

TOWN OF AYER
Community Preservation Committee

APPLICATION FOR COMMUNITY PRESERVATION FUNDING

Submit to:
Town of Ayer
Community Preservation Committee
1 Main Street
Ayer, MA 01432
Email: cpc@ayer.ma.us

Date: January 26, 2023

Project Title: 12 Newton Street Home Project

Project Street Address: 12 Newton Street, Ayer

Assessors Map Number: 26

Lot/Parcel Number: 219

Deed Book Number: 82358

Deed Page Number: 326

Name of Applicant/Contact Person and Project Manager: Carolyn Read

Name of Organization: Habitat for Humanity North Central Massachusetts, Inc.

Address: 201 Great Road, Suite 301, Acton, MA 01720

Telephone: (978) 348-2749

Email: Carolyn@ncmhabitat.org

CPA Category: Community Housing

Total Project Cost: \$400,501

CPA Funding Request: \$150,000

DETAILED NARRATIVE AND PROJECT DESCRIPTION:

1. Describe the project:

Habitat for Humanity North Central Massachusetts (Habitat NCM) acquired the lot at 12 Newton Street on December 29, 2023 from Main Street Bank. The 12 Newton Street lot is .1680 acres and residential development is allowed by right as determined by the Building Inspector with input from the Planning Board in late 2023.

The lot is located in a residential/commercial area across the street from the back of the Main Street Bank Ayer branch. Habitat NCM will work with the Town to have the home included in the Subsidized Housing Inventory and will submit an application for EOHLC's Local Initiative Program/Local Action Unit program as well as submit and record a Regulatory Agreement.

On the site, Habitat NCM, in partnership with Nashoba Valley Technical High School, will build two three-bedroom, two-bathroom, 1,100 square foot, affordable homes. The homes will be built in a duplex style and will meet the stretch energy code through increased external and internal insulation, energy star appliances and windows, and increased sealing. The homes will be similar to those built on Oakland Street in Fitchburg shown in Exhibit C.

The project is being completed under the supervision of our construction manager with volunteer labor from the town and surrounding communities (including that of the homeowners) as well as teachers and students from Nashoba Valley Tech. Site work and licensed trades such as plumbing, electrical, HVAC are provided by local companies as well as Nashoba Valley Tech instructors and students.

To qualify for the Habitat for Humanity homeownership program, the applicant's income must be 30%-60% of the median income in the Ayer area as set annually by the Department of Housing and Urban Development. Habitat Homeowners are also required to contribute "sweat equity" in building their own home or the home of another family. A two-adult family is required to donate 350 hours of sweat equity and a single adult family contributes 200 hours. The process for qualification includes a full application that is reviewed for income eligibility, an assessment of need for housing, and a public lottery to choose the homeowners.

Habitat for Humanity NCM is an equal opportunity lender. We are pledged to the letter and spirit of US policy for the achievement of equal housing opportunity throughout the nation, where there are no barriers to obtaining housing because of race, color, religion, sex, handicap, familial status, or national origin.

2. Goals:

- a. What are the goals of the proposed project?

The goals are to add two affordable houses to the Subsidized Housing Inventory in Ayer,

provide safe, decent, energy-efficient housing for two families in need, and to have the homes be deeded affordable in perpetuity.

b. Who will benefit from this project and why?

Two local low-income families will benefit from having a safe, affordable, energy-efficient home with a 0% interest mortgage and payments that ensure that they pay no more than 30% of their income in housing costs. The Town will benefit from two homes on the Subsidized Housing Inventory as well as two new, energy efficient homes in the downtown area. Nashoba Valley Technical High School students will benefit from learning their trades on a real-world project, and the community will benefit from a project that encourages everyone to get involved.

c. How will success be measured?

Finishing the home on time and on budget is the first measure of success. Housing two local families in need of affordable housing is the ultimate measure of success.

3. Community Preservation Committee Criteria:

This project falls in the category of Community Housing and meets the following General Criteria:

-Consistent with the most recent Comprehensive Master Plan

The project fits with the Master Plan Housing Goals by increasing local capacity to develop housing units that meet local needs, increase housing for Ayer residents, and encourage housing development that is sustainable, affordable, and serves all members of Ayer's population

-Preserve and enhance the character of the Town as described in the Comprehensive Master Plan

The project fits within this criteria as it will accommodate housing opportunities downtown and increase the range of housing options available to households of lower income levels as well as increase the housing stock that is energy-efficient and sustainable

-Serve a currently underserved population

This project increases the inventory of owner-occupied homes affordable to residents earning less than 60% of area median income

-Demonstrate practicality and feasibility

Habitat NCM has a 35 year history building decent, affordable homes in the area using volunteer labor to keep building costs low

-Demonstrate that the project can be implemented expeditiously and within budget

In the last 35 years Habitat NCM has built 42 homes in north central Massachusetts, the latest in Athol, Hubbardston, Acton and Fitchburg, and completed 152 critical home repairs, the latest one for a homeowner in Fitchburg. The homes built have been two to four bedrooms, a mix of single family and duplex homes, and a combination of new construction and rehabilitation projects. In all projects we have worked closely with town boards and departments, local groups and companies as well as community residents to plan, build and fund the homes. The recently built homes in Athol, Hubbardston and Acton are part of the Local Action Unit program and are

included on the Subsidized Housing Inventory for the towns. Habitat NCM worked with the towns and DHCD to complete an approved marketing plan and regulatory agreement. Habitat homes are expected to be affordable to homeowners earning less than 60% of area median income in perpetuity and deed riders are used to ensure affordability for future owners.

Habitat has had the privilege of working with other neighboring and nearby towns to build affordable homes on town-owned properties by leveraging Community Preservation Act funding. Three recently completed projects are the renovation of an historic duplex in Acton, and single family homes in Hubbardston and Acton. The towns voted to utilize the properties for affordable housing as well as allocate Community Preservation Act funds to purchase materials for building of the homes. Habitat NCM completed the most recent project in Fitchburg on time and within budget.

-Provide proof of site control

-Deed attached as Exhibit F

-Provide a timeline for expected completion of the project and budget

A draft timeline and budget are attached as exhibits A and B, and CPA funds would be needed in the summer of 2024

-Leverage additional public and private funds

Grant applications will be submitted to foundations including Charlesbank Homes (\$50,000), Federal Home Loan Bank (approx. \$60,000), and Wells Fargo (\$50,000). Additional foundations will be researched for grant proposals as well as individual and corporate donations to support the project.

-Receive endorsements by other municipal Boards, Committees, Departments and/or community groups

A letter of Support from the City of Fitchburg is attached. Habitat NCM will continue to reach out to other Boards, Committees and Departments, and presented to Zoning Board and met with the building inspector in 2023.

4. Statement of Community Need:

a. How does the Town of Ayer, and its residents, benefit from this project?

b. If applicable, explain how this project addresses needs identified in existing Town plans?

According to the Executive Office of Housing and Livable Communities, as of June 29, 2023 the Town of Ayer has 5.97% of housing stock on the Chapter 40B Subsidized Housing Inventory (SHI) list. Municipalities with less than 10% of their housing eligible for inclusion on the SHI are not meeting the needs of residents for affordable housing and may be subject to development proposals that can circumvent local zoning if 20-25% of the units have affordability restrictions. This project would increase the number of homes on the SHI for Ayer and would bring the town closer to the 10% requirement.

The 2021 Update to Ayer's Housing Production Plan included the following goals:

1. Increase local capacity to plan, develop and manage housing units that meet local needs.

2. Increase housing opportunities for Ayer residents.
3. Encourage housing development that is sustainable, affordable, and serves all members of Ayer's population

The Habitat NCM housing project will increase affordable housing units in Ayer by two units, can increase housing opportunities for Ayer residents through the use of Local Preference, and will provide units that are energy efficient and affordable for households earning less than 60% of area median income with applications available to all members of Ayer's population. In addition, the homes will be designed to maintain the character and diversity of the Town, and will have a recorded deed restriction and Regulatory Agreement ensuring that the homes are affordable in perpetuity.

Massachusetts home sales prices are much higher than the national median and the lack of affordable housing remains a significant problem in North Central Massachusetts. According to the Warren Group, the median sales price for a home in Ayer increased 46.8% from December, 2022 to December, 2023, going from \$429,975 to \$631,000 and in Massachusetts overall, the median single-family sale price spiked 5.9 percent in the same period to \$540,000, up from \$480,000.

According to the Ayer Housing Production Plan, 20.6% of Ayer resident have an income less than \$50,000 and would qualify for affordable housing programs. Younger households, non-family households and elderly households typically have lower incomes and are more likely to rent. They are also more likely to be cost-burdened. Almost a quarter, 23%, of Ayer's renters are cost-burdened, paying more than 30% of their income towards housing expenses.

Habitat for Humanity is an invaluable partner when it comes to assistance meeting affordable housing goals with efforts being made possible through Community Preservation Act funds. It is extremely challenging for people who fall into low-income categories to find a home. Habitat for Humanity North Central Massachusetts helps local towns increase the stock of affordable housing. The new Ayer homes are designed to be economical, energy-efficient, and affordable. Habitat NCM makes sure housing costs fit the homeowners' ability to pay. The cost of the home is derived from a formula that ensures the cost of homeownership does not exceed 30% of the workers' gross income. The homeowners buy the house with a 20 to 40-year, no-interest mortgage. Homeowners partner with Habitat NCM through "sweat-equity" and help build their home alongside volunteers, learning home building and maintenance skills while fostering pride in homeownership and a sense of community.

The two proposed homes will be included on the Subsidized Housing Inventory and will count towards the goal of the Town of 10% affordable housing. Through the use of an EOHLIC deed rider, the homes will be affordable in perpetuity. The affordable home will be located in the downtown area between an existing home and church, with a design similar to homes in the area.

5. Community Support

Habitat NCM, with the support of the community, has completed three homes in Ayer. We formed Local Project Committees who assisted with the home building and family advocacy, and continue to have many supporters for our mission in the Town.

6. Budget:

a. Budget Summary

Total Projected Cost: \$400,501

CPA Funds Requested: \$150,000

Cost Share Percent: CPA: 37.4%, Other Funders: 62.6%

b. Budget Categories

Full budget included as Exhibit A

c. Budget Cost Sharing

Organization: Charlesbank Homes Foundation

Item: Building materials

Amount: \$50,000

Type: Grant

Organization: Wells Fargo Foundation

Item: Building materials

Amount: \$20,000

Type: Grant

Organization: Federal Home Loan Bank Affordable Housing Program

Item: Building materials

Amount: \$60,000

Type: Reimbursement Grant

7. Funding:

a. Note below and attach commitment letters from any organization providing a cost share contribution as listed above.

All grants will be applied for in 2024.

b. Describe any attempts to secure funding for this project.

Habitat NCM will be submitting grant requests to multiple foundations and organizations over the next several months.

c. Are any 'other funds' in the budget in-kind? If yes, describe how the value of the in-kind contribution was derived.

Habitat NCM will be seeking in-kind donations and in the past we have received donations of heat pumps, insulation, paving, and some building materials.

8. Timeline

Schedule included as Exhibit B

9. Maintenance:

The homeowners are responsible for maintaining their home and property, and Habitat NCM does monitor the homes as well. The home will have a one-year warranty and Habitat NCM will support the success of the homeowners for as long as they are in the home. In addition, homeowners are

required to help build their home with the goal of learning how to maintain the home once they move in.

10. Project/Site Documentation

a. Note below and attach documentation that you have control over the site

Deed for home attached as Exhibit F

b. Note below and submit photographs of the before status of the project

Photographs of current site included as Exhibit E

c. Note below and attached any applicable engineering plans, architectural drawings, site plans or renderings

Similar plans and home pictures included as Exhibit C.

11. Zoning Compliance

Habitat NCM discussed the draft plan at the Ayer Zoning Board of Appeals on November 15, 2023 for next steps and feedback. The Building Inspector verified the following week that a duplex would be allowed by right on the lot with current zoning.

12. Is there any additional information that might benefit CPC in consideration of this project?

Established in 1988, Habitat for Humanity North Central Massachusetts (Habitat NCM) is an independent affiliate of Habitat for Humanity International, a non-profit housing organization that builds strength, stability and self-reliance through shelter. Habitat NCM's mission brings people together to build homes, communities, and hope. We seek a world where everyone has a decent place to live. Working with our partner families and community volunteers, we accelerate and broaden access to affordable housing for low-income families as a foundation for breaking the cycle of poverty.

Like all US-based affiliates, Habitat NCM began as a volunteer-run organization building a house every few years for many years. As we matured, more homes were built and the operation added an Executive Director and Construction Manager. A home improvement store, the ReStore, was added ten years ago to resell donated household and construction materials to raise funds for building as well as keep usable material out of landfills. A Critical Home Repair program was added nine years ago in order to serve more low-income families and preserve existing affordable home stock. Habitat NCM is now in a strategic position to meet the goals set by its Board by increasing our capacity to build and repair twenty-six affordable homes for low-income families per year.

Our Construction Manager is a licensed contractor with thirty years of experience in both building, real estate and project management. He is practiced in the supervision of our volunteer building crews and is responsible for the construction of our homes. He has worked with Habitat NCM for 3.5 years.

APPLICANTS SIGNATURE

To the best of my knowledge and belief, all data in this application are true and correct. The document has been duly authorized by the individual or governing body of the applicant.

Applicant's Signature: Cedyn M Reed
Date: 4/26/23

Date Application Received _____ Date Reviewed _____

Public Hearing _____ Advance to Town Meeting Y / N

Exhibit A: Budget

Budget for 12 Newton Street, Ayer	Two Units
SOURCES OF FINANCING	
CPA Funds	\$150,000
Foundations and Corporations	\$100,000
FHLB	\$60,000
Fundraising	\$90,501
TOTAL SOURCES	\$400,501
USES OF FUNDS	
Taxes	\$0
Cost of lot (donated)	\$1
Permits, Planning & Engineering	\$14,000
Site Improvements & Foundation	\$55,000
Utility Connections	\$5,000
Framing	\$42,000
Counters & Cabinets	\$6,000
Door & Closet Hardware	\$1,000
Electrical	\$17,400
Plumbing	\$32,000
Heating	\$58,000
Windows & Doors	\$9,200
Exterior Veneer	\$10,600
Interior Trim	\$6,600
Floor covering	\$4,000
Porch Materials	\$3,500
Insulation & Drywall	\$36,000
Paint & Supplies	\$2,000
Bath Hardware	\$300
Roofing	\$4,500
Utilities	\$4,000
Misc	\$3,000
Landscaping and Loam	\$3,500
Solar	\$12,000
Legal	\$4,300
Appliances	\$2,600
Appraisal, Marketing, Insurance	\$4,500
Contingency	\$22,000
Supervision	\$37,500
TOTAL	\$400,501

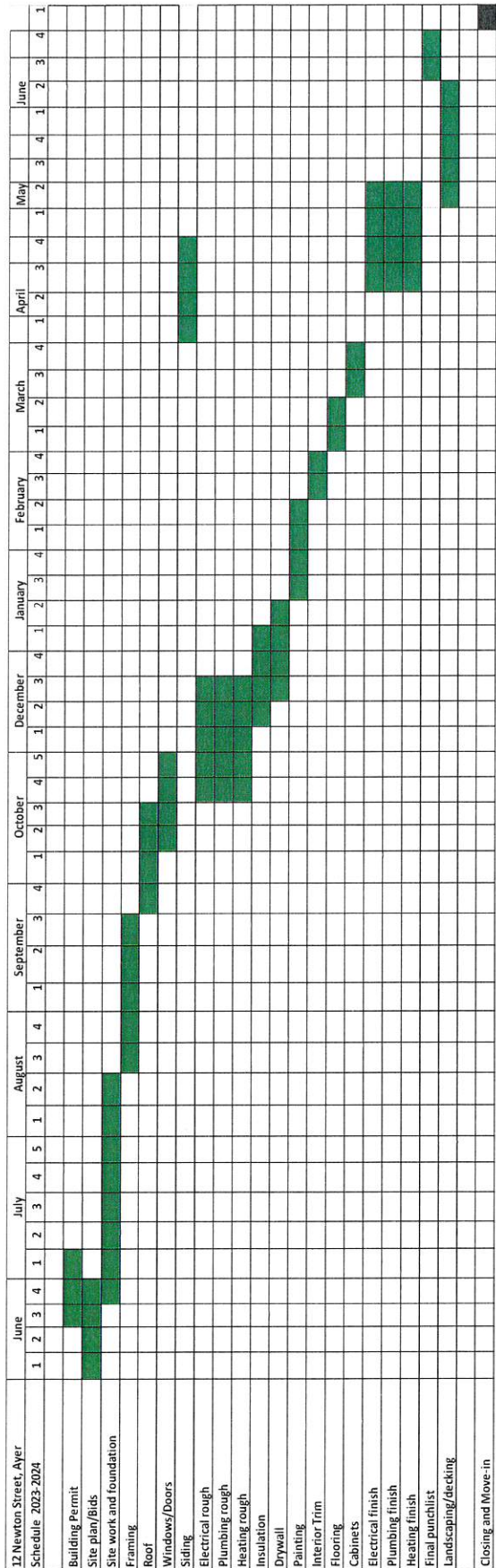
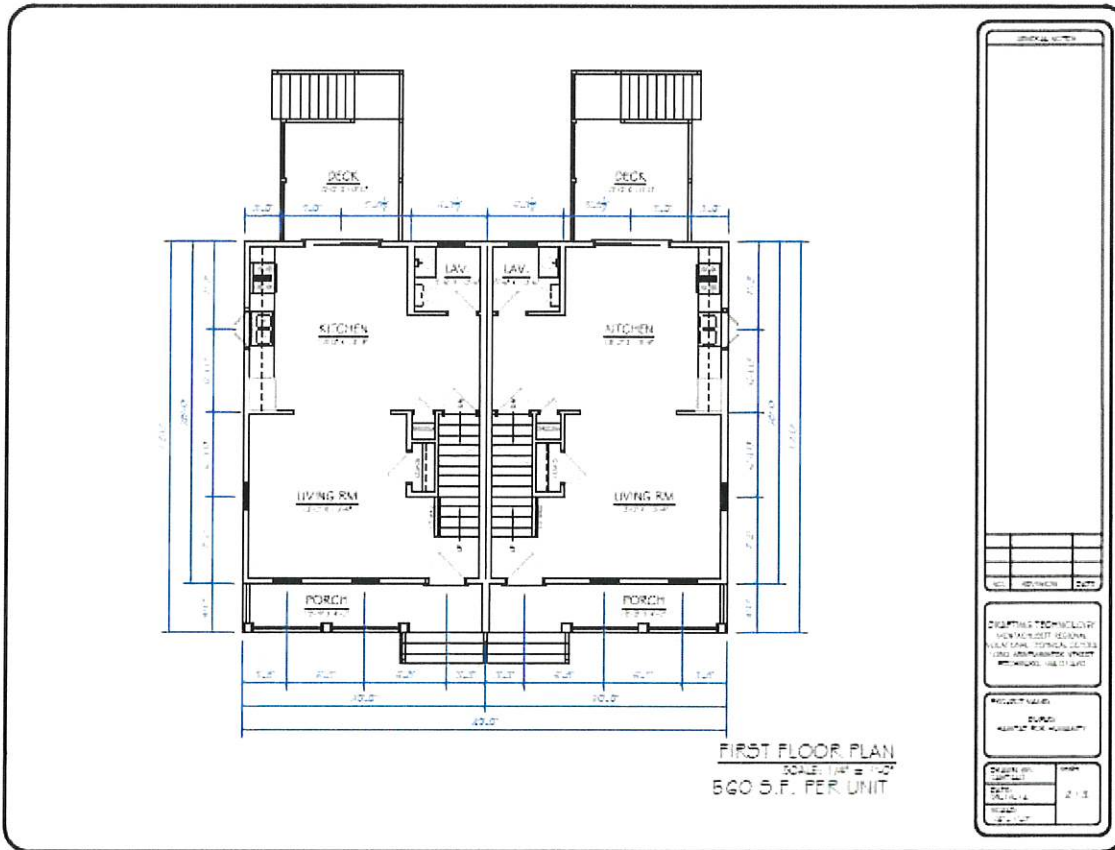
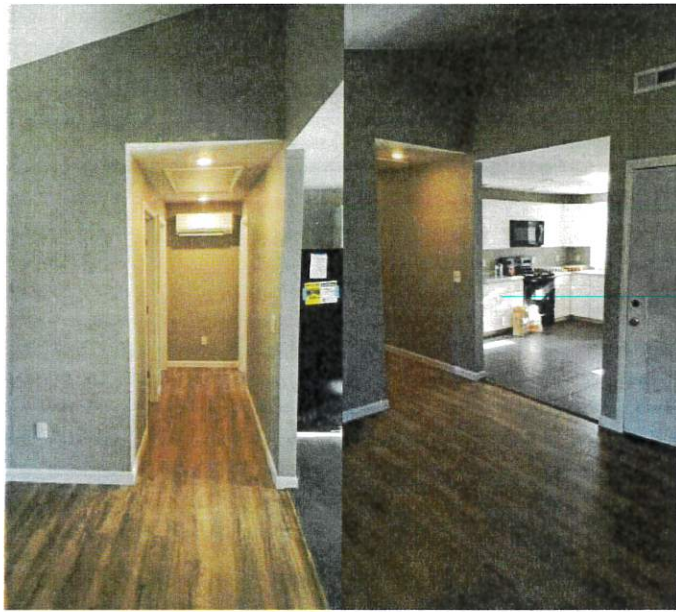


Exhibit B: Timeline

Exhibit C: Sample House Plan



Finished Home Example: 189 Lake Shore Drive, Ashburnham



Finished Home Example: Central Avenue, Ayer



Exhibit D: Lot Pictures



12 Newton Street is the empty lot between the home and church



Exhibit E: Letter of Support from the City of Fitchburg



City of Fitchburg, Massachusetts
DEPARTMENT OF COMMUNITY DEVELOPMENT
HOUSING & DEVELOPMENT ♦ PLANNING ♦ ECONOMIC DEVELOPMENT

Elizabeth Murphy
Executive Director

January 19, 2024

To Whom It May Concern:

The City of Fitchburg's Department of Community Development has extensive experience working with the North Central Massachusetts Habitat for Humanity to create new affordable homeownership opportunities. Within the last ten years, The City has provided funding and support for the construction of four units of homeownership in the form of two duplexes built on Oakland Street in Fitchburg and two single family homes on Henry Street and Taft Street. We are currently providing a portion of funding for the construction of a single-family home Granite Street in Fitchburg as well. In addition to new construction, we've partnered with NCM Habitat for Humanity on twelve property repair projects as well. We've found this to be a terrific way to make our limited funding go farther.

The Habitat for Humanity NCM agency and staff have been great to work with, responding to and complying with all the numerous necessary administrative requirements from this department and the grant funding used. They worked with the Planning Department to require the necessary Special Permits, the Building Department to obtain the necessary permits and comply with building codes and well as the Engineering Department to ensure the new road and utilities were properly installed. Habitat has excellent administrative staff as well as an experienced Construction Manager to oversee the project and the volunteers they work with.

Please do not hesitate to contact me if you'd like further information regarding this reference.

Sincerely,

Maribel Cruz
Director of Housing and Development
978-829-1894
Mcruz@fitchburgma.gov

Exhibit F: Deed for 12 Newton Street, Ayer

Middlesex South Registry of Deeds
Electronically Recorded Document

This is the first page of the document - Do not remove

Recording Information

Document Number : 148644
Document Type : DEED
Recorded Date : December 29, 2023
Recorded Time : 11:18:23 AM

Recorded Book and Page : 82358 / 326
Number of Pages(including cover sheet) : 3
Receipt Number : 2967408
Recording Fee (including excise) : \$155.00

MASSACHUSETTS EXCISE TAX
Southern Middlesex District ROD # 001
Date: 12/29/2023 11:18 AM
Ctrl# Doc# 00148644
Fee: \$0.00 Cons: \$100.00

Middlesex South Registry of Deeds
Maria C. Curtatone, Register
208 Cambridge Street
Cambridge, MA 02141
617-679-6300
www.middlesexsouthregistry.com

QUITCLAIM DEED

MAIN STREET BANK, formerly known as North Middlesex Savings Bank, a Massachusetts banking corporation with its principal office at 81 Granger Boulevard, Marlborough, Massachusetts in consideration of Less than One Hundred Dollars

GRANTS TO

HABITAT FOR HUMANITY, NORTH CENTRAL MASSACHUSETTS, INC., a Massachusetts Non-Profit Charitable Corporation with its principal office located at 201 Great Road, Suite 301, Acton, Massachusetts 01720

The land in Ayer, Middlesex County, Massachusetts, together with the buildings situated thereon on the North side of Newton Street, so-called, bounded as follows:

Beginning at a point on the North side of said Newton Street about sixty-one (61) feet from the west line of Columbia Street, so-called, and at the Southeast corner of the premises;

Thence Northerly in a line parallel with the west line of Columbia Street and about sixty-one (61) feet distance therefrom, about one hundred twenty (120) feet by land now or late of Harvey Woods to land now or late of Robert P. Woods;

Thence Westerly by land now or late of said Robert P. Woods about sixty-one (61) feet to land late of Nathaniel Holden, deceased;

Thence Southerly by land late of said Holden about one hundred twenty (120) feet to said Newton Street;

Thence Easterly by the North line of Newton Street about sixty-one (61) feet to the point of beginning. Containing about 7,320 square feet of land.

Meaning and intending to convey and hereby conveying a portion of the premises described in a deed from Stephen C. Wentzell to North Middlesex Savings Bank, dated May 20, 2010 and recorded with the Middlesex South Registry of Deeds, Book 54714, Page 225. Said Premises being Parcel One described in said deed.

The street address for the Premises is 12 Newton Street, Ayer, Massachusetts.

12 Newton Street, Ayer, MA 01432

IN WITNESS WHEREOF, MAIN STREET BANK has caused these presents to be signed, acknowledged, delivered in its name and behalf by Christopher Seidlich, Chief Financial Officer of Main Street Bank, duly authorized, this 27th day of December, 2023.

MAIN STREET BANK

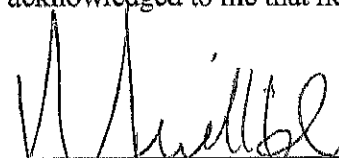

By: Christopher Seidlich, Chief Financial Officer

COMMONWEALTH OF MASSACHUSETTS

Middlesex, ss.

December 27, 2023

On this 27th day of December, 2023, before me, the undersigned notary public, personally appeared Christopher Seidlich, Chief Financial Officer of **MAIN STREET BANK**, proved to me through satisfactory evidence of identification, which was a valid Massachusetts Driver's License, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he/she signed it voluntarily as trustee for its stated purpose.


Notary Public: Michelle C. Hills
My Commission Expires: 10/04/2030



MICHELLE C. HILLS
NOTARY PUBLIC
COMMONWEALTH OF MASSACHUSETTS
MY COMMISSION EXPIRES OCT. 4, 2030