



24 CRESCENT STREET, SUITE 201, WALTHAM, MA 02453
Phone 781.891.6689 • Fax 781.891.1703 • www.watchcdc.org

To: Justin Barrett, Chair

March 6, 2019

Waltham Community Preservation Committee
119 School Street
Waltham, MA 02451

Dear Justin,

Please find attached an application for funding for a Deed Restriction Buy-Down.

This program will increase access to affordable housing for at least 20 households for up to 10 years and give landlords an avenue to providing affordable units.

We all know that Waltham faces an urgent need for affordable housing. Many different kinds of programs will be needed to address this issue, including the creation of new affordable units. WATCH will continue to pursue these solutions. In the meantime, we believe this proposal will provide immediate relief for low-income Waltham households desperate for access to affordable housing.

We look forward to engaging with the Community Preservation Committee on this program proposal. We hope for your support on this innovative solution to meet an important community need.

Sincerely,

Daria Gere
Executive Director, WATCH CDC

CC: Bill Durkee, Waltham CPC Administrator

**City of Waltham Massachusetts
Community Preservation Act
Community Housing
Funding Application WCPA-2**



SECTION I APPLICANT/DEVELOPER INFORMATION

Contact Person/Primary Applicant ⁽¹⁾ Daria Gere

Organization, if applicable WATCH CDC

Co-Applicant, if applicable ⁽¹⁾ _____

Owner of project (if not developer/sponsor) ⁽²⁾ _____

Mailing Address 24 Crescent St Suite #201, Waltham, MA 02453

Daytime Phone (Contact Person/Primary Applicant) 781-891-6689 ext. 200

Email address daria@watchcdc.org

Fax number 781-891-1703

Developer (if different than applicant) N/A

Developer mailing address _____

Developer daytime phone _____

Developer email address _____

Developer fax number _____

SECTION II PROJECT INFORMATION

Project Name Deed Restriction Buy-Down Proposal

Address of Project Community-wide, Waltham

Assessor's Parcel ID _____

(see <http://waltham.patriotproperties.com/default.asp> to look up parcel ID by address)

Type of CPA-funded project (check all that apply):

- | | | |
|--------------------------------------|--|---|
| <input type="checkbox"/> Creation | <input checked="" type="checkbox"/> Preservation | <input checked="" type="checkbox"/> Support |
| <input type="checkbox"/> Acquisition | <input checked="" type="checkbox"/> Rehabilitation and Restoration | |

Brief project description The program will provide affordable housing for low-income Waltham residents, by offering landlords an up-front payment in exchange for a 10-year affordable rent deed restriction.

The cost of the restriction will vary, based on the number of bedrooms and the targeted income of tenants.

The payment for the deed restriction will be equal to 110% FMR (Fair Market Rent), less HUD's rent limit for the different income categories: 30%, 50%, and 80% Area Median Income (AMI).

PROJECT FUNDING

City Funding Sources	\$	Purpose
CDBG/Housing Development		
Community Preservation Fund	2,915,517	Full Program Funding
Other Waltham City funds		
Total amount of City funding requested	2,915,517	
Estimated total Development Costs	2,915,517	

TYPE OF HOUSING (check all that apply and provide Number of units)

Housing Target Class	Housing Target	Number of Units
Homeownership	<input type="checkbox"/> Single Family	
	<input type="checkbox"/> Condominium	
	<input type="checkbox"/> Cooperative	
	<input type="checkbox"/> Other _____	
Rental	<input checked="" type="checkbox"/> Individual/Family	
	<input type="checkbox"/> Group home/congregate	
	<input type="checkbox"/> Other _____	
Targeted Population	<input checked="" type="checkbox"/> Individual/Family	
	<input type="checkbox"/> Special needs/Identify needs	
	<input type="checkbox"/> Elderly	
	<input type="checkbox"/> Homeless	
	<input checked="" type="checkbox"/> At risk of homelessness	
	<input type="checkbox"/> Other _____	

UNITS OF HOUSING

Unit style	Total # units	# units <= 30% AMI	# units <= 50% AMI	# units <= 80% AMI	# units <= 80-100% AMI	Market Rent(s)	Market Sale Price(s)
SRO							
1 BR	5	2	3				
2 BR	8	3	5				
3 BR	7	2	2	3			
4 BR							
Other							

Key: <= is "less than or equal"

SECTION III SITE INFORMATION

Lot size (ft²) N/A

Zoning district(s) all with existing relevant residential buildings

Ward all with existing relevant residential buildings

Do you have site control (e.g. Purchase and Sales Agreement, option to purchase, deed? Note: Community Preservation Fund applicants are required to submit evidence of site control with the application.)

Yes

No

Not relevant to negotiating deed restrictions with existing owners who will retain ownership

ZONING: If applicable, explain what zoning relief is required (e.g. a zoning variance, special permit) and why. none

ENVIRONMENTAL: Please describe any anticipated environmental issues/concerns with the site. If the site contains known environmental hazards, provide a remediation plan.

N/A

How old is the existing building (or buildings), if applicable? _____

Are there (or will there be) children under the age of seven living on the premises? **unknown**

Yes

No

DISLOCATION: Will the project temporarily or permanently displace or require relocation of existing tenants?

If yes, please describe any outreach efforts and/or notifications to residents to date.

No outreach to date. In the event a landlord chooses to participate in the program, but their current tenants are not income eligible, WATCH will work to assist those tenants in finding alternative housing.

HISTORIC: Is the property listed in the National Register of Historic Places, located in a local historic district, National Register Historic District or eligible for listing in the National Register?

- Yes; identify district(s): _____
- No **unknown, properties not yet identified**

SECTION IV PROJECT SCHEDULE (AFTER APPROPRIATION OF CPA FUNDS)

Milestone	Date
Inform Ward Councillors and immediate abutters of proposed plans	see attached
Pre-development (design, zoning, permitting)	
Acquisition	
Rehabilitation/construction	
Marketing/outreach	
Expected date of project completion	
Full Occupancy	
Other significant milestone to implementation _____	
Other significant milestone to implementation _____	
Other significant milestone to implementation _____	

SECTION V FINANCING AND OPERATING BUDGET

PROJECT BUDGET: Submit proforma development and operating budgets. Include all anticipated sources and uses of financing for the project. The operating budget must detail operating income and expenses. Detail the hard and soft costs. Identify contingencies. Applicants may use their own format or any of those used by Massachusetts affordable housing lenders and agencies. Refer to the attached Developer’s Checklist which lists all the information required for submission.

CAPITAL NEEDS ASSESSMENT: Community Preservation Funds may not be used for housing-related maintenance costs. All applicants seeking Community Preservation Funds for community housing must submit a capital needs assessment with their application, unless the project is new construction or substantial rehabilitation.

CITY OF WALTHAM ASSESSORS PROPERTY APPRAISAL AND DATA: Applicants must provide an “as is” appraisal of the project building(s) that provides satisfactory evidence that the purchase price of the project building(s) does not exceed fair market value. In addition, all applicants for housing funds must summarize data from the Waltham Assessors Department identifying the assessed value of the project building(s) and comparable properties in the neighborhood and/or City.

PROOF OF FINANCIAL COMMITMENT (INCLUDING COMMITMENTS FOR HOUSING

SUBSIDIES): If the Applicant does not have financing, describe what sources of financing are planned and the time frame that funds are expected to be available, with conditions, deadlines, limitations, and any and all restrictions related to the commitment of non-City sources of funding. If receiving housing subsidies, submit commitment letters or explain when the applicant will seek housing subsidies and from what source(s).

SECTION VI PROJECT DESCRIPTION

Attach answers to the following questions. Applications will be returned as incomplete if all requested information is not provided. Include supporting materials as necessary.

GOALS: What are the goals of the proposed project?

COMMUNITY NEED: Why is this project needed? Does it address needs in existing City plans?

COMMUNITY SUPPORT: What is the nature and level of support for this project? Include letters of support and any petitions. Is a neighborhood outreach program planned?

CREDENTIALS: In Section IV, some critical steps to completion and success of the project were estimated. How will the experiences of the Applicant(s) contribute to the success of this project?

SUCCESS FACTORS: How will the success of this project be measured? Be specific.

MAINTENANCE: If ongoing maintenance is required for your project, how will it be funded? (Note that CPA Funds may not be used for maintenance, but maintenance is an important consideration for all projects.)

ADDITIONAL INFORMATION: Provide the following additional information, as applicable.

OTHER CITY AGENCIES: If actions for acceptance or approval are required from other City Departments, Boards, Commissions, Committees or others, include the reference (s) or proof of the status of their actions. If plans or documents are available from those agencies, provide a reference copy or public location for CPA review.

COMBINATION COMMUNITY HOUSING/COMMUNITY PRESERVATION PROJECTS:

If seeking Community Preservation Funds for a project combining community housing with any other Community Preservation categories (historic, open space, recreation), also submit a complete **Historic, Open Space and Recreation Funding Application WCPA-1**. Items which are common to both Forms can be filled by reference to "WCPA-1".


LEVERAGED ADDITIONAL BENEFITS: Provide information indicating how this project can be used to achieve additional community benefits.

Superscripted Notes:

(1) City Property: If the proposal is located on City-owned land, either the Primary Applicant or Co-Applicant must be the City Board, Commission or Department that has custody of the land.

(2) Appraisals: If the requested funds are for a real estate acquisition, an independent appraisal will be required which the non-City Applicant, if applicable, will be required to fund. No funding decisions will be made without an independent appraisal. Additional appraisals may be required for final approval.

I verify that all information stated in this application is true and accurate.

Applicant signature	Date
	3/6/19

FOR COMMUNITY PRESERVATION COMMITTEE USE ONLY

Application received on _____

Application received by _____

Date Project presented to CPC for Submission Acceptance Process _____

Was Project accepted for Consideration? _____

If accepted for Consideration, Project Public Hearing date _____

Following meeting Date for decision to recommend for funding _____

Was project recommended for funding to the City Council? _____

Was project funded by the City Council? _____

If project funded by the City Council, for how much? _____

Date funding Contract signed with applicant _____

APPLICATION SUBMISSION REQUIREMENTS

Proposals for Community Preservation Act funding must be submitted using the City of Waltham’s Application forms WCPA-1 and WCPA-2.

If the proposal is exclusively a community housing project, applicants must submit WCPA-2. If the proposal combines community housing with any other funding category, both WCPA-2 and the WCPA-1 must be submitted. Otherwise applicants can submit just WCPA-1.

All information requested on the application forms must be included with the proposal at the time of submission or it will not be accepted for consideration. Applications may not include any handwritten information.

Applications and all supporting documentation must be submitted as hardcopy with eleven (11) copies (including one unbound for reproduction) to the official mailing address as specified in Article VI. If an Application is recommended for funding by the CPC, then an additional 17 copies must be provided for use by the City Council.

Applicants are encouraged to include any maps, diagrams, and/or photographs pertaining to the project. Letters of support for the project from community organizations or other sources may also be submitted.

Applicants will also submit an electronic version of each and every document submitted in their application if available, either on CD or USB flash drive, preferably in Portable Document Format (PDF) or other commonly used file formats (eg. .doc, .docx, .xls, .xlsx, .jpeg).

Applicants should include actual quotes for project costs whenever possible. If not available, estimates may be used, provided the basis of the estimate is fully explained.

Applicants should pursue matching or supplemental funds from state, federal and/or private sources when available.

Applicants should detail who will be responsible for project implementation and management. Their relevant experience should be included in the narrative. Please be sure that project management costs have been included in the overall project budget.

DEVELOPER CHECKLIST

Submit the information required for **Community Housing Application WCPA-2** and if necessary **Historic, Open Space and Recreation Funding Application WCPA-1**. Applications for CPA funding should be submitted to:

Community Preservation Committee (CPC)
C/O Community Preservation Act Program Manager
Waltham City Hall
610 Main St.
Waltham MA 02452

Or in person, with an appointment, to the Community Preservation Act Program Manager at 11 Carter St..
Telephone: 781-314-3117

REQUIRED FOR ALL HOUSING PROJECTS:

- Completed WCPA-2 funding requires: ten (10) bound copies, one (1) unbound copy for reproductions, and one electronic copy (CD or thumb drive not in Read-Only status).
- Development pro forma and operating budgets
- Preliminary site plan locating existing buildings and parking.
- Letters of community support, if available.
- Site approval (eligibility) letter if project requires City applicant or co-applicant.
- Remediation plan approved by the Conservation Commission if site contains known environmental hazards.
- Appraisal of the property (required for acquisition only).
- Commitment letter for housing subsidies or explanation when applicant will seek housing subsidies and from what source(s).
- Plan to cultivate community support.
- Proof of hazard insurance (required at closing).

REQUIRED FOR COMMUNITY HOUSING PROJECTS REQUESTING COMMUNITY PRESERVATION FUNDS:

- Evidence of site control.
- Capital needs assessment if applicant is applying for funds to create community housing, unless the project is new construction or substantial rehabilitation.
- Description of project involving other Community Preservation categories (historic preservation, open space, recreation).

FUNDING TERMS

Community Preservation Funds:

- Deferred loans
- Deed restrictions

Housing Development Funds:

- Deferred loans
- Deed restrictions

Housing Rehabilitation Funds:

- Direct loans limited to funding construction.
- Grants for lead paint, asbestos, and other hazard remediation; and removal of architectural barriers for the disabled.

NOTES:

For informational purposes only. Terms are subject to change without notice.

Terms acceptable to the CPC, City Mayor and City Council may vary widely and have not been determined for FY 2007-08 at this time.

Attachments:

SECTION IV PROJECT SCHEDULE

Mar - April 2019:	Waltham CPC discusses proposal. Consultant engaged to verify formula for cost of deed restrictions. Waltham CPC approves proposal.
April - May 2019:	Waltham City Council discusses and votes.
June - July 2019:	Mayor approves program and signs contract.
Aug - Sept 2019:	Develop program guidelines; advertise RFP for deed restriction consultant; finalize roles of WATCH, City of Waltham Housing Division, and consultant.
Oct 2019:	Make public announcement, hold landlord outreach and info session, undertake affirmative marketing.
Nov 2019:	Take applications from landlords; screen applications and inspect units.
Jan 2020:	Approve first group of 10 landlords.
Feb - Mar 2020:	Landlords sign contracts and deed restrictions and file them with the Registry of Deeds.
April 2020:	Assist landlords in assessing eligibility of existing tenants. Provide transition support for tenants who are not eligible. Affirmatively market any vacant units. Hold public information session for interested tenant applicants.
May 2020:	Approve tenants for first group of selected landlords.
June 2020:	Approve second group of 10 landlords.
July - Aug 2020:	Second group of landlords signs contracts and deed restrictions and files them with the Registry of Deeds
Sept 2020:	Assist second group of landlords in assessing eligibility of existing tenants. Provide transition support for tenants who are not eligible. Affirmatively market any vacant units.
Oct 2020:	Approve tenants for second group of landlords.
Nov 2020 -	Verification of income of tenants, unit inspections every two years, and ongoing deed restriction compliance. If 20 landlords have not yet been approved to participate, increase marketing and landlord outreach efforts. Continue as needed.
Yearly	Program administrator prepares annual program progress report and delivers it to the CPC and the City Council.

SECTION V FINANCING AND OPERATING BUDGET

Project Budget:

	Per unit	Total
Deed restrictions for 2 one-bedroom units at 30% AMI	163,682	327,363
Deed restrictions for 3 two-bedroom units at 30% AMI	201,011	603,033
Deed restrictions for 2 three-bedroom units at 30% AMI	261,536	523,072
Deed restrictions for 3 one-bedroom units at 50% AMI	81,184	243,553
Deed restrictions for 5 two-bedroom units at 50% AMI	104,500	522,502
Deed restrictions for 2 three-bedroom units at 50% AMI	145,927	291,854
Deed restrictions for 3 three-bedroom units at 80% AMI	42,213	126,640
Administration Fee for Program Management		230,000
Consultant for developing and registering deed restrictions		10,000
Unit inspections every two years	375	7,500
Displacement assistance with first month's rent and security deposit		30,000
TOTAL		2,915,517

Note:

The cost given for each deed restriction is an estimate based on the difference between 110% of HUD's Fair Market Rent and HUD's 30%, 50%, and 80% Area Median Income, with a 4% increase each year. If the CPC is interested in pursuing this proposal, a consultant can be hired to review and confirm the methodology for determining the value of the deed restrictions. The consultant would be paid out of CPC administrative funds.

Administration includes designing the program, coordinating with the consultant, developing materials and application forms, outreach to landlords, outreach to tenants, assisting landlords with affirmative marketing, screening tenants for income and other eligibility, coordinating with housing inspectors. Facilitating the process of developing and filing deed restrictions, preparing reports for the CPC and City Council, assisting tenants displaced by or exiting the program in finding housing, and managing re-certification of tenant eligibility. The cost is based on a full-time position for year 1 (\$50,000) and a part time position of 15 hours/week years 2 – 9 (\$20,000).

The unit inspection cost is based on the Waltham Housing Authority's standard fee of \$75 per unit per inspection. WATCH could contract with WHA to perform the inspections.

Displacement assistance is for an estimate of 10 tenants at \$3,000 each.

Fees for the deed restriction are estimated from input from a lawyer in this field at \$1,200 to create the master form and \$400 for each individual filing.

SECTION VI PROJECT DESCRIPTION

Goals:

This project incentivizes Waltham landlords to rent units at affordable prices. In exchange for opting in to 10-year deed restrictions on their rental properties, landlords are given up front a sum of money that offsets the financial loss of renting below FMR. The full program funding will come from Waltham's Community Preservation Committee.

The goals of this project are:

- Waltham landlords retain ownership of their units.
- Waltham homeowners with units for rent that are in need of repair receive funds to make the repairs and bring units up to state housing code.
- The number of tear downs and condo conversions in our neighborhoods is reduced.
- Waltham landlords opt into 10-year deed restrictions, benefitting low-income renters.
- A minimum of 20 low-income and moderate-low income Waltham tenants (along with their family members) gain access to affordable units. More tenants benefit if units turn over during the 10-year project lifetime.

How does it work?

Waltham landlords receive up front a significant sum of money, equal to the difference between market value and affordable rent for a 10-year period. In exchange, a deed restriction for the same span of time is placed on the property.

Units in disrepair

Payment for the deed restriction could be used to bring a property up to state housing code standards in order to make it rentable. Landlords would have to submit a plan with estimates of what would be required to bring the unit up to code, and a timeline for making these repairs. Repairs must be completed within six months. The cost of the repairs must be less than the amount given for the deed restriction, or proof of ability to pay for the remaining costs must be submitted.

Who would benefit from the program?

The program will help Waltham renters in a range of low-income levels and household sizes. (Fourteen households at 30% AMI, 20 households at 50% AMI, and 6 households at 80% AMI, in a mix of 1-, 2- and 3-bedroom units.) It will also benefit homeowners who need to fix up a unit before renting it and don't have the funds to do so, or who have other reasons for benefitting from receiving a portion of their rent in one lump payment.

How are the tenants chosen?

If the current tenant of the landlord participating in the program is not eligible, then the landlord will affirmatively market their apartment, and interview and choose tenants in compliance with Massachusetts Fair Housing Law. The program administrator will verify that the tenant applicant is eligible. If the current tenant is eligible for the program, then they can be approved and no re-location would be needed. Each year the landlords will verify that they are renting to tenants who meet the income criteria. The administrator may also assist the landlord in finding eligible tenants. Tenants who are family members of the landlord would not be eligible to participate, unless they can show they were paying rent and had a lease for an independent unit for at least one year prior to participating in the program.

How much would it cost?

If 20 landlords participate, the program will cost \$2,915,517. Payments to landlords will range from \$42,000 to \$260,000, depending on which category of tenant (i.e. income level) they are agreeing to rent to.

How are the deed restriction values determined?

The deed restriction values are based on the difference between 110% of HUD's FMR and HUD's affordable rent for each income category: 30%, 50% and 80% AMI. This number is multiplied by 10 years with a 4% increase each year, beginning with base year 2018. The 4% increase is based on the historical trend of HUD's FMR for our geographic area over the last five years. FMR at 110% was chosen because the FMR amount is typically under the actual market rent for our area. Other agencies, such as the Waltham Housing Authority, traditionally reflect that difference by using 110% FMR to accurately calculate appropriate cost of renting an apartment in Waltham. This is standard practice across our region, with some agencies even using 120% FMR as their standard market rate allowance for rental vouchers.

How many Waltham residents would benefit?

This program will benefit at least twenty Waltham households with affordable rent for a period of 10 years.

Ongoing Compliance

Apartments would be re-inspected every two years to ensure that they remain in compliance with state housing codes. New tenants will be certified as income-eligible upon acceptance, and every two years thereafter.

Displacement/Transition Planning

WATCH will work with any tenants displaced by the program due to non-income or other eligibility issues. WATCH will also assist tenants leaving the program at the end of the deed restriction in finding alternative housing.

Example 1 – Very low-income family of 3

A two-bedroom apartment on Bedford Street currently rents for \$1,500. The landlord applies through the program for a deed restriction for a tenant at income level at or below 30% AMI, appropriate for a family of three with income under \$29,150. This could be a couple with one adult working as a grocery store cashier making \$13/hour and the other adult staying home to take care of a child. The unit passes inspection and is approved. The landlord receives \$163,682 in exchange for keeping the rent at HUD's 30% AMI, or \$697, with a slight increase each year of about 4%. The couple provides proof of income, is deemed eligible for the program, and signs a lease.

Example 2- Making the rent affordable

A widow in her 50s is renting a 1-bedroom apartment on High Street for \$1,600. She had been living there before her husband passed away. She would like to stay in the apartment, as it holds a lot of memories. She has searched but not found another apartment for less rent. She works part time waitressing and makes \$2,900 a month. She is currently paying 55% of her income toward rent. Consequently, she is choosing to not get all her prescriptions filled and eat less in order to make ends meet. Her landlord applies for the program and receives a deed restriction of \$81,184 for a 50% AMI eligible apartment. The landlord reduces the rent to \$1,011. The widow can afford the rent and still have money for medicine and groceries.

Example 3 – Funds for repair

An owner-occupied duplex on Maple Street is owned by an older couple. It has a three-bedroom apartment rented for 22 years. The couple has gotten behind on the maintenance: the roof needs repairs and the wiring needs to be updated. The owners are considering selling the property to developers and downsizing to a rental themselves. The developer will bulldoze the two units or convert them to condos. The owners apply for a deed restriction for a tenant at income level at or below 50% AMI, appropriate for a family of four with income under \$53,900. This is a family with a fast food server making \$12/hour working full time, married to a hotel cleaner making \$15/hour working full time, plus two children. The landlord submits a repair plan. The plan is accepted, repairs made, and the unit passes inspection. The landlord receives \$145,927 in exchange for keeping the rent at HUD's 50% AMI or \$1,401, with a slight increase each year of about 4%. The couple provides proof of income, is deemed eligible for the program, and signs a lease. The house is saved from condo conversion for 10 years.

Community Need:

This program is needed because many people are struggling to pay the increasing rental costs in Waltham. Some have been forced to relocate from their homes, while others remain, but pay far above what is considered the affordable standard of 30% of income towards rent. Although there are other regional housing assistance programs, this is the only one that specifically targets the city of Waltham.

According to data from the Waltham City Planning Department Reports, in 2015 Waltham had 25,675 total housing units. Of those, 6,680 were inhabited by low-income households experiencing a housing cost burden. That represents 26% of Waltham households who struggle to pay rent.

As noted in the Waltham Planning Department's *Analysis of Impediments to Fair Housing Choice*, not only does Waltham lack sufficient affordable housing, but there is very little land left to develop any housing, let alone affordable stock. This project responds to that need and prioritizes transforming existing housing stock. By that same report's assessment, the lack of affordable housing is a major impediment to providing fair housing choice in Waltham. The report repeatedly recommends the city "establish new programs that increase the ability to create and preserve affordable housing and choice." The Community Preservation Committee is recorded as making the same assessment, recommending "wherever possible the reuse of existing buildings or construction of new buildings on previously developed sites."

Community Support:

At each CPC Public Input Session for the last few years, the issue of affordable housing has come up as an acute community need. Public hearings on affordable housing proposals have elicited substantial, positive interest and response from the community. WATCH's growth in membership and funding during the last few years has been partly due to the community's desire to invest in organizing for more affordable housing. Finally, the City Council has made it clear that they want the CPC to bring forth more options for expanding affordable housing. WATCH has reached out to leaders of the Waltham Rental Housing Association and modified the proposal based on their feedback.

Credentials:

WATCH has a 30-year history of community engagement and has been a resource for both tenants and landlords for over 13 years at our free walk-in Housing Clinic. WATCH has strong program management skills and has shown increasingly strong financial management during the past six years. WATCH has good working relationships with the City's Housing Division and the Waltham Housing Authority, as well as with over a dozen local agencies that provide resources on housing and basic needs.

WATCH has over twenty years of experience monitoring existing units for compliance with HUD HOME program deed restrictions.

Success Factors:

Success will be measured by the number of landlords who participate in the program, the number of tenants who gain access to affordable housing, and the length of time they have access to that housing. Success will also be determined by the ability of tenants to transition to economic stability at the end of the program. Finally, success will also be based on finding appropriate housing for tenants displaced by the program.

Maintenance:

This is a 10-year program and the administrative fee includes the cost of establishing the program and ongoing management of the program.

Other City Agencies:

WATCH is willing and eager to administer this program. WATCH is also open to the CPC and the Council's will to issue an RFP or engage the Waltham Housing Division as program administrator with WATCH playing a supporting role. The Waltham Housing Division is the leader in Waltham in monitoring affordable units and they would also do an excellent job managing this program.

Leveraged Additional Benefits:

With increased access to affordable housing, there will be economic benefits to the businesses of Waltham. Area employers of low-wage workers have pointed to the absence of affordable housing as an impediment to recruiting and retaining staff. Furthermore, numerous studies have demonstrated that access to affordable housing benefits the local economy. As residents spend less of their income on rent, they will budget more for spending on goods and services.

WATCH may be able to reduce the fee for creating and filing the deed restrictions by engaging a pro-bono attorney through Lawyer's Clearinghouse.

The services of WATCH's existing free walk-in Housing Clinic will be used to assist tenants who apply for the program but are found not eligible, due to income or other eligibility factors.

Additionally, the payment up front gives participating landlords greater ability to preserve their homes, instead of having them bulldozed for new housing, thus preserving the integrity of our older, historic neighborhoods.

Deed Restriction Buy-Down: Cost break down for determining price of deed restriction

Year 1

AMI	Bedrooms	110% FMR	Affordable ent year 1	Amount of subsidy needed per unit per month	Subsidy for 1 unit for year 1	10 year total for making 1 unit affordable	Number of units	10 year total
30% AMI	1 Br	1,717	581	1,136	13,633	163,682	2	327,363
30% AMI	2 Br	2,092	697	1,395	16,742	201,011	3	603,033
30% AMI	3 Br	2,621	806	1,815	21,784	261,536	2	523,072
50% AMI	1 Br	1,563	1,011	552	6,624	81,184	3	243,553
50% AMI	2 Br	1,914	1,213	701	8,412	104,500	5	522,502
50% AMI	3 Br	2,400	1,401	999	11,988	145,927	2	291,854
80% AMI	3 Br	2,400	2,107	293	3,516	42,213	3	126,640
						TOTAL	20	2,638,019