

PROVINCETOWN HOUSING PLAYBOOK

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Past, Present, & Future

A Compilation of Provincetown's current and future housing strategies divided into three categories: Affordable Housing, Community Housing, and Seasonal Workforce Housing.

Provincetown Housing Playbook

PAST, PRESENT, & FUTURE

PROVINCETOWN HOUSING PLAYBOOK PREPARED BY:

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EXECUTIVE SUMMARY

In this Second Edition of the Housing Playbook, revisions include updates on activity since the March 2016 version, such as Town Meeting actions and FY 2016 income limits, new sections including Housing Basics, a list of acronyms, and a “How about...” idea section. We anticipate updating the Playbook as needed to reflect the evolution of our housing efforts.

The Problem

Since 1997, the Town of Provincetown has been actively tackling the need for stable housing for the people that live and work here. Given the increase in home prices over the last twenty years, housing is priced outside the reach of the majority of residents, with Provincetown median household income at \$43,272¹ and the median price of a single family home reaching above \$790,000², there are housing needs at all local income levels. The general rule is that housing costs [including utilities] should be no more than a third of income. So for a household with \$43,272 income, maximum housing & utility costs would be \$1,190 per month. The Provincetown median household income of \$43,272 could afford to purchase a home at approximately \$125,000; an income of about \$100,000 could purchase a home at approximately \$350,000.

The needs are great and cross the spectrum of incomes. Lack of stable housing has a severe impact on our community character and our future viability. We have witnessed the outmigration of many of our year-round residents and families which has led to the closing of our high school and loss of our year-round population by 14% from 2000 to 2010.³

As we struggle to maintain and grow our local economy, it is imperative that we concurrently strengthen our housing options. Without housing,

¹ US Census Bureau American Community Survey 5-year estimates 2010-2014

² Zillow ...

³ US Census: 2000 - 3,431; 2010 - 2,942

PURPOSE:

“The motivation to undertake the following Housing Actions comes out of a deep-felt desire to sustain Provincetown as a thriving year-round community that provides safe, secure and affordable housing for year-round and seasonal residents who work in town, for businesses looking for the stable population and housing base needed to expand the community’s year round economy, for families hoping to raise their children here, and for seniors hoping to stay in the community as they age.”

[John Ryan, Housing Action Plan](#)

there are no workers; without workers there is no economy. Because our economy is primarily tourist-based, seasonal worker housing is also a problem. Without a diverse population, there is no Provincetown as we know and love. Provincetown's needs go beyond the traditional categories of affordable housing and reach up into the middle income brackets. Much of our workforce is positioned above the conventional affordable income limits, thereby excluding them from the otherwise available state and federal subsidy programs. As a result, the middle class segment of our workforce, along with the lower income segment, is being and has been squeezed out of Town. Over the last five years, there has been a 13.3% decline in the average number of employed residents,⁴ while the average number of local jobs stayed the same. This almost certainly means that an increasing number of workers are commuting to Provincetown from other communities on the Cape. This problem starts local, becomes regional, and without a long term consistent and persistent program, will permanently alter, and potentially eliminate as we know it, community life on the Outer Cape.

We have identified three categories of housing need that must be addressed effectively in order for Provincetown to support and expand its economy and retain a viable year-round population: Affordable, Community and Seasonal. Because the housing need problem extends across all levels of affordability and seasonality, no single project, or type of project, will be able to meet all the housing needs of the community. The Town needs to take a comprehensive approach, including multiple smaller projects which collectively can begin to address the need.

The Consequences

In simplest terms, if the status quo continues and the loss of viable housing options for all income levels is left unchecked, the year round community will continue to shrink and potentially even eventually effectively disappear. With a shrinking local population, the Town will feel not only a community impact, but a financial one as well. The cost of converting from a volunteer to a fully paid fire department is just one example, while businesses will need to factor in the cost of importing their workforce each day. The identity and local culture that lies at the heart of the way of life in Provincetown, its economy, and even tourism will be fundamentally altered. The unique characteristics of Provincetown's restricted land base, its low-wage seasonal economy, and the attractiveness of its housing for seasonal use, are steadily eroding the Town's capacity to sustain itself on a year-round basis.

**Provincetown lost
489 households
from 2000 to
2010!**

US Census:
2000 3,431; 2010 2,942

The Goal

To implement a consistent, robust and aggressive housing program that builds on the efforts outlined in the Community Housing Action Plan, expanding it to include three categories of housing: 1) Affordable Housing, 2) Community Housing, and 3) Seasonal Workforce Housing.

This Housing Playbook begins our work on a more comprehensive approach. It's a roadmap that builds upon the existing data and the work (238 units so far) that has already been accomplished. It

establishes a one stop reference for all the programs, efforts and financial sources and tools currently available. It takes into consideration new opportunities, public and private properties and new initiatives identified since the 2014 Housing Summit.

Organizationally, this Playbook is divided into three main sections (1) Affordable Housing, (2) Community Housing and (3) Seasonal Worker Housing. In each section we attempt to comprehensively cover the topic

⁴ MA DWD, 12/13

for Provincetown. We then identify the current real estate opportunities. Finally, we lay out recommended action steps.

With significant support from the Provincetown community, the Town has developed an expansive toolbox that addresses some of the housing needs in the community. While the various programs and approaches described in this Housing Playbook will continue to allow the Town to work toward protecting the vitality and sustainability of the community, the Town must remain flexible in adopting new tools and seizing new opportunities as they arise.

While the Town continues to promote housing for all incomes and all household sizes in order to encourage and retain families and our year round workforce, the highest demand has consistently been for one-bedroom units for single person households. This is reflected in the January 2016 applications received for Stable Path, where 58 of 104 (56%) applications submitted were from single person households, although there were only 5 one-bedroom/efficiency units available out of a total of 23 units. Currently, 70 of 91 (77%) of the households on the waitlist at Province Landing are for one-bedroom affordable units.

As reflected in the chart below, of the 238 deed restricted units we have, 225 of those are Affordable Housing units and only 13 have been Community Housing units. As housing prices have steadily risen, outstripping the ability of anyone on a median income to secure housing, this has steadily pushed the need for housing at below market prices up into higher income levels. The production of Community Housing can respond to this need and will require a focused effort on par with our affordable housing production, while recognizing that as of today the overwhelming number of programs and financial tools available are for Affordable rather than Community Housing.

Existing Deed Restricted Units

	40B SHI		Non-40B SHI		Total
	Affordable	Community	Affordable	Community	
Rentals	170	5	9	0	184
Ownership	35	0	11	8	54
Totals:	205	5	20	8	238

The Requirements

While there are many operational, legislative, and financial actions that need to be taken, it is important to keep in mind, we need three things that are necessary in order to build and accelerate our program: (1) land, (2) money, and (3) willing development partners.

Regarding the first requirement, the Real Estate Opportunities Section looks at some of the limited pool of currently potential development sites, both public and private. On the second requirement, each section of this Playbook lays out the available financing and financial incentives currently available, while in the action steps, the call for identifying new sources and retargeting existing sources is and must be a priority. On the third, in order to cultivate the Town’s relationships with developers, financiers and other partners,

we need to improve our collaboration and expand the services the Town can offer, so that we handle more of the public process and bureaucracy surrounding the development of below market units in our Housing Office, which otherwise has been an impediment.

It is fully anticipated that all of these potential activities will be regularly evaluated and assessed to ensure they meet our future needs and the available resources. Principal among these activities is the establishment of more precise data and analysis-backed target numbers for the production of affordable and community housing units, while recognizing that each housing category needs more units than we are currently producing. This Playbook is a resource and a common baseline for a productive on-going community conversation. This Playbook lays out what we have, and identifies what we do not, our gaps in information, finance and effort. While we are building on existing efforts, we all recognize that they have not been enough to truly change direction. We recognize it has taken decades for Provincetown's housing market to get where it is, and it will take a concerted effort to change the direction.

Urban Land Institute: Technical Assistance Panel Report

ULI Report Highlights

At the Town's invitation, the Urban Land Institute [ULI] brought 12 regional experts in the interdisciplinary fields of real estate, design, housing, and finance to Provincetown on June 8 & 9, 2016. Their technical assistance focused on the VFW site, the former Community Center, and the pending legislation for the Year-Round Rental Trust while also considering efforts to create a more year-round economy. The ULI Team took a comprehensive look at our housing development process to develop recommendations and realistic options to bring forward.

The ULI Team had some clear takeaways:

- The dearth of affordable housing has a negative impact on our year-round economy and on our tourism business.
- Provincetown residents & leaders have a strong commitment to finding ways to address the housing crisis.
- Solving the problem will take time & persistence and long-term commitment is needed.

Short-Term Recommendations:

- Improve communication with deliberative communication strategy combined with an online platform to get reliable information out. A suggestion included the online platform *CoUrbanize*.
- Make the Housing Playbook more accessible
- Ongoing education: remind public about the close relationship between housing & health of local economy.
- Dispose of the 2 town-owned properties to support affordable housing production. One scenario for the VFW has 29 two-bedroom cottages and a 2-story workforce housing development at the former Community Center. Consider combining both in single RFP to make more attractive to developers.
- Support the Housing Authority expansion.
- Push-ahead with the proposed Year-round Rental Trust.
- Assist businesses that wish to team up on larger project for workers at number of establishments.
- Inclusionary zoning – try again. Consider units of for-sale housing at 120% & 150% AMI for less of an impact on smaller developments.

Long-term Recommendations:

- ❖ Expand the economy consider arts campus in winter/spring
- ❖ Master Plan identifying parcels for housing development and increased density;
- ❖ Consider overlay district to spur development under certain guidelines
- ❖ Assess the use of the accessory dwelling unit by-law.
- ❖ Consider making artist studio live/work space.
- ❖ Consider conversion of upper floors of commercial buildings converted into apartments.

“The danger is letting the perfect get in the way of the good.”

HOUSING BASICS:

Acronyms, Local Preference, Fair Housing Laws, Tenant Selection, & Waitlists

It is not unusual for a community to want to construct and create housing for its own members. While typically new developments are allowed some local preference at initial rent-up [usually up to 70%], applicants may come from anywhere. But at the end of the day, the reality in Provincetown is that greater than 90% of the actual tenants typically would qualify under our local preference policy. Housing Development is extremely complex and governed with regulations including both federal and state Fair Housing Laws. There are privacy and confidentiality rules that apply to the tenants that prohibit the Developer from releasing all information to the public.

Local Preference:

The Board of Selectmen adopted a Local Preference Policy on 11/24/2008 providing for the maximum preference allowed by law. Typically this is 70% of the units at the initial rent-up or sale and must be approved by the state. Eligibility for local preference includes current year-round residents [no time limit], current households with children in the Provincetown schools, and current employees of the Town and Provincetown businesses.

Fair Housing Laws:

The Fair Housing Act [Title VIII of the Civil Rights Act of 1968] prohibits discrimination for housing related transactions on the basis of race, color, national origin, religion, sex, disability, and familial status. In addition to the federally protected classes, Massachusetts, under MGL c. 151B, includes marital status, age, sexual orientation, gender identity, military status, receipt of public assistance and/or housing subsidy, genetic information, and ancestry. Other laws also play a role including the American with Disabilities Act and Section 504 of the Rehabilitation Act of 1972. Municipalities are obligated to evaluate their rules, policies, and actions to not only ensure against discriminatory effects but to also affirmatively further fair housing. It is important to note that even when a practice or policy isn't intended to discriminate or limit housing opportunities, it may have a discriminatory effect. With each development, the Tenant Selection Plan requires broad Affirmative Marketing and Outreach that meets these criteria and makes additional effort to reach people who might not typically be aware of the housing opportunity.

Tenant Selection for Rental Properties:

THE PLAN - All 40B developments and developments that receive state and federal funds must develop a comprehensive tenant selection plan

ACRONYMS

ADU: Accessory Dwelling Unit
AHTF: Affordable Housing Trust Fund
AMI: Area Median Income
BOS: Board of Selectmen
CBH: Community Based Housing
CDP: Lower Cape Community Development Partnership
CHAPA: Citizens' Housing and Planning Association
CHC: Community Housing Council
CHR: Community Housing Resource
CPA: Community Preservation Act
CPC: Community Preservation Committee
DART: Design and Resiliency Team
DHCD: Dept. of Housing & Community Development
DOR: Dept. of Revenue
HA: Housing Authority
HAC: Housing Assistance Corporation of Cape Cod
HAC: Housing Appeals Committee
HECH: Harwich Ecumenical Council for the Homeless, Inc.
HH: Household
HPC: Homeless Prevention Council
HS: Housing Specialist
HUD: U.S. Dept. of Housing & Urban Development
IFB: Invitation for Bids
LIHTC: Low Income Housing Tax Credit
LIP/LAU: Local Initiative Program/Local Action Unit
MCDBG: Mass. Community Development Block Grant
MHP: Mass. Housing Partnership
QAP: Qualified Allocation Plan
RFP: Request for Proposal
SHI: Subsidized Housing Inventory
TM: Town Manager
ULI: Urban Land Institute
USDA: US Dept. of Agriculture
YRHT: Year-Round Rental Housing Trust
40B: State statute that provides accelerated permitting process, allows developer to override restrictive zoning, and requires a minimum of 20-25% restricted affordable units.

that complies with the Fair Housing Laws and is approved by the subsidizing entities. Typically this involves significant marketing and outreach, approved advertisements, threshold requirements such as maximum & minimum incomes, asset limits, household size, timelines for advertising and applications, application review process, and a lottery.

THE APPLICATION - There is a strict due date for the submission of complete applications. Complete applications typically include a multi-page form, income tax returns, bank statements, asset statements, pay stubs, and other documentation. The developer performs initial review of eligibility.

THE LOTTERY - Lotteries are done in public places such as Town Hall or the Veterans Memorial Community Center. Applicants are assigned a number and those numbers are placed in a container. Applicants may attend but are not required to do so. A neutral party draws ALL the numbers, presents them to the group, and they are posted in order. If there is local preference, there will be an additional container that contains those applicants that qualify. The local preference candidates are also placed in the open-category container.

THE CERTIFICATION: Following the lottery, starting at the top of the list and processed in order as appropriate [based on available units per size and income category], the developer will continue with the final review steps and third-party verification of income, assets, and other information of applicants with a potential unit. This may include reference checks, interviews, CORI checks, and other confirmations.

THE WIN: the successful applicant will be offered a unit and has a limited time to accept. The developer will provide a year-round lease that requires annual re-certification of income eligibility. All remaining applicants become part of the waitlist for this development only and undergo the above certification process as an appropriate unit becomes available.

Ownership & Resales:

The selection process for ownership units is similar. Note that in the last decade due to the housing crisis, there have been almost zero funds available for the development of new ownership units. The state is only now beginning to consider it. Existing deed-restricted units do have resale provisions in their deed restrictions that govern how they are resold and for how much. A maximum resale price is determined in accordance with the formula in the restriction. Typically the Town must seek an eligible buyer within the targeted income level and household size; sometimes the state must be part of this process as well. Marketing and outreach is done in similar fashion to that for the rental properties. The application must provide the income and asset documentation for eligibility along with pre-qualification for a mortgage. If there are multiple eligible purchasers, a lottery is held in the same fashion as described above. The sale moves forward with the #1 candidate to closing. If the applicant withdraws or is unable to get the mortgage, the next applicant in line will be offered the unit. Note that resales can surface at any time; there were seven in 2015/2016 which was highly unusual.

Income levels:

As described in upcoming sections, each development targets specific income categories and often has multiple income levels with each unit targeting certain income levels. Further complications may arise, such as this year, when the FY 2016 Income Limits were released in the middle of the rent-up process for Stable Path, some income levels dropped. Applicants that may have been at the edge of eligibility within a category may have lost their eligibility within that category and were then bumped to the higher income level. This in turn may have bumped someone in that income level who was lower on the lottery list. Income levels have a ripple effect on eligibility as noted above and on the pricing of the for sale units

and rents. The FY 2016 median income [100% for family of 4] for Barnstable County of \$77,100 was a 4% drop from the FY 2015 limit of \$80,300 and a 3.5% drop from the FY 2012 income limit.⁵

Barnstable County

HUD

Median Income	
FY 2012	80,000
FY 2013	74,900
FY 2014	74,900
FY 2015	80,300
FY 2016	77,100

Historically the Town of Provincetown has had greater than half of its year-round population fall under the definition of low and moderate income; that is less than 80% AMI. According to HUD, for FY 2015, 58.4% of the Provincetown population qualifies as low and moderate income; 36.6% for both Truro and Eastham, and 25.6% for Wellfleet.⁶ Compare this to the Subsidized Housing Inventory of deed-restricted units that target this population of 9.9%. There is a great gap.

What are livable wages? \$23.73

According to the National Low Income Housing Coalition’s 2015 Out of Reach report, a minimum wage of \$23.73 per hour [assuming 40-hour work week, 52 weeks per year] would be required to afford a rent of \$1,234 per month. In Barnstable County, the Fair Market Rent for a two-bedroom apartment is \$1,234 per month. In order to afford this level of rent and utilities, without paying more than 30% of income on housing, a household must earn \$4,113 monthly or \$49,360 annually. With a minimum wage of \$9.00 per hour, the earner would need to work 88 hours per week, 52 weeks per year. Monthly Supplemental Security Income [SSI] payments for an individual are \$847 in Barnstable County. If SSI represents an individual’s sole source of income, \$254 in monthly rent is affordable while the Fair Market rent is \$920.

Waitlist:

There is no ONE waitlist. Waitlists are held by each development and are subject to their individual tenant selection plan. The Waitlists are typically broken down by unit size [number of bedrooms] and income level [30% AMI, 50% AMI, 80% AMI, etc.]; they are typically closed after the initial lottery and tenant selection. Developers usually refresh their waitlist each year by inquiring if applicants are still interested to be on it; failure to respond can result in removal from the list. As a particular waitlist for a certain type of unit [for example, a 2-bedroom unit at 60% Area Median Income] becomes short or is exhausted, the Developer will advertise and briefly open the list for applications for that category only. The Housing Authority maintains a waitlist that is regulated by the State. Community Housing Resource maintains a *Notification List* [this is NOT a waitlist]; that is, any individual can be placed on the list to receive notices of certain types of housing for certain types of households as they become available. That is rental and/or ownership; 1-bedroom, 2-bedroom, etc.

The overall application process is highly regulated by many agencies and is very complex. That being said, there can be exceptions to certain rules. For example, typically a one-person household is only eligible for a 1-bedroom unit, but someone with a disability may require an accommodation and need a

⁵ HUD

⁶ MCDBG HUD calculations

live-in caregiver [the caregiver's income would not be calculated in the eligibility]. Developments are monitored annually by the subsidizing agencies. Monitoring includes detailed analysis of tenant files including their applications and documentation, the developer's efforts to certify that information, the condition of the properties and units, and the overall budget for the property. Developers are expected to maintain their properties and have sufficient set-asides for operations, maintenance, and capital improvements over time.

To give you an idea of current waitlists see Attachment I.

AFFORDABLE HOUSING:
Year-round Extremely Low/Low/Moderate Income

Goal: to create between 190 to 240 units of affordable housing over the next ten years (as indicated in the recent 2013 Housing Needs Assessment) to provide for our lower wage workers, seniors, artists, those on a fixed income, and other vulnerable populations who would likely be served by affordable housing.

Since 2013, 23 new low/moderate income rental units have been completed and came on line in 2016.

DEFINITION:

Extremely Low Income Affordable Housing: Housing that is available for rental at a cost (including utility allowances) not exceeding 30% of annual income for a household at or below **50% of Area Median Income in Barnstable County**; or, available for ownership at a cost (including mortgage interest, principal, taxes, insurance and common charges if any, but excluding utilities) not exceeding 30% of annual income for a household at or below 50% of AMI in Barnstable County; AMI as defined by HUD or the appropriate subsidizing entity; updated annually; varies with household size.

Low Income Affordable Housing: Housing that is available for rental at a cost (including utility allowances) not exceeding 30% of annual income for a household at or below **65% of the Area Median Income in Barnstable County**; or, available for ownership at a cost (including mortgage interest, principal, taxes, insurance and common charges if any, but excluding utilities) not exceeding 30% of annual income for a household at or below 65% of AMI in Barnstable County; AMI as defined by HUD or the appropriate subsidizing entity; updated annually; varies with household size.

Moderate Income Affordable Housing: Housing that is available for rental at a cost (including utility allowances) not exceeding 30% of annual income for a household at or below **80% of the Area median Income in Barnstable County**; or, available for ownership at a cost (including mortgage interest, principal, taxes, insurance and common charges if any, but excluding utilities) not exceeding 30% of annual income for a household at or below 80% of AMI in Barnstable County; AMI as defined by HUD or the appropriate subsidizing entity; updated annually; varies with household size.

See **Attachment D** for current income levels for various household sizes.

PRODUCTION:

Rental: to date 179 deed-restricted rental units have been developed, including 170 rental units listed on the Town of Provincetown’s 40B Subsidized Housing Inventory (SHI); all 179 are extremely low to moderate income housing units (30% AMI – 80% AMI)

Ownership: to date 46 deed-restricted ownership units have been developed including 35 ownership units listed on the 40B SHI; these 46 units are low to moderate housing units (60% - 80% AMI)

FUNDING AVAILABLE:

Town CPA funding is available for housing for those earning up to 100% AMI. Provincetown’s Affordable Housing Trust Fund is available for housing up to 80% AMI. Many state and federal programs, including state and federal affordable housing tax credits, are available for housing developments below 80% AMI. All funding sources are very competitive and typically target specific income levels and unit types. See **ATTACHMENT J** for description of some of the state and federal programs.

EXISTING TOOLS:**Development:**

- Province Landing: Land acquisition with CPA funds [\$1,000,000]; long-term land lease created 50 new low and moderate income rental units; initial occupancy 2012
- Seashore Point: CPA funds [\$900,000] & Land contributed with long-term land lease created complex that includes nursing home, rehab facilities, senior ownership housing, and 9 senior moderate income rentals; initial occupancy 2011
- CPA supported developments at:
 - 83 Shank Painter [15 low/moderate rental units] [\$150,000]; initial occupancy 2012
 - Sandy Hill Lane [12 moderate/median ownership units] [\$732,000]; initial occupancy 2008
 - Stable Path [23 low/moderate/median rental units][540,000]; initial occupancy June 2016
- Grace Gouveia Building: town-owned property sold at reduced price to subsidize the creation of 3 moderate income rental units [\$345,000]; initial occupancy January 2016

Zoning:

- Growth Management: set-aside of building permits for affordable housing in whole or in part as well as economic development permits which can be used for workforce housing; provides incentive for affordable and community housing development due to limited allocations in other lower priority categories.
- Affordable Housing Bylaw: This bylaw allows the creation of affordable accessory units in all zoning districts, and includes an amnesty clause for illegal apartments that are made affordable, provided there is an affordability deed restriction that limits rental rates and resale prices for a minimum of 20 years.
- Change of Use Conversions: This bylaw establishes special permit requirements for changes of use from non-residential to residential use and to minimize adverse impacts on the community from such development by requiring that 20% of new residential units created be affordable when 5 or more dwelling units are created. This bylaw is intended to create additional affordable housing opportunities for Provincetown residents and to assist the Town in creating units eligible for inclusion in its Subsidized Housing Inventory.

Financing:

- \$1.5-million for proposed Year-round Rental Housing Trust approved by April 2015 & April 2016 Town Meeting in support of the proposed Year-round Rental Housing Trust; pending with the legislature.
- 60% of CPA funds for housing: April 2014 Town Meeting approved increasing the dedicated CPA affordable housing allocation from 10% to 60%. CPA funds can support housing for up to 100% AMI.
- Affordable Housing Trust Fund [AHTF]: 10% from Land bank, 25% of Tax Title takings, and other sources. The AHTF can be used to create and support affordable housing, both rental and ownership, up to 80% AMI. To date, the AHTF has been used for both Housing Summits and Action Plans [2006/07 & 2013/14], emergency housing assistance to prevent homelessness, housing development, housing rehabilitation, appraisals, outreach, homebuyer workshops, and homebuyer workshop scholarships.
- Donation checkbox on tax bills: the October 2014 Special Town Meeting approved inserting a donation checkbox on tax bills which was approved by Gov. Deval Patrick and implemented in 2015. Over \$1,500 has been donated to date; proceeds are deposited into the AHTF.

- Affordable Housing Revolving Account: for income & expenses related to resale of deed-restricted units: annually approved by town meeting to accommodate resale expenses for ownership units
- Traditional state and federal subsidies and funding sources: support the creation of housing for those earning up to 80% Area Median Income [AMI].

Financial Incentives:

- Tax Exemption Program for property owners that rent year-round to tenants. On 12/8/14, the BOS approved eligibility up to 80% [from 60%] under the current Property Tax Exemption program [Chapter 408 of the Acts of 2002] to allow for eligibility up to 80% AMI [Area Median Income] in a manner that reflects the need across a range of eligible incomes.
- Provision of certain Town services: on 6/27/11 the BOS adopted a policy that Town services shall be provided, if feasible based on site design and providing adequate clearances, by the Department of Public Works, based on a written agreement and waiver, for affordable and community housing projects in which a minimum of 50% of the project's units are either affordable or community housing units. Services may include trash pick-up, plowing, and street-sweeping.
- Building permit fees: on 6/27/11 the BOS adopted a policy that Town building permit fees shall be waived for affordable and community housing projects in which a minimum of 50% of the project's units are either affordable or community housing units provided that the applicant has first executed an affordable housing restriction document approved as to form by Town Counsel and executed by the Board of Selectmen. The amount of the fee waiver will be equal to the percentage of units restricted.

Programs:

- Host Homebuyer Workshop series in Provincetown: the Community Housing Council [CHC] sponsored First-time Homebuyer workshops in Dec. 2015 and again in September 2016 as part of its *Pathway to Homeownership* with the intention of holding annual workshops.
- Homebuyer Workshop Scholarships: the CHC authorized scholarships to reimburse participants for completion of a homebuyer workshop as part of its *Pathway to Homeownership*.
- HomeShare program through HOW: Helping Our Women [HOW] has received 2 grants to promote a strategy from the Housing Action Plan to promote and coordinate home sharing. Many people have homes with available bedrooms where a home share could provide a place to live for the home-seeker and some financial benefit and/or companionship to the home provider.
- Self Sufficiency Local Voucher Program: With CPA funds, The Provincetown Self Sufficiency Local Voucher Program aims to allow a family to have affordable, year-round housing while participating in a program which will educate and/or enable them to become self-sufficient within a three (3) year period. The Provincetown Self Sufficiency Local Voucher Program specifically targets households that will benefit from short-term assistance as a stepping stone to self-sufficiency.
- Little Fix Program: With CPA funds, The Little Fix will send teams of volunteers to assist homeowners & renters with clean-up, landscaping, and small home repair projects targeting seniors, disabled, and veterans. The goal is to provide small home and landscaping improvements, largely through a volunteer base, to enhance the safety, comfort, and quality of life for seniors, veterans, and the disabled. The residents will be selected based on income, repair needs, and our ability to meet the request.

Collaboration:

- Housing Authority: The Provincetown Housing Authority is a public agency with the primary mission to develop safe and affordable housing for low income households and operates various rental

housing units for families, elderly, and people with disabilities. Some Town support has been provided with the AHTF for rehab of family housing. The Housing Authority received \$60,000 in CPA funds at the 2016 ATM to plan for the development to expand the number of available units at Maushope over the next 10 years. Susan Connelly, Director of Community Assistance at MHP, met with the HA on 7/27/16 to provide technical assistance.



- Homeless Prevention Council: The HPC works to prevent homelessness before it happens in the eight towns of the Lower and Outer Cape (Chatham, Harwich, Brewster, Orleans, Eastham, Wellfleet, Truro, and Provincetown). They provide professional case management, which includes counseling, advocacy and referral services to appropriate resources. The Town provides emergency housing assistance funds through annual allocation through a human service grant and additional AHTF support.
- Regional Housing Rehab Program: Through MCDBG funds, up to \$35,000 as a forgivable loan may be available for qualified residents through a Mass. CDBG grant to address safety, energy, and code issues for eligible homes. Lead community Town of Truro; administered by the Community Development Partnership [CDP].
- Community Development Partnership [CDP]: formerly known as the Lower Cape Cod Community Development Corporation, is a community based non-profit organization created in 1992 by community leaders and activists who believed the eight towns of the Lower Cape needed an organization focused on affordable housing and economic development issues unique to the area. The CDP manages numerous rental locations in Provincetown and on the Lower Cape and provides other resources with regard to housing.
- Seashore Point, 100 Alden Street: Seashore Point, a not for profit full-service residential community managed by Deaconess Abundant Life Communities, offers housing along with a continuum of services and amenities including ownership opportunities and some rental opportunities for eligible seniors.

Staff support:

- Community Housing Office with full-time Housing Specialist: Community Housing Office funded through CPA Works with all entities to develop, create, and maintain housing including the CDP, CHR, TCB, on marketing, outreach, & lotteries.
- Resale of ownership units: in accordance with deed restrictions, the Town may conduct the resale process for eligible purchasers when the owner intends to sell a deed-restricted unit [7 in 2015 generating approx. \$24,200 in resale fees].

Planning Documents:

- 2013/2014 Housing Action Plan & Needs Assessment by John Ryan/Development Cycles
- 2006 Housing Action Plan & Needs Assessment by John Ryan/Development Cycles
- 2000 Local Comprehensive Plan, currently in the process of being updated

OPPORTUNITIES:

- VFW site
- Former Community Center, 46 Bradford St
- Fire Station #2, second floor
- Coastal Acres Campground
- VMCC building and site

COMMUNITY HOUSING:
Year-round Median/Middle income

Goal: To create an adequate supply of community housing units over the next ten years in order to stabilize the year-round workforce and reduce the number of median and middle income wage earners moving out of Provincetown.

Since 2013, 5 median income rental units have been completed and came on line in 2016.

DEFINITION:

Median income: Housing that is available for rental at a cost (including utility allowances) not exceeding 30% of annual income for a household at or below **120% of the Area Median Income in Barnstable County**; or, available for ownership at a cost (including mortgage interest, principal, taxes, insurance and common charges if any, but excluding utilities) not exceeding 30% of annual income for a household at or below 120% of AMI in Barnstable County; AMI as defined by HUD or the appropriate subsidizing entity including CPA; updated annually; varies with household size.

Middle income: Housing that is available for rental at a cost (including utility allowances) not exceeding 30% of annual income for a household at or below **160% of the Area Median Income in Barnstable County**; or, available for ownership at a cost (including mortgage interest, principal, taxes, insurance and common charges if any, but excluding utilities) not exceeding 30% of annual income for a household at or below 160% of AMI in Barnstable County; AMI as defined by HUD or the appropriate subsidizing entity; updated annually; varies with household size.

PRODUCTION:

Rental: 5 deed-restricted rental units have been developed, all of which are median income, specifically for those households earning up to 100% of AMI.

Ownership: 8 deed-restricted ownership units have been developed at median income level (80-100%).

FUNDING AVAILABLE:

Until recently there were no state or federal resources available for housing above 80% AMI, Town CPA funding [which includes some state matching funds] is available for housing for those earning up to 100% AMI. The state has recently initiated a Workforce Housing Initiative through MassHousing that supports the creation of housing for households up to 120% AMI.

The 2015 Spring Town Meeting voted to propose a Year-Round Rental Housing Trust, which would serve to purchase or develop rental units, and/or secure rental deed restrictions to serve those earning above 100% AMI up to potentially 200% AMI. The YRHT is currently pending before the State legislature.

While neither funding nor programs exist for community housing above 100% AMI that is for ownership rather than rental, over time as the rental program matures, the Town may likely need and desire such a fund or program.

Provincetown Year-Round Rental Housing Trust

The proposed Provincetown Year-Round Rental Housing Trust (YRHT) addresses Community Housing for year-round rentals for those that do not qualify for the traditional affordable housing, but yet are unable to find housing in Provincetown. The goal of the YRHT is to provide workforce housing to those who may work in Provincetown, but are unable to live here.

Examples of those who do not qualify for traditional affordable housing and are unable to secure housing include, but are not limited to [these are examples of Town employees for discussion purposes, but the YRHT is not limited to Town employees; see ATTACHMENT K for more examples]:

- Police Patrol Officer, salary range \$56,429 to \$66,777
- Police Records Clerk, salary range \$52,618 to \$62,243
- Town Clerk, salary range \$65,919 to \$81,992
- Treasurer and Collector, salary range \$61,312 to \$76,249
- Public Works Foreman, salary range \$48,577 to \$59,087
- School Teacher, mid-level salary range \$46,557 to \$79,206

Note that eligibility is a function of total household income and the current limits for various income levels are below. These numbers are reset annually.

While the YRHT may and most likely will purchase properties in fee, it will be important to investigate the best ways to stretch the limited dollars to maximize the number of units it can help make available at rental rates the local market can afford. One method may be by helping to fund public-private partnerships where the YRHT purchases deed restrictions on properties ensuring that those properties will be guaranteed for year-round community housing. The incentive to the private sector must be sufficient to provide them a reason to rent year-round at a rate that is affordable to our residents/workforce instead of renting to weekly seasonal visitors to our Town.

Mortgage qualifications often state that any household should spend no more than 30% of their gross income on all housing expenses (rent and utilities). Based on these parameters, the following is considered appropriate housing costs for a total household income tied to this salary:

	<u>Annual Housing Costs</u>	<u>Monthly Housing Costs</u>
Police Officer	\$16,929 to \$20,033	\$1,411 to \$1,669
Police Records Clerk	\$15,785 to \$18,673	\$1,315 to \$1,556
Town Clerk	\$19,776 to \$24,598	\$1,648 to \$2,050
Treasurer and Collector	\$18,394 to \$22,875	\$1,533 to \$1,906
Public Works Foreman	\$14,573 to \$17,726	\$1,214 to \$1,477
School Teacher	\$13,967 to \$23,762	\$1,164 to \$1,980

Due to the desirability of Provincetown as a vacation destination, the potential income from a weekly rental to transient visitors over the ten to twelve week high season greatly exceeds the potential income from a year-round rental. Additionally, second home owners would not be able to enjoy their properties themselves part time if they were renting to someone year-round. Because of these factors, year-round housing is in short supply or unavailable for the Provincetown workforce. The YRHT will allow the Town to purchase deed restrictions on certain properties guaranteeing their availability to the year-round workforce. In certain circumstances the Town may purchase a property outright through the YRHT if the finances make economic sense.

Income limits FY 2016

Barnstable County median income \$77,100

Household Size	100% Income Limit Median CPA	120% Income Limit CPA	150% Income Limit Middle CPA	160% Income Limit Middle CPA	180% Income Limit Middle CPA
1	\$53,970	\$64,764	\$80,955	\$86,352	\$97,146
2	\$61,680	\$74,016	\$92,520	\$98,688	\$111,024
3	\$69,390	\$83,268	\$104,085	\$111,024	\$124,902
4	\$77,100	\$92,520	\$115,650	\$123,360	\$138,780
5	\$83,268	\$99,922	\$124,902	\$133,229	\$149,882
6	\$89,436	\$107,323	\$134,154	\$143,098	\$160,985
7	\$95,604	\$114,725	\$143,406	\$152,966	\$172,087
8	\$101,772	\$122,126	\$152,658	\$162,835	\$183,190

Note: Source of information is HUD Barnstable County FY 2016 Income Limits. This document is for reference only. Actual limits are determined by the specific funding source. 100% AMI is a CPA figure; 120%, 150%, 160%, 180% are extrapolated using the 100% CPA number as a base. Income is the total of all gross income for all household members. Income limits are updated annually.

EXISTING TOOLS

Zoning:

- **Growth Management:** set-aside of building permits for affordable and community housing in whole or in part as well as economic development permits which can be used for workforce housing; provides incentive for mixed-income development including affordable and community housing units due to limited allocations in other lower priority categories.
- **Accessory units:** allowed in Res1 & Res2 districts - One accessory dwelling unit may be allowed in the Res1 Zoning District, for a total of two dwelling units per lot, and in Res2 Zoning District for a total of three dwelling units, only if the following criteria are met: the accessory dwelling unit is for year-round rental only; it is limited in size to 600 square feet if it is a free-standing dwelling unit or 40% of the gross floor area if it is located within the principal residence.

Financing:

- **\$1.5-million for proposed Year-round Rental Housing Trust** approved by April 2015 & April 2016 Town Meeting in support of the proposed Year-round Rental Housing Trust; pending with the legislature.
- **60% of CPA funds for housing** – April 2014 Town Meeting approved increasing the dedicated CPA affordable housing allocation from 10% to 60%. CPA funds can support housing for up to 100% AMI.

- Traditional state and federal subsidies and funding sources: are typically not available for these income levels. The state has recently initiated a Workforce Housing Initiative through MassHousing that supports the creation of rental housing for households up to 120% AMI.



Financial Incentives:

- Provision of certain Town services: on 6/27/11 the BOS adopted a policy that Town services shall be provided, if feasible based on site design and providing adequate clearances, by the Department of Public Works, based on a written agreement and waiver, for affordable and community housing projects in which a minimum of 50% of the project's units are either affordable or community housing units. Services may include trash pick-up, plowing, and street-sweeping.
- Building permit fees: on 6/27/11 the BOS adopted a policy that Town building permit fees shall be waived for affordable and community housing projects in which a minimum of 50% of the project's units are either affordable or community housing units provided that the applicant has first executed an affordable housing restriction document approved as to form by Town Counsel and executed by the Board of Selectmen. The amount of the fee waiver will be equal to the percentage of units restricted.

Programs:

- Host Homebuyer Workshop series in Provincetown: the Community Housing Council [CHC] sponsored First-time Homebuyer workshops in Dec. 2015 and again in September 2016 as part of its *Pathway to Homeownership* with the intention of holding annual workshops.
- Homebuyer Workshop Scholarships: the CHC authorized scholarships to reimburse participants for completion of a homebuyer workshop as part of its *Pathway to Homeownership*.
- HomeShare program through HOW: Helping Our Women [HOW] has received 2 grants to promote a strategy from the Housing Action Plan to promote and coordinate home sharing. Many people have homes with available bedrooms where a home share could provide a place to live for the home-seeker and some financial benefit and/or companionship to the home provider.

Collaboration:

- Homeless Prevention Council: The HPC works to prevent homelessness before it happens in the eight towns of the Lower and Outer Cape (Chatham, Harwich, Brewster, Orleans, Eastham, Wellfleet, Truro, and Provincetown). They provide professional case management, which includes counseling, advocacy and referral services to appropriate resources. The Town provides emergency housing assistance funds through annual allocation through a human service grant and additional AHTF support.
- Seashore Point, 100 Alden Street: Seashore Point, a not for profit full-service residential community managed by Deaconess Abundant Life Communities, offers housing along with a continuum of services and amenities including ownership opportunities and some rental opportunities for eligible seniors.

Staff support:

- Community Housing Office with full-time Housing Specialist: Community Housing Office funded through CPA Works with all entities to develop, create, and maintain housing including the CDP, CHR, TCB, on marketing, outreach, & lotteries.

Planning:

- 2013/2014 Housing Action Plan & Needs Assessment by John Ryan/Development Cycles
- 2006 Housing Action Plan & Needs Assessment by John Ryan/Development Cycles

- 2000 Local Comprehensive Plan, currently in the process of being updated

OPPORTUNITIES:

- VFW site
- Former Community Center, 46 Bradford St
- Fire Station #2, second floor
- Coastal Acres Campground
- VMCC building and site

SEASONAL WORKFORCE RENTAL HOUSING:

GOAL:

To identify and develop seasonal rental housing sufficient to accommodate our seasonal workforce in order to sustain our tourist economy. The Provincetown economy struggles with maintaining a labor force due to the lack of housing.

Along with fewer rental units being available both year-round and seasonally there is increased pressure to provide housing for seasonal workers. Increasingly, local businesses struggle to find staff for their establishments with the limited housing options. Some businesses are able to provide housing, but smaller businesses and start-up businesses increasingly struggle. Representing just a portion of the summer workforce, the Town brings in about 500 workers on student J1-visas and at least that many on H2B visas. The surge of conversion to weekly rentals has reduced availability and increased the cost of seasonal rentals forcing workers into cramped quarters and further away from town; many workers rely completely on public transportation. Placement agencies and the State Department are concerned about lack of housing and may reduce the number of approved visas. Losing this critical labor force will have severe operational impacts on the business community and our economy.

DEFINITION:

Seasonal Workforce Housing: workforce rental housing that is available for the entire “summer” season [generally 6 months, May through October] at an appropriate rental rate for workers that do not live in Provincetown year-round and including those on work visas [J1, H2B]; not weekly or monthly rentals.

PRODUCTION:

Deed-restricted: NONE

INFORMATION:

With the housing crisis worsening over the past two decades, Provincetown faces greater pressure to provide housing for its seasonal workers. Most property owners strive for top rental dollars, which is often achieved renting by the week during the peak season. Most seasonal workers do not make enough money at their summer job to support those rents. Sometimes lack of any reasonable housing leads to overcrowding. While often identified as a need, the public policy perspective (at least in Massachusetts) has been that housing for seasonal employees in areas like ours is a cost of doing business and is therefore a business owner’s expense that should not be subsidized from public tax money. There are no funds available for the creation of this type of housing beside local tax dollars or private funds. That being said, there are a few communities that address some of the issue with dormitory housing, usually for municipal employees such as seasonal police, fire and rescue personnel. We have looked at options in the past including the numerous unutilized houses within the CCNS as potential sites. Strategies used elsewhere include dormitory style housing, houseboats, zoning changes to allow for greater density, accessory apartments, and allowing multi-unit housing.

The September 2016 Urban Land Institute’s report encouraged the Town to work with businesses to develop housing for seasonal workers citing that lack of year-round and seasonal workforce housing severely impacts our economy.

TOOLS

- Economic Development Permits: incentive for the private sector & business community to build workforce housing

FINANCE:

- Traditional subsidies are NOT available for seasonal housing.

OPPORTUNITIES:

- Fire Station #2, second floor
- Former Community Center, 46 Bradford Street
- Coastal Acres Campground
- Regional approach with Truro and Wellfleet

**Provincetown Seasonal Workforce Survey
January 2015**

On-line Survey Monkey

47 Respondents:

Retail	14
Restaurants	10
Service	8
Hotels/Motels	18

# workers:	0	1-4	5-9	10-20	20+
Year-round	11	21	9	2	3
Seasonal	5	17	6	10	9

Seasonal Workers:	Average Number	Total Number
Local	7	260
J1	6	161
H2B	5	108
Other	5	112

Provide housing?

Yes: 5 Some: 14 No: 28

What type of assistance?

Employer owned:	14
Shared rental:	2
Motel:	2
Employee finds own:	14

Other assistance?

Yes: 10 No: 34

What type?

Financial	2
Search	15

Does lack of available housing impact your...

Labor supply: Yes: 37 No: 8

Open early/late season: Yes: 17 No: 21

Number of hours/days open:

Yes: 14 No: 22

Growth Management & Sewer Allocations:

Growth Management:

As a result of limited resources including water, solid waste disposal capacity, and wastewater disposal capacity, the Town of Provincetown adopted a Growth Management Zoning By-law in 1989 to provide for limited growth within the confines of those restrictions. Overtime, the by-law has evolved from limited numbers of building permits per year to a system whereby growth is based on gallons per day.

The purpose of the Growth Management Bylaw is to maintain the rate of development in the Town at a level which will allow the Town to provide in a planned and rational manner adequate public services and facilities to meet the needs of its current and future population without overburdening the Town's natural resources or the capacities of existing and planned public facilities, particularly with respect to provision of potable water, wastewater disposal, and solid waste disposal. The regulations provided in this Article are designed to effectuate the purposes of zoning in:

- facilitating adequate provision of water, drainage, sewerage, and other public health safety and welfare requirements;
- protecting and enhancing the character of the community and its historical and natural resources;
- ensuring that the rate of development does not overly burden the capacity of the Town to absorb the costs of meeting water, sewerage and waste disposal service demands in light of both fiscal constraints and limited availability of natural resources;
- while at the same time, encouraging affordable housing development and year-round economic development, and minimizing hardship to persons of limited incomes who live, or may choose to live, in the town.

Every year, allocations are distributed into various categories including affordable housing development, mixed market and affordable developments, new market rate housing construction, and commercial development and economic development. Each year, staff prepares a report that outlines our usage and changes in the resources – water, solid waste disposal, and septic/sewer capacity. There are maximum withdrawal limits that are governed by various state permits. The Board of Selectmen conducts a public hearing and makes determinations on how much gallonage for new development can be allocated into each category for that year. The limited availability of gallonage for market rate new development and expansion provides an incentive for developers to provide affordable or mixed income developments in order to get permits in a timely manner. Otherwise, a developer may need to get in the queue and wait to build.

Although the incentive is considerable, few developers have taken advantage of the bylaw due to the overall cost of construction and the predominance of small lot 2 and 3 unit developments that make mixed income financially infeasible.

Sewer Allocations:

Currently the available capacity at the Sewage Treatment Plant is at or below 25 percent of the permitted capacity as approved by the Massachusetts Department of Environmental Protection, and therefore the sewer system is considered to be in a State of Limited Capacity. During this period

connections to the sewer system shall only be allowed by the Water and Sewer Board for Priority Category properties while such State of Limited capacity exists.

The Priority Categories are:

- (a) Public health Failures –sewer system failures that are critical for the protection of the public health.
- (b) Economic Development – As determined by the Board of Selectmen, those properties issued economic development permits that will provide year-round benefit to the community.
- (c) Affordable housing –
 - (1) Those properties for which an Affordable Housing or Community Housing Permit has been granted qualifying that property as a public service use pursuant to Section 6400.4 of the Zoning Bylaws; or
 - (2) As determined by the Board of Selectmen, those properties for which an Affordable Housing or Community Housing Permit has been granted in which no less than 50 percent of the housing units authorized by said permit will be Affordable Housing or Community Housing.
- (d) Municipal use – As determined by the Board of Selectmen.

In the short term the limitations of sewer system might present an incentive for affordable housing under the current limited capacity state as developers who need a connection would be required to provide affordable units to gain access to the sewer. But in the long term, the lack of capacity might pose a limitation to future development and the ability of the town to meet its future housing needs.

REAL ESTATE OPPORTUNITIES:

The unique characteristics of Provincetown's restricted land base, its low-wage seasonal economy, and the attractiveness of its housing for seasonal use, are steadily eroding the town's capacity to sustain itself on a year-round basis. The 2014 Housing Action Plan called for a minimum of 200 new units by 2025.

While the Town continues to promote housing for all incomes and all household sizes in order to encourage and retain families and our year round workforce, the highest demand has consistently been for one-bedroom units for single person households. This is reflected in the January 2016 applications received for Stable Path, where 58 of 104 (56%) applications submitted were from single person households, although there were only 5 one-bedroom/efficiency units available out of a total of 23 units. Currently, 56 of 73 (77%) of the households on the waitlist at Province Landing are for one-bedroom units.

TOWN-OWNED PROPERTIES:

Community Center at 46 Bradford Street:

Option 1) Town solicits Request for Qualifications [RFQ] to consider economic and housing options for community benefit

Option 2) Development as seasonal workforce housing

Option 3) Town underwrites sale as deed-restricted affordable or community year-round rental housing

Fire Station #2:

Option 1) Town develops and utilizes as seasonal housing for town staff.

Option 2) Town leases or sells as deed-restricted condo for use as affordable or community housing rental unit.

VFW:

Option 1) Town offers site for development as mixed-income year-round rental housing

Option 2) Town offers site for development as mixed-income year-round and seasonal workforce rental housing

PRIVATE PROPERTIES:

Housing Authority:

- Support the Housing Authority's \$60,000 CPA effort for planning expansion;
- Collaborate with Housing Authority to plan expansion for approximately 40 units over 10 years

Coastal Acres:

- Collaborate with owners to maintain campsite as resource for both seasonal worker housing and visitor resource
- Collaborate with owners to consider the development of year-round rental & ownership opportunities at a variety of income levels

KEY DEVELOPMENT CONSIDERATIONS:

- There are significant regulatory, procurement, additional costs [30%], and staff considerations associated with the Town undertaking development itself;
- Projects under 40 units are less financially attractive to developers; and
- Projects under 20 units are not eligible for most sources of State funding, making it undesirable for developers. This was the case for the former community center at 46 Bradford Street, which received no proposals in response to an RFP for the re-development, which was anticipated to be in the range of 10 to 15 units of mixed income, year-round rentals including market rate units.

How about...? What if?

During the many meetings and conversations, people in the community propose ideas for consideration. Below is a representational list of some of those ideas. Sometimes suggestions reflected programs that we already have but were unknown. The Housing Playbook was drafted in part as an outreach tool for the community to see in one place all the tools that we do have.

Could large hotels set-aside couple rooms for summer help?

Great idea! Many large businesses already provide housing on and off-site typically for their own staff.

How about connecting seniors and young people?

A HomeShare program has been available through HOW. This program connects people with extra rooms and those seeking homes. There are many home-seekers but few home-providers.

Create a fund for homeowners to add units?

Considerations:

- Source of funds?
- Restrictions?
- Zoning/sewer/septic capacity

Use the School as dormitories during the summer for seasonal workers?

Considerations:

- The building is not a residential building and does not have adequate bathroom and kitchen facilities.
- Timing: most seasonal workers arrive in May or early June. The school schedule doesn't conclude until the end of June.
- The summer season often includes summer and other school programs in the building.
- The summer season is the time for deep cleaning and repairs.

Micro-units? Tiny-homes?

Considerations:

- Zoning is based on number of units and a development might require zoning relief through 40B to increase density even if the total number of bedrooms is the same.
- sewer/septic capacity
- State health regulations regarding minimum habitable space requirements

Houseboats or cruise ship for seasonal workers

ACTION ITEMS:

[HAP= Housing Action Plan]

[LCP=2000 Local Comprehensive Plan]

Legislative:

ACTION ITEM: Review the impact and operation of the existing set of growth management related by-laws, in order to make recommendation, if needed, to improve the alignment of goals and outcomes. [LCP]

ACTION ITEM: Amend the zoning by-laws to expand the Middle Income definition for eligibility up to 180% AMI to help provide for Community Housing; this may be addressed within the proposed inclusionary by-law proposed amendment. **Approved at April 2016 Annual Town Meeting!**

ACTION ITEM: Zoning changes to encourage use of any residential property as a year-round rental [HAP 3.3] **Accessory dwelling units approved at October 2015 & April 2016 Annual Town Meeting!**

ACTION ITEM: Enact a Condo Conversion by-law [HAP 4.2] [LCP]

ACTION ITEM: Enact an Inclusionary Zoning By-law, part of ongoing evaluation of zoning By-laws to encourage the development of Affordable and Community Housing. [HAP] [LCP]

ACTION ITEM: Dedicate revenue from room tax revenue or real estate transfer tax to Affordable and Community Housing [HAP 7.2]

ACTION ITEM: Through zoning and other regulatory efforts, promote dormitory development for Seasonal Housing as appropriate.

Finance:

ACTION ITEM: Dedicate revenue for Affordable and Community Housing [HAP 7.2]

- Allocate a portion of the expanded transient occupancy rooms tax – requires State approval of pending Special Act
- Allocate a portion of the real estate transfer tax – requires State approval of pending Special Act
- Re-appropriate the 3% Land Bank tax for housing when it expires in 2020

ACTION ITEM: Create a community-based organization to fundraise for Affordable and Community Housing [HAP 7.3]

ACTION ITEM: Maximize the use of our CPA funds (less restrictive) towards Affordable and Community Housing by incorporating administrative costs (Housing Specialist) into the Town Operating Budget (more restrictive).

Development:

ACTION ITEM: Expand Housing Authority housing opportunities, including Maushope, for Affordable Housing. [HAP 2.1] [LCP] **April town meeting approved \$60,000 in CPA funds. MHP met with HA and will provide technical assistance.**

ACTION ITEM: Support the Housing Authority's planning efforts and CPA funding request to further pursue expansion in FY 2017. **Approved at April 2016 Annual Town Meeting!**

ACTION ITEM: Achieve full occupancy at Stable Path [HAP 2.2] **Occupancy began in June 2016 and continues.**

ACTION ITEM: Develop housing on the second floor of Fire Station #2. [LCP]

ACTION ITEM: For Seasonal Worker Housing, consider alternatives such as houseboats, cruise ships, portable trailers, including the benefits and drawbacks and what efforts could be made to reduce any detrimental impacts

ACTION ITEM: For Seasonal Worker Housing, work on an Outer Cape, regional approach with the Towns of Truro and Wellfleet [LCP]

ACTION ITEM: Investigate a partnership with Habitat for Humanity for Affordable Housing [HAP 2.3]

Community Planning:

ACTION ITEM: Establish the community vision for housing through the Local Comprehensive Plan. [HAP 3.7] [LCP]

ACTION ITEM: Undertake in conjunction with MassDevelopment, an Urban Land Institute Technical Advisory Panel in early June 2016, to (1) identify additional tools to create housing opportunities, (2) provide technical assistance with establishing and operating the Year-Round Rental Housing Trust and (3) evaluate current real estate opportunities for Affordable and Community Housing. [HAP]. **ULI report released in September 2016.**

ACTION ITEM: Refine housing production targets in each category founded upon the community vision and based upon a demographic model. Consider analyzing and developing the required municipal service capacities required at those target levels.

ACTION ITEM: Complete the full build out analysis required for the Local Comprehensive Plan process currently underway.

ACTION ITEM: Undertake a demographic analysis of the current regional economy in its overlapping housing, job and economic aspects with other Outer Cape towns in conjunction with the Cape Cod Commission and the Public Policy Center at UMass Dartmouth. [LCP]

ACTION ITEM: Investigate, foster and as opportunities arise, potentially partner with the business community for the development of Seasonal Housing. [HAP 2.5]

ACTION ITEM: Engage realtors to discuss ways to create affordable and community housing from condo conversions [HAP 4.4]

ACTION ITEM: Create entity to connect owners & renters and address issues. [HAP 6.1]

ACTION ITEM: Expand and further open the dialogue with second homeowners. [HAP]

OPERATIONS:

ACTION ITEM: Develop and regularly update a Housing Playbook, as part of the ongoing effort to communicate regarding housing activities. [HAP] [LCP] **Housing Playbook initiated in March 2016; update version 2 in October 2016.**

ACTION ITEM: By January 1, 2017, operationally and physically locate the Town Housing Specialist within the Community Development Department **Logistics underway.**

ACTION ITEM: Investigate how the Provincetown Community Housing Office can provide marketing and outreach services to the developer of Community Housing in Provincetown for the sale of the designated community housing units. One of the unique challenges of providing units at below market rates when working with small developments has been the complexity and bureaucracy of complying with the legally required process to market and sell these units; finding someone who will handle the sale of this unit has been difficult.

ACTION ITEM: Zoning & Planning Boards prioritize year-round Affordable and Community Housing in granting special permits and site plan approvals. [HAP 4.3]

YEAR-ROUND RENTAL HOUSING TRUST:**ACTION ITEMS**

Once approved by the legislature, the Trust's first steps should include the following:

- Establish membership, procedures, & policies to implement the development of year-round rentals
- Obtain technical assistance;
- Network with active Municipal Housing Trusts elsewhere in Massachusetts
- Consult with non-profit and for-profit developers located or working on the Cape or South Shore to explore ways the trust fund can be used to support mixed-income housing developments
- Consult with housing finance programs about possibilities for leveraging non-local dollars with CPA and other resources;
- Establish on-going funding priorities;
- Develop a business plan for the trust fund;
- Set one-year and five-year goals and an action plan; and
- Begin with a relatively low-risk, simple project, ideally by partnering with an experienced organization.

The Town will need to determine, if and how it wants to provide further funding for the Trust, including but not limited to direct appropriation, fund raising, real estate transfer tax, inclusionary housing fees among others. Regarding the use of CPA funds, while a common tactic is the transfer of some portion directly to the trust, according to CPA guidelines can only be used to provide eligibility up to 100% AMI. The Trust may also be used to account for and report other revenues and expenditures, such as housing development grants received from state or federal sources.

Provincetown Actions

As of October 2016



Development:

- Province Landing: Land acquisition with CPA funds; long-term land lease created 50 new rental units
- Seashore Point: CPA funds & Land contributed with long-term land lease created complex that includes nursing home, rehab facilities, senior ownership housing, and 9 senior rentals
- CPA supported developments at:
 - 83 Shank Painter [15 rental units];
 - Sandy Hill Lane [12 ownership units];
 - Stable Path [23 rental units]
- Grace Gouveia Building: sold at reduced price to create 3 rental units

Programs:

- Host Homebuyer Workshop series in Provincetown [Dec. 2015 & Sept. 2016]
- Homebuyer Workshop Scholarships
- HomeShare program through HOW
- Self Sufficiency Local Voucher Program
- Little Fix Program

Collaboration:

- Homeless Prevention Council: emergency housing assistance through human service grant and additional AHTF support
- Housing Authority: supported with AHTF for rehab of family housing
 - CPA funds approved April 2016 for expansion planning
- Regional Housing Rehab Program through MCDBG funds
- Work with all entities including CDP, CHR, TCB, on marketing, outreach, & lotteries.
- Work with neighboring communities including Truro, Wellfleet, and Eastham on information sharing and cooperation on housing efforts

Staff Support:

- CPA funded Housing Office with full-time Housing Specialist
- Town conducts resale process for eligible purchaser in accordance with deed restriction [7 in 2015/2016 generating approx. \$24,200 in resale fees]

Planning:

- 2006 Housing Action Plan & Needs Assessment by John Ryan/Development Cycles
- 2013/2014 Housing Action Plan & Needs Assessment by John Ryan/Development Cycles

Provincetown Local Housing Funds

See details below

Affordable Housing Trust Fund	\$319,151
Affordable Housing Revolving Account	13,355
CPA [housing only] as of 6/30/16	402,604
{CPA Unallocated balance 6/30/16: \$956,368}	
YRRHTF	<u>1,500,000</u>
	\$2,235,110

Provincetown Affordable Housing Trust Fund [AHTF]:

10/12/16: Balance \$363,058; Non- Committed balance of \$317,950.

Outstanding commitments [\$45,108] include:

- Housing Authority: \$35,000 matching funds for rehab 35A Court St.
- Housing Authority: \$2,403 remaining funds for rehab 40 Pearl St.
- Appraisal set-aside: \$4,942
- Homeless Prevention Council Emergency Housing funds: \$2,762

10% from Land Bank, 25% of Tax Title takings, tax box donations, and other sources. The AHTF can be used to create and support affordable housing, both rental and ownership, up to 80% AMI. To date, the AHTF has been used for both Housing Summits and Action Plans [2006/07 & 2013/14], emergency housing assistance to prevent homelessness, housing development, housing rehabilitation, appraisals, outreach, homebuyer workshops, and homebuyer workshop scholarships.

Historically: \$45,417 average receipts per year for past 3 years from Land Bank,
 \$44,520 average receipts over past 11 years from Land Bank
 \$761.35 interest in FY 16,
 \$147,800 one-time foreclosure payment

Donation checkbox on tax bills: the October 2014 Special Town Meeting approved inserting a donation checkbox on tax bills which implemented in 2015. \$1,459 has been donated to date; \$541 in FY 2015 & \$918 for FY 2016; proceeds are deposited into the AHTF.

Affordable Housing Revolving Account:

Revolving account for income & expenses related to resale of deed-restricted units and other housing expenses: annually approved by town meeting. Receipts & expenditures vary from year to year. Total funds received to date \$29,112; total expenditures to date \$11,699. Balance as of 10/11/16: \$12,412. Expenditures are largely for advertising but include support of housing activities such as the ULI visit.

Community Preservation Act [CPA] Fund:

April 2014 Town Meeting approved increasing the dedicated CPA affordable housing allocation from 10% to 60%. CPA funds can support housing for up to 100% AMI. Historically funds have been spent on:

CPA Approved expenditures per category to date:

Community Housing:	\$4,150,888
47.16%	
Historic Preservation:	\$3,061,501
34.78%	
Open Space/Recreation:	\$1,557,570
18.06%	
Total:	<u>\$8,801,959</u>

Annual estimates:

<u>Housing balance 6/30/16:</u>	\$402,604
Est. new receipts for housing [60%]:	\$339,711
Less est. debt service:	<u>-224,550</u>
Net new funds for housing only:	\$115,161

Unallocated balance 6/30/16: \$956,368

Est. unallocated new receipts [20%]:	\$487,235
Available for all categories	

CPA Approved Projects To Date:

ATM Date	Description	Amount
<i>Community Housing:</i>		
2005	CEM/Seashore Point	\$900,000
2007	Housing Office 1	\$8,752
2007	90 Shank Painter Road	\$1,000,000
2007	Sandy Hill Lane	\$732,000
2008	Housing Office 2	\$50,000
2009	83 Shank Painter Road	\$150,000
2009-	Stable Path at 35 Race Point	
2011	Rd	\$540,000
2009	Housing Office 3	\$59,740
2010	Housing Office 4	\$34,309
2011	Housing Office 5	\$42,130
2012	Housing Office 6	\$31,369
2013	Housing Office 7	\$33,454
2014	Housing Office 8	\$67,475
2014	the Little Fix	\$30,000
2014	Local voucher program	\$180,000
2015	Housing Office 9	\$113,677
2016	Housing Office 10	\$117,982
2016	Housing Authority Expansion	\$60,000
	<i>subtotal housing:</i>	\$4,150,888

Provincetown Year-Round Rental Housing Trust Fund:

April 2015 & April 2016 Town Meeting approved allocating \$1,500,000 for the purpose of creating year-round rental housing for the proposed Year-Round Rental Housing Trust.

ATTACHMENT C**Definitions under Provincetown Zoning By-Laws as of May 2016**

Affordable and Community Housing: Dwelling units subject to Affordable and Community Housing deed restrictions for a term of perpetuity or the longest period allowed by law, that limits rental rates, limits eligibility for occupancy and purchase, and provides a right of first refusal to the Town of Provincetown, based on the Barnstable County median income as is periodically defined by United States Department of Housing and Urban Development adjusted for household size, as further defined below.

(a) **Extremely Low Income Affordable Housing.** Extremely low Income Affordable Housing units shall be available for rental at a cost (including utility allowances) not exceeding 30% of annual income for a household at or below 50% of the Barnstable County median income; or, available for ownership at a cost (including mortgage interest, principal, taxes, insurance and common charges if any, but excluding utilities) not exceeding 30% of annual income for a household at or below 50% of the Barnstable County median income. Occupancy shall be limited to households whose income is at or below 65% of Barnstable County median income.

(b) **Low Moderate Income Affordable Housing.** Moderate Income Affordable Housing units shall be available for rental at a cost (including utility allowances) not exceeding 30% of annual income for a household at or below 65% of the Barnstable County median income; or, available for ownership at a cost (including mortgage interest, principal, taxes, insurance and common charges if any, but excluding utilities) not exceeding 30% of annual income for a household at or below 65% of the Barnstable County median income. Eligibility for occupancy shall be limited to households whose income is at or below 80% of Barnstable County median income.

(c) **Moderate Income Affordable Housing.** Moderate Income Affordable Housing units shall be available for rental at a cost (including utility allowances) not exceeding 30% of annual income for a household at or below 80% of the Barnstable County median income; or, available for ownership at a cost (including mortgage interest, principal, taxes, insurance and common charges if any, but excluding utilities) not exceeding 30% of annual income for a household at or below 80% of the Barnstable County median income. Eligibility for occupancy shall be limited to households whose income is at or below 100% of Barnstable County median income.

(d) **Median Income Community Housing.** Median Income Community Housing dwelling units shall be available for rental at a cost (including utility allowances) not exceeding 30% of annual income for a household at or below 120% of the Barnstable County median income; or, available for ownership at a cost (including mortgage interest, principal, taxes, insurance and common charges if any, but excluding utilities) not exceeding 30% of annual income for a household at or below 120% of the Barnstable County median income. Eligibility for occupancy shall be limited to households whose income is at or below 150% of Barnstable County median income.

(e) **Middle Income Community Housing.** Middle Income Community Housing dwelling units shall be available for rental at a cost (including utility allowances) not exceeding 30% of annual income for a household at or below 160% of the Barnstable County median income; or, available for ownership at a cost (including mortgage interest, principal, taxes, insurance and common charges if any, but excluding utilities) not exceeding 30% of annual income for a household at or below 160% of the Barnstable County median income. Eligibility for occupancy shall be limited to households whose income is at or below 180% of Barnstable County median income.

Affordable and Community Housing Permits: A permit granted by the Provincetown Community Housing Council (PCHC) established by the vote under Article 12 of the April 7, 1997 Annual Town Meeting, or successor entity, for units of Affordable Housing and/or Community Housing in a project that requires a Growth Management Allocation Permit pursuant to Article 6, the Growth Management Bylaw. Criteria for approval of an Affordable Housing Permit and/or a Community Housing Permit shall include an executed and acknowledged housing restriction or, in the case of ownership unit(s), an executed and acknowledged covenant whereby the property owner agrees to convey the unit(s) subject to a certain housing restriction attached as an exhibit to the covenant, in either case approved as to form by town counsel.

ATTACHMENT D
Household Area Median Income Levels

Income limits FY 2016

rev 0316

Barnstable County median income \$77,100

Household Size	30% Income Limit Extremely Low HUD	50% Income Limit Low HUD	60% Income Limit Moderate MHP	65% Income Limit Moderate	80% Income Limit Moderate HUD	100% Income Limit Median CPA	120% Income Limit CPA	150% Income Limit Middle CPA	160% Income Limit Middle CPA	180% Income Limit Middle CPA	200% Income Limit CPA
1	\$17,850	\$29,750	\$35,700	\$37,188	\$47,550	\$53,970	\$64,764	\$80,955	\$86,352	\$97,146	\$107,940
2	\$20,400	\$34,000	\$40,800	\$42,500	\$54,350	\$61,680	\$74,016	\$92,520	\$98,688	\$111,024	\$123,360
3	\$22,950	\$38,250	\$45,900	\$47,813	\$61,150	\$69,390	\$83,268	\$104,085	\$111,024	\$124,902	\$138,780
4	\$25,450	\$42,450	\$50,940	\$53,063	\$67,900	\$77,100	\$92,520	\$115,650	\$123,360	\$138,780	\$154,200
5	\$28,440	\$45,850	\$55,020	\$57,313	\$73,350	\$83,268	\$99,922	\$124,902	\$133,229	\$149,882	\$166,536
6	\$32,850	\$49,250	\$59,100	\$61,563	\$78,800	\$89,436	\$107,323	\$134,154	\$143,098	\$160,985	\$178,872
7	\$36,730	\$52,650	\$63,180	\$65,813	\$84,200	\$95,604	\$114,725	\$143,406	\$152,966	\$172,087	\$191,208
8	\$40,890	\$56,050	\$67,260	\$70,063	\$89,650	\$101,772	\$122,126	\$152,658	\$162,835	\$183,190	\$203,544

NOTE: Median Income for Barnstable County [for Household of 4] has decreased from FY 2015 and overall from FY 2012.

Barnstable County

HUD

Median Income

FY 2012	80,000
FY 2013	74,900
FY 2014	74,900
FY 2015	80,300
FY 2016	77,100

Excerpts: Housing Action Plan by John J. Ryan Development Cycles, 2014

TARGETS

When faced with a large and difficult challenge like this, it is important to aim for real and positive change that can be measured year-to-year. With that in mind, the proposed actions are intended to help meet two numeric targets:

- **We set a target of doubling the number of Affordable and Community Housing units from 200 to 400 by 2025** (see Appendix B);
- **Each year from 2014 to 2025, our target is to add more units of Affordable and Community Housing than the number of housing units lost to condominium conversion**
- **We set a short-term target of achieving a 10 percent level of the state’s Subsidized Housing Inventory by 2017.**

This will require a broad array of micro- and larger scale, as well as both short-term and permanent additions to the town’s Affordable and Community Housing stock. The nature and severity of the Affordable and Community Housing need demands flexibility of approach to meet the scale of these targets.

Fig. II.3 **Renters Households, by Household Type**
Provincetown, 2000-2011

	Provincetown 2000	Provincetown 2010	Change 2000- 2010
Live Alone	520	510	-10
Married Couple Family	110	92	-18
Single Parent Family	64	50	-14
Other	157	130	-27
Total	851	782	-69

SOURCE: U.S. Census 2000, STF-3, H73, 2010 QT-H2.
2007-2011 ACS B25011 adjusted

Fig. II.4 **Model of Non-Elderly Renter Households, by Percentage of AMI** Provincetown, 2006-2013

	2006 HHs	% of Renters	2013 HHs	% of Renters
Less than 50% of AMI	186	27.5%	196	31.0%
50-79% of AMI	169	25.0%	174	27.5%
80-99% of AMI	118	17.5%	106	16.7%
100-120% of AMI	51	7.5%	42	6.6%
More than 120% of AMI	152	22.5%	115	18.2%
Total	676	100.0%	633	100.0%

SOURCE: Development Cycles, 8/06, 12/13

Fig. II.5 **Renters Paying 35 Percent or More of Income for Housing**
By Age of Householder, Provincetown 2000-2011

	2000	% (Within Age Cohort)	2012	% (Within Age Cohort)
Under 35 Years Old	41	40%	40	62%

35-64 Years Old	239	40%	340	60%
65 and Over	66	44%	83	56%
Total	346	41%	463	59%

SOURCE: U.S. Census 2000, STF-3, H96, 2011 ACS B25072 adjusted to match 2010 US Census totals for renter households.

4. Summary: Workforce Rental Housing

It was the consultant’s view in 2006 that Provincetown had a critical shortage of affordable year-round rental housing. Despite the addition of two new affordable rental developments on Shank Painter Road, Provincetown’s need for community’s workforce rental housing has only deepened since 2006. The continued loss of multi-family rental units to condominium conversion has significantly outpaced the production of new rental units. The concentration of renters paying more than 35% of their income for rent has gone from 44% in 2000 to 59% in 2010. The community has fewer renter households; fewer employed residents, both winter and summer; and a greater concentration of renters who earn less than 80% of Area Median Income. Waiting lists dwarf the number of available units, even when only local residents are considered. Since 2006, the trend toward single person occupancy has continued and perhaps as a result, the cost of a one-bedroom apartment has outpaced the growth in wages. Until the number of new units annually outpaces the number of units lost to conversion, it is hard to see how this situation improves.

The Table below represents the consultant’s estimate of the change in the number of rental housing units needed to address the rental housing shortage in Provincetown. In the consultant’s view, there is a greater need for units to serve renters earning less than 50% of AMI; a slightly reduced need for renters earning greater than 50% of AMI. The focus of this need continues to center on one-bedroom units.

The needed year-round rental housing continues to embrace a range of bedroom sizes and income levels. Given the demographics, waiting list, and survey information reviewed, the consultant recommends that roughly 50 percent of the housing should serve those very low income workers earning less than 50 percent of the AMI; 25 percent should serve those “low-mod” residents earning between 50-79 percent of AMI; another 20 percent is needed for moderate income renters earning between 80-99 percent of AMI; and 5 percent is needed to serve those between 100 and 120 percent of AMI.

Fig. II.10

Changes in Workforce Rental Housing Need

Provincetown 2006-2013
SOURCE: Development Cycles, 2006 & 2013

Income Limit	2006 Total	2013 Total	Change 2006-2013
<50% of AMI	80-100	85-110	+5
50-79% of AMI	50-65	45-60	-5
80-99% of AMI	50-60	45-55	-5
100-120% of AMI	20-25	20-25	0
Total	200-250	190-240	-10

PROVINCETOWN MASTER PLAN, I-8, 1988:

The price visitors can pay for housing bears no relationship to what most Provincetown residents can pay. Provincetown residents, both year-round and seasonal employees, suffer because their incomes are relatively low compared to the incomes of vacation home purchasers and renters.

PROVINCETOWN LOCAL COMPREHENSIVE PLAN

Adopted Article 15 of the April 3, 2000 Annual Town Meeting

6. AFFORDABLE HOUSING

6.1 INTRODUCTION

Provincetown's popularity as a summer resort and as an increasingly coveted location for second homes has made it extremely difficult to find and retain affordable housing here. The scarcity of developable land and the wide gap between the incomes of most year-round residents and those of vacation homebuyers and renters has exerted intense pressure on the housing market. The demand for housing far outstrips the capacity of the existing and potential housing stock. Lower income households are particularly affected and cuts in federal programs will have an increasing impact on local resources. It is clear that without the benefit of major, coordinated efforts on the part of Townspeople, local committees, Town officials, representatives of nearby Towns, the Lower Cape Cod Community Development Corporation, and other local and regional community-based nonprofits, a large percentage of the year-round population will continue to be shut out of the rental and ownership housing markets in Provincetown.

GOAL 1: To promote the provision of fair, decent, safe, affordable housing for rental or purchase that meets the needs of present and future Provincetown residents. The Town shall seek to raise its affordable housing stock to 10% of all housing units (or approximately 290 units) by the year 2015. "Affordable housing" shall be defined as housing affordable to 50% of the median household income for Barnstable County.6.5

GOAL 2: To promote equal opportunity in housing and give special consideration to meeting the housing needs of the most vulnerable segments of the population including, but not limited to, very low income (50% of median income), low income (51% - 80% of median income), families with children, single parent heads of households, racial minorities, people with AIDS, the elderly, the homeless, the disabled, and others with special needs.

GOAL 3: To seek out, provide support for and encourage the development of innovative strategies designed to address the housing needs of Provincetown residents, paying special attention to the needs of low and moderate income renters.

GOAL 4: Coordinate the development of affordable housing with protection of the environment.

ACTIONS/IMPLEMENTATION PROGRAM

ACTION 1: Develop a Provincetown Housing Action Plan using the LCP for guidance.

ACTION 2: Utilize the Local Housing Partnership to coordinate affordable housing efforts including development, rehabilitation, education of tenants, landlords and developers, and technical assistance.

ACTION 3: Develop and implement strategies to facilitate conversion of underutilized and unoccupied properties to affordable housing.

ACTION 4: Ensure affordability for all housing designated as affordable through deed restrictions.

ACTION 5: Control the number of units converted to condominiums by adopting a zoning by-law, as recommended in Section 1, Land Use and Growth Management.

ACTION 6: Acquire multi-unit properties for rehabilitation for cooperative ownership.

ACTION 7: Acquire multi-units properties for rehab for non-profit ownership as permanent rental housing.

ACTION 8: Work cooperatively with other Towns on the Outer Cape to develop regional congregate care and/or assisted living facilities for the elderly.

ACTION 9: Work cooperatively with Outer Cape Towns to comprehensively address housing and service needs of special needs populations including people with AIDS, the homeless, the mentally disabled, the physically disabled, and the elderly.

ACTION 10: Develop alternative approaches to affordable housing, such as shared housing and congregate care.

ATTACHMENT G
Provincetown Year-round Rental Trust Calculation Example

Example of Property Deed Restrictions:

Property A - a four unit building in need of rehabilitation.

Purchase Price	\$650,000
Rehabilitation Costs	<u>\$300,000</u>
Total	\$950,000
YRHT Grant	\$400,000 (\$100,000 cost per unit to Town)
Down Payment	<u>\$ 65,000</u>
Mortgage	\$485,000
Monthly Rent	\$ 1,500

Assumptions:

- 5% Mortgage Rate over 30 years
- 3% Annual Growth in Property Value
- 2% Annual Rent Increase
- 3% Annual Property Tax Growth
- 2% Annual Growth in Insurance, Utilities and Maintenance

Year 1 Expenses (excluding mortgage):

- \$10,000 Maintenance
- \$ 7,125 Insurance
- \$ 9,600 Utilities
- \$ 7,410 Property Taxes

The property is cash flow positive in the 3rd year

Equity in Property:

- \$101,167 after Year 1, a return of \$36,167 (55.64%) on the \$65,000 down payment/investment.
- \$165,833 after year 2, a return of \$100,833 (155.1%) on the \$65,000 down payment/investment.
- \$365,067 after year 5, a return of \$300,067 (461.6%) on the \$65,000 down payment/investment.

The example described above is a sample of how a public-private trust might work. It is suggested that the Town issue an RFP for YRHT projects. The market will determine the feasibility of projects and the size of the grant required.

ATTACHMENT H
FY 2016 Residential Parcels by \$150,000 Valuation Increments

Assessed Value	Total Parcels	Total Value by Strata	Mixed-Use	Single-Family	Condo	2-Family	3-Family	Multi-Dwelling	4-8 Unit	More than 8 Unit
1-\$150,000	124	\$ 14,774,500	0	7	116	0	0	1	0	0
\$150,001-\$300,000	624	\$ 153,875,400	1	10	612	0	0	1	0	0
\$300,001-\$450,000	875	\$ 29,592,800	7	77	779	8	1	2	1	0
\$450,001-\$600,000	710	\$ 371,917,700	15	187	438	50	7	11	2	0
\$600,001-\$750,000	480	\$ 322,474,700	23	192	175	44	12	27	7	0
\$750,001-\$900,000	290	\$ 237,553,700	31	108	55	35	15	25	20	1
\$900,001-\$1,050,000	191	\$ 184,965,200	28	77	30	25	8	9	13	1
\$1,050,001-\$1,200,000	118	\$ 131,630,200	18	56	13	16	2	10	1	2
\$1,200,001-\$1,350,000	76	\$ 95,998,100	18	32	8	7	2	5	6	0
\$1,350,001-\$1,500,000	39	\$ 55,429,400	15	18	0	3	0	2	1	0
Over \$1,500,001	169	\$ 348,247,700	34	84	6	20	6	11	5	3
TOTALS	3696	\$ 2,246,459,400	190	848	2232	208	53	104	56	7

ATTACHMENT I
Waitlists & Notification Lists

Province Landing at 90 Shank Painter Rd.

As of 5/24/2016

Income level ↻	30% AMI	60% AMI	80% AMI	Total
No. Bedrooms ↻				
1 BR	21	15	20	56
No. of units	3 units	18 units	4 units	25 units
2 BR	n/a	5	2	7
No. of units	0 units	17 units	4 units	21 units
3 BR	7	1	2	10
No. of units	2 units	1 units	1 units	4 units
totals	28	21	24	73
No. of units	5 units	36 units	9 units	50 units

Note: 17 turnovers since opening in 2012; 9 in past year with 3 buying homes, 2 evictions, 2 relocate out-of-state, and 2 move elsewhere in town.

Seashore Point at 100 Alden Street

As of May 2016

↻ 10 households of one waiting for efficiency/1-bedroom rental units; total of 9 units.

ATTACHMENT J
Affordable Housing Subsidy Programs

HOME Investment Partnership Program [HOME]:

A federal program run by HUD which provides annual grants on an entitlement basis to states, large cities, and consortia of smaller community [such as Barnstable County HOME Consortium] for affordable housing activities, including homeownership, rent subsidies, housing development and rehabilitation.

Massachusetts Affordable Housing Trust Fund [MAHT]:

A revolving trust fund established by the Massachusetts Legislature as Section 227 of Chapter 159 of the Acts of 2000, and now Chapter 121D. Administered by MassHousing, AHTF functions as gap filler, the last funding piece necessary to make an affordable housing development financially feasible and sustainable for the long term. Funding is typically in the form of deferred payment loans.

Housing Stabilization Fund [HSF]:

The Housing Stabilization Fund is a state funded program for municipalities, non-profit, or for-profit developers to support affordable rental housing production and rehabilitation.

Local Sources:

County HOME funds, CPA, Affordable Housing Trust Fund

Community Development Block Grant [CDBG]:

HUD funds administered by the DHCD for municipalities to complete projects that benefit low/moderate income population including housing rehabilitation programs and site work.

Community Based Housing [CBH]:

Funding for the development of integrated housing for people with disabilities, including elders, with priority for individuals who are in institutions or nursing facilities or at risk of institutionalization.

Facilities Consolidated Fund [FCF]:

A state funded program for non-profit developers to create and preserve affordable rental housing for clients of the Department of Mental Health and the Department of Mental Retardation.

Massachusetts Rental Voucher Program [MRVP]:

A state-funded rental assistance program begun in November 1992, as a revised version of the state's previous rental assistance program (Chapter 707). It has both a project-based component and a tenant-based component.

Section 8:

A HUD program (officially called the Housing Choice Voucher Program) providing funding for rental assistance to low-income households. Participating tenants typically pay 30% of their income for housing (rent & utilities) and the federal subsidy pays the balance of the rent.

Low Income Housing Tax Credits [LIHTC]:

Largest public source to support affordable rental housing development and is run by the IRS. Investors buy credits. Tax credits are offered by the federal government and is administered by the state to provide private investment to fund affordable housing.

ATTACHMENT K
Income Ranges & Position Placement

Income Ranges & Positions

10/11/16 DRAFT

Assumptions:

FY 2016 Income Levels using HUD & CPA numbers as base.

Position income ranges are for FY 2017.

Eligibility is based on total household income; assignment of income category [ies] assume position is for single-person household

Maximum Income:	80% AMI moderate	100% AMI moderate	120% AMI median	150% AMI median	160% AMI middle	180% AMI middle	200% AMI
Household of 1	\$47,550	\$53,970	\$64,764	\$80,955	\$86,352	\$97,146	\$107,940
Household of 2	\$54,350	\$61,680	\$74,016	\$92,520	\$98,688	\$111,024	\$123,360
POSITIONS:	Assistant Tourism Director [\$39,710 – 49,375] COA Outreach Coordinator Principal Accounting Clerk [\$42,689 – 53,104] School Admin. Assistant [\$43,450 – 54,294] School Custodian [\$42,262 – 53,667] Teacher – entry level [\$41,389 – 46,943]						
	Licensing Agent Library Marketing & Program Director Library Member Services Coordinator Permit Coordinator						

Maximum Income:	80% AMI moderate	100% AMI moderate	120% AMI median	150% AMI median	160% AMI middle	180% AMI middle	200% AMI
Household of 1	\$47,550	\$53,970	\$64,764	\$80,955	\$86,352	\$97,146	\$107,940
Household of 2	\$54,350	\$61,680	\$74,016	\$92,520	\$98,688	\$111,024	\$123,360
	[45,882 – 57,026] Teacher – mid range 1 [46,557 – 62,409]						
		Sec. to BOS Exec Asst Police Chief Parking Administrator MIS Technician [49,332 – 61,355] Police Officer [56,429 – 66,777] Police Dispatcher Animal Control Officer Janitor/Jailor [49,765 – 58,846]					
		Exec Asst to Town Manager Local Building Inspector Conservation Agent Health Agent Payroll & Benefits Manager [53,040 – 66,005]					
			Recreation Director [57,026 – 70,891]				

Provincetown Housing Playbook

Maximum Income:	80% AMI moderate	100% AMI moderate	120% AMI median	150% AMI median	160% AMI middle	180% AMI middle	200% AMI
Household of 1	\$47,550	\$53,970	\$64,764	\$80,955	\$86,352	\$97,146	\$107,940
Household of 2	\$54,350	\$61,680	\$74,016	\$92,520	\$98,688	\$111,024	\$123,360
			Teacher – mid range 2 [\$54,916 – 79,206]				
			MIS Analyst COA Director Town Collector Town Treasurer [\$61,312 – 76,249]				
				DPW Operations Director Health & Environment Manager Library Director Town Clerk Town Planner Tourism Director [\$65,919 – 81,992]			
				DPW Deputy Director Principal Assessor Staff Lieutenant [\$70,870 – 88,100]			
				Building Commissioner MIS Director Water Superintendent			

Maximum Income:	80% AMI moderate	100% AMI moderate	120% AMI median	150% AMI median	160% AMI middle	180% AMI middle	200% AMI
<i>Household of 1</i>	\$47,550	\$53,970	\$64,764	\$80,955	\$86,352	\$97,146	\$107,940
<i>Household of 2</i>	\$54,350	\$61,680	\$74,016	\$92,520	\$98,688	\$111,024	\$123,360
				[\$76,185 – 94,743]			
					Assistant Town Manager Finance Director [\$81,906 – 101,837]		
						DPW Director [\$88,057 – 109,487]	