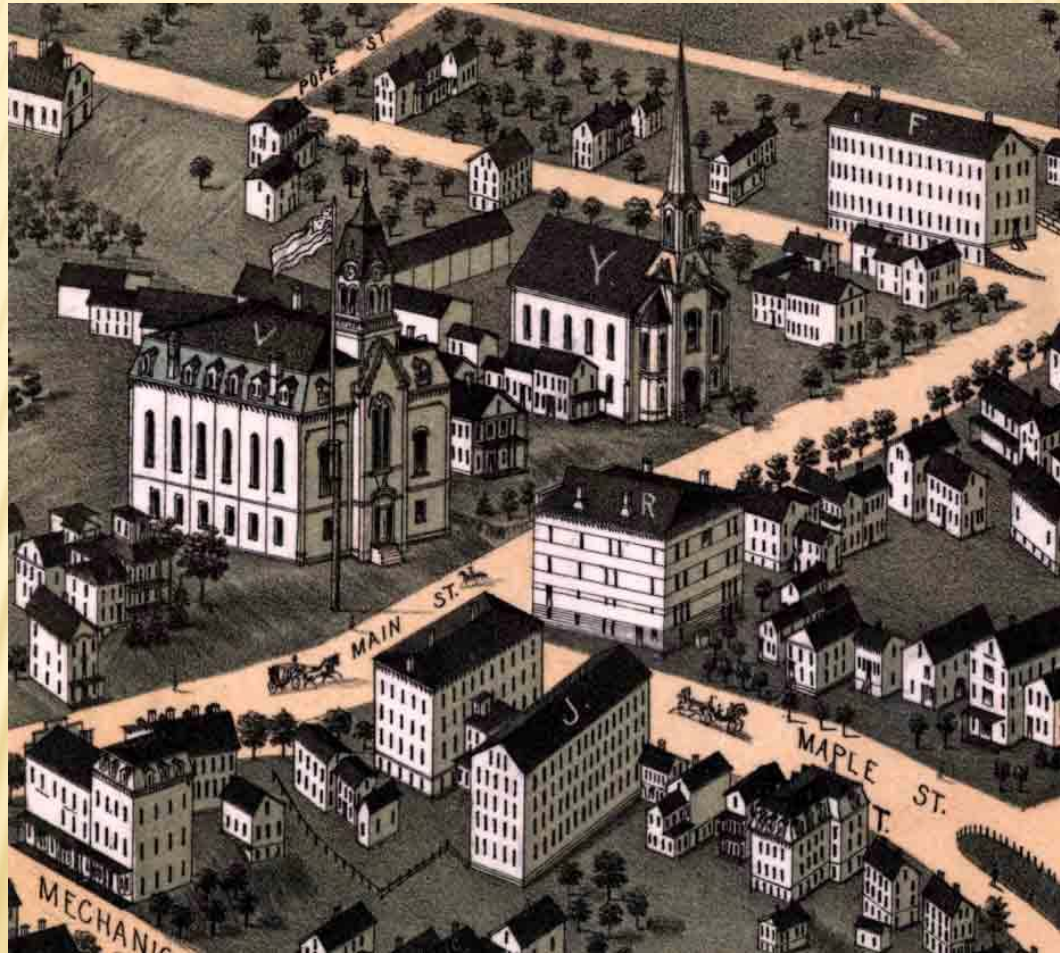


# DOWNTOWN SPENCER



October 29, 2014

# INTRODUCTIONS – PARP PROJECT

## ✘ The Pioneer Valley Planning Commission

- + Andrew Loew
- + William Scanlan

## ✘ The Town of Spencer

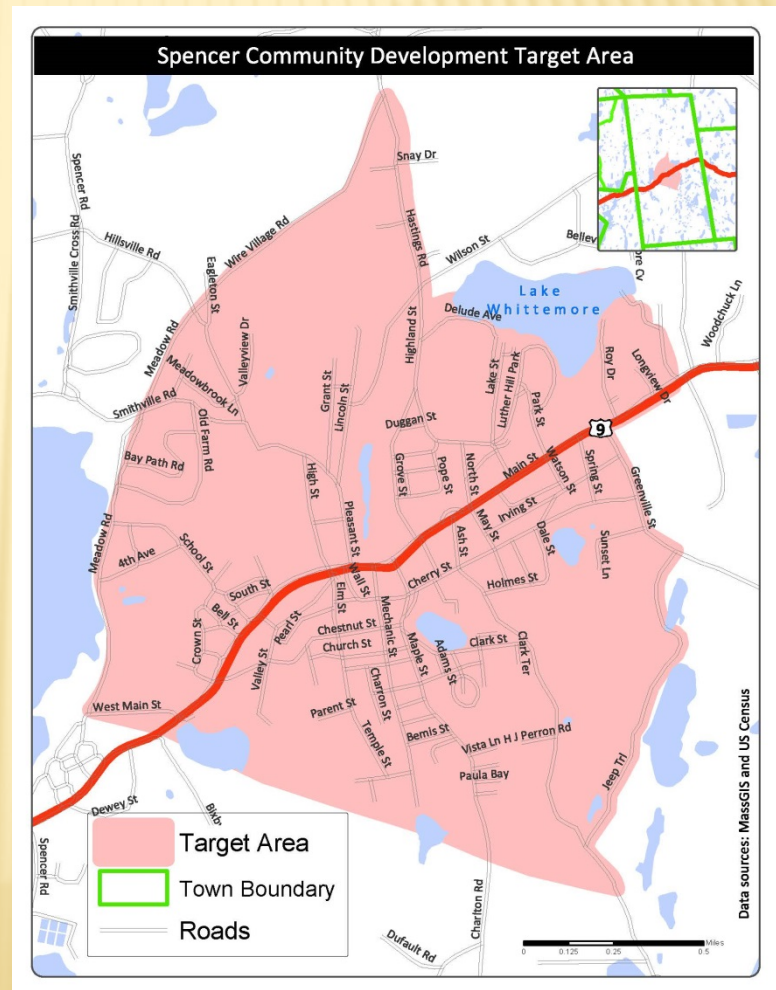
- + Adam Gaudette, Town Administrator
- + Michelle Buck, Town Planner
- + Steve Tyler, Superintendent, Office of Utilities & Facilities

## ✘ Consultants

- + Community Preservation Associates
  - ✘ Brian Barber
  - ✘ Bill Giezentanner
  - ✘ DB Reiff
- + Lisa Davis Associates, Real Estate Consultants
- + Daniel Benoit, Benoit Design Group

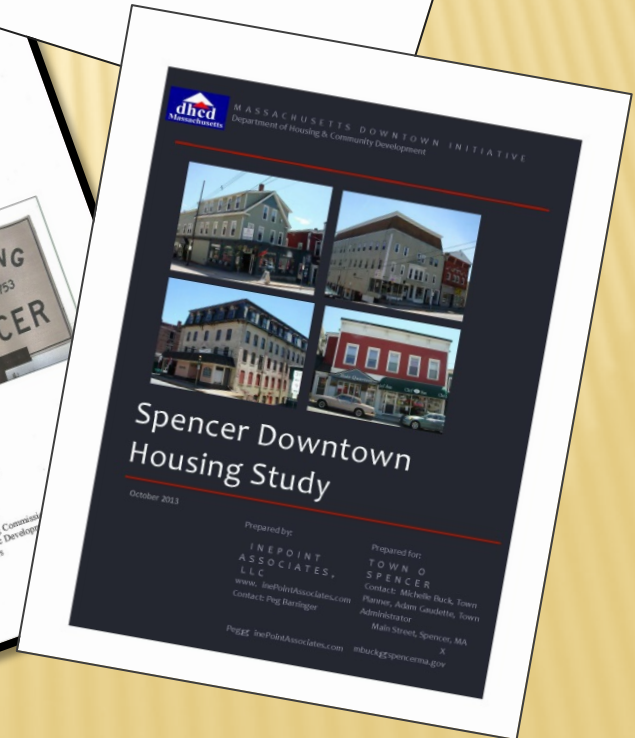
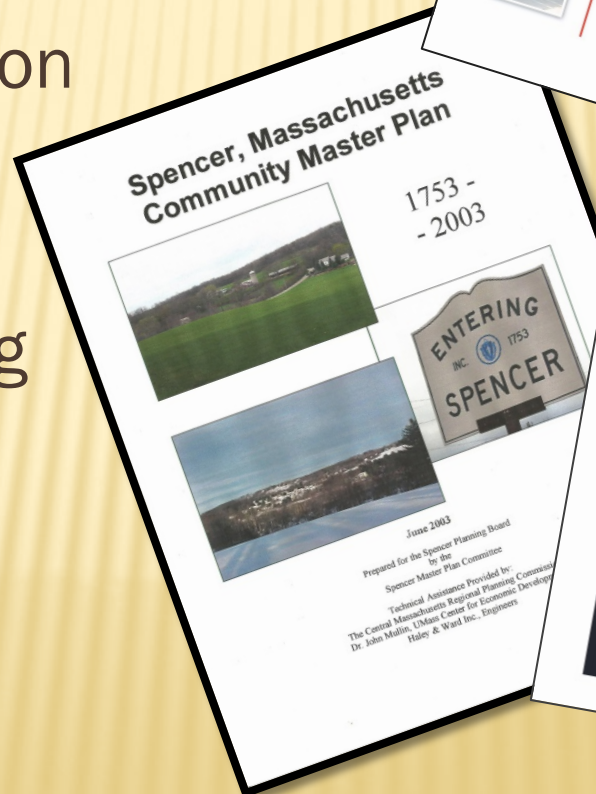
# PARP STUDY AREA & GOALS

- ✘ Property Assessment and Re-use Planning Project (PARP)
  - + Have a downtown that Spencer and its citizens can be proud of
  - + Accommodate future growth
  - + Help create conditions for private actions



# WHAT CAME BEFORE?

- ✘ 2003 Community Master Plan
- ✘ 2009 Spencer Town Center Revitalization Planning Project
- ✘ 2013 Spencer Downtown Housing Study
- ✘ And...



# INFRASTRUCTURE UPGRADES



## ✘ Recently completed

- + Maple Street Reconstruction from Main to Vista Lane - \$2.1 million
- + Sewer & water upgrades on Maple Street - \$500,000
- + Sewer upgrades on Water Street - \$100,000
- + Elm Street bridge replacement - \$440,000
- + Memorial Town Hall improvements - \$1.1 million



# INFRASTRUCTURE UPGRADES



## ✘ Recently completed

- + Water separation & infrastructure improvement - \$7.4 million
- + Water upgrades – Langevin St. & Mechanic/ Chestnut Street - \$180,000
- + Water St. reconstruction, drainage, water, sewer, sidewalks, roadway - \$160,000



# INFRASTRUCTURE UPGRADES



## ✘ In the Pipeline

- + Mechanic St. reconstruction & pedestrian improvements – Main St. to Chestnut St. - \$500,000 (2014-2015)
- + Adams & Clark St. reconstruction & pedestrian improvements – Maple to Ash St. - \$400,000 (2014)
- + Roadway reclamation – Prospect, McDonald, Charron, Langevin & Pleasant View - \$250,000 (2016)
- + Main St. reconstruction - \$3.7 million (2016)



**Total of \$16.83 million**

# WHAT HAS BEEN HAPPENING SINCE JUNE?

- ✘ Selection, physical inventory, & assessment of 57 properties
- ✘ Site & regulatory assessment
  - + Infrastructure
  - + Zoning
  - + Ownership
  - + Environmental constraints
- ✘ Real estate market assessment
- ✘ Some preliminary reuse ideas
- ✘ Potential funding sources





# INFORMATION SOURCES

- ✘ Town leaders
- ✘ Assessors' records
- ✘ On-the-street architectural assessment
- ✘ Prior studies
- ✘ Realtors
- ✘ Banks
- ✘ State inventories & funding programs
- ✘ Zoning & other regulations
- ✘ Registry of Deeds
- ✘ Participants at 1<sup>st</sup> Public Workshop in June
- ✘ You - tonight

Property Location: 20 MECHANIC ST MAP ID: U07/35/11 Bldg Name: State Use: 1040  
 Vision ID: 2254 Account # Bldg #: 1 of 1 Sec #: 1 of 1 Card 1 of 1 Print Date: 02/13/2014 02:48

CONSTRUCTION DETAIL			CONSTRUCTION DETAIL (CONTINUED)		
Element	Cd	Description	Element	Cd	Description
Style	97	4-8 Family			
Model	01	Residential			
Grade	01	Minimum			
Stories	2	2 Stories			
Occupancy	5				
Exterior Wall 1	11	Clapboard			
Exterior Wall 2	01	Minimum			
Roof Structure	03	Gable-Hip			
Roof Cover	03	Asph-F Gls/Cmp			
Interior Wall 1	03	Plastered			
Interior Wall 2	05	Drywall/Sheet			
Interior Flr 1	06	Inlaid Sht Gds			
Interior Flr 2	12	Hardwood			
Heat Fuel	03	Gas			
Heat Type	03	Hot Air-no Duc			
AC Type	01	None			
Total Bedrooms	05	5 Bedrooms			
Total Bthrms	5				
Total Half Baths	0				
Total Xtn Fists					
Total Rooms					
Bath Style					
Kitchen Style					

MIXED USE		
Code	Description	Percentage
1040	TWO FAMILY	100

COST/MARKET VALUATION	
Adj. Base Rate:	43.66
Replace Cost	180,499
AYB	1860
EYB	1972
Dep Code	P
Remodel Rating	
Year Remodeled	
Dep %	41
Functional Obsc	0
External Obsc	0
Cost Trend Factor	1
Condition	PD
% Complete	4
Overall % Cond	4
Apprais Val	7,200
Dep % Ovr	0
Dep Ovr Comment	
Misc Imp Ovr	0
Misc Imp Ovr Comment	
Cost to Cure Ovr	0
Cost to Cure Ovr Comment	

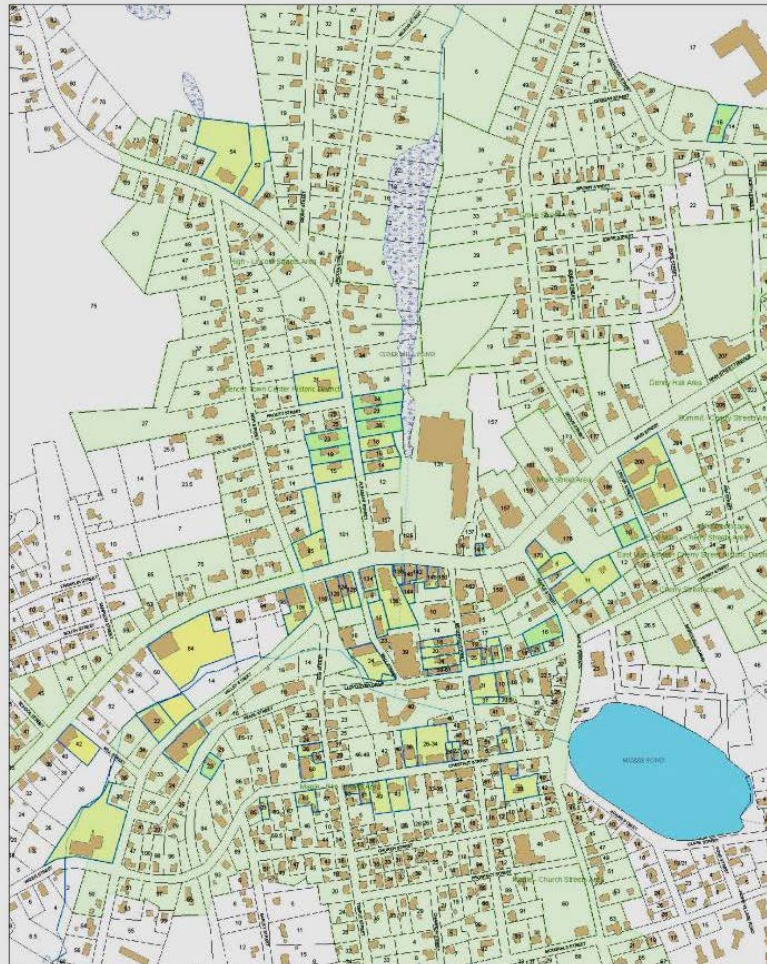
  

OB-OUBUILDING & YARD ITEMS/D NF-BUILDING EXTRA FEATURES/0												
Code	Description	Sub	Sub Descrpt	U/B	Units	Unit Price	Tr	Grde	Imp Rt	Cond	% Cond	Appr Value
FGR4	W/LOFT-AVG			L	760	22.00	1988	0		10		1,700
SHD1	SHED FRAME			L	160	8.00	1988	0		10		100

BUILDING SUB-AREA SUMMARY SECTION						
Code	Description	Living Area	Gross Area	Eff Area	Unit Cost	Undeprc. Value
BAS	First Floor	2,100	2,100	2,100	43.66	91,690
FAT	Attic, Finished	211	1,056	211	8.72	2,213
FHS	Half Story, Finished	189	252	189	32.75	8,252
FOP	Porch, Open	0	200	40	8.73	1,746
FUS	Upper Story, Finished	1,264	1,264	1,264	43.66	55,189
STP	Stoop	0	12	1	3.64	44
UBM	Basement, Unfinished	0	1,632	326	8.72	14,234
WDK	Deck, Wood	0	30	3	4.37	131
Tot. Gross Liv/Lease Area:		3,764	6,546	4,134		180,499

# ARCHITECTURAL ASSESSMENT



Property Assessment and  
Re-use Planning Project  
Spencer Downtown Target Area

**Legend**  
57 properties identified by town  
11 properties identified for rehab evaluation  
Historic Districts

- ✘ 57 properties selected for full assessment
- ✘ Criteria
  - + Abandoned, dilapidated, or underutilized buildings
  - + Town-owned properties that are vacant or underutilized
  - + Focus on downtown
  - + Properties that relate to other Town improvements
- ✘ Includes 11 additional properties that may qualify for on-going Housing Rehabilitation Program funds

# ON-THE-STREET ASSESSMENT PROCESS

- ✘ Building deficiencies
  - + **Major** – critical structural damage correctable only by major repairs
  - + **Serious** – defects seriously effecting structural soundness or non-structural defects correctable by investment beyond normal maintenance
  - + **Minor** – structural & non-structural conditions correctable by investment within normal maintenance

Table of Structural Deficiencies

Condition	Component	Minimum % of component area necessary to create deficiency		
		Major Deficiency	Serious Deficiency	Minor Deficiency
A. OUT OF PLUMB, PITCHED OR SAGGED	1.Foundation wall	25%	12%	5 to 12%
	2.Columns & beams	25%	12%	5 to 12%
	3.Floors	35%	12%	5 to 12%
	4.Ceiling	35%	12%	5 to 12%
	5.Interior & exterior walls	35%	12%	5 to 12%
D. CRACKS AND SPLITS	1.Foundation Wall	25%	12%	5 to 12%
	2.Columns &beams	25%	12%	5 to 12%
	3.Ceilings	35%	12%	5 to 12%
	4.Walls	25%	12%	5 to 12%
C LOOSE AND MISSING BASE MATERIAL	1.Foundation walls	50%	25%	5 to 12%
	2.Columns & beams	50%	25%	5 to 12%
	3.Floors	50%	25%	5 to 12%
	4.Ceilings	50%	25%	5 to 12%
	5.Roof	50%	25%	5 to 12%
	6.Walls	50%	25%	5 to 12%
D. SURFACE DETERIORATION OF FINISH AND/OR BASE MATERIAL	1.Foundation walls	Surface	25%	5 to 12%
	2.Floors	deterioration	50%	12 to 50%
	3.Ceilings	ioration	50%	12 to 50%
	4.Roof	cannot be a major deficiency	50%	12 to 50%
	5.Walls	Leaks cannot be a major deficiency	25%	12 to 25%
E. EVIDENCE OF LEAKS	1. Walls	25%	25%	12 to 25%
	2. Ceilings	25%	25%	12 to 25%

# ON-THE-STREET ASSESSMENT PROCESS



EXTERIOR CONDITIONS DATA SHEET

Material List

1. wood	5. brick	9. metal	13. glass
2. concrete	6. stone	10. tar and gravel	14. not determined
3. concrete block	7. asbestos	11. tile	15. not observed
4. stucco	8. asphalt	12. slate	16. not applicable or non-existent

Condition List

1. Satisfactory	4. One surface only, more than 5%.
2. One surface only, less than 5%.	5. Two or more surfaces, more than 5%.
3. Two or more surfaces, less than 5%.	6. Only one surface observed.

---

Foundations

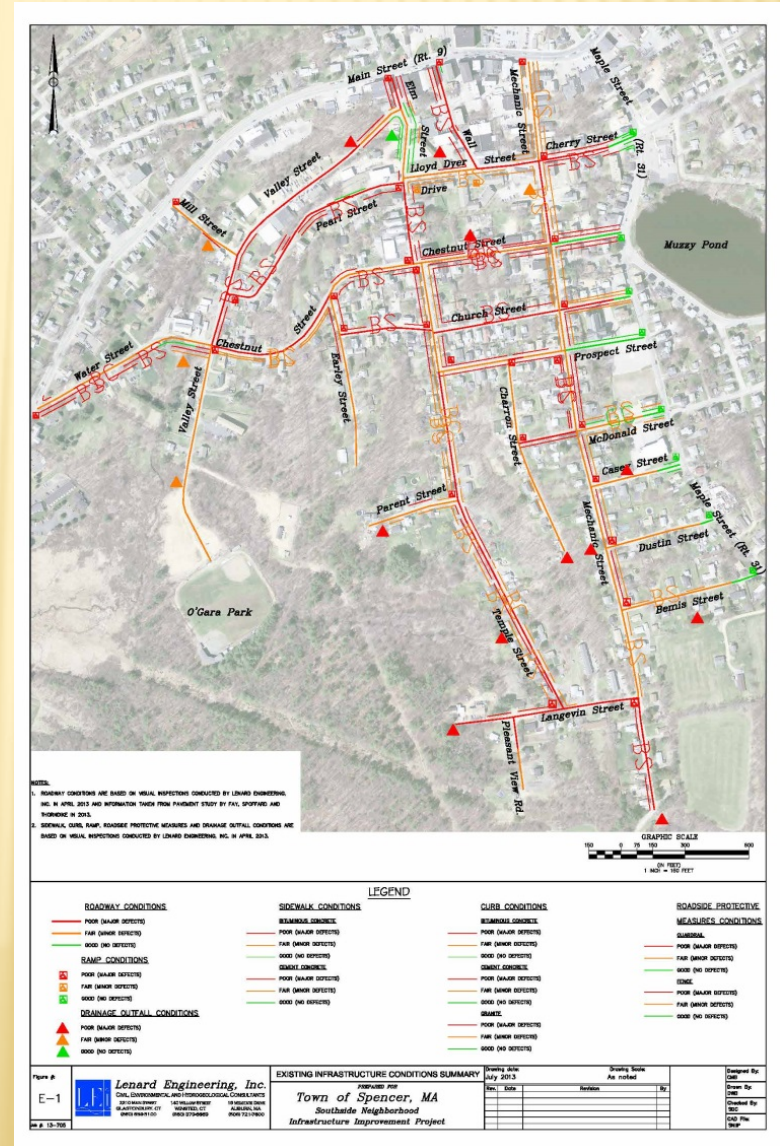
Pred. mat. <u>5</u>	Sec. mat. --
--A. Surf. finish deter. 1 2 3 4 <u>5</u> 6	
--B. Surf. material deter. 1 2 3 4 <u>5</u> 6	
Loose, missing, broken 1 2 3 4 <u>5</u> 6	
Out of plumb, sag, etc. 1 2 3 4 <u>5</u> 6	
Appears satis, one surface only --	Appears satis, one surface only --
Appears satis, 2 or more surfaces --	Appears satis, 2 or more surfaces --

Exterior Walls

Pred. mat. --	Sec. mat. --
--A. Surf. finish deter. 1 2 3 4 <u>5</u> 6	
--B. Surf. material deter. 1 2 3 4 <u>5</u> 6	
--C. Loose, missing, broken 1 2 3 4 <u>5</u> 6	
--D. Out of plumb, sag, etc. 1 2 3 4 <u>5</u> 6	
Appears satis, one surface only --	Appears satis, one surface only --
Appears satis, 2 or more surfaces --	Appears satis, 2 or more surfaces --

# SITE & REGULATORY ASSESSMENT

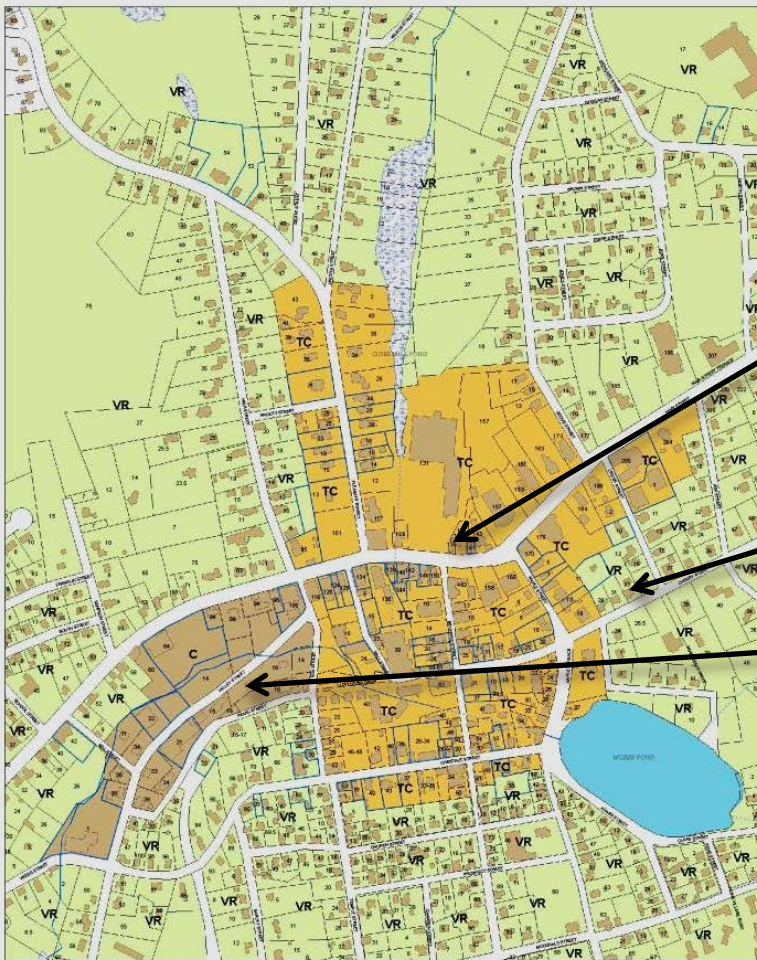
- ✘ Infrastructure – Southside Neighborhood Infrastructure Improvement Project
  - + Lenard Engineering, Inc. inventory of roads, curbs, sidewalks, water lines, & sewer lines
  - + Summary
    - ✘ Most infrastructure is in poor condition due to age
    - ✘ Programs to upgrade infrastructure are underway
    - ✘ No limitations for PARP project



# SITE & REGULATORY ASSESSMENT

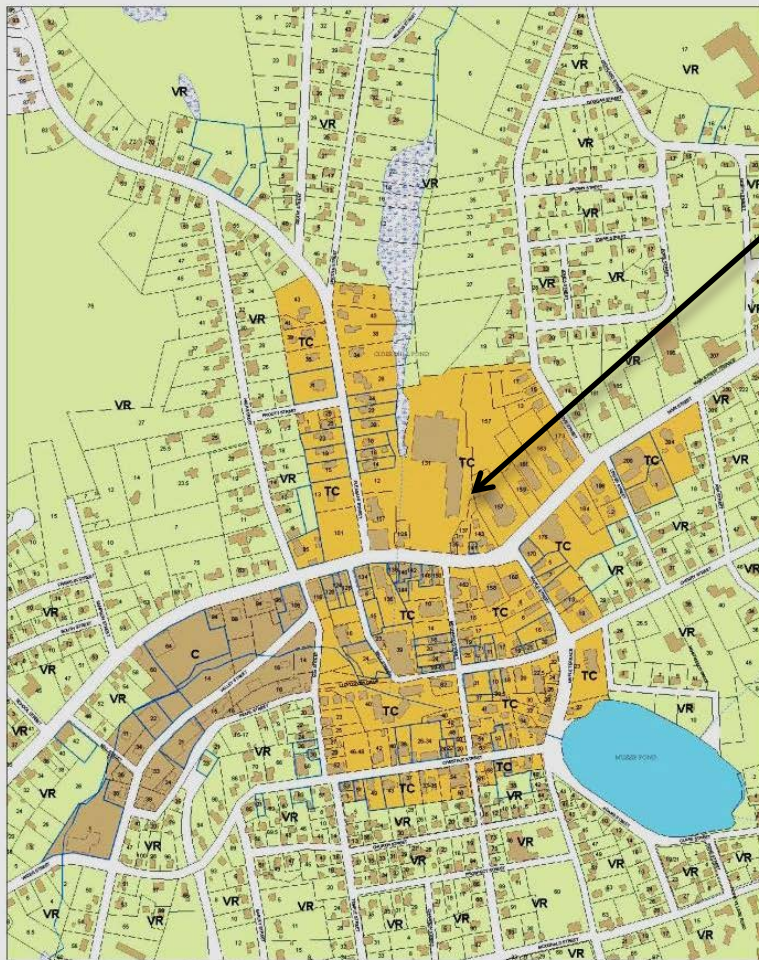
## ✘ Zoning

- + 48 selected properties in Town Center Mixed Use District
- + 11 properties in Village Residential District
- + 6 in Commercial District
- + 2 overlap Town Center & Village Residential District



Property Assessment and  
Re-use Planning Project  
Spencer Downtown Target Area

# SITE & REGULATORY ASSESSMENT



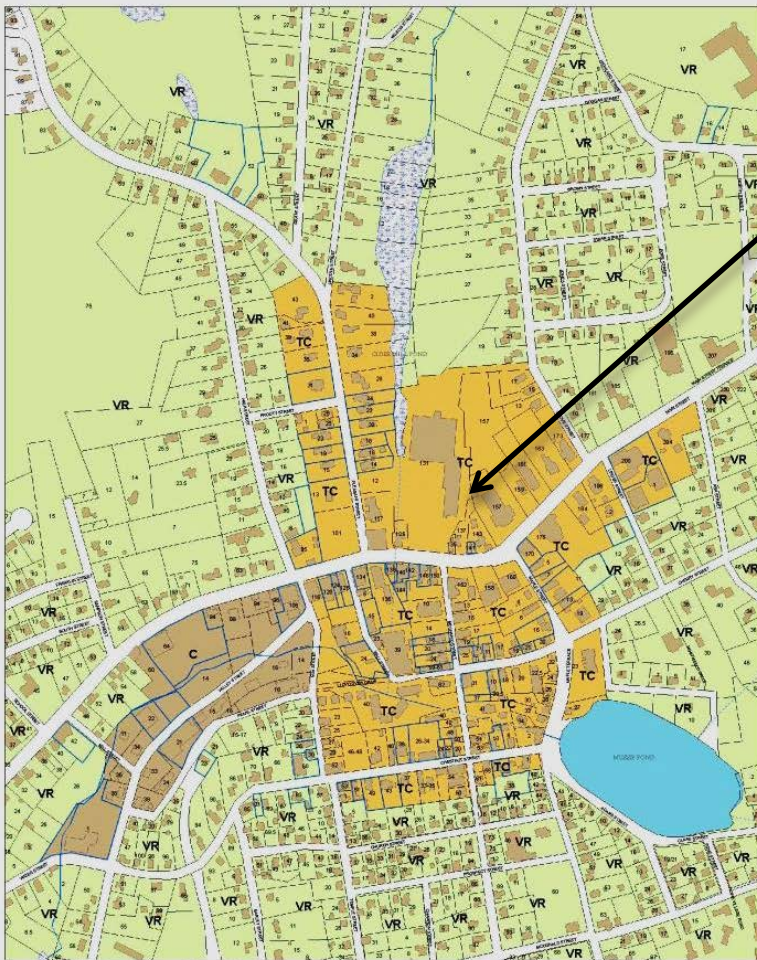
✘ Town Center Mixed Use District

+ Advantages

- ✘ Allows mixed uses in a single building by right
- ✘ Enables single-family homes to become 2-family by right
- ✘ Allows many small-scale commercial uses

Property Assessment and  
Re-use Planning Project  
Spencer Downtown Target Area

# SITE & REGULATORY ASSESSMENT



Property Assessment and  
Re-use Planning Project  
Spencer Downtown Target Area

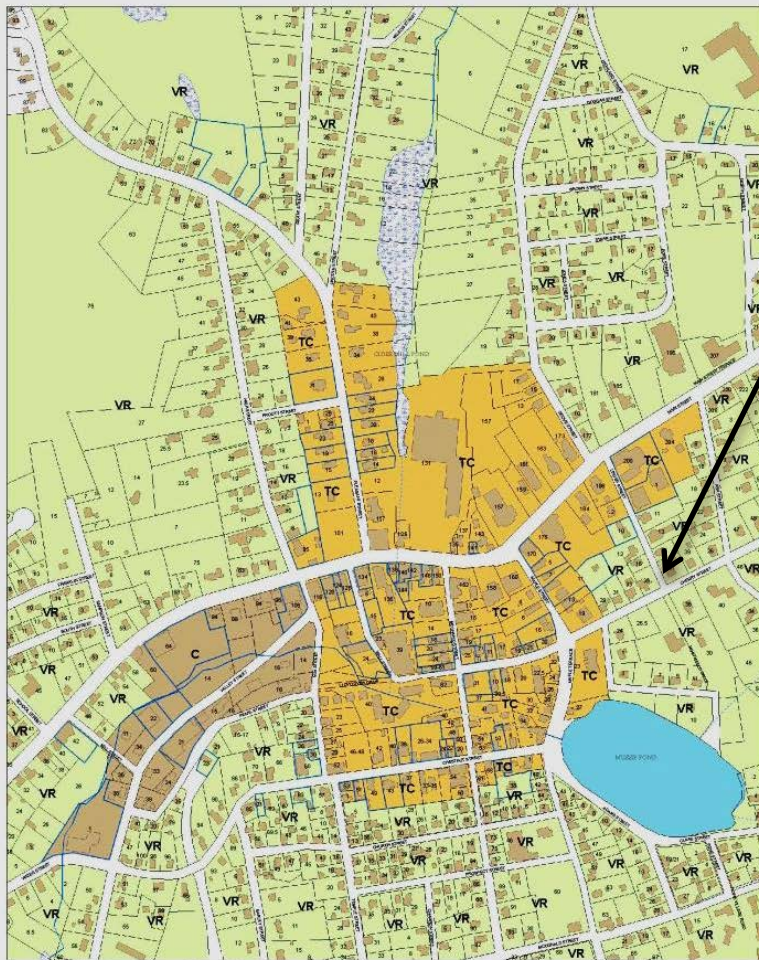
✘ Town Center Mixed Use District

+ Disadvantages

- ✘ Does not permit single-family homes; meaning existing 1-family homes are non-conforming
- ✘ Requires numerous uses to obtain special permit
  - ✘ Of 77 uses listed – 30 are not permitted, 26 require special permit, & 21 are permitted by right



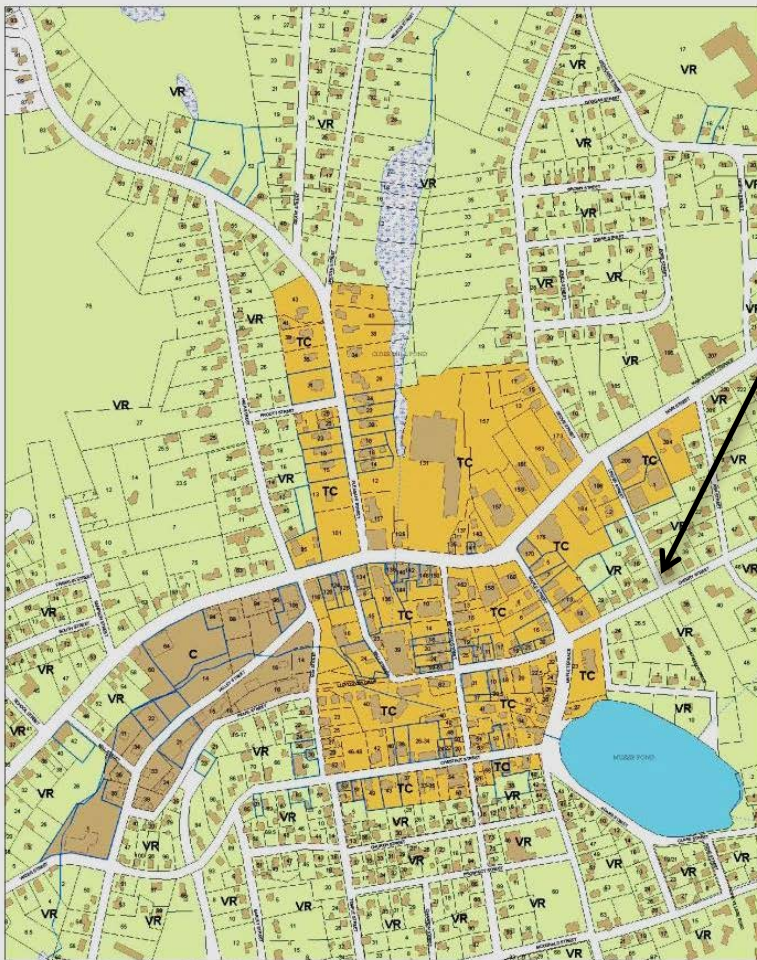
# SITE & REGULATORY ASSESSMENT



Property Assessment and  
Re-use Planning Project  
Spencer Downtown Target Area

- ✘ Village Residential District
- + Advantages
  - ✘ Allows mixed-uses in a single building by special permit

# SITE & REGULATORY ASSESSMENT



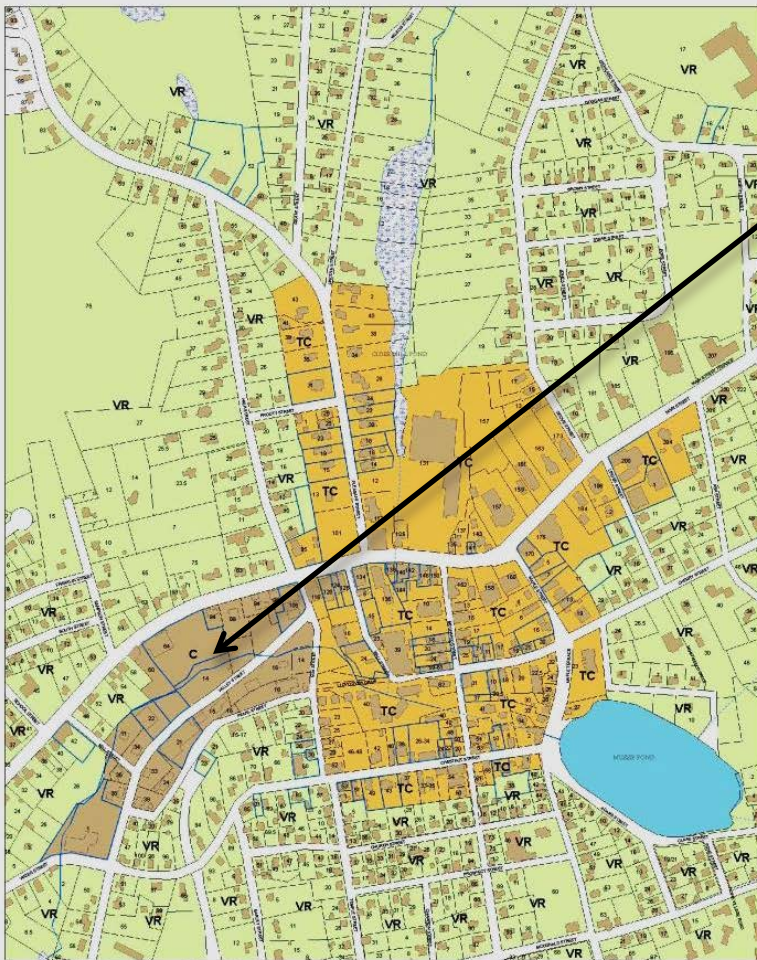
Property Assessment and  
Re-use Planning Project  
Spencer Downtown Target Area

## ✘ Village Residential District

### + Disadvantages

- ✘ Single-family & 2-family are only residential uses permitted by right
- ✘ All other residential uses require special permit
- ✘ Requires commercial uses to obtain a special permit

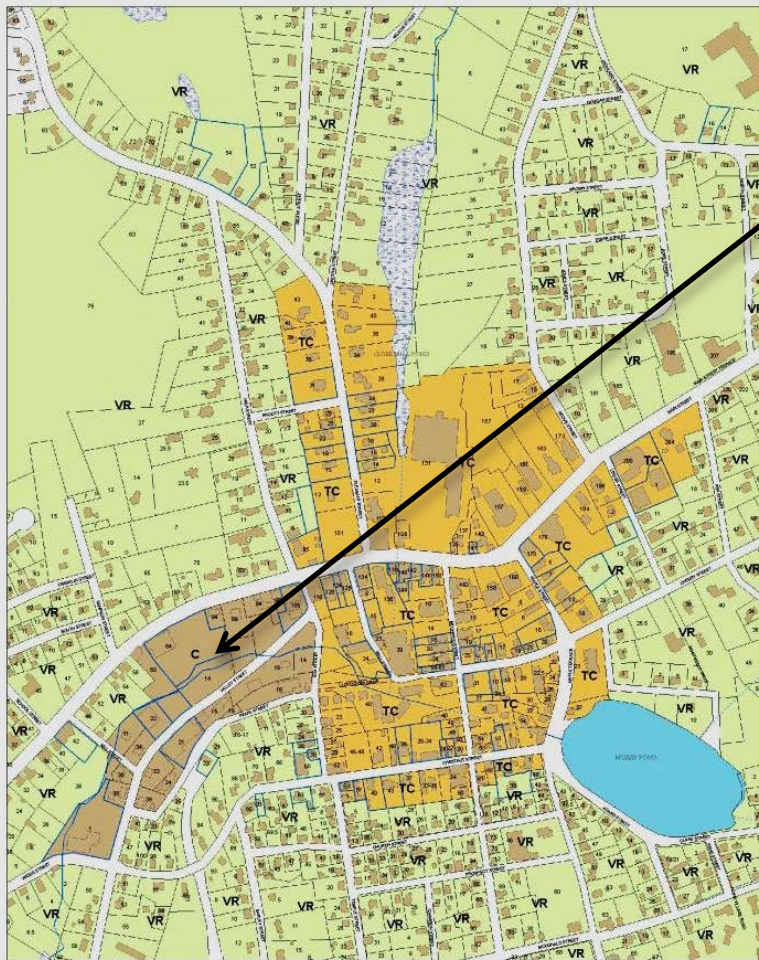
# SITE & REGULATORY ASSESSMENT



- ✘ Commercial District
- + Advantages
  - ✘ Allows a broad range of activities

Property Assessment and  
Re-use Planning Project  
Spencer Downtown Target Area

# SITE & REGULATORY ASSESSMENT



Property Assessment and  
Re-use Planning Project  
Spencer Downtown Target Area

- ✘ Commercial District
- + Disadvantages
  - ✘ Allows activities that require an extensive land area. Such uses are likely to be incompatible with village character that promotes walkability

# SITE & REGULATORY ASSESSMENT

## ✘ Historic Districts

- + All but 4 properties are inside one of the Town's Historic Districts & would potentially be eligible for historic tax credits



Property Assessment and  
Re-use Planning Project

Spencer Downtown Target Area

### Legend

- 57 properties identified by town
- 11 properties identified for rehab evaluation
- Historic Districts

# SITE & REGULATORY ASSESSMENT

## ✘ Ownership (based on assessors' records)

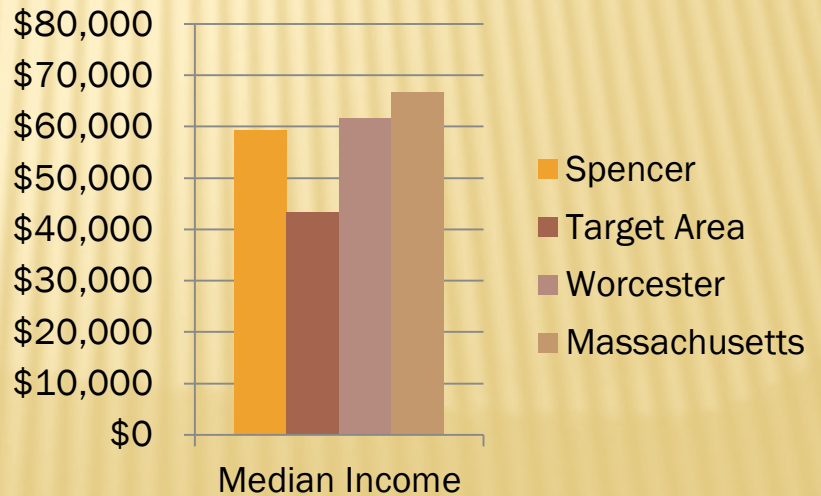
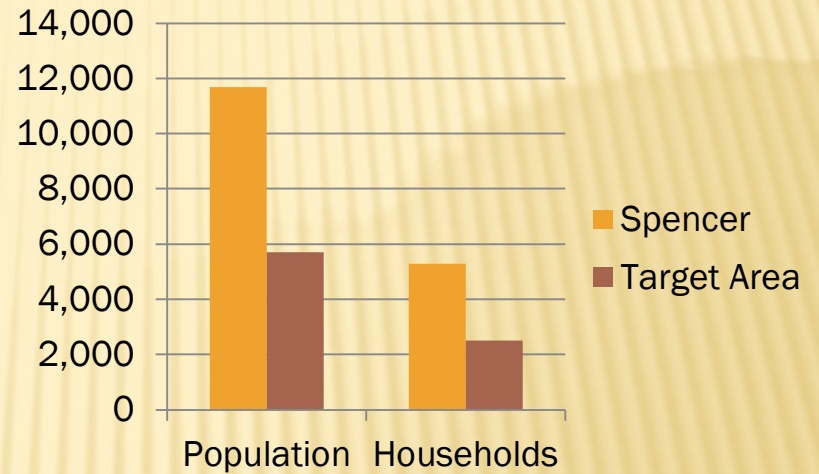
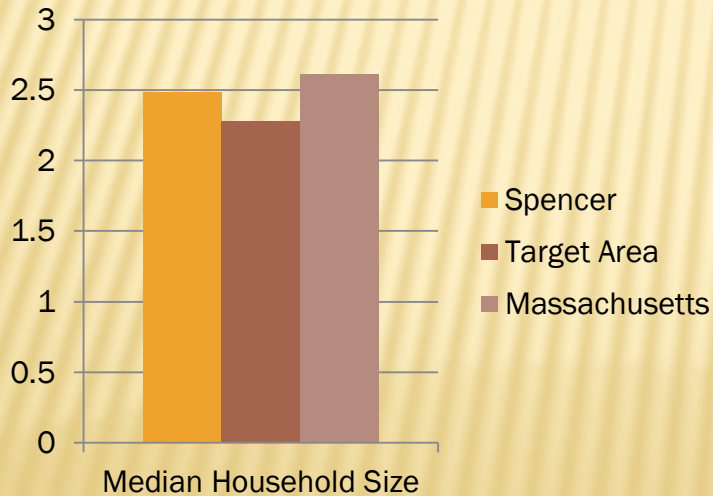
- + 3 properties owned by Town of Spencer (including 1 small vacant parcel)
- + All others are privately owned
- + Several individuals or families own multiple properties
  - ✘ 1 owns 7 properties
  - ✘ 2 own 3 properties
  - ✘ 6 own 2 properties each
- + 14 are owner occupied

## ✘ Environmental constraints

- + 8 properties are within the 100' buffer of Muzzy Brook
- + An additional 8 properties are within 200'
- + 7 are within 100' of a wetland
- + Small portions of 3 properties are within the FEMA flood area of Cider Mill Pond
- + 6 properties are listed as 21E sites by MassDEP
  - ✘ 4 have had underground storage tanks removed
  - ✘ 2 have had hazardous chemical incident remediation
    - ★ 1 has use limitations on a portion of the site

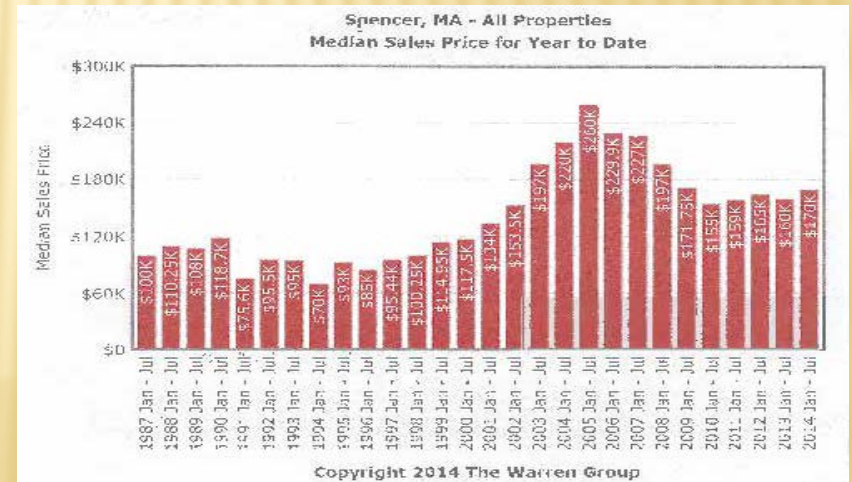
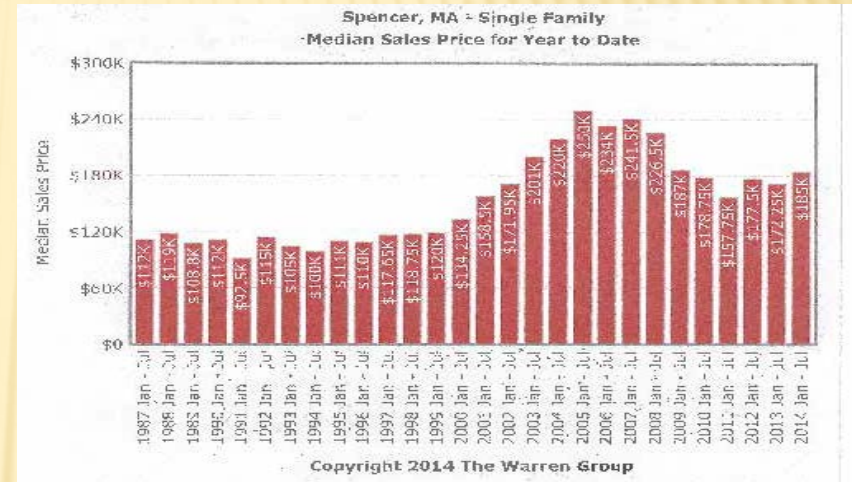
# REAL ESTATE MARKET ASSESSMENT

## ✘ Demographics



# REAL ESTATE MARKET ASSESSMENT

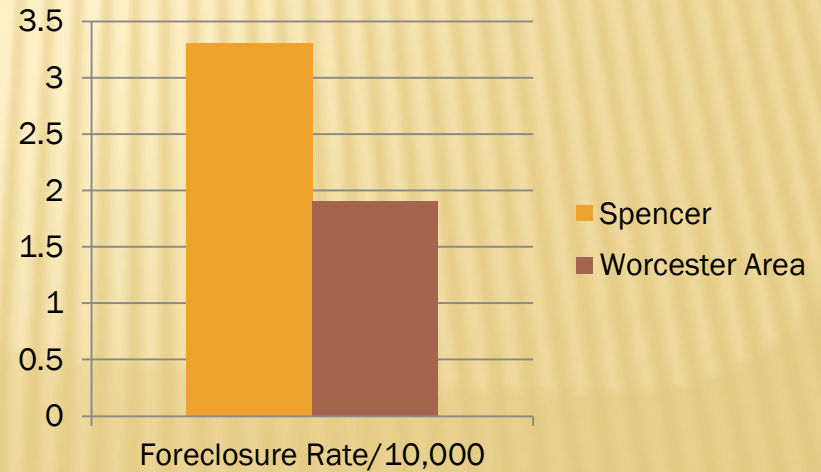
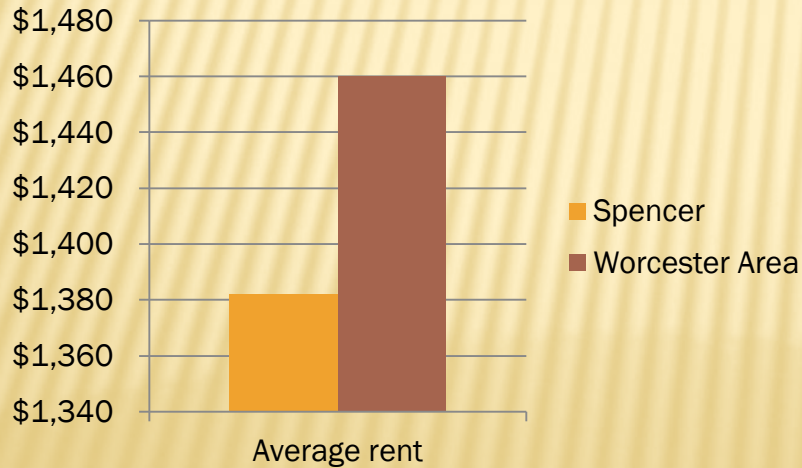
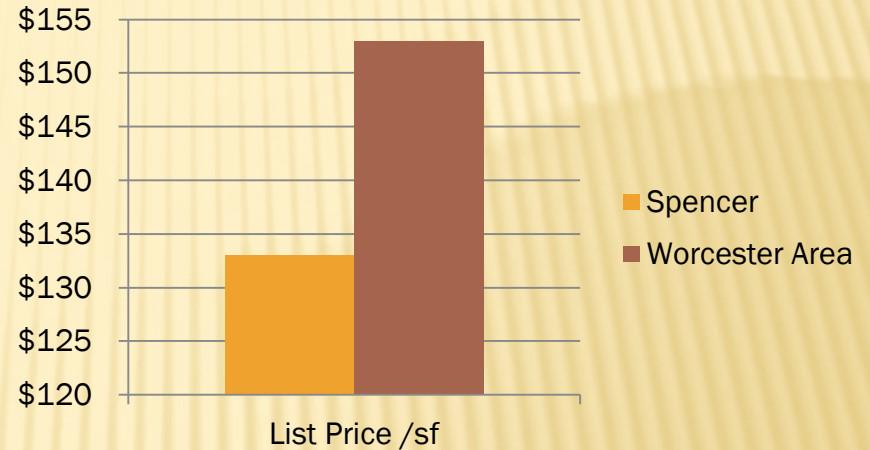
- ✘ Generally considered poor
- ✘ Some signs of recent improvement in 2014
  - + 7.5% increase in single family home sales prices
  - + 6.2% increase in all property sales prices





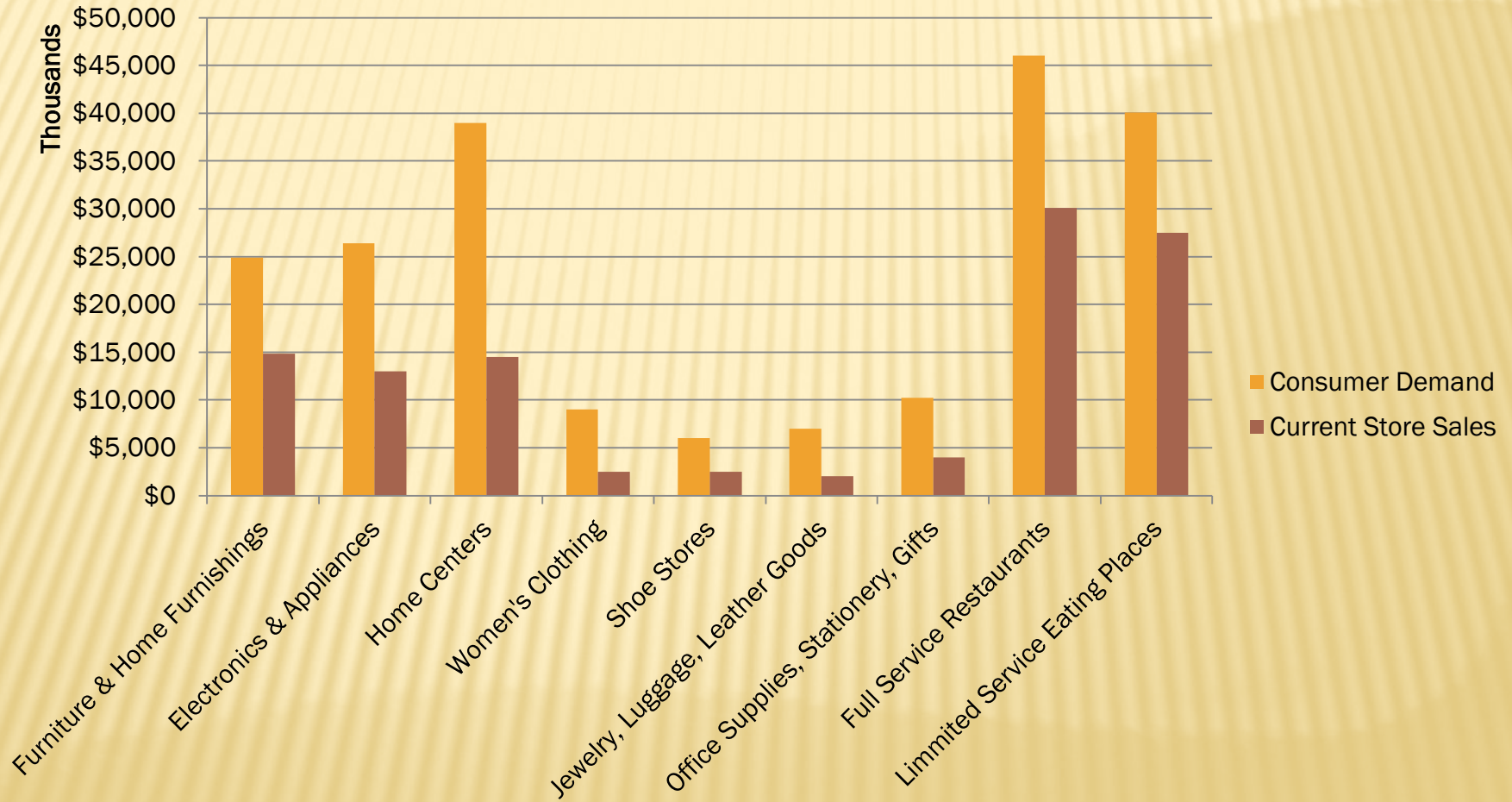
# REAL ESTATE MARKET ASSESSMENT

## ✘ Recent property sales & rental data



# REAL ESTATE MARKET ASSESSMENT

Selected Retail Opportunities: 15-minute Drive Time Market Area



# OPPORTUNITIES & OBSTACLES

## ✘ Opportunities

- + A village where homes, jobs, & shopping are close to each other
- + Many attractive buildings with historic character & potential for reuse
- + Walkability – convenient shopping
- + Rt. 9 traffic = business potential



# OPPORTUNITIES & OBSTACLES

## ✘ Opportunities

- + Town investments in upgrading infrastructure
- + Some local consumer demand
- + Several vibrant local farms & businesses
- + Spencer Fair = people
- + Other events
- + Broad range of potential reuse for many buildings



# OPPORTUNITIES & OBSTACLES

## ✦ Opportunities

- + Reuse example – Natick Center for the Arts reuse of abandoned fire station as a performing arts venue
- + Non-profit housing developers



Northampton – Paradise Pond Apartments



Northampton – Village Hill

# OPPORTUNITIES & OBSTACLES



## ✘ Obstacles

- + Poor real estate market/economy
- + Some property owners primarily interested in selling
- + School reputation
- + Appearance of some buildings
- + Negative perceptions
- + Difficulty of obtaining special permits

# RE-USE RECOMMENDATIONS



- × Re-use options
  - + Rehab existing structure
  - + Change use
  - + Mixed uses
  - + Tear-down & build new
  - + Tear-down & reuse lot for open space or parking
  - + Other

# RE-USE RECOMMENDATIONS



- ✘ Implementation tools that may be recommended
  - + Regulatory changes
  - + Tax incentive programs
  - + Loan programs
  - + Property-owner training programs
  - + Private/public development corporations
  - + Economic development strategies
  - + Other



# IMPLEMENTATION PLAN (STILL TO COME)

- ✘ Recommend re-use strategies for individual or “packages” of properties
  - + Strategies for owners & residents
  - + Rehab, re-use, rebuild
  - + Regulatory changes
  - + Financial programs
  - + Home ownership programs





Re-Use Example – Main Street/Mechanic Street/  
Wall Street

# Re-Use Example – 200 Main Street



# POTENTIAL FINANCIAL AID PROGRAMS

Program	Funding Source	Property Type	Applicant	Type & Use of \$	Amount	Rate/Terms	Requirements	Comments
<b>Pre-development loans</b>	Mass Development	<b>Commercial / Mixed Use</b>	<b>For Profit &amp; Non Profit Developers</b>	Loans for pre-development costs	Max: \$100,000	Deferred interest payment	Requires 50% match from Applicant	Applicant is typically a <b>business</b> that will occupy portion of building
<b>Real Estate Loans</b>	Mass Development	Multi tenant, <b>mixed use</b> , commercial / industrial, manufacturers apartment buildings	<b>For Profit &amp; Non Profit Developers</b>	Acquisition, renovation, construction and /or permanent financing	Max: \$5,000,000 will fund up to 90% of property value	Flexible		Construction financing Preference for <b>multifamily rental buildings in downtowns</b>
<b>Commercial Real Estate Improvement Loans</b>	Mass Development	Commercial / mixed use buildings in <b>downtowns</b>	<b>For Profit and Non Profit Developers</b>	Improvements to buildings to help lease up vacant or underutilized space	Max.: \$500,000	Flexible		
<b>Tax Exempt Bonds</b>	Mass Development Mass Housing Investment Corp (MHIC)	<b>Affordable rental housing</b> manufacturers infrastructure	<b>For Profit &amp; Non Profit Developers</b>	Acquisition rehabilitation & adaptive reuse	No preset limits	interest rates lower than traditional funding sources		

# PROJECT EXAMPLES

- ✘ Mass Development – North Hampton – Village Hill Apartments



- ✘ Mass Housing Investment Corp. – Ware Senior Housing



# POTENTIAL FINANCIAL AID PROGRAMS

Program	Funding Source	Property Type	Applicant	Type & Use of \$	Amount	Rate/Terms	Requirements	Comments
<b>LIHTC - State &amp; Federal Tax Credit Program</b>	Mass Development MHIC Department of Housing & Community Development (DHCD)	<b>Affordable rental housing/ Mixed Use</b>	<b>For Profit &amp; Non Profit Developers</b>	Acquisition, new construction rehabilitation of existing structures for rental	Max: \$400,000 less than 40 units; \$700,000 41-60 units; \$1,000,000 more than 60 units	Federal:4% tax credits for 10 years; State: 4% tax credits for 5 years	20% earning less than 50% of area median income (AMI) and 10% at 30% AMI or 40% at 60% AMI and 10% at 30% AMI	40% of total costs must be financed by Mass Development bonds; priority given to large scale <b>neighborhood</b> projects
<b>Historic Tax Credits</b> (Federal & State)	US Department of the Interior/ MHIC/ MA Historical Commission	<b>Income properties</b> including commercial, industrial, agriculture & rental housing	<b>For Profit &amp; Non Profit Developers</b>	Substantial rehabilitation (must exceed pre-rehabilitation cost of the building)	20% of qualifying expenses	Tax credits can be carried forward for 5 years		Building must be designated as <b>historic</b> or certified as contributing to significance of an historic district
<b>MA HOME Program</b>	DHCD	<b>Affordable rental housing</b>	<b>For Profit ; Non profit, Municipalities</b> in conjunction with the above	Acquisition, new construction and/or rehabilitation of existing structures	Max: \$750,000 - \$1,000,000 per project, \$50,000 per unit in entitlement communities	30 years @ 0% (deferred payment)	Project must have min. of 5 HOME assisted units with all HOME units below 60% OF AMI and 20% below 50% of AMI	Local funds required; total state subsidy exclusive of tax credits is \$100,000 per unit

# POTENTIAL FINANCIAL AID PROGRAMS

Program	Funding Source	Property Type	Applicant	Type & Use of \$	Amount	Rate/Terms	Requirements	Comments
<b>Housing Stabilization Fund</b>	DHCD	<b>Rental Housing/ Mixed Use</b>	<b>For Profit &amp; Non Profit Developers</b>	Acquisition, new construction and/or rehabilitation of existing structures for rental	Max: \$750,000 - \$1,000,000 per project, \$50,000 per unit	50 year at 0% (deferred loan payment)	Must be min. of 5 affordable units & all units receiving assistance must be occupied at 80% AMI for years 0- 40 & no greater than 100% of AMI for years 41 -50	Local funds required; can be used in conjunction with other state programs
<b>Capital Improvement &amp; Preservation Fund</b>	DHCD (MHP is financial intermediary)	<b>Existing low Income rental housing</b>	<b>For Profit &amp; Non Profit Developers; Local Housing Authorities</b>	Refinance & rehabilitation of existing rental properties	Max: \$40,000/unit for project with >25 units up to \$2 million, Max. \$50,000/unit for projects with <25 units up to \$1.25 million	40 year at 0% (deferred payment loan)	50% of the units at 80% AMI, 5% of the units at 50% AMI	DHCD subsidies are limited to \$100,000/unit (exclusive of tax credits); cannot be combined with DHCD Home funds

# POTENTIAL FINANCIAL AID PROGRAMS

Program	Funding Source	Property Type	Applicant	Type & Use of \$	Amount	Rate/Terms	Requirements	Comments
<b>Housing Innovation Fund</b>	DHCD / Community Development Assistance Corp (CEDAC)	<b>Residential properties &amp; SROs</b>	<b>Non Profit Developers</b>	Acquisition, construction & renovation of residential buildings & SROs	Max \$500,000 except for projects that primarily serve homeless families or individuals then \$1 million	30 years - 5% deferred loan payment	at least 25% of the project must be occupied by low income persons or families & 25% must be occupied by very low income persons or families	Designed to create alternative forms of housing such as SROs
<b>Facilities Consolidation Funds</b>	DHCD / CEDAC	<b>Residential properties</b> that serve individuals affected by the facility consolidation/ community expansion & restructuring initiatives of DMR & DMH	<b>For Profit, &amp; Non Profit Developers</b>	Acquisition, new construction and/or rehabilitation of existing structures for rental	Max: \$500,000 - No more than 50% of total development costs of eligible units	30 years - Interest is deferred but accrues for only the initial 20 years provided the loan is not in default	At or below 80% AMI, Designed to service persons with physical or mental impairments	A service program monitored by DMR and DMH is an integral component



# PROJECT EXAMPLES

- ✘ DHCD – Amherst – Butternut Farm – 26 units of family rental housing



- ✘ HAPHousing – Springfield – HOME program, etc.



# POTENTIAL FINANCIAL AID PROGRAMS

Program	Funding Source	Property Type	Applicant	Type & Use of \$	Amount	Rate/Terms	Requirements	Comments
<b>Community Based Housing</b>	DHCD / CEDAC	<b>Rental housing</b>	<b>Non Profit Developers</b>	Acquisition, new construction and/or rehabilitation of existing structures for rental	Max: Lesser of \$750,000 per project or 50% of total development costs of eligible units	30 years @ 0% (deferred payment)	At or below 80% AMI (majority of tenants will have a long term physical or mental impairment, or be at risk of institutionalization or a household with a minor child who qualifies)	Application must include a letter of support from the Mass. Rehabilitation Commission
<b>Permanent Rental Financing Program</b>	MHP	<b>Multifamily rentals &amp; SROs with 5 or more units</b>	<b>For Profit &amp; Non Profit Developers</b>	Permanent financing for takeout of construction loans	Min: \$250,000, Max:\$15 million (Projects over \$15 million w/ participating lenders)	20 years amortizing up to 30 years	20% at 50% AMI or 40% affordable at 60% AMI or 50% at 80% of AM; total commercial space income cannot exceed 33% of total effective rental income	

# POTENTIAL FINANCIAL AID PROGRAMS

Program	Funding Source	Property Type	Applicant	Type & Use of \$	Amount	Rate/Terms	Requirements	Comments
<b>5 Year Flexible Financing</b>	MHP	<b>Multi family rental properties with 5 or more units</b>	<b>For Profit &amp; Non Profit Developers</b>	Permanent financing for takeout of construction loans	Max: \$15 million	10 year term with initial interest rate set using 5 year prices amortizing over 30 years	20% at 50% AMI or 40% affordable at 60% AMI or 50% at 80% of AM; total commercial space income cannot exceed 33% of total effective rental income	
<b>MATCH Tax Exempt Financing</b>	MHP / Mass Development	<b>Affordable rental housing</b>	<b>For Profit &amp; Non Profit Developers</b>	Bonds issued by Mass Development to MHP which provides a mortgage equal to bond amount. Bonds are guaranteed by Federal Home Loan bank assuring low rates		20 years amortizing over 30 years	20% at 50% AMI or 40% affordable at 60% AMI or 50% at 80% of AM; total commercial space income cannot exceed 33% of total effective rental income	Developers may qualify for an allocation of tax credits

# POTENTIAL FINANCIAL AID PROGRAMS

Program	Funding Source	Property Type	Applicant	Type & Use of \$	Amount	Rate/Terms	Requirements	Comments
<b>Energy Performance Improvement Loan</b>	MHP	<b>Affordable multifamily housing</b>	<b>For Profit; Non Profit developers</b> must have MHP funded first mortgage	Loans to enhance energy efficiency & energy conservation	Max: \$15,000 per unit	20 years amortizing over 30 years	20% at 50% AMI or 40% affordable at 60% AMI or 50% at 80% of AM; total commercial space income cannot exceed 33% of rental income	
<b>Community Revitalization Rental Financing</b> for projects located in a high poverty area	MHP	<b>Predominately market rate housing in a high poverty area</b>	<b>For Profit &amp; Non Profit Developers</b>	Permanent financing for takeout of construction loans	Min: \$500,000; Max: \$15 million	Minimum 5 years, Maximum 20 years amortizing over 30 years	Minimum 10% affordable	
<b>One Source</b>	MHP / MHIC	<b>Affordable multifamily housing</b>	<b>For Profit &amp; Non Profit Developers</b>	Provides simplified financing for acquisition & rehabilitation; \$ provided by MHIC or participating lenders	Not specified	Not specified		

# PROJECT EXAMPLES

## ✘ Worcester rehabs



# POTENTIAL FINANCIAL AID PROGRAMS

Program	Funding Source	Property Type	Applicant	Type & Use of \$	Amount	Rate/Terms	Requirements	Comments
<b>Economic Development Fund</b>	DHCD	<b>Mixed use &amp; adaptive reuse projects</b>	<b>For Profit &amp; Non Profit Developers</b>	Acquisition & development of mixed use properties in commercial areas	\$100,000 - \$750,000 / project; \$100,000 - \$500,000 to community development corps.; \$50,000 planning grants; Loans of \$500,000 - \$5,000,000 for economic development projects		Project must be critical in downtown revitalization &/or job creation / retention	Funds are limited & awarded on a rolling basis depending upon availability; 2-step application process
<b>Affordable Housing Trust Fund</b>	DHCD/Mass Housing/ CEDAC/MHIP	<b>Affordable housing</b>	<b>For Profit &amp; Non Profit Developers; Government Housing Authorities</b>	Acquisition, rehabilitation & construction of affordable housing	Lesser of \$1,000,000 or \$50,000 per assisted unit	30 year @ 0% (deferred payment)	110% of AMI (range of incomes with special emphasis on units of 80% AMI or less)	DHCD subsidy limited to \$100,000 per unit exclusive of tax credits
<b>Small Business Loan Options</b>	Quaboag Valley Business Assistance Corporation	<b>Micro-enterprises</b> (small business with few employees)	<b>Business Owners</b> (typically low and moderate income)	Working capital, equipment, expansion, refinancing	\$500 - \$100,000	Lower monthly payments - 5-10%	Must qualify under USDA Rural Micro-enterprise Program	Average loan is \$35,000 with interest rate of 7-8%

# PROJECT EXAMPLE

- ✘ Lee, MA  
Partial funding from  
CEDAC.



# POTENTIAL FINANCIAL AID PROGRAMS

Program	Funding Source	Property Type	Applicant	Type & Use of \$	Amount	Rate/Terms	Requirements	Comments
<b>Commercial Area Transit Node Housing</b>	DHCD	Housing Projects of <b>25 units or less</b> in Commercial areas in close proximity to public transit	<b>For Profit &amp; Non Profit Developers; Municipalities</b>	New construction	Max: \$50,000 per unit up to \$1 million	30 years @ 0% (deferred payment)	At least 51% of the units must be affordable at or below 80% AMI	Funding Limited; Maximum DHCD subsidy is limited to \$100,000 per unit exclusive of tax credits
<b>Home Funders</b>	MHP / MHIC	<b>Affordable housing</b> for family sized units (2 bedrooms or more)	<b>Non Profit Developers</b>	Acquisition, rehabilitation & construction of 10 or more new affordable housing units	Max: \$50,000 per eligible unit up to \$750,000 (typically 5-10% of total project costs)	20 years, fully amortizing with 2% interest only payments required during loan term. Full repayment of principal at maturity	20% of the family sized units at 30% of AMI	Project must include some provision for service coordination for residents
<b>Mixed Income Rental Housing</b>	Mass Housing	<b>Mixed income rental housing</b>	<b>Non Profit Developers</b>	Tax exempt & taxable financing for mixed income rental housing	Varies by Project	40 years	Tax Exempt: 20% affordable at 50% AMI or 40% affordable at 50% AMI; Taxable: 20% affordable at 80% AMI	



# POTENTIAL FINANCIAL AID PROGRAMS

Program	Funding Source	Property Type	Applicant	Type & Use of \$	Amount	Rate/Terms	Requirements	Comments
<b>Elder Mixed Income Housing</b>	Mass Housing	<b>Rental housing for elders</b>	<b>For Profit &amp; Non Profit Developers</b>	tax exempt & taxable bonds	Varies by Project	30 and 40 years	20% of units must be affordable to elders at 50% AMI	must provide supportive services for seniors
<b>Elder CHOICE</b>	Mass Housing	<b>Assisted living units</b> for frail elders	<b>Non Profit Developers &amp; Limited Dividend Corps</b>	tax exempt & taxable bonds	Varies by Project	30 and 40 years	20% affordable at 50% AMI or 40% affordable to 60% AMI; rents must not exceed 30% of target income group	must provide supportive services for frail elders
<b>Brownfields Redevelopment Fund</b>	Mass Development	<b>Properties with economic development benefit</b>	<b>For Profit &amp; Non profit developers, Municipalities</b>	For environmental assessment and clean-up of contaminated properties	\$100,000 for site assessments; \$500,000 for remediation	Deferred loans & flexible funding, Municipalities & Community Development corps. maybe eligible for a grant		
<b>Affordable Housing Program</b>	FHLB Member Bank	<b>Affordable housing</b>	<b>Non Profit Developers</b>	Acquisition, rehabilitation & construction of affordable housing	Max:\$ 400,000 in direct subsidy grant & a total of \$800,000 (grant plus loan)	Subsidized advance loans &/or grants have various interest rates provided by FHLB member banks	20% of the units at 50% AMI	Must have commitments for at least 50% of funding less AHP request

# OWNER/RESIDENT PARTICIPATION



## ✘ An invitation

- + Please let us know if you are interested in a follow-up owners'/residents' workshop
- + Contact Brian Barber, [brian.barber@comcast.net](mailto:brian.barber@comcast.net) phone: 781 648-0326

# SCHEDULE

Tasks	June	July	August	Sept	Oct	Nov	Dec
Inventory & Physical Assessment	*						
Site & Regulatory Assessment							
Re-use Recommendations					*		
Implementation Plan							
Final Report							*
* Public Forum							