

FINANCING  
AFFORDABLE  
HOUSING  
SOLUTIONS

# MHP

*From Start to Finish*

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# Massachusetts Housing Partnership

**MISSION** Use private investment to bring **more affordable housing** to Massachusetts

- Privately-funded public non-profit organization
- Communities, non-profit, for-profit developers



## Community Assistance

- Technical assistance
- 40B program

## Lending

- Over \$1.4B for over 27,000 units
- Affordable rental

## ONE Mortgage

- First time homebuyers
- Fixed-rate, 30-year

## Center for Housing Data

- Collect, analyze & share info for effective policy creation

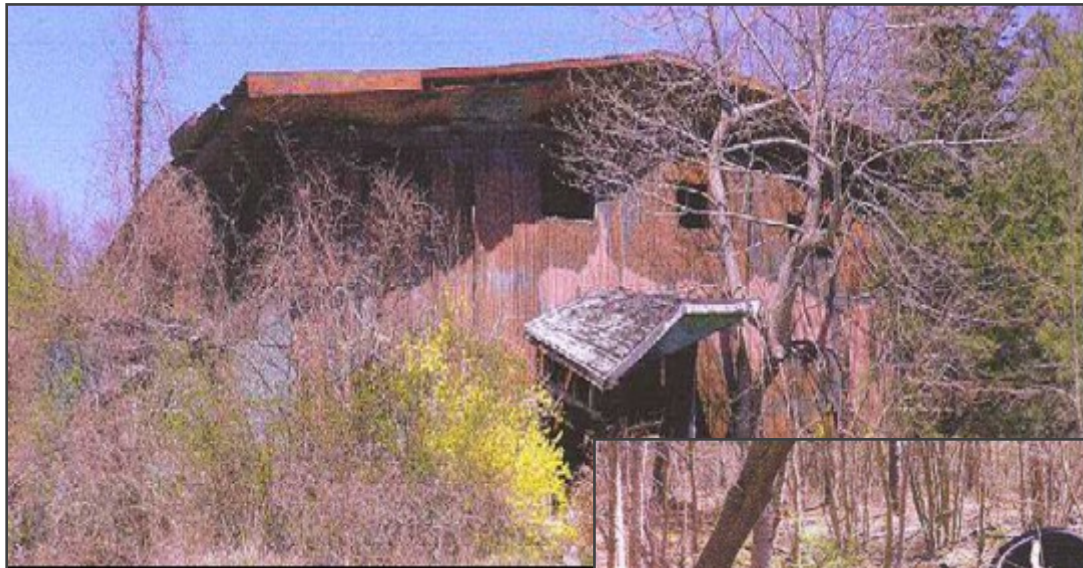
Westport  
initiated AH  
on  
municipal  
land



# Noquochoke Village 15 years ago

**Perry Farm -- ~7 acres**

Acquired with CPA (\$775k)



**Quinn parcel – 24 acres**

Town owned through tax title



# MHP Technical Assistance

## Goals and Objectives



# Existing Conditions

- Parcels and acreage
- Wetlands and river
- Wellhead protection areas
- NHESP habitat
- Vegetation
- Refuse dumping



# Brownfield

Identified on the site.



# Site Survey & Septic System Sizing

- Percolation (“perc”) testing helped determine the most feasible location for a septic system.

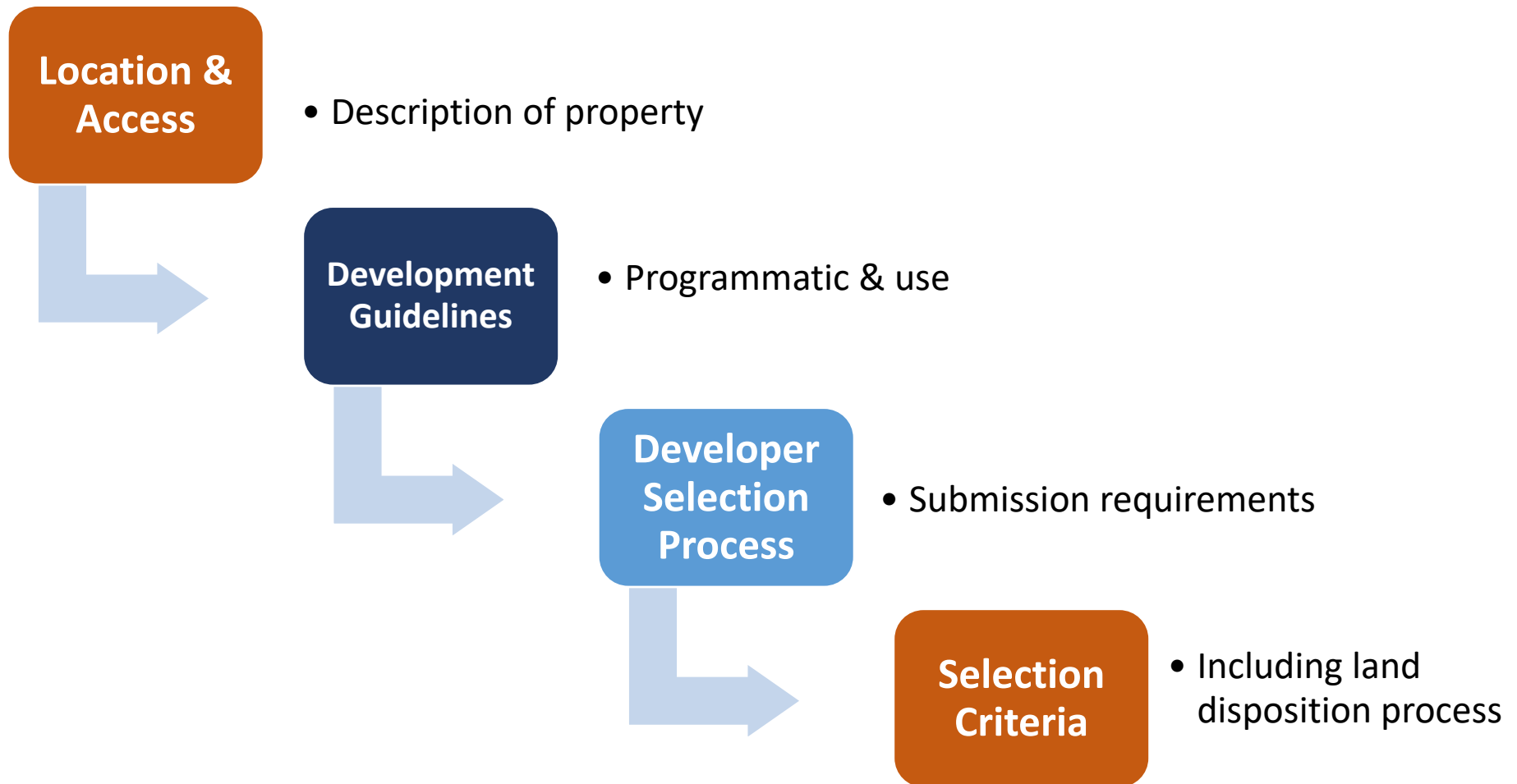


# Conceptual Site Plans

- Included market feasibility and community input.
- Consultant tested different models – home ownership, rental and a mix of both.

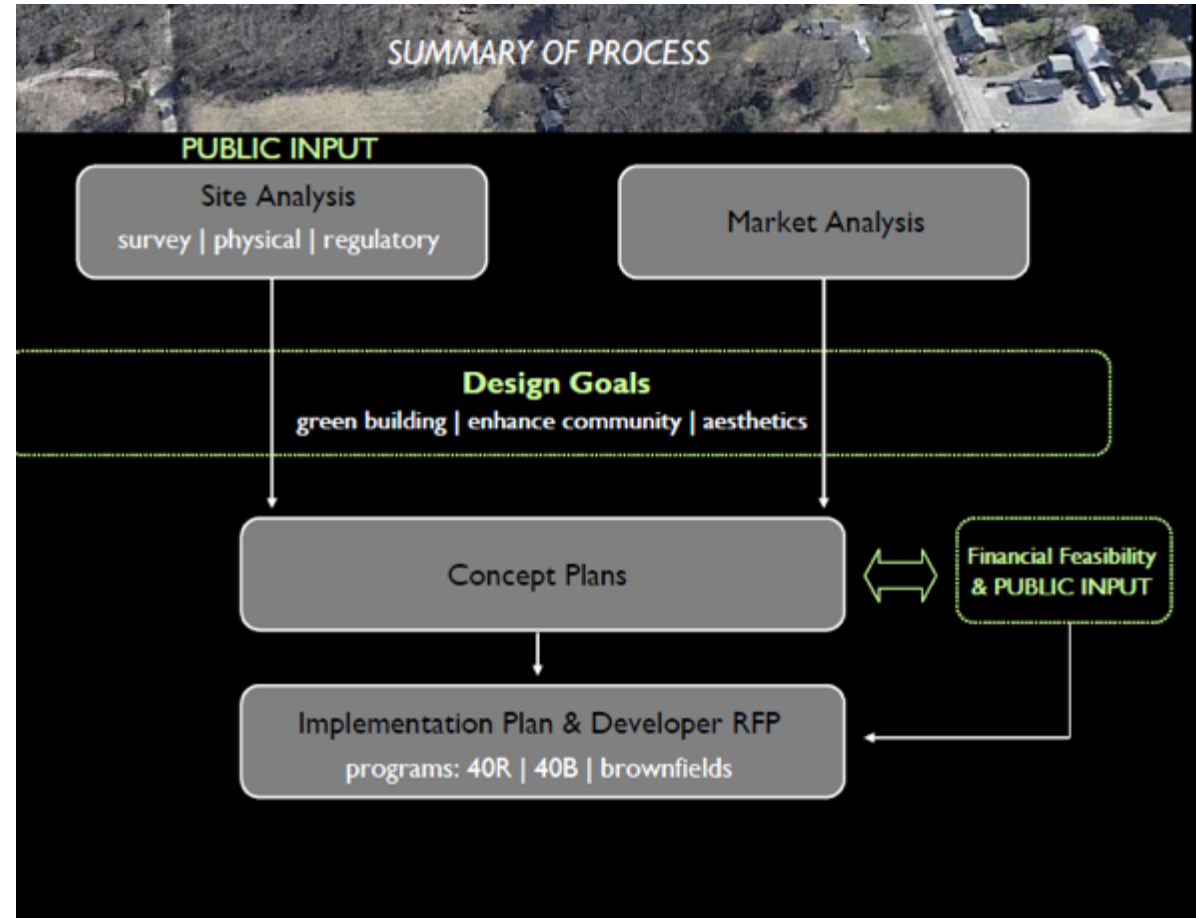


# Developed Request for Proposals



# Summary of Process

MHP oversaw the third party consultant and remained involved throughout the process.



# Westport supported the development

Select Board  
requested MHP TA

**Land Acquisition**

w/CPA funds in  
2006/2007

**Cash & below  
market land**

Ground lease

**Rezoning**

East end of Rt 117  
in 2009

# Financing Noquochoke Village



# TCB Chosen as Developer

Growing  
relationship  
with TCB

Sophisticated  
non-profit

TCB self-  
manages sites

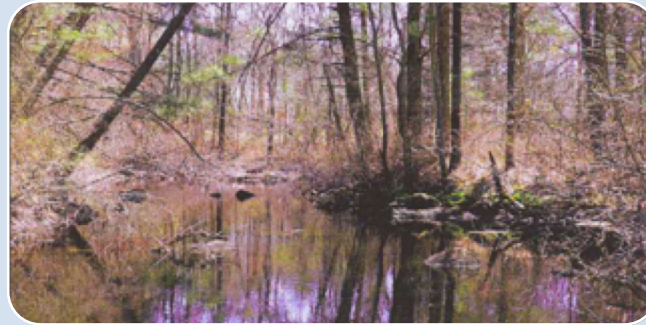
FFB risk share  
– 40 yr  
amortization

Risk share  
triggers NEPA  
review

# Site Complications



Nitrogen  
reducing septic  
& storm water  
control systems



~23 acres to be  
preserved as  
open space



Indigenous  
concerns

# Silver LEED-certifiable



## Key Factors

- Insulation
- Windows
- Heating system

Development complies with Energy Star Qualified Homes v3 standards.

# MHP Green & Healthy Housing Programs

Financing to encourage more affordable housing to be green and healthy.

## **Green Building Certification**

- Reduced interest rate, reimbursement for commissioning costs, free energy performance benchmarking

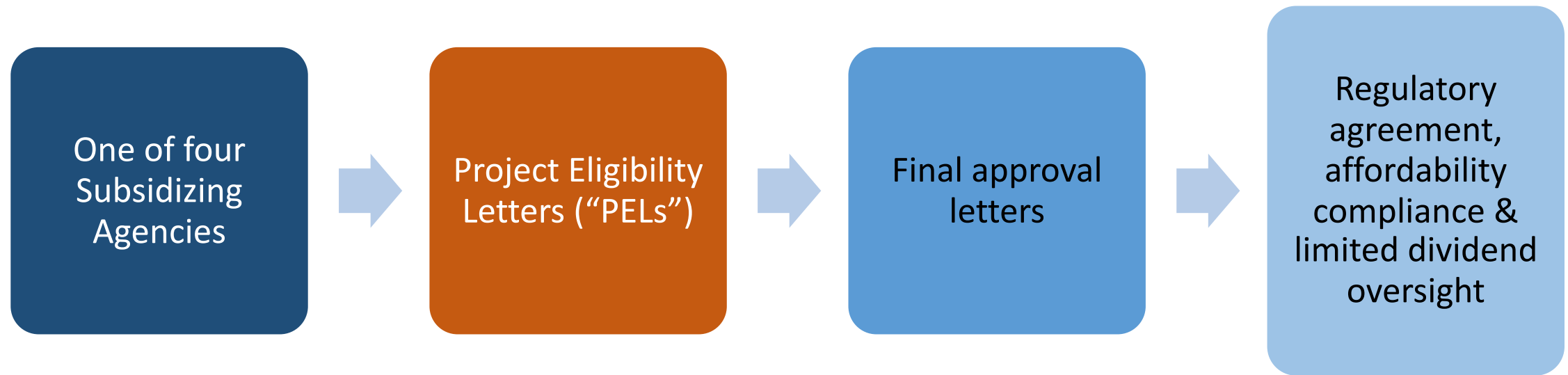
## **Green Retrofit**

- Increased loan proceeds, reimbursement for energy & water audit, reduced interest rates, free energy performance benchmarking

## **Healthy Housing**

- Reduced interest rates, reimbursement for costs of obtaining healthy housing cert

# MHP is a Subsidizing Agency under Chapter 40B



MHP provides third-party TA to ZBAs during a 40B process.

# Before Issuing a “PEL”

Proposed project is generally eligible under an MHP housing financing program

Proposed project location is generally appropriate for residential

Conceptual project design is appropriate for site

Financially feasible within housing market

Pro forma consistent with DHCD guidelines

Applicant is public agency, non-profit or Limited Dividend Organization

Applicant has site control

# Noquochoke Village remains in MHP's portfolio

## Portfolio Management

### **Prior to loan closing**

- Evaluates management team, credit history and financial capacity, and feasibility of project operations

### **After loan is closed**

- Establishes annual escrow
- Reviews financial performance reports quarterly and annually
- Oversees affordability compliance
- Provides disbursements from reserves for capital needs
- Conducts annual site inspections



# Homeownership



# one.

For your first home.

The most affordable mortgage in MA for households earning up to 100% of the area median income (AMI).

## **Down payment as low as 3%**

For condo, one- and two-family properties.  
5% for three-family properties.

## **Low, fixed interest rate**

Discounted, 30-year, fixed interest rate.

## **No Private Mortgage Insurance**

Save hundreds of dollars every month.

## **Financial assistance**

Additional monthly savings for households earning up to 80% area median income (AMI).



# Resources



# Housing Toolbox

## For Massachusetts Communities

Strategies and best practices for the creation and preservation of affordable housing.

**[www.housingtoolbox.org](http://www.housingtoolbox.org)**

**HOUSING TOOLBOX**  
for Massachusetts Communities 

Know what you're  
looking for?

*Type to search the toolbox*

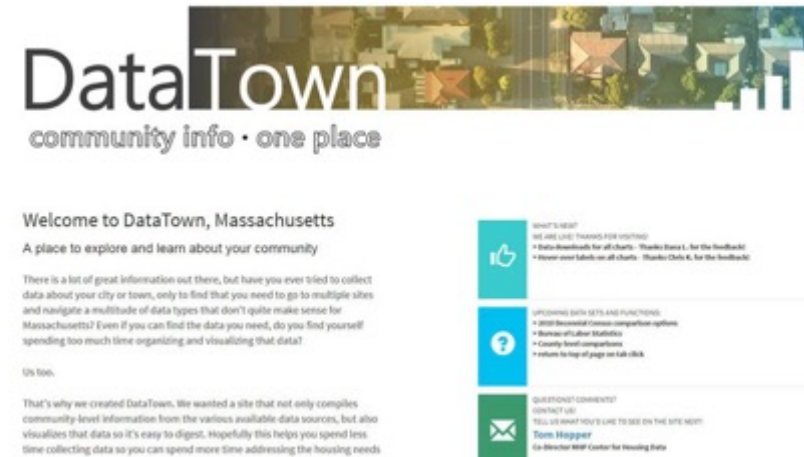
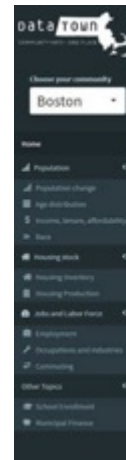
**SEARCH**

Strategies and best practices for the creation and preservation of affordable housing, with guides, tools and resources for local boards & committees, planners, municipal staff, developers, and volunteers.

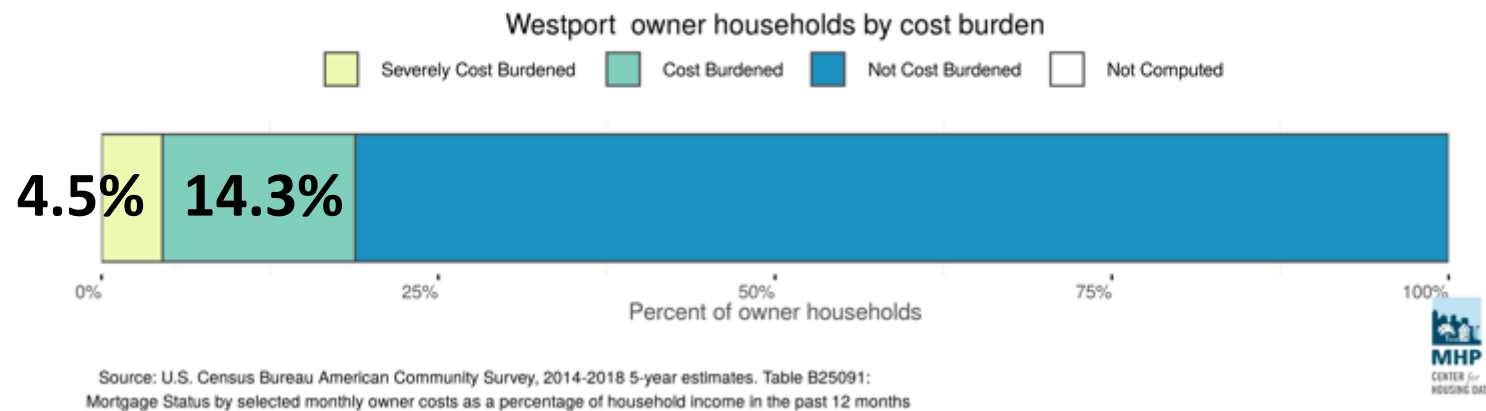
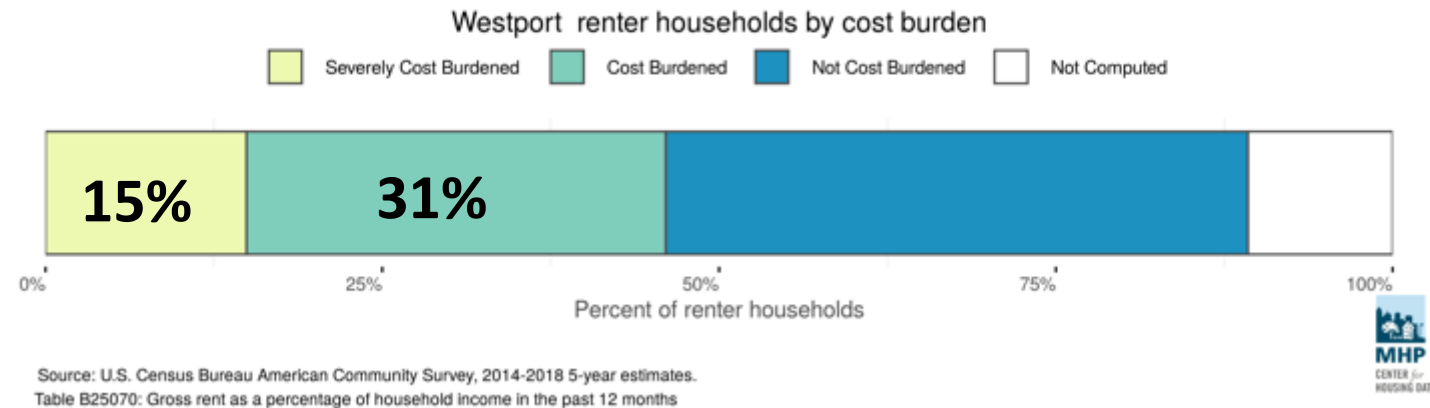
**For local boards and committees, planners and municipal staff, and developers**



Relevant data for every community in the Commonwealth to help make the case for housing.

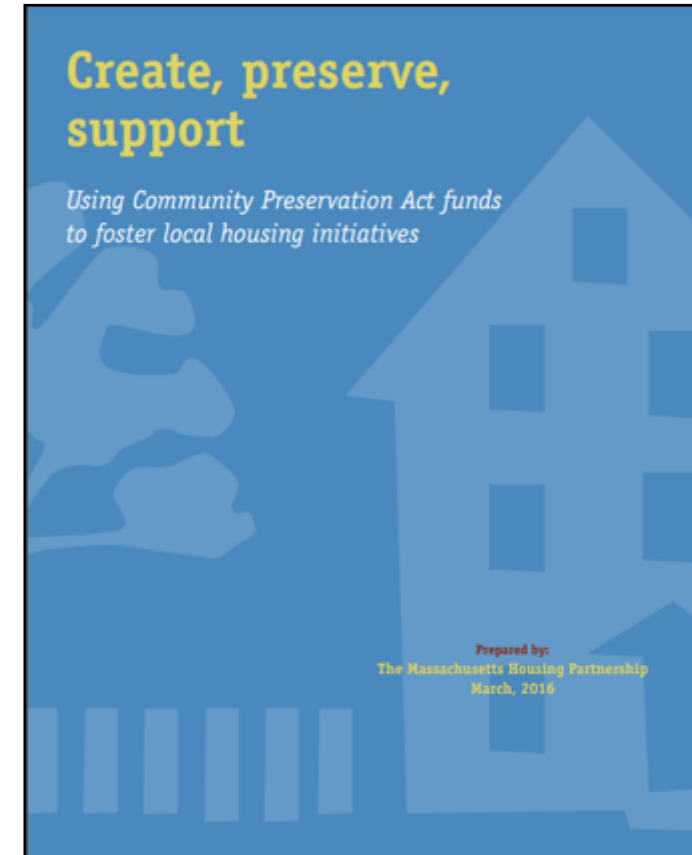


# Is Westport affordable?



# MHP Online Resources

[www.mhp.net](http://www.mhp.net)



# Affordable Housing Trust + CPA Housing Conference

Saturday, March 14 • F O R M E M B E R S A N D S T A F F

## Location

Courtyard by Marriott, Marlborough

## Time

8:00-8:30am Registration

8:30-3:00pm Conference

**\$30/person**

(includes breakfast and lunch)

Register at [MHP.net](http://MHP.net)



## Affordable Housing Development

- Affordable housing nuts & bolts
- Balancing development pressures
- How communities support affordable housing

## Housing Trusts + CPCs working together

June 10-11, 2020

Devens Common Center  
Devens, MA

14th annual  
**Massachusetts  
Housing Institute**  
Training for local officials



For more information on  
registration and agenda, contact  
Katie Bosse at [Kbosse@mhp.net](mailto:Kbosse@mhp.net)

# Questions?

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