of units in each category*

	Total	<=30% AMI	<=50% AMI	<=80% AMI	<=100% AMI	Market Rate
SRO						
1 Br						
2 Br						
3 Br						
4 Br/+						

Note: 2014 Fair Market Rents: \$787 (Efficiency); \$877 (1 Br); \$1,176 (2 Br); \$1,538 (3 Br); \$1,615 (4 Br)
www.huduser.org

VI. ATTACHMENTS CHECKLIST

Asterisks (*) indicate required attachments for DEVELOPMENT PROJECTS, all others are optional as applicable to the project.

1. Financial

- *Development pro forma using the state's One Stop Application Format (download the state's One-Stop Application form at: www.mhic.com/onestop_downloads.cfm and 10 year operating budget if available for rentals, once again using the state's One Stop format)
 - *Identify all proposed housing-related expenses (e.g., utilities, condominium fees, parking fees, etc.)
 - *Letters of financial commitment or description of all financing and finance sources planned
 - N/A (Provide an explanation why these attachments are not available) _____
-

2. Qualifications

- *Describe applicant's capacity for undertaking project and previous experience developing similar, successfully completed projects
 - *References (e.g., banks, affordable housing clients, municipal/state agencies, etc.) Describe applicant's qualifications and capacity for undertaking the project including experience developing similar, successfully completed projects. For nonprofit organizations: Submit organization mission statement and audited financial statements for past 2 years.
 - Photographs of similar projects or other applicable built projects
 - Past 2-years of audited financial statements, if applicable
 - N/A (Provide an explanation why these attachments are not available) _____
-

3. Community Need

- Describe how the proposed project meets Chatham's housing needs identified in the following:
 - Housing Production Plan, 2012, see link:
http://www.town.chatham.ma.us/Public_Documents/ChathamMA_AffordHousing/Chatham_Housing_Production_Plan_2012_FINAL.pdf
 - Comprehensive Master Plan, 2009, see link:
http://www.town.chatham.ma.us/Public_Documents/ChathamMA_planning/CLRPTOC
 - Chatham Affordable Housing Policy Direction (insert link after you put on website)
 - N/A (Provide an explanation why this attachment is not available) _____
-

4. Community Support

- Letters of support/describe any efforts made to communicate with neighbors and abutters (unless resident clients are a protected class or require confidentiality)
 - N/A (Provide an explanation why this attachment is not available) _____
-

5. Evidence of Site Control/Value

- *Purchase and sale agreement, option, or deed
 - *Requests involving acquisition: Provide appraisal by an independent, certified real estate appraiser
 - N/A (Provide an explanation why these attachments are not available) _____
-

6. Site Plans & Zoning/Permitting

- *Map and photos of the project site and neighborhood
 - *Describe applicable environmental requirements including evidence that the property is free of hazardous materials or the status of a remediation plan and any pertinent natural resource data.
 - *For new construction or redevelopment projects: preliminary site plans, schematics, floor plans, elevations, and renderings, as available.
 - *Identify any zoning/permitting relief required and proposed schedule for zoning/permitting review if applicable to project. Identify proposed sustainable or energy efficient components of the project, if any.
 - N/A (Provide an explanation why these attachments are not available) _____
-



Equal Housing Opportunity