



TOWN OF HINGHAM

Hingham Affordable Housing Trust

MEMORANDUM

Date: May 23, 2023

To: Liz Klein

From: Jack Falvey, Chair, Affordable Housing Trust &
Jennifer Oram, Zoning Administrator and Senior Planner

Re: HAHT Update for Select Board

Thank you for your engagement with and support of the Trust this year! This is a brief summary to assist with your status update to the other members of the Select Board. The first section discusses our efforts on single-family homes, the area where, as you know, the Trust has spent the great majority of our time in recent years. The second section briefly touches on multi-family opportunities, which are more important in terms of the Trust's goals and priorities. We thus hope to shift our efforts and attention toward those efforts in the year and years ahead.

I. Single-Family Affordable Homes

A. Renovation and Sale of Trust-Owned Homes

We have made great progress this fiscal year in moving along three of the four Trust-owned properties on their "paths to disposition" – *i.e.* sale to eligible owners for inclusion in the Town's Subsidized Housing Inventory (SHI) (if not already listed). These represent the culmination of years of work to buy, rehab, and sell these properties. We expect two of the four (including a duplex) to be sold by the end of CY 2023 and another to be sold in early 2024. The following is the status on the four properties:

(1) 29-31 Rhodes Circle: This is a duplex that will add two new units to the SHI. DHCD has approved the Regulatory Agreement, and the (approximately) 60-day lottery process to select eligible buyers is beginning this week. The Lottery winners will then need to get approval for financing, and the new homeowners should be ready to move in by approximately September 2023. This lottery does have a local preference option since there is more than one unit.

(2) 23 Ridgewood Crossing: This is a condo unit in a 55-plus community and is already on the Town's SHI. The Trust went out to bid on this renovation project in November of 2022. The renovation is running ahead of schedule, waiting on just two items due to supply chain issues, but looking at a completion timeframe of the end of June 2023. We are projecting that the new owners will be in the unit by the end of this calendar year, and perhaps sooner since the unit is already counted on the Town's SHI. We may be able to run the lottery as a "re-sale" lottery, which has a shorter time-frame.

(3) 270 Central Street: This is the 3-bedroom single-family home that is now being added to the SHI as a result of Town Meeting’s approval of Warrant Article 28. The Trust also went out to bid on this project in November. Construction is underway, with completion estimated in August 2023. The Board will be seeing the Local Action Unit (LAU) application etc. during the summer. We hope to start the lottery process at the end of 2023, with new owners taking residency in 2024.

(4) 499 Cushing Street: This is a 3-bedroom single-family home on a two-plus-acre, narrow lot. We are shifting our attention to this property now that the above renovations are underway. We hope to be able to renovate the existing home and subdivide the parcel so as to build a second home on the rear portion of the property, thus enabling us to add two homes to the SHI.

We also note that Habitat for Humanity is well along in the construction process for the two affordable homes on Whiting St. for which the Trust went through the permitting process from approximately 2019 – 2021 and then sold the parcels to Habitat for construction. The homes should be occupied and added to the SHI later in CY 2023.

B. Efforts to Identify Additional Properties for Affordable SF Homes

(1) Purchasing Single-Family homes: Two of our members, one of whom is a Hingham realtor, watch the market daily for properties to purchase, rehab and get to an eligible homeowner. The good news is that the Trust has a substantial amount of money to work with – currently over \$1.5 million given the most recent CPA grant of \$735K. The bad news is that (a) prices at the low end of the market have continued to rise, and there is little inventory, and (b) with rising interest rates, the sale proceeds that the Trust would recover on sale has decreased, due to the formula DHCD uses to set affordable sale prices. We have seen and discussed several properties that have hit the market this Spring that would likely cost the trust in excess of \$700K to purchase and rehab, a level that has struck us as being at or above the high end of what the Trust should be willing to pay. But even those properties have sold in a matter of days, typically with multiple offers. The Trust is currently evaluating what the net price is that it should be willing to pay to add a single family home to our SHI, and will present to the Select Board any appropriate property that we believe the Trust can afford.

(2) Tax Title: In light of the above, over the last two months, staff has reviewed carefully the full list of properties on the Town’s tax title inventory to see if any are potential sites for affordable homes. The staff and a Trust member walked several of the most plausible properties, and the Trust has narrowed the list to two potential candidates – on Andrews Isle Rd. and Hobart St. – both of which would have to go through the Comprehensive Permit process with the ZBA to develop as SF homes. We are next interested in seeing if they can pass perc tests. Staff is now looking into the cost of a survey of these parcels, as well the cost to conduct perc tests. We expect to come back to the Board soon to request permission to conduct perc tests on these Town-owned parcels.

II. Multi-Family Opportunities:

The 2021 Town Master Plan called for the AHT to work to add an average of five units to the SHI per year over the next decade. We can only achieve that goal by identifying multi-family opportunities soon,

and executing on them. As a result of work done over the last three-plus years, we can reasonably expect to have added six in the first two years of that decade beginning in 2021 – the four mentioned above and the pair of homes on Whiting St. being built by Habitat for Humanity. That will leave us with only two potential homes (the Cushing St. property) in our pipeline, along with any others that we can identify in the year ahead. It is therefore clear that we need to find opportunities to develop multi-family affordable housing if we are to meet our goals. We thus hope to move forward soon on identifying multi-family opportunities.

(1) Lincoln School Apartments (LSA): This year, the Trust twice (with Select Board authority) made offers to Old Ship Parish for a .25-acre parcel at the rear of the 107 Main St. property that we believe will improve the Town’s opportunity to expand LSA should the Town decide to do so. As the Board knows, the Parish declined our offers and sold 107 Main St. in early 2023 to a buyer who is converting the structure to a SF home. We remain in conversations with the new owners about potential sale, and will return to the Board for authority should the opportunity arise. In addition, as sole member of the Lincoln School Apartments LLC, the Trust has a member on the Board of Managers at LSA and has been kept apprised of the window project and other capital needs at this property. We hope to coordinate discussion of potential expansion of the facility with the ongoing capital improvements discussion.

(2) Other Multi-Family Opportunities: As noted above, the only way the Trust can meet the goals of the 2021 Master Plan and Housing Plan, will be to create additional affordable, multi-family opportunities. We have begun conversations with the Assistant Town Administrator toward that end and hope to open up conversations with the Board and others on this subject soon.

III. Other Trust Priorities

(1) ADUs: The Trust and supporting Town staff spent a lot of time and energy advocating for the expanded availability of ADUs before the ADU Study Committee, Planning Board, AdCom, and Town Meeting, in coordination with other interested groups. The Trust is extremely appreciative of the Select Board’s support for the alternate Warrant Article that was approved at Town Meeting.

(2) Outreach and Education: One of the Trust’s three goals is to *“engage in education and advocacy with the goal of promoting the diversity of Hingham’s population.”* Given limited staff resources,, a volunteer Trust, and the other priorities that we have been focused on, we have had little opportunity to pursue this goal other than through our communications with various town constituencies in connection with the ADU bylaw adoption. We hope this year to be more active on the communications and education fronts. We were reminded during the ADU process that it’s important to have laid that groundwork in advance.

We also expect to discuss other potential initiatives in the year ahead, including a home repair grant program that at least one peer town has adopted in recent years.