

Dukes County Regional Housing Authority

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Vineyard Haven, MA 02568

508-693-4419

www.vineyardhousing.org

AFFORDABLE HOUSING TOOLBOX

INCLUSIONARY & INCENTIVE ZONING	Inclusionary zoning mandates that developers provide affordable housing if they create market rate housing. Incentive zoning allows developers seeking special permits to obtain favorable zoning treatment, usually in the form of increased density and/or reduction in regulatory requirements, in exchange for affordable housing. For more information see MHP's website at www.mhpfund.com .
Affordable Housing & Smart Growth Goal	Municipalities can include statements in their zoning by-laws encouraging and/or requiring affordable housing, as well as smart growth principles that emphasize the development of places that are already built-up and served by infrastructure, in ways that are consistent with the quality and character of their surroundings. For more information see the Citizens Housing and Planning Association (CHAPA) website under research and reports at http://chapa.org/recentreports.htm .
Affordability Restriction	Long-term affordability restrictions (30 year to perpetuity) enforceable through a deed rider or a ground lease have been used by local housing programs to maintain affordability and are required under state/federal funded housing programs and for units to be included in the state's 40B Subsidized Housing Inventory. For more information contact the Dukes County Regional Housing Authority at 508-693-4419 or download the model deed rider from the DCRHA's website at www.vineyardhousing.org .
Multi-Family Housing	There is a scarcity of multi-family rental dwellings on the Vineyard (state-wide only 9% of renters live in single family homes, whereas on Martha's Vineyard more than 75% of renter live in single family homes). Higher densities can be achieved by municipalities as a matter of right or by special permit and/ or incentives in accordance with the state's Zoning Act. Specific multi-family overlay zones or districts can also be established in combination with inclusionary requirements. For more information see Citizens Planner Training Collaborative at www.umass.edu/masscptc for sample by-laws.
Accessory Apartments	Municipalities can increase their supply of affordable housing by adopting zoning by-laws that allow for the creation of rental apartments within existing residential structures or within a developed lot. For more information contact West Tisbury or Tisbury's planning board for copies of zoning by-laws or find examples of accessory apartment by-laws on the EO418 Best Practices website at www.state.ma.us/dhcd .
Homesharing/ Congregate Housing	Homesharing and congregate housing are living arrangements in which two or more unrelated people or households share housing accommodation. An elder homeowner renting out a room; a couple of single, or single-parent families, sharing a house; and congregate living facilities for elders or special needs populations are all types of shared living arrangements. For more information on home sharing see the AARP website at www.aarp.org .
Substandard Lot	Approval through special permit or comprehensive permit by a planning board or Zoning Board of Appeals for lots having less than prescribed basic minimum area for development of affordable housing. For more information contact Edgartown, Chilmark, West Tisbury, and Oak Bluffs planning boards for examples of by-laws.
Substandard Lot Subdivision	Approval through special permit by a planning board to allow the subdivision of land into a substandard lot(s) for deed restricted affordable housing, as long as a remaining lot meets minimum lot size requirements. For more information contact the Chilmark planning boards for examples of by-laws.

Subdivision Land Contribution (10-20%)	Linkage program requiring a percentage of any development over a certain period of time be for affordable housing. West Tisbury requires that any development containing more than 3 lots over any 5-year period, at least 20% of the lots be for affordable/ year-round housing. The MVC has also received over forth lot contributions that have typically been transferred through town resident homesite programs. For more information contact West Tisbury planning board for examples of by-laws.
Commercial Rental Contribution (10%)	Linkage programs require financial or housing contributions from commercial projects to solving the related or linked need for affordable housing generated by their employees as part of their development. For more information see Survey of Linkage Programs in Other US Cities at www.cityofboston.gov and search under linkage.
Rate of Development Bonus or Exemption	Incentive zoning measures can include providing developers of affordable housing bonuses that eliminate or reduce the rate of development.
Building Cap Bonus or Exemption	Incentive zoning measures can include providing developers of affordable housing bonuses that eliminate or prioritize those applications that are restricted under building cap and growth management regulations.
Cluster Housing Density Bonus (25-50%)	Incentive zoning measures can include providing developers of affordable housing bonuses that allow greater building density. For more information contact the West Tisbury, Oak Bluffs, and Edgartown planning boards for examples of zoning by-laws.
Off-Street Parking Exemption	Incentive zoning measures can include providing developers of affordable housing bonuses that eliminate requirements for off-street parking (especially in town center and mix-use areas).
Condominium Conversion	Zoning provision that allow a property owner having more than one residential dwelling on a lot (i.e. guest house) to convert the property to condominium ownership, in exchange for affordable restrictions on one of the dwellings. For more information see the Nantucket Housing Office's website at http://www.nantuckethousingoffice.org/ for program information and contacts.
Adaptive Reuse	A number of municipalities have modified their zoning regulations to encourage new uses, including affordable housing for vacant or underutilized buildings that enables communities to accommodate growth in established locations instead of undeveloped areas. For more information see the National Trust for Historic Preservation's About the National Trust and the Boston Regional Office at www.nthp.org .
Mixed-use Business District Bonus	Municipalities can allow a mix of residential and commercial uses in new or existing developments through any of several methods including rezoning, overlay districts, planned unit development, or comprehensive permit, and can make inclusionary requirement (bonuses) necessary to ensure a level of affordability. For more information on smart growth and housing see the Citizens Housing and Planning Association (CHAPA) website under research and reports at http://chapa.org/recentreports.htm .
Overlay District	Municipalities may adopt overlay zoning ordinances or by-laws in accordance with the state's Zoning Act that can be an effective tool for promoting affordable housing by encouraging higher density, or mixed-use, development in areas that are already built-up and served by infrastructure. For more information see Citizens Planner Training Collaborative at www.umass.edu/masscptc for sample by-laws.
OWNERSHIP PROGRAMS	
Resident Homesite	Each Island town has a Resident Homesite Program that transfers vacant developable land controlled by the towns to income eligible town residents with affordability restrictions for the construction single family homes.
Non-Profit Developers (IAHF, Bridge)	Several Island based non-profit development organizations are creating and developing housing on Martha's Vineyard, including the Island Affordable Housing Fund and the Bridge Housing Corporation. For more information contact IAHF at 508-696-0943 or Bridge at (508) 560-0083.
Housing Rehabilitation	Every community in state can benefit from programs to maintain their existing housing units. Municipalities can apply for state housing grants (i.e.. CDBG) from the Department of Housing and Community Development (DHCD). For more information on the rehabilitation program for Martha's Vineyard contact The Resources Inc. at 508-696-3285 or the Town of Oak Bluffs, sponsor of the grant funding.

Interest & Down Payment Assistance	There are many programs designed to bridge the wealth and income gaps by making it more affordable for first-time homebuyers to purchase a home. They use a variety of tools, including subsidized interest rates, downpayment and closing cost assistance, and flexible underwriting criteria. Program available to municipalities include the Massachusetts Soft Second Loan Program and MassHousing's Municipal Mortgage Program. For more information see MHP's Soft Second Loan Program website at http://www.mhp.net/homeownership/softsecond.php or MassHousing's Municipal Mortgage Program website at http://www.masshousing.com/
Buyer Driven Program	Programs that provide income eligible homebuyers with assistance in purchasing a home they select from the real estate market, in return for affordable housing restrictions.
Habitat & Self-Help Housing	Programs that use the homebuyer's own labor, called "sweat equity" and/or the volunteer labor of others to reduce the cost that gets passed on to the homebuyer. For more information contact Habitat for Humanity of Martha's Vineyard at 508-696-4646.
RENTAL PROGRAMS	
Housing Authority Rentals	The Dukes County Regional Housing Authority is a state chartered organization that owns and manages family, elderly, and special needs rental housing in West Tisbury, Oak Bluffs, Tisbury, and Edgartown. For more information see the DCRHA website at www.vineyardhousing.org .
Non-Profit Rentals (IEH)	The Island Elderly Housing is a island-wide non-profit organization that develops, owns, and manages state and federally funded (HUD) subsidized rental housing for elderly and handicapped individuals in Oak Bluffs and Tisbury.
Rental Assistance	Privately funded rental assistance program funded by the Island Affordable Housing Fund and administered by the Regional Housing Authority that subsidizes the rent paid by an income eligible tenant for a private year-round rental. For more information see the DCRHA website at www.vineyardhousing.org .
Rental Property Tax Relief	Property tax relief may be granted by a municipality either in the form of abatements or exemptions, to landlords who agree to keep rents affordable for income-eligible tenants and is one of the few incentives a community can offer property owners who keep rents affordable. Property tax exemptions, other than elderly homeowners, must be authorized through state legislation. For more information see Provincetown's program at www.provincetowngov.org and click on Affordable Housing under 2002 Town Meeting Highlights.
40B Accessory Apartment Program	Municipalities can design programs to encourage landlords to upgrade their existing, illegal accessory dwelling units or add new units in existing structures without amending local zoning by-laws through the state's 40B comprehensive permit that also helps add to the town's official housing inventory. For more information contact the Town of Tisbury for a copy of the ordinance or Barnstable's website at http://www.town.barnstable.ma.us/tob02/depts/AdministrativeServices/CommEcoDev/default.asp
PUBLIC FUNDING	
CPA - Property Tax	Municipalities have the authority to adopt a local Community Preservation Fund which raises funds from property taxes (1-3%) that is matched 1:1 by the state to be spent by the municipality on affordable housing (100% of AMI), historic preservation, and land conservation. No more than 80% of funds can be spent on any one category. For more information see the Community Preservation Coalition website at www.communitypreservation.org .
State Grants (CDBG, HOME, HDSP, AHTF)	Municipalities are eligible to apply for competitive housing grants for the purchase, construction, and rehabilitation of housing for rental or ownership. Programs include the Community Development Funds, Housing Development Support Program, HOME funds, and the Affordable Housing Trust Fund. For more information see DHCD website at www.state.ma.us/dhcd for funding announcements and descriptions.
Low Income Housing Tax Credit	Low income housing tax credits are allocated annually by DHCD to qualifying project (50% to 60% of AMI rentals) that enable developers to raise capital from individual and corporate investors for the construction or acquisition and substantial rehabilitation of low income rental housing. For more information go to www.weown.net and click on syndication.
Commercial Development Contribution	Contributions negotiated from developers for payment-in-lieu of inclusionary zoning units or payment of density bonuses or transfer of density.

Town Bonding	Municipalities can provide funding for affordable housing initiatives through its annual budget process or by authorizing borrowing or bonding, which requires a two-thirds vote of Town Meeting. For more information see DHCD's website at www.state.ma.us/dhcd and click on Executive Order 418 and go to Best Practices.
Impact Tax (construction, demolition)	Alternative revenue sources authorized through legislation that levies a tax on the residential or commercial development or demolition of existing buildings.
Transient Rental Tax	Revenue source authorized by legislation that allows a room occupancy excise tax for "transient accommodations" defined as short-term rentals of private dwellings (single family homes, guesthouses, apartments). For more information see Senator O'Leary's sponsored legislation, Senate Bill 1803 An Act Relative to the Room Occupancy Tax at http://www.state.ma.us/scripts/legis/bts.idg?SenBillNum=1803
Real Estate Transfer Tax	Revenue source authorized by legislation that levies a tax on every real estate transaction, either from the seller or the buyer. For more information see Martha's Vineyard Land Bank website at http://www.mvlandmarks.com/island/landbank.html
Town Funds	Proceeds from the sale of publicly-owned land, repayments from government loan programs, proceeds from settlement of housing code violations, fees from landfill activities, interest or funds from unnamed, unclaimed property funds, and interest from rain day funds can all be earmarked for affordable housing by municipalities.
Donation/ Sale of Town Land	The donation of land or buildings for affordable housing development, or their sale at below market value, helps to reduce the cost and is one of the most valuable contributions a community can make. If a municipality owns property, it can make it available at no or low cost for deed-restricted low or moderate income housing. M.G.L. Chapter 30B (Section 16) spells out the process to be used in finding a suitable developer, in what is essentially a reserves of the usual procurement process.
Housing Bank (Housing Trust Fund)	Housing Trust Funds are dedicated source of ongoing revenue committed to producing and preserving affordable housing authorized by legislation. Sources could include fees and taxes from property transactions (real estate transfer, recording fees), development charges (developer contributions, fees in-lieu from inclusionary zoning), municipal taxes (CPA, sales tax, room tax, head tax), government activities (sale of publicly owned-land), bond programs, and other public revenue sources. For more information see Center for Community Change's Housing Trust Fund Project at www.comunitychange.org .
School Reimbursement Incentives	Sharing the financial burden of affordable housing regionally and encouraging smart growth principles that emphasize the development of places that are already built-up and served by infrastructure by rewarding those communities that create affordable housing with bonus payments and school reimbursement incentives, as well as capital investments for infrastructure improvements. For more information see the Commonwealth Housing Task Force Report at http://chapa.org/recentreports.htm
PUBLIC LAND	
Building on Town/ County/ School Land	The use of land or buildings for affordable housing development through long-term ground leases for below market value, helps reduce the cost and is one of the most valuable contributions a community can make. If a municipality owns property, it can make it available at no cost, or low cost for deed-restricted low or moderate income housing. M.G.L. Chapter 30B (Section 16) spells out the process to be used in finding a suitable developer, in what is essentially a reserves of the usual procurement process required for a long-term ground lease (more than 30 years).
Demolition Delay	Demolition delay ordinances or by-laws impose a waiting period before a permit can be granted to demolish a residential structure. The waiting period creates an incentive for reuse and gives interested parties an opportunity to acquire reusable residential structures. For more information contact the Edgartown, West Tisbury or Nantucket planning boards for copies of ordinances or by-laws or the Citizens Planning Training Collaborative website at www.umass.edu/masscptc .
Reuse of Public Buildings	The reuse of vacant or underutilized, or functionally obsolete properties can enable communities to accomplish growth in established locations instead of undeveloped areas, and at the same time preserving or restoring the architectural fabric of the community. For more information see the National Trust for Historic Preservation's About the National Trust and the Boston Regional Office at www.nthp.org .

Tax Title Properties	Tax title properties are land and/or buildings that are in the process of being taken by the municipality because the owner has failed to pay property taxes. Municipalities may abate up to 75% of taxes and 100% of interest and penalties owed on a property that will be turned into affordable housing; expedite the foreclosure process in case where the redemption amount exceeds the value of the property; and accept a deed-in-lieu of foreclosure proceeding. For more information see the Department of Revenue's Information Guide Release #02-206 at www.dls.state.ma.us and click on EO418 and go to Best Practices or purchase <i>Back on the Roll: A Report on Strategies to Return Tax Title Properties to Productive Use</i> from the Citizens Housing and Planning Association at www.chapa.org .
Housing Trust (Community Land Trust)	A non-profit organization that acquires land and provides long-term ground leases (99-year and renewable) to income eligible households who in turn owns the house or improvement located on the land. By removing the land costs from the housing equation, the ground lease model reduces the cost of ownership. For more information contact the Island Housing Trust at 508-696-0943.
Land Bank Partnership/ Discounted Sale	The Land Bank has worked with land owners to identify appropriate parcels of land in collaboration with towns and housing organizations. Land is then subdivided with a portion sold to the Land Bank and a portion being sold at a discounted rate to non-profit housing organizations, which affords certain tax benefits to the seller. For more information contact the MV Land Bank, Aquinnah Resident Homesite Committee or the Dukes County Regional Housing Authority.
INFRASTRUCTURE	
Municipal & District Sewer System	Capital investments in municipal and district sewer systems is a critical consideration when encouraging smart growth principles that emphasis the development of places that are already built-up.
Off-Site Parking/ Public Transportation	Capital investments in off-site parking and public transportation are critical considerations when encouraging smart growth principles that emphasis the development of places that are already built-up.
HOMEBUYER ASSISTANCE	
Homebuyer Counseling and Education	Homebuyer counseling and education are valuable marketing and outreach tools that can bridge the information gap and expand the pool of potential homebuyers, preparing them for a successful application and ownership experience. The Dukes County Regional Housing Authority maintains an Affordable Homebuyer Clearinghouse. For more information on homebuyer counseling and education see the Housing Assistance Corporation website at http://www.haconcapecod.org/
Employer-Assisted Housing	Employer assisted housing programs provide financial and/ or technical assistance to help employees locate or afford suitable housing. There are many types including forgivable, deferred, or repayable second loans, a grant, a matching savings plan, or homebuyer education. An employer may also provide financial assistance to renters by providing or guaranteeing the payment of security deposits and land month's rent, where required. For more information contact the Citizens Housing and Planning Association at (617) 742-0820 about the Greater Boston Chamber of Commerce Initiative.

* Source:

Taking the Initiative - A Guidebook on Creating Affordable Housing Strategies, prepared by CHAPA and MHP and can be download at www.mhpfund.com

