

## **Trust Offers Incentives For Affordable Community Housing Inventory**

It is no surprise that home prices and rents in Manchester are continuing to rise, and that many residents and workers are unable to afford a place to live.

As the problem has become more serious, the town has responded by establishing the Affordable Housing Trust (MAHT) in 2016 and by providing funding to the Trust at each Town Meeting since then. The Trust now has enough money to provide meaningful financial assistance to enable the creation of affordable community housing. As part of its mission, the members of the Trust are committed to stretching these funds as far as possible and encouraging the development of housing that is appropriate and cohesive with the town's character.

As a result, the MAHT announced this week it is accepting proposals from property owners who might be interested in creating one or more units of affordable community housing in town. Under this new program, the MAHT would provide funding in return for a commitment to rent or sell a dwelling unit to an income-qualified tenant at a reduced rate.

The program is fully described in a "Notice of Funding Availability" (NOFA) that is posted on the MAHT website, and which is available at Town Hall.

Under this new MAHT program, landlords could rent apartments for as much as \$1,333 per month (after deducting the cost of tenant paid monthly utilities) for a one-bedroom apartment; \$1,600 for a two-bedroom apartment and \$1,848 for a three-bedroom apartment. Prospective tenants would have to certify their total annual incomes of between \$49,800 for a single person and \$71,100 for a family of four and would be selected by lottery. These rent and income limits are set by the Federal Government, and are adjusted annually. The program would require owners to place a deed restriction on their property ensuring that rents remain affordable.

Examples of proposals that MAHT would consider include (but are not limited to) the following:

1. An apartment owner designates an existing residential unit as affordable in return for an upfront cash payment by the MAHT to "buy down" the monthly rent.

2. A homeowner renovates a home or an accessory residential unit and either leases or sells it to an income-qualified household under affordable terms. The MAHT provides either an interest-free loan or helps fund the cost of renovation.
3. A developer constructs a new apartment complex and sets aside one or more units as affordable and in return receives funding from the MAHT as either financing or a grant.

Details and specific requirements are spelled out in the NOFA, along with forms and instructions for making a proposal.

Note that a firm commitment for funds will not be issued until the project has received necessary town approvals and formal agreements from other funding sources. However, the MAHT encourages all those interested in the program to submit preliminary proposals in the early stages of a project so that the parties can work together as plans evolve.

If you want to learn more, visit the MAHT website, contact Sue Brown, Town Planner at Town Hall or reach out to any of the trustees: John Feuerbach (Chair), Connie Sullivan, Muffin Driscoll, Nancy Hammond, Sarah Mellish, Joan McDonald, or Chris Olney.