



Community Preservation Committee

FINAL APPLICATION

Due Date: October 8, 2024

Have you reviewed the CPC Process Manual located on the CPC page of the Town's website? Yes No

Applicant: Hingham Affordable Housing Trust	
Project Name: Funding for new Affordable Housing Units	
Project Description: (can also attach separate sheet) The Trust is requesting funds to continue with its mission of creating and preserving Affordable Housing in the Town of Hingham. Please see the attached memo that outlines current and future projects.	
Project Total Cost: \$ \$1,200,000.00	CPA Request: \$ \$500,000.00

Do you intend to seek additional grants/funding from the Town, State or any other organization?

Yes No

TIMING	Estimated Date for Beginning of Project:	Estimated Date for Completion of Project:
	See Attached	See Attached

Is this project time sensitive? If so, explain:

Contact Person:

Name: John J. Falvey, Jr.

Email: johnfalvey@comcast.net

Phone: 617-750-7790

[Signature of Applicant:]

*Note: If Applicant is not the owner of the property, written consent of the owner must accompany the application. For Town-owned property, the "owner" is the Board with legal care and control of the property.

John J. Falvey Jr.

Name:

Title: Chair, Affordable Housing Trust

On a separate document, please include the following:

Project Summary: Attach detailed description of the Project using the following categories:

1. Project Scope, including the property involved and its proposed use
2. Key Steps for Implementation with a timeline and associated estimated costs (Note: Projects must be completed within two years of receipt of the grant award unless an extension is given for good cause.)
It is highly recommended that you include 3 quotes with your cost evaluation (see request for attachments below)
3. List of Stakeholders and their respective Needs or Requirements
4. Professional Oversight and Ongoing Project Management Responsibility
5. Anticipated Maintenance after project completion and Responsibility for Ongoing Maintenance
6. Benefit(s) to the Town of Hingham
7. Criteria to determine Success of Implementation
8. Additional Information (if not covered in the categories above)

Control of Site: Attach a statement indicating whether the applicant owns or has a purchase agreement for the property in the Project. If the property is under agreement describe the agreement, including timing and conditions. If the applicant does not have site control, please explain.

Feasibility: List all further actions or evaluations that will be required for completion of the Project, such as environmental assessment, zoning or other approvals, agreement on terms of any required conservation, affordability or historic preservation restrictions, and any known or potential barriers to moving forward.

Additional attachments: Include the following with ALL applications (if applicable)

Y Itemized quotes from up to 3 vendors in the project field

- Assessor’s map showing location of the Project
- Photographs of the site and any existing structures located on the site
- Architectural plans and specifications (for new construction or rehabilitation/renovation)
- Maps, renderings, etc.
- Historic structures report, existing conditions report
- Names and addresses of project architects, contractors and consultants
- Other information useful for the Committee to consider the project

If the proposed project is a phase of a larger project, describe the overall project and timeline. Describe the major milestones and when the project will be completed. Include an estimate of when the CPA funds requested will be needed.

Budget – Using a separate document, outline the total budget for the project and how CPA funds will be spent. Break down the project by year of expenditure. Describe all funding sources. Where applicable, describe how much of the proposed CPA funding should be designated to each of the four CPA purposes. **Make sure to consider any administrative expenses required to complete the project (appraisals, environmental assessments, bidding requirements, copying, legal notices, etc.) and explain how they have been accounted for in this budget. This is particularly necessary for construction and land acquisition projects and can include up to any 10% of the budget. PLEASE NOTE: Non-Profit Organizations should also include a current financial statement.**

* Other Sources of Funding Available:

Source of Funding	Amount Requested	Status	Timing Considerations	Contingent on CP Funding?

Submit to:

To return application & required documents, submit a PDF file via Email to:
CPC@hingham-ma.gov

HINGHAM AFFORDABLE HOUSING TRUST
FY 2026 CPA FUNDS REQUEST

I. Overview

The Hingham Affordable Housing Trust requests **\$500,000** in Community Preservation Act (“CPA”) Funds for FY2026 (commencing July 1, 2025) to enable it to continue its efforts to expand and preserve affordable housing in Hingham. The Trust did not apply for CPA funds last year and received \$735,000 the prior year (at April 2023 Town Meeting).

The Trust was created in 2007. The Town’s 2021 Master Plan identified housing affordability as one of the Town’s seven priority areas, and specifically set as the Trust’s development goal adding five (5) new affordable housing units to the Town’s housing stock each year over ten years, or a total of fifty (50) units by 2031.

As detailed below, the Trust’s work over the last several years has enabled it to convey six (6) affordable homes (four single family homes and a duplex) to new homeowners. The Trust also currently owns a single-family home and two recently-acquired condominiums that it will soon begin renovating. It is also exploring the potential for developing two additional homes on land owned by the Trust or the Town. In addition to its efforts to provide affordable single-family homes, the Trust also will need to complete at least one multi-family affordable development if it is to come close to meeting the Master Plan’s goal. The Trust has been in (non-public) discussions with Town senior administrators and the Select Board concerning one significant opportunity, and it expects to incur costs on that or another multi-family opportunity during the next 18 months.

CPA funds are the Trust’s primary, recurring revenue source. Since Hingham’s adoption of the CPA in 2003, affordable housing has received the smallest allocation of funds (16%) of the four permitted uses of funds under the CPA. The Trust currently has a funds balance of approximately \$1,413,410. Our projections of costs and sale proceeds for our anticipated work over the next 18 months indicate that we will need the additional requested funds to be able to continue the Trust’s work and maintain a bank balance to meet contingencies.

II. The Trust’s Activities and Use of Funds, 2022 - 2024

The Trust has completed and/or undertaken the activities outlined below over the last two years, following through on work that the Trust had done over the preceding several years. We include below the approximate costs the Trust has incurred to purchase, carry, and improve each of the properties and the proceeds obtained on sale of the properties as affordable homes, to give

a sense of how the Trust has used CPC funds and its funding needs to continue its work. In accordance with its governing bylaw, the Trust presents each proposed acquisition of property to the Select Board, which must approve purchases, as well as presenting annually to the Select Board and Advisory Committee on its work including its use of funds.¹

HAHT SUMMARY OF DEVELOPMENT AND SALE ACTIVITY, FY 2023 – PRESENT

	Address	Comments	Purchase Price & Date	Renovation, Carrying & Misc. Costs	Sale Price & Date	Net Cost to Trust	SHI Units Added²
1.	302-304 Whiting St. (Rte. 53)	Two, three-bedroom homes on 3 acres. Town conveyed property to Trust, which obtained permitting and conveyed to Habitat for Humanity in 2021. Habitat built homes and sold them in 2023.	\$0 Approx. 2018 (transferred to the Trust)	\$25K	\$0 2022	\$25K	2
2.	29-31 Rhodes Cir.	Duplex condominium. The Trust purchased the property in 2019. It renovated, created legal condominium structure, and sold the two units in 2023 and 2024. Obtained \$119K state grant toward renovation costs.	\$528K (2019)	\$275K	\$440K 2023	\$244K (\$119K of renovations costs were met by a state grant)	2

¹ The Trust includes in the “meeting documents” section of its website each month a financial “snapshot” for each active project with detailed expense and proceeds summaries.

² The Subsidized Housing Inventory or SHI is the list of all homes in town that qualify as affordable under Massachusetts General Laws Chapter 40B. Two of the homes listed, 270 Central and 23 Ridgewood Crossing, were already on the SHI, and thus our efforts have preserved these listings on the SHI rather than added to it.

	Address	Comments	Purchase Price & Date	Renovation, Carrying, & Misc. Costs	Sale Price & Date	Net Cost to Trust	SHI Units Added
3.	270 Central St.	Town purchased from owner this home that Habitat for Humanity had built in 1995. Needed extensive remediation / renovations as result of mold and other issues. Sold in 2024.	\$119K (2020)	\$322K	\$317K (2024)	\$125K	1
4.	23 Ridge-wood Crossing	Townhome condo in 55-and-over community. Purchased by Trust after Town's extended litigation with prior owner. Renovated and sold, 2023. Already on the SHI.	\$183K (2021)	\$181K	\$252K (2023)	\$112K	0
5.	499 Cushing St.	Trust purchased single-family home on 2.3 acres in 2018. Rented home to tenant for several years receiving total rent of \$108K. Trust seeks to renovate and sell the existing home, subdivide property into front and rear lots, and convey rear lot to non-profit developer to build and sell a second affordable single-family home.	\$553K (2018)	TBD	TBD	TBD	2

	Address	Comments	Purchase Price & Date	Renovation, Carrying, & Misc. Costs	Sale Price & Date	Net Cost to Trust	SHI Units Added
6.	18K Beal's Cove Rd.	Two-bedroom condo purchased by the Trust in 2023. Renovation is complete and property is in the process of being sold by lottery. Will be listed on SHI once sale is complete.	\$385K (2023)	\$40K	\$229K Pending	TBD	1
7.	21B Beal's Cove Rd.	One bedroom condo purchased by the Trust in 2024. Trust solicited renovation bids and awarded contract. Renovation beginning Fall 2024. State approval pending.	\$351K (2024)	TBD	TBD	TBD	1

III. Upcoming Opportunities and Anticipated Needs for Funds, Next 18 Months.

The Trust anticipates moving forward on the following four categories of development efforts during the upcoming 18-month period when it will be relying on the current CPC grant cycle funding – i.e. between now and July 1, 2026:

- 1) Currently-Owned Properties.** As noted in the above chart, the Trust currently owns the property at 499 Cushing St., which has a single-family home, and two Beal's Cove condominiums. We expect to close on the Trust's sale of one of the condominiums in the next month. We expect further renovation, carrying costs (insurance, utilities), and miscellaneous expenses (e.g. Lottery agent fees, professional expenses) on the existing three homes of approximately \$315,000, and net sales proceeds of \$779,000. We also expect to incur professional fees of approximately \$50,000 to subdivide the 499 Cushing property and to develop an RFP to solicit non-profit developers to build a three-bedroom single-family home on the rear portion of the lot. We also anticipate making a grant of approximately \$200,000 to make development financially feasible for a developer.

- 2) Additional Purchases.** The Trust actively watches the local housing market for appropriate homes on the low end of the price spectrum. The Trust has found that it is essentially priced out of being able to make market purchases of single family homes given rising house prices and brisk demand for starter homes. In the current market, those homes generally start in the \$600,000 - \$700,000 range, and often need extensive further work. The Trust has therefore focused its recent efforts on condominium purchases. It hopes to buy at least three more condominiums over the next 18 months, renovating them as needed, and selling them to qualified buyers. For three such properties, it anticipates total purchase costs of \$1,205,000, renovation and carrying costs of approximately \$141,000, and sales proceeds during the relevant period for two of the three properties of approximately \$480,000.
- 3) “Tax Title” Properties.** Over the last 18 months, the Trust and staff have combed the lists of dozens of Town-owned properties (most of which it has taken title to after foreclosure for nonpayment of taxes) that potentially could be developed as affordable homes. The great majority of the properties are not viable candidates because of lot size or shape, septic requirements, or other reasons. Town staff and the Trust have, however, identified one promising candidate on which percolation tests are proceeding. If the tests are positive and the Town decides to convey the property to the Trust, the Trust wants to be in a position to fund the development of an affordable home on the property, which would require engineering studies and architectural plans. The Trust would then convey the property to a non-profit developer for construction. As with the Whiting St. properties and the Hobart St. property noted above, it also anticipates providing a grant to the developer to enable the project to proceed. We anticipate costs (including a grant to a developer) of approximately \$240,000 in connection with such a project; we would not receive proceeds after conveying it for construction. If we are unable to proceed with the currently-identified property, we would want to have such funds available so that we can seek to identify and proceed on any other viable tax-title property that can be identified.
- 4) Multi-Family Opportunities.** The Town’s Master Plan and the 2021 Hingham Housing Plan identified affordable housing as a pressing area of need in Hingham as it is throughout Massachusetts. The Trust therefore has held non-public discussions with the Select Board and senior Town staff in recent years concerning a potential multi-family affordable development opportunity. The initiative under discussion would require significant professional fees (including legal and design), which we project at \$60,000. The Trust anticipates total costs of approximately \$250,000 for potential land acquisition to facilitate this project. If for some reason the identified project proves unworkable, the Trust would work with the Town to pursue actively other another multi-family development opportunity which would likely involve a similar level of expenditures.

In addition to those anticipated fund uses, the Trust believes that to carry out its mission it needs to maintain a substantial account balance to deal with any additional opportunities or contingencies that arise with respect to existing properties and opportunities, including an additional condominium purchase if available.

The Trust currently has total funds on deposit of \$1,413,410.³ The Trust's financial projections summarized above indicate that on a net basis it anticipates spending approximately \$1.2 million, fluctuating over time. The Trust therefore requests a CPA grant in the current cycle in the amount of \$500,000 to enable it to maintain sufficient a sufficient balance on a quarterly basis to be able to meet contingencies.

October 8, 2024

The Hingham Affordable Housing Trust

John Falvey, *Chair*

Pamela Bates, *Vice Chair*

Michael Sutton, *Treasurer*

Liz Klein, *Select Board Member*

Gregory Waxman

Brigid Ryan

Elizabeth Cullen

³ \$1,028,070 of those funds are derived from CPC grants and are limited to use in accordance with CPA restrictions; an additional \$65,215 are the balance of rent proceeds from 499 Cushing and would be devoted to costs on that property.