

TOWN OF ASHLAND, MASSACHUSETTS

COMMUNITY PRESERVATION ACT

GRANT AGREEMENT FOR

Ashland Affordable Housing Trust

This GRANT AGREEMENT made this first day of January 3, 2017 by and between the Town of Ashland, a municipal corporation duly organized under the laws of Massachusetts and having its usual place of business at 101 Main Street, Ashland, MA 01721 (hereinafter, the "TOWN"), acting by and through its Community Preservation Committee (hereinafter, the "COMMITTEE"), and the Ashland Affordable Housing Trust, established pursuant to Chapter 44, Section 55C of the Massachusetts General Laws, and under Declaration of Trust recorded with the (South Middlesex Registry of Deeds, Book 52568, Page 192) (hereinafter, the "TRUST"), having its usual place of business at: 101 Main Street, Ashland, MA 01721:

WITNESSETH:

WHEREAS, the COMMITTEE invited the submission of proposals for grants of funds for purposes consistent with the Community Preservation Act ("CPA"), G.L. c.44B; and

WHEREAS, in response thereto, the TRUST submitted a proposal for funding for purposes of pursuing affordable housing opportunities in Ashland, hereinafter referred to as the "Project", and the COMMITTEE reviewed and approved the Project and recommended that the November 17, 2015 Special Town Meeting appropriate the funds herein described for the purposes of the Project; and

WHEREAS, Special Town Meeting on November 17, 2015 pursuant to Article 5 (the "Article") voted to appropriate Four Hundred and Fifty Thousand Dollars (\$450,000) from the Community Preservation Fund Community Housing Reserves Account (the "Funds"); and

WHEREAS, the purpose of the Grant Agreement is to ensure that the Funds are used for the acquisition, creation, preservation and support of community housing as defined by the Community Preservation Act, G.L. c.44B; and

NOW THEREFORE, the COMMITTEE and the TRUST agree as follows:

1. Contract Documents. The Contract Documents consist of this Grant Agreement, the CPA application approved by the COMMITTEE dated August 25, 2015 (the "Application"), a certified copy of the Article and all documents attached thereto. The Contract Documents constitute the entire Agreement between the parties concerning the Application, and all are as fully a part of this Agreement as if attached hereto.
2. The Work. The Work consists of what is generally described in the Application attached hereto as Attachment A and the following additional conditions:
 - a) Notwithstanding the TRUST's bylaws, all funds expended pursuant to this Grant Agreement shall be limited to the allowable spending purposes as defined under M.G.L. c.44B.
 - b) Every six months (each March and September), or as otherwise requested in writing by the COMMITTEE, the TRUST shall provide the COMMITTEE with a written update of their expenditures, activities, and projected spending plans. TRID Settlement Statements (formerly known as HUD-1) are available upon request at Town Hall.
 - c) No more than ten percent (10%) of Funds (\$45,000) can be used for expenses related to the administration and operation of the TRUST.
 - d) Consistent with the provisions of M.G.L. c.44B Section 5(b)(2), under no circumstances shall the Funds be used for maintenance activities or to rehabilitate existing community housing units and or unless unit(s) has been acquired or created by the TRUST and purchased with CPA funds.
 - e) Consistent with the provisions of M.G.L. c.44B Section 5(b)(2), when creating community housing the TRUST shall, wherever possible, reuse existing buildings or construct new buildings on previously developed sites.

- f) Consistent with the provisions of M.G.L. c.44B Section 6, the Funds shall not replace existing TOWN operating funds nor reimburse the TOWN for services provided to the TRUST.
- g) If the Funds are the sole funding source for the acquisition of real property, the property shall only be used for community housing as defined in M.G.L. c.44B Section 2. In all other cases, the Funds may be used to cover a share of the project expenses proportionate to the part of the project that will qualify as community housing as defined in M.G.L. c.44B Section 2. The TRUST shall track the cost of the allowable scope through a reasonable means of cost estimating, and only use the Funds for the allowable portion of the project cost.
3. Contact. The TOWN shall identify in writing a contact person responsible for the administration of the Funds.
 4. Restriction. With respect to any real property purchased using the Funds or housing created or preserved using the Funds, the TRUST shall execute or obtain a perpetual affordable housing restriction meeting the statutory requirements of G.L. c.184 and G.L. c.44B, §12, and running to the benefit of the TOWN. The TRUST shall execute only DHCD-approved universal deed riders under the Local Initiative Program (LIP) to ensure the deed restriction is permanent. The deed restrictions executed for each unit of housing created or preserved pursuant to this grant must be approved and accepted by the TOWN. Additionally, the TRUST may purchase housing, which is subject to an affordable housing restriction and for which the affordable housing restriction must remain on the property in perpetuity.
 5. Funding. The COMMITTEE shall authorize the TOWN to pay the TRUST the Funds within 30 days of the execution of this Grant Agreement. The TRUST shall manage the Funds in accordance with its Declaration of Trust and related by-laws.
 6. Liability of the TOWN. The TOWN'S liability hereunder shall be to make the payment specified in Paragraph 5 of this Grant Agreement and the TOWN shall be under no further obligation or liability. Nothing in this Grant Agreement shall be construed to render the COMMITTEE or any elected or appointed official or employee of the COMMITTEE, or their successors in office, personally liable for any obligation under this Grant Agreement.
 7. Independent Status. The TRUST acknowledges and agrees that it is acting in a capacity independent of the TOWN.
 8. Indemnification. To the extent permitted by law, the TRUST shall indemnify, defend, and hold the TOWN and its departments, committees, officers, employees, and agents harmless from and against any and all claims, demands, liabilities, actions, causes of actions, costs and expenses, including attorneys' fees, arising out of or directly from the TRUST's performance of the Work that is the subject of this Grant Agreement or the negligence or misconduct of the TRUST or its agents or employees.

9. Record Keeping. The TRUST shall keep such records with respect to the utilization of the Funds as are kept in the normal course of business and such additional records as may be required by the TOWN. Should the TRUST have multiple funding sources, the TRUST shall track specific expenditures of the Funds separate from other funding sources. The TOWN shall have full and free access to such records and may examine and copy such records. The TRUST further agrees to meet from time to time with the COMMITTEE or its designee(s), upon reasonable request, to discuss expenditures of the Project Funds.
10. Successors and Assigns. This Grant Agreement is binding upon the parties hereto, their successors, assigns, and legal representatives. The TRUST shall not assign or otherwise transfer this Grant Agreement, in whole or in part without the prior written consent of the TOWN.
11. Termination. This Grant Agreement shall terminate upon the TRUST's final disbursement of all Project Funds and the delivery of copies of any restrictions recorded pursuant to paragraph 4 hereof. In the event that the TRUST fails to fulfill its obligations under the terms of this Grant Agreement as determined by the COMMITTEE, the COMMITTEE shall have the right, in its sole discretion, to terminate this Grant Agreement upon written notice to the TRUST. Upon receipt of such notice, the TRUST shall refund all undisbursed Project Funds to the TOWN, and such funds shall be returned to the CPA account from which the Funds were appropriated.
12. Compliance with Laws. The TRUST shall comply with all Federal, State and local laws, rules, regulations and orders applicable to the Work undertaken pursuant to this Grant Agreement. The TRUST or its designees shall be responsible for obtaining any necessary licenses, permits, and approvals required for the performance of such Work. The TRUST shall return any remaining funds to the TOWN if the COMMITTEE reasonably determines that grant funds were used for ineligible projects and/or expenditures.
13. Notice. Any and all notices, or other communications required or permitted under this Grant Agreement, shall be in writing and delivered by hand or mailed postage prepaid, or by other reputable delivery service, to the parties at the addresses set forth on page 1 hereof or furnished from time to time in writing hereafter by one party to the other party. Any such notice or correspondence shall be deemed given when so delivered by hand, or if so mailed, when deposited with the U.S. Postal Service or if sent by private overnight or other delivery service, when deposited with such delivery service.
14. Severability. If any term or condition of this Grant Agreement or any application thereof shall to any extent be held invalid, illegal or unenforceable by a court of competent jurisdiction, the validity, legality, and enforceability of the remaining terms and conditions of this Grant Agreement shall not be deemed affected thereby unless one or both parties would be substantially or materially prejudiced.
15. Governing Law. This Grant Agreement shall be governed by, construed and enforced in accordance with the laws of the Commonwealth of Massachusetts and the TRUST submits to the jurisdiction of any of its appropriate courts for the adjudication of disputes arising out of this Grant Agreement.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on January 3, 2017.

TOWN OF ASHLAND

COMMUNITY PRESERVATION
COMMITTEE

Galena Williams
Antonia Brown
Dr. J. St.
Emily Cohen
Catherine van Lencaken
Brian C. Rosenblum

TOWN OF ASHLAND

AFFORDABLE HOUSING TRUST

Joseph J. Magner, Jr.
[Signature]
[Signature]
Trustees

TOWN OF ASHLAND COMMUNITY PRESERVATION COMMITTEE
PROJECT SUBMISSION FORM

Submitted By:	ASHLAND AFFORDABLE TRUST	Date:	08/25/2015
Submitters Address:	101 Main Street Ashland, MA	Phone #:	508.641.1222
Email Address:	steveg68@comcast.net		

CPA PURPOSE (Select all that apply):

Open Space	<input type="checkbox"/>	Community Housing	<input checked="" type="checkbox"/>	Historic	<input type="checkbox"/>	Recreation	<input type="checkbox"/>	Administrative	<input type="checkbox"/>
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PROJECT NAME:	AFFORDABLE TRUST REQUEST FOR FUNDING
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PROJECT DESCRIPTION (attach additional pages if necessary):

SEE ATTACHED

COSTS:

Fiscal Year	2015	Total Project Cost	\$450,000.00	CPC Funds Requested	\$450,000.00	Other Funding Sources	
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HOW DOES THIS PROJECT MEET THE GENERAL CRITERIA AND CATEGORY SPECIFIC

CRITERIA FOR CPC PROJECTS (see reverse side for Guidelines and attach additional pages if necessary):

SEE ATTACHED

FOR CPC USE:

Form Received On:	8/25/15	Determination:		Support to bring to TM
Project Presented to CPC On:	8/25/15	Funding Category(s):	Community Housing	
Connors		Dudley		Van Lancker
Rosenblum		Eldridge		Whitham

**TOWN OF ASHLAND COMMUNITY PRESERVATION COMMITTEE
PROJECT SUBMISSION FORM**

Submitted By:	ASHLAND AFFORDABLE TRUST	Date:	08/25/2015
Submitters Address:	101 Main Street Ashland, MA	Phone #:	508.641.1222
Email Address:	steveg68@comcast.net		

CPA PURPOSE (Select all that apply):									
Open Space	<input type="checkbox"/>	Community Housing	<input checked="" type="checkbox"/>	Historic	<input type="checkbox"/>	Recreation	<input type="checkbox"/>	Administrative	<input type="checkbox"/>

PROJECT NAME:	AFFORDABLE TRUST REQUEST FOR FUNDING
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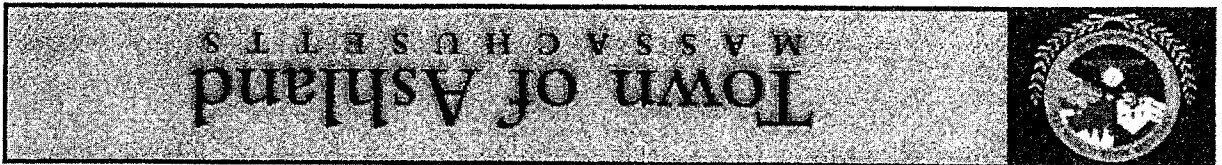
PROJECT DESCRIPTION (attach additional pages if necessary):
SEE ATTACHED

COSTS:			
Fiscal Year	Total Project Cost	CPC Funds Requested	Other Funding Sources
2015	\$450,000.00	\$450,000.00	

HOW DOES THIS PROJECT MEET THE GENERAL CRITERIA AND CATEGORY SPECIFIC CRITERIA FOR CPC PROJECTS (see reverse side for Guidelines and attach additional pages if necessary):
SEE ATTACHED

FOR CPC USE:

Form Received On:	Determination:	Funding Category(s):	
Project Presented to CPC On:			
Connors	Dudley	Greenberg	Van Lancker
Rosenblum	Eldridge	Whitham	



REQUEST FOR CPA FUNDING Affordable Housing Trust Fund

August 25, 2015

Affordable Housing Trust:
Paul Monaco
Joseph Magnani
Steven Greenberg

Purpose:

The purpose of the Trust shall be to provide for the preservation and creation of affordable housing in the Town of Ashland for the benefit of low and moderate income households. In furtherance of this purpose, the Trustees are hereby authorized, in accordance with the procedures set forth herein, to acquire by gift, purchase or otherwise real property, personal property, or money, both tangible and intangible, of every sort and description; to use such property, both real and personal, and money in such manner as the Trustees shall deem most appropriate to carry out such purpose, provided however, that all property and money held by the Trust and the net earnings thereof shall be used exclusively for the preservation and creation in the Town of Ashland of affordable housing for the purposes for which this Trust was formed.

Fall 2007 Town Meeting Approved \$500,000 to be transferred from the Community Preservation Committee to the Affordable Housing Trust.

Since that time the Trust has accomplished the following:

- 17 transactions involving the purchase and resale of deed restricted affordable units at Avenue of the Americas.
- These purchases and resale of units has included expenses such as repair of units, legal, heat and electric, permits, condominium fees and taxes.
- 2011 Due Diligence at 133 West Union Street including appraisal, inspections of the house and barn, and legal.
- 2013 Purchase of 6 Cherry Street

Current Projects:

- Trust Contributed \$20,000.00 towards the Comprehensive Plan
- Retained Meridian Associates to develop outlines for potential affordable housing opportunities:

- Weston Nurseries
- Cherry Street/Main Street

- Avenue of Americas Lottery of 8 For Sale Affordable Residential Condominiums Spring 2015
- Avenue of Americas Lottery of 8 For Sale Affordable Residential Condominiums Fall 2015
- Ashland Woods Lottery of 15 Affordable Residential Apartments for Lease Spring 2015

Current Affordable Housing Trust Balance:

- \$233,067.81

➤ This does not include the current pending Purchase & Sale expense of a unit for \$180,300.00 plus legal and repair expenses with purchase scheduled September 2015.

Challenges:

- Ashland like all cities and towns in Massachusetts is mandated by the state to achieve a 10% level of affordable housing stock. Currently we are at less than 4% +/- . With the new pending Affordable Housing Plan approved the town and the state we will be in a better position relative to new 40B proposals but the need for affordable housing for qualified families and seniors is far behind what the town needs and is mandated to accomplish.
- As more affordable units come available for sale and eventual resale the cost to the Trust per unit is \$180,000.00 to \$200,000.00 when repairs are necessary
- If multiple units come available the Trust does not have the necessary capital to complete two or three transactions if need be.
- Avenue of the Americas just completed its lottery of 8 affordable units summer 2015. It is anticipated in the Fall of 2015 to have another lottery of an additional 8 units.
- With this increase in affordable For Sale units, now totaling 27, this adds to the potential of more and more units needing to be resold and repaired by the Trust.

Request to CPA:

Based on the current and future capital requirements the Ashland Affordable Trust is requesting \$450,000.00 of CPA funds be transferred to the Affordable Housing Trust account.

TOWN OF ASHLAND
SPECIAL TOWN MEETING MINUTES
TUESDAY NOVEMBER 17, 2015



Article 5: Affordable Housing Trust

Sponsor: CPC

To see if the Town will vote to appropriate \$450,000 in Community Preservation Act funds to the Ashland Housing Trust established by Town Meeting on November 14, 2007 under G.L. c. 44 sec. 55C and under Chapter 3 of the Town of Ashland General Bylaws and that to meet this appropriation, the sum of \$450,000 be transferred from the Community Preservation Fund Community Housing Reserve Account, subject to the execution of a grant agreement by and between the Affordable Housing Trust and the Community Preservation Committee prior to the distribution of said funds, or pass any vote or take any other action relative thereto.

FINANCE COMMITTEE RECOMMENDATION: that the Town appropriate \$450,000 in Community Preservation Act funds to the Ashland Housing Trust established by Town Meeting on November 14, 2007 under G.L. c. 44 sec. 55C and under Chapter 3 of the Town of Ashland General Bylaws and that to meet this appropriation, the sum of \$450,000 be transferred from the Community Preservation Fund Community Housing Reserve Account balance, subject to the execution of a grant agreement by and between the Affordable Housing Trust and the Community Preservation Committee prior to the distribution of said funds.

MOTION on Article 5: To appropriate \$450,000 in Community Preservation Act funds to the Ashland Housing Trust established by Town Meeting on November 14, 2007 under G.L. c. 44 sec. 55C and under Chapter 3 of the Town of Ashland General Bylaws and that to meet this appropriation, the sum of \$450,000 be transferred from the Community Preservation Fund Community Housing Reserve Account balance, subject to the execution of a grant agreement by and between the Affordable Housing Trust and the Community Preservation Committee prior to the distribution of said funds.

A simple majority vote is required for Article 5.

A PowerPoint presentation was led by Board of Selectmen Chairman Joseph J. Magnani, Jr.

Substitute Motion on Article 5: Steve Morgan presented a substitute motion on Article 5 to postpone this article until the Spring Town Meeting. The motion was made and seconded.

Vote on Substitute motion: The Moderator announced that the substitute motion on Article 5 was defeated.

Vote on Article 5: The Moderator announced that the main motion on Article 5 passed.

**A True Copy
Attest:**

Tara M. Ward CMC/CMC, Ashland Town Clerk