

Hingham Affordable Housing Trust

FY 2027 CPC Grant Request

November 2025



Hingham Affordable Housing Trust

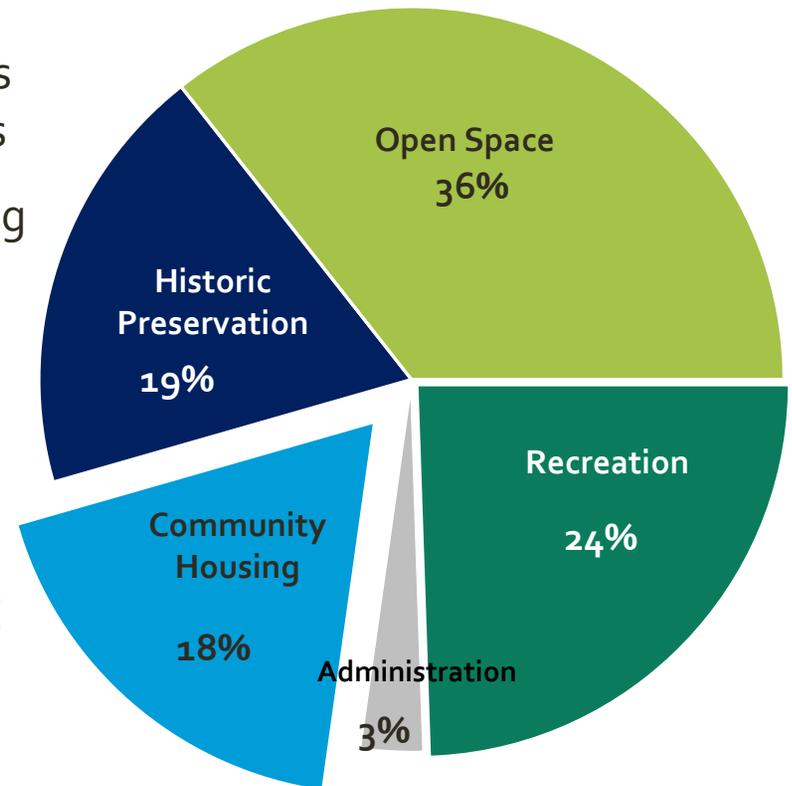
Background & Overview

Hingham Affordable Housing Trust

- Established by Town Meeting in 2007. One of at least **138** affordable housing trusts in MA towns
 - **Seven-member board of trustees**, appointed by Select Board. One SB member serves on board. Currently supported by two Town staff members (with other duties)
- Purpose is “to provide for **the creation and preservation of affordable housing** in the Town of Hingham for low- and moderate-income households.” Town of Hingham Gen’l Bylaws, Art. 39.
- **Mission statement:**
 - **preserve** affordable housing through a variety of means benefitting current homeowners and potential new residents.
 - **propose, support, and develop** affordable housing that contributes positively to the character of the town, considering both Hingham’s history and its future.
 - **educate / advocate** with the goal of promoting the diversity of Hingham’s population.

Affordable Housing – Current Request and Historical

- AHT requests total of **\$800K** to:
 - Continue to meet opportunities to develop single-family homes
 - Help preserve the aging building at Lincoln School Apts.
- CPA funds are the AHT's primary funding source.
- Community housing one of **four** permitted uses of CPA funds; it has received **18%** of funding since CPC inception, 2003 – 2025



2020 Town of Hingham Master Plan

- Product of two years of broad-based community engagement and input
- Identified Housing as one of **seven** key Town priorities
- Set **Affordable Housing Trust goal of 5 new affordable units** each year for the next decade
 - **50 units over 10 years, 2021 - 2031**

2020 Town of Hingham Master Plan



Housing Plan: Relevant Demographics & Goal

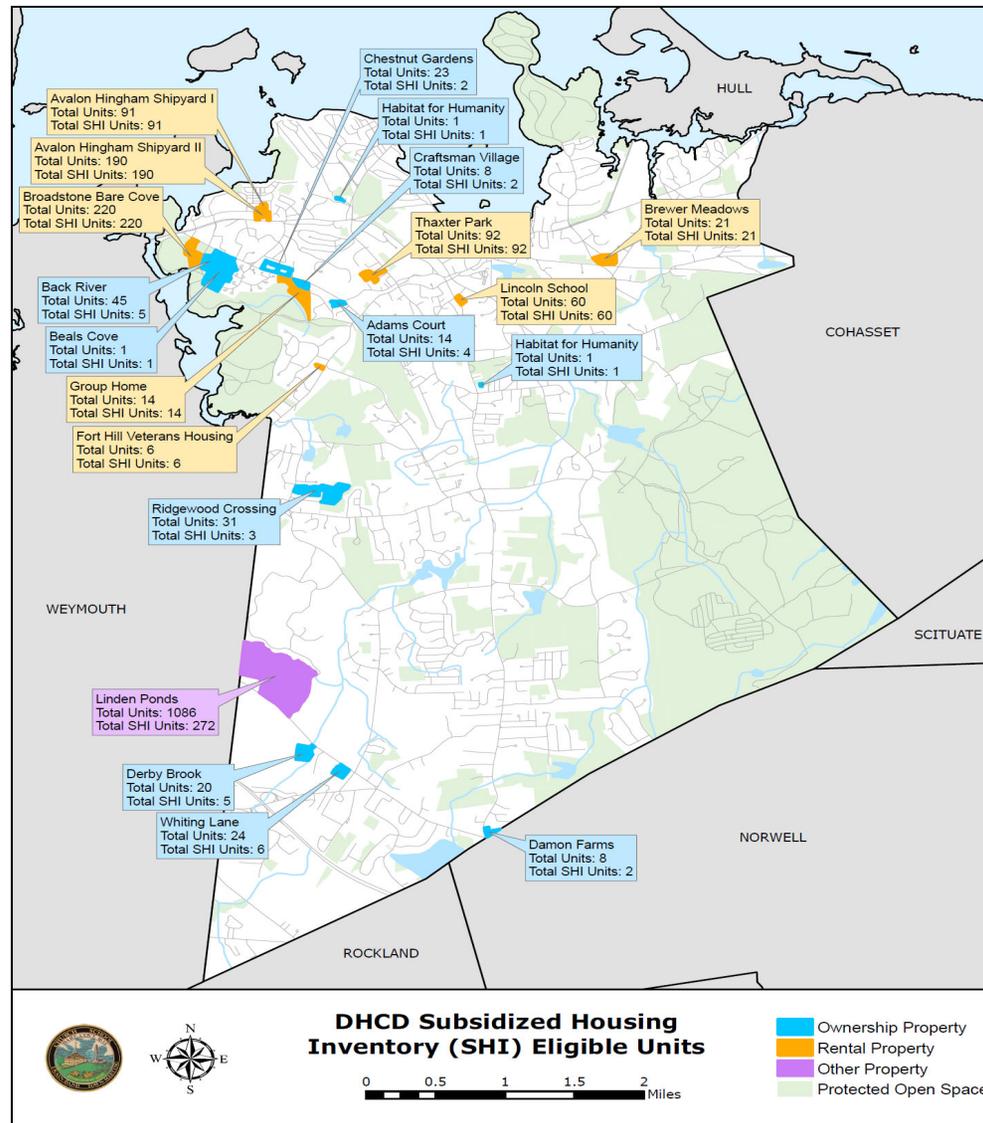


Hingham Demographics and 2020 Housing Plan

- 2025 median household income \$223,000*
- But many Hingham residents experience poverty. Per the most recent available data from the 2020 Hingham Housing Plan:
 - **1,314 residents (6%) lived below poverty level**, including 212 families and **408 children**
 - 611 households with income <\$15,000
 - 227 households receive SNAP benefits
- 17% of residents spend >50% of their income on housing
- **Affordable housing goal: 250 new affordable units** in Hingham by 2031 from private and public sources

*From: <https://censusreporter.org/profiles/16000US2530175-hingham-ma/>

Affordable Housing Locations in Hingham (as of 2020)



Affordable Housing Trust: Recent & Current Activity

- Since 2023, completed renovations and sales to owners of **8 new units**
 - Result of 1 – 4 years of work on each; will add **6 units to SHI**
- Current: in 2025, purchased **2 more new condo's** for renovation
- Ongoing focus on **multi-family opportunities**
- Ongoing monitoring of **market opportunities** for homes at low end of price range, especially condos
- Other projects, e.g. -
 - MBTA Communities Act compliance, 2024

AHT:
Completed
Projects

Current and Completed Projects: 21B Beals Cove Road

- One 1- bedroom condo unit
- Purchased June 2024
- **New owners moved in July 2025**
- Net cost to the Trust: \$198K



**FY 2027 CPC
Request:**

**Additional
Affordable Homes**

Anticipated Work, Upcoming Grant Period

- Request **\$300K** to create more single-family affordable homes
- Complete renovations and sale of **2 currently-owned condos**
- Purchase and renovate **3 additional condos**; complete sale of 2
- **499 Cushing Street** : subdivide lot, renovate existing home, convey rear lot to non-profit developer to build additional home
- Town-owned Hobart St. **“tax title” property**: purchase via auction; complete design and build permitting; convey property to non-profit developer to build single family home
- Ongoing focus on **multi-family opportunities** (nonpublic discussions ongoing) – essential to meeting Master Plan goals

Current and Completed Projects: 3H Beals Cove Road

- 1- bedroom condo unit
- Purchased March 2025
- Renovations complete Sept 2025
- Lottery sale Nov 2025
- Net costs to Trust: \$224K



Current Projects: Hingham Woods

- One 2- bedroom condo
- Purchased September 2025
- Renovations Fall 2025- Winter 2026
- Lottery sale Spring 2026
- Net cost to Trust: TBD



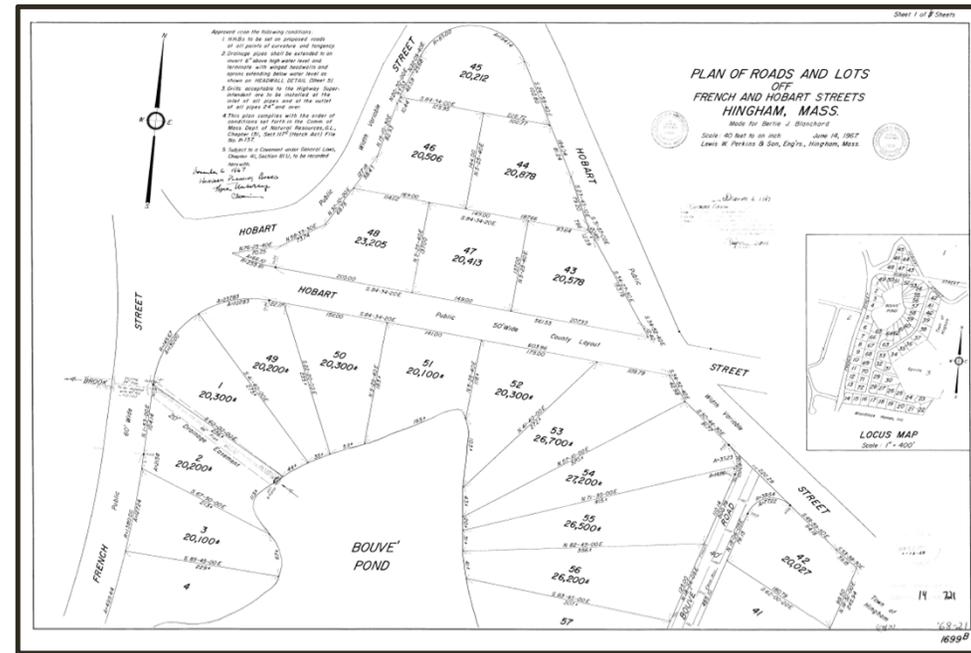
Current Projects: Cushing Street

- 3-Bedroom house on 2+ acres
- Existing home renovations to be completed Summer 2026
- Developing subdivision and new construction plans for rear lot / second home
- Net costs to Trust: TBD



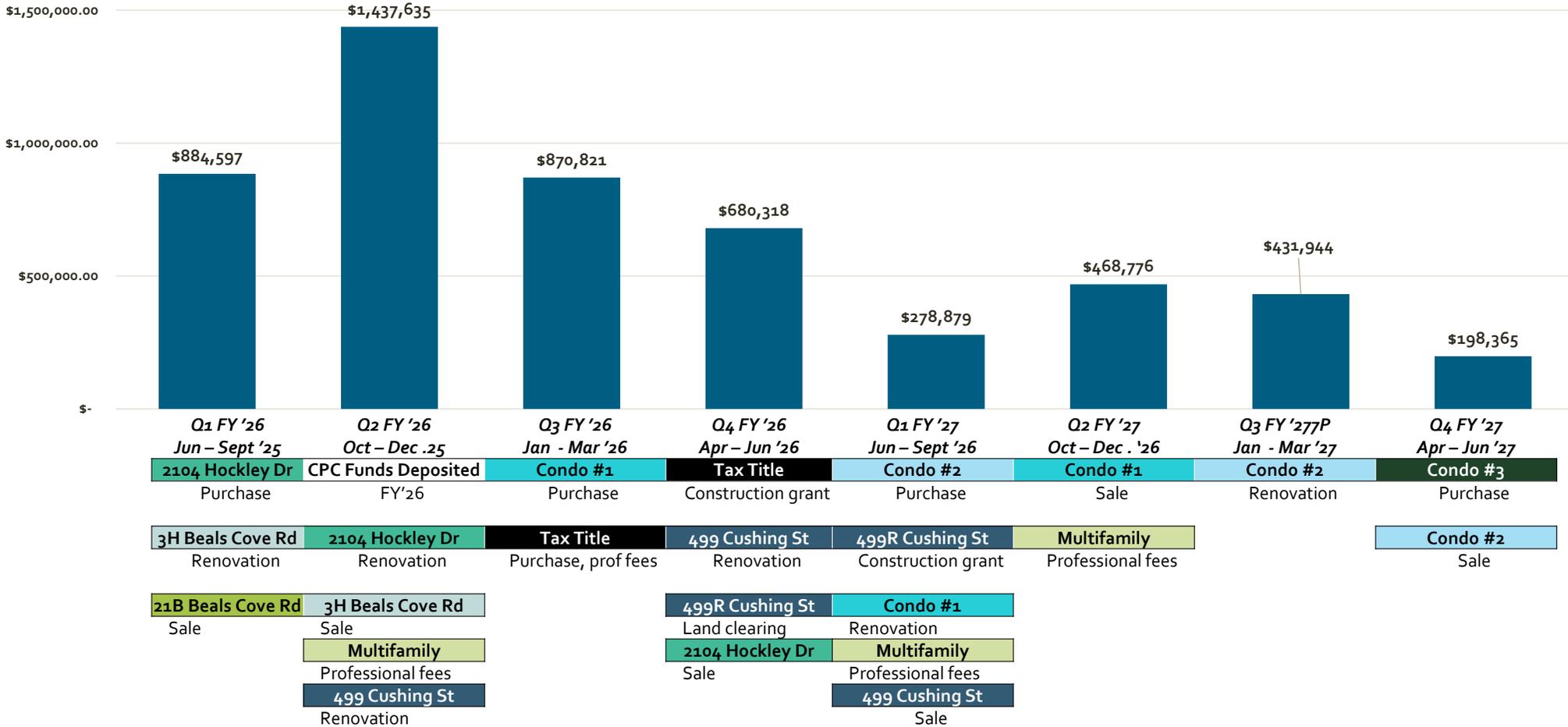
Current Projects: Tax Title Property

- Completing work to purchase Town-owned “Tax Title” lots on Hobart St. in early 2026 (nos. 45 – 48 in drawing)
- Convey to non-profit developer to build affordable single-family home with conservation restrictions
- Net cost to Trust: TBD



AHT:
Current
Projects

HAHT PROJECTED WORKFLOW & FUND BALANCES FOR FY 2027 GRANT PERIOD JUNE '25 – JUNE '27



** Lesser costs (insurance, professional fees, etc.) also to be incurred in most quarters.

FY 2027 CPC Request:

Lincoln School
Apartments Preservation



LSA Oversight Roles, Including HAHT

- Trust requests **\$500K** to preserve LSA building envelope
- Trust mandate pursuant to Bylaw includes **“preservation”** of community (i.e. affordable) housing in Hingham
- Since 1981, LSA has provided **60 affordable senior** rental units.
 - **High and growing need** for senior / affordable in Hingham
 - **8-year waitlist** for one-BR units
- Town owns LSA property. Leases property to Lincoln Apartments LLC. **Trust is the sole owner of the LLC.**
- Town retains Corcoran Management Co. to manage LSA
- LSA Board of Managers (BOM) – five appointed volunteers – oversees Corcoran. 2 of the 5 must be HAHT members

LSA: Finances and Replacement Reserve

- Corcoran presents annual budget to BOM and Select Board.
 - *See most recent SB-approved annual budget, Oct. 2024 (Ex. A.)*
- Pursuant to its contract with the Town, Corcoran:
 - Administers / collects **rents** from tenants & HUD Section 8
 - On behalf of the LLC, pays all operating costs, including **Town taxes and rent** to cover **debt service** and deposits funds to the **replacement reserve account** for capital needs
- Corcoran obtains outside Capital Needs Assessment (CNA) every 5 years to identify capital needs and schedule spending
 - Reviews CNA with BOM and oversees capital improvements

LSA Capital Reserves & Building Envelope Needs

- LSA consists of two brick & mortar structures: original Lincoln School built in 1912 and wing added in 1981.
- Major window replacement project in 2022 – 2023 surfaced 3 major capital needs not included in CNA:
 - **building envelope** remediation, **roof replacement**, and **HVAC system replacement**
- BOM obtained estimates on scope / urgency of needed work
- 2023 study by BEA (Add. D to our Final Application) prioritized **building envelope remediation** on 1912 structure to fix deteriorated brick, masonry, and concrete.
 - Updated (9/25) cost estimate is **\$1.8 – 2.0M** for old building and **\$75 – 80K** for newer wing. (Appl. Add. E)

Other Major LSA Capital Needs

- The buildings have two other short-term (but not immediate) capital needs:
 - Both buildings will also need **new roofing** in next 2 - 6 years.
 - A 2023 inspection report recommended a “complete tear off and roof replacement by 2027 – 2031.
 - 2023 cost estimate: **\$442K**.
 - A report on the recommended **replacement of HVAC system** (heating / cooling) including new ductwork throughout.
 - BOM hasn’t yet obtained cost estimate because work is not imminent.
 - Internal estimate is **\$1.5M** .

Available Resources for LSA Capital Needs

- LSA currently has **\$1,789,219** in its replacement reserves (Ex. B, 9/25 Balance Sheet)
 - This includes **\$372K** added to capital reserve per its annual budget. It projects a similar addition in 2026.
 - Balance also reflects Select Board votes in 2024 and 2025 to waive the annual “cash flow rent” payments owed to the Town. Those 2 payments increased the reserve by total of **\$342K**.
 - The SB will have the discretion to do the same in future if warranted.
- This suggests available capital reserves at the end of CY 2026 (a year from now) of from **\$2.2 – 2.4M** (depending whether Town again waives cash-flow rent) – assuming **no** capital spending on other upcoming capital needs (but see next page).

LSA: Other Near-Term Capital Needs

- There are other, long-deferred maintenance projects scheduled over the next 18 months pursuant to most recent CNA, to enhance livability, comfort, & safety of residents. They include:

Project	Description	Est. FY '27 Cost
Interior renovation / ADA compliance	<ul style="list-style-type: none"> • Reconfigure kitchen and community area, demo walls and replace appliances • replace flooring, carpet, paint in hallways, stairs • expand and update laundry room (currently 3 washers for 60 units) • ADA / safety compliance throughout 	\$800K - \$1M
Paving	<ul style="list-style-type: none"> • Grade, repave, restripe parking area 	\$100K
Community Room AC	<ul style="list-style-type: none"> • Replace system specific to common area 	\$25K
Total:		\$925K - \$1.125M

LSA Request - Summary

- Given LSA's projected capital reserves over the next year of approximately **\$2.2 – 2.4M**, it lacks sufficient funds over the next two years to fund (a) the approx. **\$1.1M** in capital expenses outlined above and (b) a significant portion of the **\$1.8 – 2M** building envelope project.
- As noted, in subsequent years it expects to need to fund the significant roof and HVAC system replacements.
- The Trust therefore requests a **\$500K** grant so that LSA can begin and complete at least a significant amount of the building envelope remediation during the next 18 months.

Thank you!

AFFORDABLE HOUSING TRUST MEMBERS

John Falvey, Chair

Pamela Bates, Vice Chair

Michael Sutton, Treasurer

Julie Strehle, Select Board Member

Brigid Ryan

Elizabeth Cullen

Cullen McGehee

TOWN STAFF

Jennifer Oram, Zoning Administrator and Senior Planner

Donna Thompson, Land Use and Development Coordinator



Appendix A

**2025
Budget Summary**

Property Name: Lincoln School
Number of Apartments: 60
Revision Date: 10/30/24
Prepared By: Erin Gallagher

	2024 Annual Budget	2024 Projected Year End
GROSS POTENTIAL INCOME	\$1,878,320	\$1,878,320
Vacancy %	1.00%	0.00%
Vacancy	18,788	0
Rental Income	1,859,532	1,878,320
Miscellaneous Income	5,064	3,961
TOTAL INCOME	1,864,596	1,882,281
EXPENSES		
Renting	1,296	776
Administrative	29,209	26,188
Payroll	195,100	197,882
Operating	63,864	56,983
Utilities	119,055	105,043
Maintenance	119,814	81,667
Non Capital Replacement Purchases	74,176	49,636
TOTAL CONTROLLABLE	602,514	518,175
Management Fees	55,000	55,000
Additional Management Fee	0	0
Auditing	12,684	13,896
Bookkeeping	4,500	4,500
Professional Services	874	1,867
HOA Fee	0	0
Insurance	58,358	60,441
TOTAL NON CONTROLLABLE	131,416	135,704
TOTAL EXPENSES BEFORE TAXES, DEPRECIATION & DEBT	733,930	653,879
Real Estate Taxes	87,906	87,906
Base Rent (Debt Service)	400,131	400,130
Additional Rent (Article 16 Funds - 7/1/2028)	0	0
Replacement Reserve Deposits (2022 C.N.A)	372,000	513,478
TOTAL TAXES, RENT, & RESERVES	860,037	1,001,514

NON RECURRING EXPENSES		
Cash Flow Rent Payment	0	0
Window Project Contingency from Operating	4,130	4,130
TOTAL OPERATING EXPENSES	1,598,097	1,659,523
TOTAL CASH FLOW	266,499	222,758

CASH FLOW RENT (90% of Cash Flow)		200,482
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REPLACEMENT RESERVE BUDGET	2024 Approved Budget	2024 Projected Year End
Replacement Reserves	\$944,699	\$820,008
Contributions	\$372,000	\$513,478
Withdrawals	\$250,000	\$107,280
Ending Balance (12/31)	\$1,066,699	\$1,226,206

Capital Projects Funded From Reserves	2024 Costs
HVAC Project	\$107,280.00
Paving	\$0.00
Contingency for other projects	\$0.00

2025 Annual Budget	2025 Budget \$/Apt.
\$1,977,056 0.50% 9,885	32,951 165
1,967,171 4,726	32,786 79
1,971,897 1,352 30,473 199,483 65,225 115,459 112,028 59,010	32,865 23 508 3,325 1,087 1,924 1,867 984
583,030 56,923 0 21,639 4,500 1,902 0 83,228	9,717 949 0 361 75 32 0 1,387
168,192 751,223 95,377 382,852 0 372,000	2,803 12,520 1,590 6,381 0 6,200
850,229	14,170

200,482	3,341
4,130	69
1,806,064	30,101
165,834	2,764

		<i>Board of Managers to request Landlord transfer to Re</i>
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2025 Proposed Budget	
\$1,226,206	
\$372,000	
\$373,800	
\$1,224,406	

2025 Budget	
\$0.00	
\$73,800.00	
\$300,000.00	<i>*\$300k place holder for capital projects, \$73,800 for paving project.</i>

Appendix B

Lincoln Apartments LLC (094)

Balance Sheet

Period = Sep 2025

Book = Accrual

Current Balance

1000-000 ASSETS		
1110-000	Cash	490,888.01
1121-000	Petty Cash	800.00
1130-000	Tenant A/R	-4,184.18
1130-001	Allowance for Doubtful Accounts - Rent	-711.00
1140-000	HUD Tenant Repayment	-5,939.00
1191-000	Tenant Security Deposits	35,501.37
1252-000	Prepaid Insurance - Building	90,368.04
1318-000	OWNER IMPROVEMENTS	1,200.00
1319-000	Capital Expenditures	4,132.50
1320-000	P/Y-Replacement Reserve	1,337,160.58
1321-000	C/Y-Replacement Reserve	452,058.00
1411-000	Site Improvements	326,375.30
1412-000	A/D - Site Improvements	-232,507.04
1442-000	Building Improvements	1,015,685.92
1443-000	A/D - Building Improvements	-660,440.47
1600-110	Due to/from CMC Properties	-84.07
1836-000	Ground Lease Asset	9,429,166.00
1836-001	Ground Lease Asset Amortization	-1,052,518.00
1999-999	TOTAL ASSETS	<u>11,226,951.96</u>
2000-000 LIABILITIES		
2110-000	Accounts Payable	4,050.71
2112-000	A/P - Other	51,991.66
2133-000	Accrued Expenses	37,414.99
2134-000	Int Payable on Sec Deposit	534.71
2150-000	Accrued Taxes	3,859.31
2196-007	Security Deposit	32,880.00
2210-000	Prepaid Rent	76.35
2212-000	Prepaid HAP	-1,189.00
2240-000	50059 - HUD Repayment (ONLY)	-5,939.00
2242-000	HAP Suspense Clearing Act	1,263.00
2290-001	Short Term Lease Liability	371,860.00
2701-001	Long Term Lease Liability	4,782,712.00
2999-999	TOTAL LIABILITIES	<u>5,279,514.73</u>
3000-000 OWNER'S EQUITY		
3127-000	Capital Contributions	413,174.51
3250-000	Prior Year Profit/Loss	5,097,333.65

Lincoln Apartments LLC (094)

Balance Sheet

Period = Sep 2025

Book = Accrual

		Current Balance
3251-000	Current Year P/L	436,929.07
3999-998	TOTAL CAPITAL/EQUITY	5,947,437.23
3999-999	TOTAL LIABILITIES AND OWNER'S EQUI	11,226,951.96