



TOWN OF WAYLAND
MASSACHUSETTS
01778
PLANNING BOARD

DATE: April 20, 2004

RE: Affordable Housing Proposal for Nike Site

Recommendation: The Planning Board recommends that the Selectmen appoint a committee whose charge is to advise the Selectmen on the development of up to 16 units of housing at the Nike Site with a goal of creating as many affordable units up to 16 as will be appropriate for the optimal program. It is advised that the Selectmen develop criteria to guide the Committee in deliberations and that such criteria used to measure the best use of the housing site include financial prudence and good design and quality construction, bearing in mind that whatever the town pays to construct the housing will be quickly forgotten while the impact of the design and the quality of the construction will remain. Therefore, it is important to put significant weight on the appropriateness of design to preserve neighborhood character.

Committee Membership: The Advisory Committee to create affordable housing at the Nike Site should have 5 to 7 members with representation from the Planning Board, the Housing Partnership, the Housing Authority, two residents of the immediate neighborhood and one or two at large members if a seven member committee is preferred. Members should be appointed by the Selectmen which also should appoint the Chairman.

The following information may be of value to the Committee and should be edited as information becomes available.

Cost and Terms of Acquiring Land: The cost of the land is unknown. The CPC has requested of TM \$500,000 of CPA funds for acquisition of 3.4 acres for land to be used for affordable housing only. These funds can be used for land acquisition and demolition of structures on designated 3.4 acres only.

16 Units of Affordable: 16 units of housing is a reasonable cluster to fit on the site and a number which can work financially. Affordable housing is in Master Plan, Selectmen's Goals, Nike Advisory Committee Charge, and Housing Plan. A regular 40-B project would be a 64-unit project to get 16 affordable units. This is a critical fact when discussing impact on schools, traffic, environment, water!

Financing of Affordable Housing: Construction of affordable housing exceeds the price that qualified purchasers can pay. Grant programs that communities and developers can use to bridge the gap:

- DHCD Home ownership grant programs and MHFA Affordable Housing Trust program (rolling application systems - combined grant could be \$80,000 per unit.)
- Small grants from utilities for energy efficient qualities – such as windows or boilers.

The Planning Board requests assistance from the Wayland Housing Authority and the Wayland Housing Partnership in developing this list.

Design: Set design standards that will govern the way in which the property is developed.

Recommendation of design criteria include:

- Eight duplexes, two units each;
- Units not to exceed 1,500 square feet;
- Two (6) and three (10) bedroom units;
- One handicapped unit,
- Compatible with neighborhood character in scale and design;

- Variety in design and orientation;
- Use of scale and design to minimize size,
- No garage or one-car garages
- Landscaping – request assistance from Russells, Mahoneys, Garden Club.

Tasks for the Committee

- **Design standards** should be determined to be included in RFP to developers.
- **Lottery system** should be defined by town so that 70% of units go to those with Wayland association = resident, child or parent of resident, full-time employee, Metco family. (Senior citizen can sell house to provide down payment – all must be over 62 years – and meet income). Definition of Wayland association to be determined by Committee and recommended to Selectmen.
- **Assurance of Affordability** will be by 50-year deed restriction that is renewable upon each sale of a unit and also to include a NO RENTAL clause. Properties resold to those who qualify = 80% of median at the time which is exactly how first owners will be qualified. Develop a standard for assuring affordability such as Housing Authority can be designated to acquire until lottery takes place if necessary or desirable.
- **Assurance of performance** - work timetable: Develop firm language that has land revert to town if developer/contractor does not act within a period of time – establish time table.
- **Eligibility standards:** The incomes of families eligible now to purchase are: 2 persons = \$52,950, 3 persons = \$59,550, 4 persons = \$66,150 and 5 persons = \$71,450. These figures represent salaries that are 80% of median income.

Financing of the 16 units:

DHCD grant:	$\$34,375/\text{unit} \times 16 = \$550,000$
Affordable Housing Trust:	$\$73,750/\text{unit} \times 16 = \$700,000$
Energy Grants:	$\$2,679/\text{unit} \times 16 = \$42,858$
Sale Price of Units:	$\$191,000/\text{unit} \times 5 = \$955,000$
	$\$152,273/\text{unit} \times 11 = \$1,675,000$
TOTAL for 16 units	\$4,347,858

Expenses include site purchase, construction, design, survey and permits, financing and legal fees, sales and carrying costs, soft contingency, overhead and profit. The construction costs include site preparation, infrastructure, and the units. Each unit will cost \$271,741 to build for a total of \$4,347,858 for 16 units.

Spreadsheets are available showing distribution of costs.

Questions Needing Answers:

- How does the Town retain the most control but not the burden of managing?
- When does the Town sell to a developer? Does an RFP target non-profit or for-profit developers?
- Does the Town go farther in the planning and sell to a contractor?
- Is the information above on assuring affordability accurate?
- What are the exact timetables of state grants?