North of Boston Regional Shared Housing Services Project Phase II

Funding provided by the District Local Technical Assistance program, Commonwealth of Massachusetts

December 2013

Prepared for:
Towns of Danvers, North Reading, Reading, Saugus and Wilmington

Prepared by:
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Acknowledgements

The North of Boston Regional Shared Housing Services Phase II program is the culmination of activities that began in November 2012. Thank you to all who participated throughout the process. This project was undertaken with funds from the District Local Technical Assistance program. The Metropolitan Area Planning Council wishes to express our thanks to the Governor and the members of the Legislature for their continued support and funding of this program.

This report was produced by the Metropolitan Area Planning Council, professional technical assistance was provided by Matthew Smith, Senior Regional Planner; Steven Winter, Economic Development Manager; and Jennifer Raitt, Chief Housing Planner.

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Vice President Lynn Duncan, City of Salem
Secretary Marilyn Contreas, Department of Housing and Community Development
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Thank you for the assistance and leadership of the following individuals:

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Wayne Marquis, Town Manager
Susan Fletcher, Assistant Director of Planning and Human Services

Town of North Reading
Greg Balukonis, Town Administrator
Danielle McKnight, Planning Administrator

Town of Reading
Peter I. Hechenbleikner, Town Manager
Jean Delios, Community Services Director and Town Planner

Town of Saugus
Scott Crabtree, Town Manager
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Town of Wilmington
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I. Executive Summary

The Towns of Danvers, North Reading, Reading, Saugus and Wilmington requested assistance with the implementation phases of the previously completed 2012 District Local Technical Assistance project that studied the feasibility of establishing a shared regional housing services office for the the towns and cities. (The City of Peabody, which was included in the 2012 project, did not to participate in this final phase.)

For this project, MAPC worked with the housing and planning staff from each of the communities to complete the following activities during this project:

- Identified the final list of potential housing services to be provided by the office.
- Revised and finalized the 2012 Report.
- Drafted the Intermunicipal Agreement with the Town of Reading serving as the lead community (either to host the office or to procure a consultant).
- Drafted a Request for Proposals to procure a consultant.

As a result of the project, the four communities of North Reading, Reading, Saugus and Wilmington identified funding for the office and agreed to move forward together. The intermunicipal agreement is expected to be voted on and signed in January 2014. The office is anticipated to begin providing services, either directly through Town of Reading staff or a consultant, in July 2014. The Town of Danvers was unable to provide funding, but will consider joining at a later time.
II. Intermunicipal Agreement

MAPC met with representatives from the Towns of Danvers, North Reading, Reading, Saugus and Wilmington to identify the final list of services to be provided by the Regional Shared Housing Office (RHSO), and to discuss preferred options for procurement and contracting for the RHSO. Through discussions, it was determined that participating municipalities would contract with the Town of Reading to serve as the host community for the office with two options for implementation. The first option would be for the Town of Reading as host community to deliver the services directly by hiring Town staff and providing office space. The second alternative would be for the Town of Reading to procure a housing consultant to provide the RHSO services on behalf of the member communities. Ultimately, the group decided that the final model would not be determined until after final approval by each Town’s Board of Selectmen, as the number of participating member communities, and their allotted hours, would determine the decision.

Working with the community representatives, MAPC drafted an Intermunicipal Agreement to establish the office with the Town of Reading as host with the option to either provide services directly, or to procure a consultant. The agreement was distributed to the Towns for review, and revisions were made.

The Towns of North Reading, Reading, Saugus and Wilmington each identified funding for the office and decided to proceed together. The Town of Danvers was unable to provide funding at this time, however, may consider future participation. Each of the final communities anticipates approval by their respective Boards of Selectmen in January or February 2014.

The draft Intermunicipal Agreement is included on the next page.
DRAFT AGREEMENT

THIS AGREEMENT is entered into by and between the Towns of North Reading, Reading, Saugus, and Wilmington, hereafter referred to individually as “Municipality” and collectively as the “Municipalities,” this ___ day of ______ 2014, as follows:

WHEREAS, the Municipalities desire to share the services and costs of a common Regional Housing Services Office; and

WHEREAS, the Town of Reading is willing and capable of providing the services of a Regional Housing Services Office; and

WHEREAS, each of the Municipalities has authority to enter into this Agreement pursuant to G.L. c. 40, s 4A;

NOW, THEREFORE, the Municipalities, in mutual consideration of the covenants contained herein, intending to be legally bound, agree under seal as follows:

1. Term. The Term of this Agreement shall commence on July 1, 2014 and shall expire on June 30, 2016, unless earlier terminated as set forth herein. Any municipality may withdraw from the Agreement as defined below. The Agreement may be renewed for an additional ten (10) two-year terms as voted by each municipality through its respective Board of Selectmen or City Council with approval by its Mayor by January 1 of the year of the expiring term.

2. Lead Municipality. During the Term of this Agreement, the Town of Reading, acting as the lead municipality, shall operate the Regional Housing Service Office. The Town of Reading, through its standard personnel practices, shall employ or contract the adequate staff necessary to provide the housing administrative services described in Exhibit A: Core Housing Services, attached and incorporated herein, to the remaining Municipalities.

3. Duties. During the Term of this Agreement, the Regional Housing Services Office shall perform the housing administrative services as described in Exhibit A: Core Housing Services for an annual allocation of hours as indicated in Exhibit B: Fee Structure, attached and incorporated herein.

4. Fee Structure and Payment. The annual Membership Fee payable by each Municipality shall be as set forth Exhibit B: Fee Structure, and shall be adjusted as set forth herein. The Town of Reading shall issue an invoice by July 1 to each of the Municipalities for its Membership Fee for the upcoming fiscal year, such Membership Fee to be paid within thirty (30) days of the date of the invoice but not earlier than the first day of the fiscal year in question. Payment for
supplemental services not included in Exhibit A: Core Housing Services and for additional hours in excess of the allotted hours in Exhibit B: Fee Structure shall be invoiced separately as may be agreed upon by the Town of Reading and the individual municipality. Towns may borrow or lend hours to other Municipalities upon written agreement between the impacted Municipalities provided that the total number of hours available to the Regional Housing Services Office remains constant.

5. Membership Fee Adjustments. The Advisory Board will review the Membership Fee annually three (3) months prior to the end of each fiscal year and, if appropriate, adjust the Membership Fee for the upcoming fiscal year. The Town of Reading shall provide to all Municipalities a record of the actual hours of services provided to each municipality and adjustments for the following fiscal year.

6. Indemnification. Notwithstanding the final sentence of G.L. c. 40, s 4A, to the extent permitted by law and by State statute, the Municipalities shall indemnify and hold harmless the Town of Reading and each and all of its officials, officers, employees, agents, servants and representatives from and against any claim arising from or in connection with the performance by the Regional Housing Services Office of their duties in or for the Municipalities including, without limitation, any claim of liability, loss, damages, costs and expenses for personal injury or damage to real or personal property by reason of any negligent act or omission or intentional misconduct by the Regional Housing Services Office while in or performing services for the Municipalities.

By entering into this Agreement, none of the Municipalities has waived any governmental immunity or limitation of damages which may be extended to them by operation of law. It is expressly understood that the services rendered hereunder are deemed for public and governmental purposes, and all privileges and immunities from liability enjoyed by the Municipalities shall extend to their participation hereunder and to the activities so undertaken to the fullest extent permitted by law.

7. Withdrawal. Any Municipality, by a vote of its respective Board of Selectmen and City Council with approval by its Mayor, may withdraw from this Agreement at the end of any municipal fiscal year with the provision of at least ninety days (90) prior written notice to the Town of Reading. Such withdrawal shall take effect on the following June 30. No such withdrawal shall affect any obligation of indemnification that may have arisen hereunder prior to such withdrawal, nor shall it affect any financial obligations that by prior agreement extend beyond the withdrawal date. Upon such withdrawal, the Town of Reading shall prepare full statements of outstanding unpaid financial obligations under this Agreement and present the same to the withdrawing Municipality for payment within thirty (30) days thereafter. The
remaining Municipalities shall continue with this Agreement as written unless the Agreement is terminated as per paragraph eight (8).

8. Termination. The Town of Reading, by a vote of its respective Board of Selectmen, may terminate this Agreement upon the provision of at least six months prior written notice to the participating Municipalities. After providing notice, the Town of Reading shall remain liable to the participating Municipalities for any portion of the payments received not earned until the date of termination. Such termination shall take effect on the following June 30.

The Town of Reading and the participating Municipalities, by a majority vote, may agree to terminate this Agreement at least six months prior to the end of any municipal fiscal year. After the date of the vote, the Town of Reading shall remain liable to the participating Municipalities for any portion of the payments received not earned. Such termination shall take effect on the following June 30. No such termination shall affect any obligation of indemnification that may have arisen hereunder prior to such termination, nor shall it affect any financial obligations that by prior agreement extend beyond the termination date. Upon such termination, the Town of Reading shall prepare full statements of outstanding unpaid financial obligations under this Agreement and present the same to the participating Municipalities for payment within thirty (30) days thereafter.

9. Advisory Committee. There shall exist an Advisory Committee comprised of one (1) representative, or their designee, from each Municipality, whom shall be appointed by the Town Manager/Administrator or Mayor of the Municipality. Each Municipality shall have one vote and each representative, or their designee, shall be authorized to cast such vote. The Advisory Committee shall meet on a quarterly basis in July, October, January and April. The Town of Reading shall prepare and send to each municipality a quarterly status report prior to the quarterly meeting. In addition, the Advisory Committee may meet via telephone on a monthly basis, or at any mutually agreed upon timeframe, and the Town of Reading shall prepare and send to each Municipality a monthly status report prior to the monthly meeting.

10. Conflict Resolution. The Advisory Committee may hold additional meetings to discuss and resolve any conflicts that may arise including, but not limited to, disagreements regarding the needs of each municipality and changes to the annual allocation of hours as indicated in Exhibit B: Fee Structure. Any recommendations made to the Director of the Regional Housing Services Office must be made by a majority vote. Any unresolved issues shall be decided by the Town Manager of the Town of Reading.

11. Additional Municipalities. At any time during the Term of this Agreement, the Advisory Committee may meet and, by unanimous vote and approval of the Lead Municipality, amend this Agreement to admit an additional municipality on the following July 1.
12. Financial Safeguards. The Town of Reading shall maintain separate, accurate and comprehensive records of all services performed for each of the Municipalities hereto, and all contributions received from the Municipalities. The Town of Reading shall issue a financial report for each fiscal year to each of the Municipalities by December 31 of the following fiscal year using Exhibit C, attached and incorporated herein, or a form that is substantially similar.

13. Assignment. None of the Municipalities shall assign or transfer any of its rights or interests in or to this Agreement, or delegate any of its obligations hereunder, without the prior written consent of all of the other Municipalities.

14. Amendment. This Agreement may be amended only by a writing signed by all Municipalities duly authorized thereunto.

15. Severability. If any provision of this Agreement is held by a court of competent jurisdiction to be invalid, illegal or unenforceable, or if any such term is so held when applied to any particular circumstance, such invalidity, illegality or unenforceability shall not affect any other provision of this Agreement, or affect the application of such provision to any other circumstances, and the remaining provisions hereof shall not be affected and shall remain in full force and effect.

16. Governing Law. This Agreement shall be governed by, construed, and enforced in accordance with the laws of the Commonwealth of Massachusetts.

17. Headings. The paragraph headings herein are for convenience only, are no part of this Agreement and shall not affect the interpretation of this Agreement.

18. Notices. Any notice permitted or required hereunder to be given or served on any Municipality shall be in writing signed in the name of or on behalf of the Municipality giving or serving the same. Notice shall be deemed to have been received at the time of actual receipt of any hand delivery or three (3) business days after the date of any properly addressed notice sent by mail as set forth below:

Town of North Reading
Greg Balukonis, Town Administrator
235 North Street
North Reading, MA  01864

Town of Reading
Robert W. LeLacheur, Jr., Town Manager
19. Complete Agreement. This Agreement constitutes the entire Agreement between the Municipalities concerning the subject matter hereof, superseding all prior agreements and understandings. There are no other agreements or understandings between the Municipalities concerning the subject matter hereof. Each Municipality acknowledges that it has not relied on any representations by any other Municipality or by anyone acting or purporting to act for another Municipality or for whose actions the any other Municipality is responsible, other than the express, written representations set forth herein.
WITNESS OUR HANDS AND SEALS as of the first date written above.
TOWN OF NORTH READING
By its Board of Selectmen

________________________
________________________
________________________
________________________
WITNESS OUR HANDS AND SEALS as of the first date written above.
TOWN OF READING
By its Board of Selectmen
WITNESS OUR HANDS AND SEALS as of the first date written above.
TOWN OF SAUGUS
By its Board of Selectmen

__________________________________

__________________________________

__________________________________
WITNESS OUR HANDS AND SEALS as of the first date written above.
TOWN OF WILMINGTON
By its Board of Selectmen

__________________________________
__________________________________
__________________________________
Exhibit A
Core Housing Services

1. Monitoring
   - Monitoring Database of Affordable Housing Developments and residents
   - Annual monitoring of ownership units
   - Annual monitoring of rental developments

2. Subsidized Housing Inventory administration
   - Reconcile municipal inventory records with the Subsidized Housing Inventory maintained by the Department of Housing and Community Development
   - Add new units to the inventory as required

4. Local Support
   - Meet on-site with staff and housing entities
   - Consult on projects
   - Review project documents
   - Prepare proposals for supplemental services as needed

5. Regional Activities
   - Assist communities with regional linkages
   - Create Ready-buyer list
   - Create Ready-renter list
Exhibit B
Fee Structure

The participating municipalities will proportionally share the total cost of operating the Regional Housing Services Office, each Municipality’s proportionate share being deemed its “Membership Fee”. The respective Membership Fees shall be determined based on the percentage of hours planned to support each municipality for core services as represented in the fee schedule.

**Membership Fee Schedule:**

<table>
<thead>
<tr>
<th>Town</th>
<th>Hours</th>
<th>% of hrs</th>
<th>Pro rata $</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Reading</td>
<td>173</td>
<td>18%</td>
<td>$10,380</td>
</tr>
<tr>
<td>Reading</td>
<td>153</td>
<td>16%</td>
<td>$9,180</td>
</tr>
<tr>
<td>Saugus</td>
<td>221</td>
<td>23%</td>
<td>$13,260</td>
</tr>
<tr>
<td>Wilmington</td>
<td>415</td>
<td>43%</td>
<td>$24,900</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>962</td>
<td><strong>100%</strong></td>
<td><strong>$57,720</strong></td>
</tr>
</tbody>
</table>

This fee structure does not include payment for supplemental services which will be proposed and invoiced outside of this agreement or payment for additional hours in excess of the allotted hours.

*(The below fee schedule represents a potential scenario based on supplementary services selected for each community in the previous spreadsheet. Final hours and costs will be determined based on individual municipality use of supplementary services.)*

<table>
<thead>
<tr>
<th>Town</th>
<th>Hours</th>
<th>% of hrs</th>
<th>Pro rata $</th>
</tr>
</thead>
<tbody>
<tr>
<td>North Reading</td>
<td>229</td>
<td>19%</td>
<td>$13,740</td>
</tr>
<tr>
<td>Reading</td>
<td>229</td>
<td>19%</td>
<td>$13,740</td>
</tr>
<tr>
<td>Saugus</td>
<td>297</td>
<td>24%</td>
<td>$17,880</td>
</tr>
<tr>
<td>Wilmington</td>
<td>471</td>
<td>38%</td>
<td>$28,260</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>1,226</td>
<td><strong>100%</strong></td>
<td><strong>$73,620</strong></td>
</tr>
</tbody>
</table>
III. Request for Proposals for Consultant Services

As discussed in the previous section, a preferred alternative for operation of the RHSO will not be determined until the participating towns' Board of Selectmen have approved the IMA. Once approved, should the final membership select the consultant model as the preferred alternative, the Town of Reading would issue the RFP.

As part of this project, MAPC drafted a sample Request for Proposals (RFP) for use by the host community. The draft RFP is included on the following pages.
North of Boston
Regional Housing Administrative Services

Notice of RFP

Date TBD
**RFP Table of Contents**

**SECTION 1:** RFP INTRODUCTION

**SECTION 2:** INSTRUCTIONS TO PROPOSERS

**SECTION 3:** PROJECT INTRODUCTION

**SECTION 4:** GENERAL SCOPE OF SERVICES

**SECTION 5:** FEES

**SECTION 6:** GOALS AND OBJECTIVES

**SECTION 7:** MINIMUM QUALIFICATIONS OF RESPONDER

**SECTION 8:** COMPARATIVE EVALUATION CRITERIA

**SECTION 9:** PROPOSAL SUBMISSION REQUIREMENTS

**SECTION 10:** ACCEPTANCE OR REJECTION OF PROPOSALS

**SECTION 11:** FINAL SELECTION AND AWARD OF CONTRACT

**SECTION 12:** APPENDIX
Section 1: RFP Introduction

The Towns of Reading, North Reading, Saugus and Wilmington, are soliciting proposals for the procurement of housing administrative services as described more fully in following sections.

The purpose of this RFP is to select a service provider firm with experience in affordable housing programs.

Applicants should submit responses to this RFP on or before

**Date TBD, 1 pm to:**

Address and contact information

________________________________________

Name, Title
Section 2: Instructions to Proposers

The RFP may be obtained from the Town of Reading Planning Division, Monday through Thursday between 8:00 a.m. and 4 p.m. In addition, RFP’s will be mailed to interested parties upon request directed to the Town of Reading Planning Division at (781) 942-6648.

Questions regarding this RFP may be directed to Jean Delios, Community Services Director/Town Planner, Town of Reading at (781) 942-6648, who will serve as the Project Manager.

Requests for interpretation or supplemental information must be made in writing via e-mail and must be received by the Project Manager by e-mail no later than DATE TBD. Property information referenced below may be reviewed in the office by appointment only. Any interpretation or supplemental information provided to proposers will be issued in the form of written addenda to the RFP and will be sent by e-mail to all persons on record as having received the RFP no later than DATE TBD.

There will be an information session for interested responders on XXX date.

Proposals must be received by the Town of Reading Planning Division office, in accordance with the instructions in Section 8 below.

Regardless of the cause of delay, no proposals that are received after the deadline shall be given any consideration. The responsibility for assuring the receipt of proposals before the specified closing time is incumbent upon the proposers.

Section 3: Project Introduction

This RFP is a collaborative effort between four municipalities. These communities, as with most communities in the Commonwealth, are interested and motivated to preserve their affordable housing stock as well as creating new affordable housing for a number of compelling reasons, including:

1) to expand the housing options for low and moderate income residents within their communities;
2) to achieve the state 10% mandate for affordable housing. (The Department of Housing and Community Development (DHCD) maintains a Subsidized Housing Inventory (SHI) of qualifying affordable units to track each community’s inventory of affordable housing. Communities that have 10% of their year-round housing stock designated as affordable housing have the option to deny comprehensive permit applications, 40B.)
3) to maximize investments (both financial and staff time) because affordable housing units take many years to create; and
4) to preserve public subsidies since all units of affordable housing are created with public subsidies (such as funds, zoning bonuses or public resources)

As with most municipalities, the task of managing the affordable housing inventory is not a specific assignment for municipal staff. Generally the Planning or Community Development Office is responsible for any municipal activity required, and often this is an adjunct part of the job responsibilities and often not in the job description at all. Due to the infrequency of the tasks, the complexity of the regulatory requirements and the many options available for local initiatives,
maintaining the required technical skill for in-house staff is difficult. Communities often turn to independent private housing consultants for assistance on specific projects or on-going general support.

The objective of this study is to investigate how these four North of Boston communities might jointly procure technical housing assistance in a collaborative manner.

The SHI-oriented snapshot of these seven communities is shown below. This shows the SHI as of May 2013, with pending projects below.

<table>
<thead>
<tr>
<th></th>
<th>NORTH</th>
<th>READING</th>
<th>SAUGUS</th>
<th>WILMINGTON</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Housing Units</td>
<td>44</td>
<td>90</td>
<td>313</td>
<td>82</td>
</tr>
<tr>
<td>DDS Units</td>
<td>32</td>
<td>42</td>
<td>86</td>
<td>19</td>
</tr>
<tr>
<td>Other Rental</td>
<td>414</td>
<td>526</td>
<td>300</td>
<td>451</td>
</tr>
<tr>
<td>Ownership</td>
<td>43</td>
<td>26</td>
<td>60</td>
<td>158</td>
</tr>
<tr>
<td>Total SHI Units</td>
<td>533</td>
<td>684</td>
<td>759</td>
<td>710</td>
</tr>
<tr>
<td>Total Current SHI</td>
<td>9.5%</td>
<td>7.1%</td>
<td>7.1%</td>
<td>9.1%</td>
</tr>
<tr>
<td>Pending Units</td>
<td>0</td>
<td>132</td>
<td>0</td>
<td>108</td>
</tr>
<tr>
<td>Total Pending SHI</td>
<td>533</td>
<td>816</td>
<td>759</td>
<td>818</td>
</tr>
<tr>
<td>Pending %SHI</td>
<td>9.5%</td>
<td>8.5%</td>
<td>7.1%</td>
<td>10.5%</td>
</tr>
</tbody>
</table>

The purpose of this RFP is to select a service provider who can demonstrate the experience and capacity necessary to deliver the services described below, and best meets the Minimum Evaluation Criteria described in Section 7 below. The service provider could be a private consulting firm, a non-profit organization, a public housing authority or other knowledgeable organization.

**Section 4: General Scope of Services**

There are two main types of services sought as part of this RFP: Core Services (Monitoring and Regional Services) and Supplementary Support Services.

The delivery of Monitoring and Regional Services is the core of the program offerings. The supplementary support services provide value-added responsibilities focusing on assisting specific projects and locally sponsored unit creation development and administration.

It is contemplated that the base contract will include the Core Services and a variable amount of local support as needed as part of the base contract. The Monitoring Services subcategory should be estimated based on the number of units and type of development.

While the level of delivery of these desired services will vary, the successful respondent should be able to deliver this breadth of service.
1. **Core Services**

**Monitoring Services**

The first grouping of core services - the monitoring services - ensure and enforce compliance of existing affordable housing restrictions with the goal of preserving the affordable units. There are many tasks and activities under the Monitoring Services umbrella.

a) *Create central repository*

The first and primary task is to create a centralized repository of all available legal documents for all projects. This includes project zoning decisions (Special Permit, Comprehensive Permit, other), regulatory agreements (both homeownership and rental), deeds for ownership units, and other specific project information (e.g. mortgages or liens, land disposition agreements, 40B Cost Certification Reports). The result is a consolidated inventory of each development/project complete with the above legal documents, as well as the project address/contact information, unit size mix, affordability levels, and DHCD Subsidized Housing Inventory (SHI) identifications.

**SHI Administration**

In order to develop the repository, each project in each community is reconciled to the DHCD SHI listing, and required updates are made to DHCD to ensure that municipalities benefit from all eligible units being ‘counted’ on their SHI. This inventory is updated throughout the term of service as new projects are completed and units occupied, units are bought or sold, and refinancing transactions occur. The final outcome is a central repository and an accurate listing on DHCD’s SHI. This might also include verifying the number of units for DDS/DMR units.

b) *Create Annual Monitoring Plan*

For this task, the legal framework of each project, generally found in the Regulatory Agreement and Owner Deed, is reviewed and detailed conditions are analyzed. The role and responsibility of the municipality for monitoring the housing unit(s) is then identified, as are the specific requirements for local programs and restrictions. This effort results in the development of the Annual Monitoring Plan.

As background, different affordable housing programs generally require program specific monitoring responsibilities for municipalities. For example, the DHCD LIP Program, used for both ownership and rental in 40B and Local Action Unit (LAU) developments, generally requires annual certification by the Municipality to DHCD to ensure units comply with deed and regulatory requirements. On the other hand, the MassHousing NEF (New England Fund) Housing Starts Program requires a third-party Monitoring Agent to perform the required annual certifications, and currently only for rental units. Rental units, in all programs, require annual tenant recertification using updated primary source documents. Tenants must remain income-eligible to continue occupying an affordable unit. It is useful to know that DHCD’s monitoring expectations may change, placing a greater emphasis on compliance certification by the responsible parties. This may result in additional efforts by the municipalities that are not currently required.
c) **Execute Annual Monitoring Plan**

The Annual Monitoring Plan is developed based on the projects and units regulated in the municipality with activities specific to ownership units and rental units, with the objective to confirm that the development and/or owner is compliant with the affordable housing restrictions.

For ownership units, the annual monitoring task is to confirm that the owner of record is compliant. It is important to note that the form of affordable housing restriction can vary greatly depending on when the deed is recorded and the regulatory program requirements. Generally though, the restriction requires that the owner live in the unit as their primary residence and that they obtain approval for refinancing or transfer. This effort starts with the research at the appropriate Registry of Deeds to review any new information for the unit – such as refinancing (more common) or transfers (less common). Self-certification letters are sent to each owner requiring return confirmation of the restrictions. This annual correspondence with the owners is a useful opportunity for the municipality to reiterate the deed restriction requirements and to direct owners to resources that can assist them to continue to maintain their property – both physically and financially as needed.

For rental units, the annual monitoring task is to confirm that the project is in compliance with the rental regulatory agreement. The monitoring effort for rental projects is mostly for LIP projects. For these developments, the municipality is required to review the rents charged, review the certification of the tenants, review that the units are maintained, to ensure that tenant selection practices comply with Fair Housing laws, and to certify all the above to DHCD. For non-LIP projects, the level of this effort is more discretionary as the municipality generally has no identified responsibility. However, the municipality may wish to obtain a general certification from the project sponsor that they are in compliance with deed restriction requirements.

It is expected through this extensive review that compliance violations will be identified and rectified. Violations may be the result of misunderstood program guidelines, Fair Housing violations, general neglect or lack of oversight. This effort results in the development of a list of compliance violations, with a proposed course of action, as well as certifications of compliance.

d) **Value ownership units for assessment purposes**

This effort provides the Assessor’s Office with annual valuations for the affordable units. As required by the Department of Revenue, property assessments must take into account deed restrictions in their valuation. This value-added service is facilitated greatly by the complete inventory and analysis of each deed restriction and its method of resale calculation for ownership units. This effort results in the delivery of a list to the Assessor’s Office of the proposed valuation of each affordable unit for tax assessment purposes.

e) **Approve owner refinancing and related inquiries**
Many owners wish to refinance or investigate selling their unit. This requires first an initial valuation as well as helping them with required processes. The initial inquiries may lead to refinancing approvals required by the municipality, or triggering resale provisions. This effort results in the drafting of the refinancing approval for the municipality and potentially a Subordination Agreement.

**Regional Services**

The second grouping of core services relate to regional services and regional linkages among the participating municipalities.

f) *Locating eligible buyers and renters*

This service provides the municipalities and their properties access to ready renter and ready buyer lists for unit leasing and resale. Gathering this information regionally would benefit each of the communities. Activities include:

- developing marketing plans per regulation and guidelines
- performing outreach and affirmative/fair marketing units
- qualifying applicants and certifying eligibility
- administering and documenting lotteries
- assisting applicants through occupancy

g) *Resident training/services*

This service provides training and services to existing home owners by connecting them to regional programs and services. The collaborative communities may opt to offer post-purchase training modules or provide linkages to foreclosure resources. This service offering is greatly leveraged across multiple communities.

2. **Supplementary Support Services**

The second group of proposed housing services, Supplementary Support Services, would be provided on additional fee-for-service as part of the contract. The supplementary support options would allow each participating municipality to select from a menu of value-added services to focus on specific projects and locally sponsored unit creation development and administration. Should some municipalities require additional assistance beyond the hours allotted in the base contract, supplemental services could be separately arranged through the office or identified service provider.

h) *On-site support for staff, boards and committees*

The housing service entity could provide on-site support to local staff, Boards and Committees, including attendance at meetings with presentation materials. The level of support will vary by municipality as will the number of meetings.
i) **Assist with specific development projects and unit creation**

This service offering provides assistance for specific projects, including locally sponsored and/or private development projects. Activities could include:

- assisting municipal boards and developers with evaluating parcels or municipally-owned property;
- facilitating site and conceptual plan review, project concepts and designs;
- preparing or reviewing project proforma budgets;
- analyzing projects using locally-adopted rules, State guidelines/regulations, best practices;
- reviewing finalized plans with regard to the affordable component, including unit mix, disbursement, cost, governance, schedule, marketing;
- interacting with DHCD and Subsidizing Agency; and
- providing comments on the Regulatory Agreement, and other local agreements as appropriate.

j) **Develop resident assistance programs**

This service provides support in creating resident assistance programs such as down payment assistance, small grants or capital improvement programs, rental assistance programs, buydown programs or any other locally defined initiatives to assist new or existing residents.

Activities include developing the program including eligibility requirements, funding determination, development of application materials, and implementation assistance. Administration of the resulting program is assumed to rest with the municipality, though could also be included in the contracted services if desired.

**Section 5: Fees**

The Town of Reading will be the contracting municipality for the scope of services, with the other municipalities paying Reading for their services.

Each participating community will contract for some level of the services described above and will consider four rates:

1. Hourly rate for monitoring
2. Hourly rate for general local support
3. Separate Fixed cost for planning documents (e.g. Housing Production Plan)
4. Per unit fixed cost for resales, buy-downs or other unit specific transactions.

[Somewhere in this part each community will need to specify the number of hours, or not to exceed amount it is willing to commit.]

From a facilities perspective, Reading will provide access to a central office, with a phone and internet connection. The address and phone number will be published for residents to use, and the
respondent will respond to those inquiries. The respondent can assume that all meetings are at the individual municipality site, and that independent work can take place in a home or company office. Reading will provide some level of office cost to the respondent, including paper, postage, computers, and other office equipment.

Section 6: Goals and Objectives

The Towns have the following goals and objectives for this service.

1. Existing restricted units are preserved by pro-active monitoring with the municipality is aware of pending issues.
2. Residents are served by having easier access to affordable housing opportunities, and are aware of resources to assist them
3. The lines of communication are strengthened with the state subsidizing agencies for local projects.
4. Knowledgeable and technical expertise is available for consultation.
5. The Town has access to ‘best practices’ for their local initiatives.

Section 7: Minimum Qualifications of Responder

The minimum qualifications must include:

1. Respondents must be an organization that has experience with affordable housing subsidy programs.
2. Respondents must have demonstrated ability in communications and presentations. The respondent demonstrates extensive experience in public presentation with visual presentation materials and physical plans.

Section 8: Comparative Evaluation Criteria

In general, respondents must be responsive to the requested information set forth in the RFP. Respondents submitting proposals deemed to be non-responsive shall be given a ranking of Unacceptable.

Specifically, the proposals will be evaluated and rated according to the following criteria:

I. The respondent includes all the required capabilities listed in Section 4:
   
   Highly Advantageous: The respondent includes more than the minimum required qualifications.
   
   Advantageous: The respondent includes all of the minimum required qualifications.
   
   Not Advantageous: The respondent includes less than the minimum required qualifications.

II. The respondent is experienced in the area of monitoring affordable housing:
   
   Highly advantageous: Respondent has an average of 5 or more year’s experience.
   
   Advantageous: Respondent has an average of 2-5 years experience.
Not Advantageous: Respondent has an average of less than 2 years experience.

III. The respondent is experienced in the area of supplementary support services for affordable housing:
Highly Advantageous: The respondent has experience with 4 or more municipalities and their local housing boards.
Advantageous: The respondent has experience with 2 - 4 municipalities and their local housing boards.
Not Advantageous: The respondent has experience with less than 2 municipalities or their local housing boards.

IV. The respondent is experienced in the area of responding to residents of affordable housing:
Highly Advantageous: The respondent has experience with direct resident support and will provide a central phone number for residents to call.
Advantageous: The respondent has little experience with direct resident support and will provide a central phone number for residents to call.
Not Advantageous: The respondent has little experience with direct resident support and will not provide a central phone number for residents to call.

V. Respondents must have the ability to grow the services provided by adding additional communities or increasing the level of services for an existing community:
Highly Advantageous: The respondent demonstrates the ability to expand staff for expanding scope.
Advantageous: The respondent demonstrates willingness to expand staff for expanding scope.
Not Advantageous: The respondent demonstrates little or no willingness in expanding staffing.

VI. Quality of the References provided:
Highly Advantageous: The work of the respondent is deemed excellent by all of their 3 references.
Advantageous: The work of the respondent is deemed good or excellent by at least 2 of their 3 references.
Not Advantageous: The work of the respondent is deemed good or excellent by 1 reference, or deemed poor by any reference.

VII. Readiness to Proceed and Complete Project Within Time Frame and Scope:
Advantageous: Respondent able to begin upon execution of contract (within two weeks of notice to proceed) and complete entire scope within the projected time frame.
Not Advantageous: Unable to begin within 60 days of notification to proceed, or unable to complete entire scope of project.
Section 9: Proposal Submission Requirements

Each final proposal must include a sealed Proposal clearly marked “RFP: North of Boston Regional Housing Administrative Services” along with the proposing developer’s name and address, and twelve (12) copies of the proposal. Proposals should be sent to: name/address

All Proposals shall include, as a minimum, the following information:

1. Name and address and description of the organization and demonstration of the incorporation of the organization.
2. Name of contact person, including phone, fax and email information.
3. Names of any Town officials or employees who are related to any of the partners, officials or directors of any firm working on the project, or others who have any ownership interest in the firm.
4. Demonstration that the proposal meets the Minimum Criteria in Section 7.
5. Demonstration that the proposal meets the Comparative Evaluation Criteria in Section 8.
6. A list of recent similar projects, including a brief description of the project, and date services provided.
7. Contact name, phone number, email address and project name for up to 3 references for similar projects, including one from a subsidizing agency.
8. Other information which will document the respondent’s capabilities and qualifications for the project.
9. Separate Fee Proposal estimate, including hourly rate, and description of cost of supplemental services.

Section 10: Acceptance or Rejection of Proposals

The Town reserves the right to accept or reject any or all proposals, to waive minor informalities, and to make awards as may be deemed to be in the best interest of the Town. Those who enter into contractual obligations with the Town must not discriminate against qualified, handicapped individuals in their employment decisions. The Town will evaluate the proposals submitted and either accept one proposal or reject all of the proposals.

Proposal corrections, modifications, or withdrawals may be submitted until the proposal deadline; any such shall be in writing in a sealed envelope appropriately labeled and delivered as indicated above.

The Town reserves 45 days from the proposal deadline to make an award if it is in the best interests of the Town to do so.

No more than one proposal from the same developer, whether or not the same or different names, shall be considered. Reasonable proof for believing that any consultant is interested in more than one proposal for the work contemplated shall cause the rejection of said proposals made by him, directly or indirectly.
Material submitted in response to this RFP will not be considered confidential under the terms of the Massachusetts Public Records Law.

Section 11: Final Selection and Award of Contract

The Town will review and rate the proposals received, and may select the most highly advantageous proposals for interviews. After the interviews have been conducted, the Town will recommend the contract award. Said recommendation shall include the compiled scores for each firm’s proposal, a copy of the proposal and the interview results.

The contract award, if any, will be made by the Town upon determination of the most advantageous proposal from a responsible, qualified and responsive respondent, taking into consideration all evaluation criteria set forth in the RFP.

The developer selected for the work will need to provide certification of insurance coverage and will be required to indemnify and hold the Town harmless.

Section 12: Appendix

Include the SHI listings for each community.
Appendix: Final Report
North of Boston Regional Shared Housing Services Project

Funding provided by the District Local Technical Assistance program, Commonwealth of Massachusetts

Prepared for the Town and Cities of Danvers, North Reading, Peabody, Reading, Saugus and Wilmington

Prepared by Metropolitan Area Planning Council 60 Temple Place, 6th Floor Boston, Massachusetts 02111 Tel (617) 451-2770 www.mapc.org

September 2013
Acknowledgements

The North of Boston Regional Shared Housing Services program is the culmination of activities that began in November 2012. Thank you to all who participated throughout the process. This project was undertaken with funds from the District Local Technical Assistance program. The Metropolitan Area Planning Council wishes to express our thanks to the Governor and the members of the Legislature for their continued support and funding of this program.

This report was produced by the Metropolitan Area Planning Council, professional technical assistance was provided by Matthew Smith, Senior Regional Planner; Steven Winter, Economic Development Manager; and Jennifer Raitt, Chief Housing Planner.

Metropolitan Area Planning Council
Officers
President Michelle Ciccolo, Town of Hudson
Vice President Lynn Duncan, City of Salem
Secretary Marilyn Contreas, Department of Housing and Community Development
Treasurer Taber Keally, Town of Milton
Thank you for the assistance and leadership of the following individuals:

Town of Danvers
Wayne Marquis, Town Manager
Susan Fletcher, Assistant Director of Planning and Human Services

Town of North Reading
Greg Balukonis, Town Administrator
Maureen Hickey, North Reading Housing Authority

City of Peabody
Edward A. Bettencourt, Jr. Mayor
Karen Sawyer, Director of Community Development and Planning
Stacey Bernson, Assistant Director of Community Development

Town of Reading
Peter I. Hechenbleikner, Town Manager
Jean Delios, Community Services Director and Town Planner

Town of Saugus
Scott Crabtree, Town Manager
Janet Leuci, Saugus Affordable Housing Trust

Town of Wilmington
Jeffrey M. Hull, Town Manager
Carole Hamilton, Director, Planning & Conservation
Michael Vivaldi, AICP, Assistant Planner
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VII. Next Steps for Municipalities A-xix
I. Executive Summary

For this 2012 District Local Technical Assistance (DLTA) project to assess the feasibility of a Shared Regional Housing Office, MAPC performed a Housing Services Assessment of municipal time and funding expended on affordable housing efforts in the communities of Danvers, North Reading, Peabody, Reading, Saugus and Wilmington. MAPC worked with Town Managers, housing and planning staff, and volunteers from these municipalities to gather housing data, analyze results, identify overlapping services/issues/concerns, and to develop a list of proposed services that could be handled by a shared housing office or service provider.

The results of this detailed assessment found that the six communities would benefit from a shared relationship in the following housing services areas:

- Monitoring: Regional and Community Linkages
- Local Support (Affordable Housing Planning and Advocacy)

MAPC identified various models for the communities to consider for the shared housing services. The four potential models include:

- Consultant through Collaborative or Individual RFP
- Creation of an Inter-municipal Agreement (IMA)
- MAPC to provide services
- Public/Private Partnership through 501 (c)(3)

A financial model was developed from the information provided in the Assessment for Town Managers, Mayors and/or their representatives to review.
II. Introduction

The key objective of this study was to investigate and identify a mechanism for the communities of Danvers, North Reading, Peabody, Reading, Saugus and Wilmington to work together collaboratively to better achieve and maintain progress toward their affordable housing goals by jointly procuring housing assistance.

In many municipalities throughout the Commonwealth, a Planning or Community Development Office is responsible for the oversight and management of municipal housing activities, however, the role of promoting affordable housing, and/or managing the affordable housing inventory, is often adjunct to the primary job responsibilities and often not description component of municipal housing work. Additionally, due to the infrequency of some tasks, the complexity of regulatory requirements, and the many options available for advancing local initiatives, maintaining the required technical skills in-house is difficult, and communities often turn to external housing consultants on an as-needed fee-for-service basis to assist with specific projects or provide general support. This can be costly on a per project basis and does not typically provide the community with a complete or consistent understanding of their affordable housing needs over time or how best to address them.

The six municipalities in this study joined together because they are interested and motivated to create more affordable housing opportunities within their communities and to maintain and preserve their existing affordable housing stock in a cost effective manner. This is important to communities for several reasons, including:

5) to expand the housing options for low and moderate income residents within their communities;
6) to achieve the state 10% mandate for affordable housing. (The Department of Housing and Community Development (DHCD) maintains a Subsidized Housing Inventory (SHI) of qualifying affordable units to track each community’s inventory of affordable housing. Communities that have 10% of their year-round housing stock designated as affordable housing have the option to deny comprehensive permit applications, 40B.)
7) to maximize investments (both financial and staff time) because affordable housing units take many years to create; and
8) to preserve public subsidies since all units of affordable housing are created with public subsidies (such as funds, zoning bonuses or public resources)

A successful example of this type of collaboration is the Regional Housing Services Office supporting the housing needs for the towns of Acton, Bedford, Concord, Lexington, Sudbury and Weston. About two years ago, these communities joined together through an Inter-Municipal Agreement, with the Town of Sudbury hosting the office and providing the services
to the other Towns. The member towns pay a membership fee annually for a contracted level of service, which provides a staff augmentation approach to delivery. Sudbury then provides the physical space and infrastructure, manages the services contracting, hires needed staff, and provides general management oversight.

(Please note that an IMA is not the only option for procurement. Several other options that may be equally suited for this grouping of communities were identified as part of this study, and will also be discussed later in this document.)

The following pages detail the approach taken to better understand current municipal affordable housing capacity, identify a list of core and optional services, provide a draft financial model, and a menu of procurement options available should the six participating municipalities (or subset of the group) move forward.
III. Community Outreach, Data Collection & Analysis

The first task of this project was the Regional Housing Services Needs Assessment, which required MAPC to compile survey data, interview representatives from each municipality, analyze results, and identify overlapping services and issues.

To begin the process, MAPC reached out to and met with representatives from several municipalities at a kickoff meeting to gauge interest in project participation, and to answer questions. After this meeting, six communities committed to participate in the process - Danvers, North Reading, Peabody, Reading, Saugus and Wilmington.

MAPC distributed a Housing Services Needs Assessment survey instrument to each community to complete. This provided MAPC with an overview of municipal time, expenditures, and revenues associated with affordable housing in each municipality. MAPC staff then held a meeting with each community to provide assistance, review the completed survey and identify additional needs.

A summary table of a 12-page detailed municipal time and expenditures housing analysis is provided on page 10. The analysis provides a summary of the total hours, revenue, and costs expended on municipal housing activities in four core areas: planning, programs, services, and general administration by the six municipalities based on data collected with communities in December, 2012. (See Appendix for more information.).

Next, MAPC analyzed the combined data to find commonalities between the municipalities that would later be used to identify a group of core services that could be appropriately administered through a shared regional housing office. Individual needs were also identified that could potentially be administered by a shared office or other entity on an as-needed basis.

Key Findings:

A list of key findings for all municipalities combined can be seen below, followed by a summary table for the individual communities.

Key Findings: All Communities

1. All of the municipalities in this study are currently below the 10% SHI mandate for affordable housing.
2. Staff capacity to manage housing services varies widely from municipality to municipality.
3. Monitoring affordable housing stock is time consuming and communities would benefit from additional capacity to proactively do so.

4. Municipal staff would benefit from additional resources to effectively identify ready-renters and buyers, and maintain up-to-date lists.

5. Assistance to ensure Local Preference a priority is desired.

6. Technical assistance would help municipalities to better understand and utilize existing and new housing programs to maximum public benefit.

7. Several municipalities that do not have a DHCD approved housing production plan would benefit from one, and/or could use assistance developing one. Other communities have recently approved HPPs (Reading), or are in final approval stages (Peabody), or about to begin a plan process with a consultant (Danvers).

8. Several municipalities would like grant writing assistance to obtain additional funds for housing-related services or development projects.

9. Many of the municipalities lack specific dedicated revenue streams for housing services, especially relative to administration and overhead funds.
<table>
<thead>
<tr>
<th>Community</th>
<th>SHI %</th>
<th>SHI Units</th>
<th>Housing Staff, Boards and Committees</th>
<th>Dedicated Revenues for Housing Services</th>
<th>Development Pipeline</th>
<th>Service Needs Identified by the Communities</th>
</tr>
</thead>
<tbody>
<tr>
<td>Danvers</td>
<td>9.2</td>
<td>1013</td>
<td>Assistant Director of Planning and Human Services, Planner, Housing Trust, Housing Authority</td>
<td>Affordable Housing Trust, HOME, Housing Assistance Trust, General Fund (Staff Time)</td>
<td>Connifer Commons - 90 units all affordable. Tax credit, not 40B. 40B near Middleton Line - ownership 18 affordable units (71 total)</td>
<td>Housing Production Plan, SHI Monitoring, Ready Renter/Buyer, Education/Tech Assistance</td>
</tr>
<tr>
<td>North Reading</td>
<td>9.5</td>
<td>533</td>
<td>Town Planner, Housing Authority</td>
<td>None specific to housing, General Fund (Staff Time)</td>
<td>No major projects pending.</td>
<td>Housing Production Plan, SHI Monitoring, Ready Renter/Buyer, Senior Housing</td>
</tr>
<tr>
<td>Peabody</td>
<td>9.1</td>
<td>2018</td>
<td>Community Development Director, Asst. Community Development Director, Housing Authority</td>
<td>CPA, HOME, Inclusionary Funds, CDBG, Revolving Loan Fund, General Fund (Staff Time)</td>
<td>No major projects pending.</td>
<td>SHI Inventory Monitoring, First-Time Homebuyer Program, Rehab, Client Intake/Eligibility, General Admin</td>
</tr>
<tr>
<td>Reading</td>
<td>7.1</td>
<td>684</td>
<td>Community Services Director and Town Planner, Planner, Housing Authority</td>
<td>Affordable Housing Trust Fund, General Fund (Staff Time)</td>
<td>7 projects either recently completed or in pipeline. Haven Street-Oaktree, Reading Woods, Johnson Woods, Johnson Woods Phase II, MF Charles, 45 Beacon Street, Peter Sanborn Place (132 new SHI units will be added.)</td>
<td>SHI Monitoring, Ready Renter/Buyer, Local Preference, group home confirmation, Education/Best Practices, First-Time Homebuyer Program</td>
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<tr>
<td>Saugus</td>
<td>7.1</td>
<td>759</td>
<td>Housing Trust (Volunteer)</td>
<td>None specific to housing, Housing Trust volunteer time.</td>
<td>No major projects pending.</td>
<td>Housing Production Plan; SHI Monitoring, Ready Renter/Buyer, Development Project Assistance, Maintenance Program, Monitoring of accessory units</td>
</tr>
<tr>
<td>Wilmington</td>
<td>9.1</td>
<td>710</td>
<td>Director Planning &amp; Conservation, Assistant Planner, Housing Authority</td>
<td>None specific to housing, General Fund (Staff Time)</td>
<td>Metro at Wilmington (108 rental units, 24 affordable) opens June 2013</td>
<td>SHI Monitoring, Ready Renter/Buyer</td>
</tr>
</tbody>
</table>
## Table 2: Municipal Time and Expenditures Analysis Summary

<table>
<thead>
<tr>
<th>Year of all costs</th>
<th>Summary</th>
<th>Municipalities</th>
<th>Municipalities</th>
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<tbody>
<tr>
<td>Time and Expenditures Analysis Summary</td>
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IV. Scope of Shared Services

Based on review of the municipally provided information data other available information, and interviews with community representatives, three categories of services were identified that could be supported by a Shared Regional Housing Office for these six communities. Two categories, Monitoring and Regional Activities, make up the Core Services of the office, or those primary services provided to each of the communities. The third category, Local Services, is services provided for an additional fee, depending on the needs of the individual municipalities. All services are listed below, followed by a more detailed explanation of each.

Core Services

A. Monitoring Services

- Create a central repository of affordable housing developments and a listing of housing occupants (owners)
  - Reconcile municipal records with the Subsidized Housing Inventory maintained by the Department of Housing and Community Development
  - Add new units to the inventory as required and amend inventory as needed.
- Develop and execute a monitoring plan and execute it
  - Annually monitor ownership units
  - Annually monitor rental developments
- Value ownership units for assessment purposes
- Approve owner refinancing requests and related inquiries

B. Regional Services

- Create Ready-Buyer/Renter lists
- Develop a Regional First-Time Buyer Program. Investigate current FTHB resources north of Boston, assess need/gaps, then determine/develop appropriate program.

Supplementary Services

C. Local Support

- Meet with staff and housing entities in each municipality
- Provide Technical Assistance on housing development projects and review local project documents
- Prepare proposals for supplemental services as needed, including grant writing assistance.
Monitoring Services

The core of the Program offerings is the delivery of Monitoring Services. Monitoring Services ensure and enforce compliance of existing affordable housing restrictions with the goal of preserving the affordability of existing deed-restricted units within each of the municipalities. Tasks and activities under the Monitoring Services are described below.

**A. Create a central digital repository**

The first and primary task is to create a centralized repository of all available legal documents for all projects. This includes project zoning decisions (Special Permit, Comprehensive Permit, other), regulatory agreements (both homeownership and rental), deeds for ownership units, and other specific project information (e.g. mortgages or liens, land disposition agreements, 40B Cost Certification Reports). The result is a consolidated inventory of each development/project complete with the above legal documents, as well as the project address/contact information, unit size mix, affordability levels, and DHCD Subsidized Housing Inventory (SHI) identifications.

**SHI Administration**

In order to develop the repository, each project in each community is reconciled to the DHCD SHI listing, and required updates are made to DHCD to ensure that municipalities benefit from all eligible units being ‘counted’ on their SHI. This inventory is updated throughout the term of service as new projects are completed and units occupied, units are bought or sold, and refinancing transactions occur. The final outcome is a central repository and an accurate listing on DHCD’s SHI.

The SHI snapshot as of November 2012 of these seven communities is shown below, with proposed or under development projects below.

**Table 3: Detailed Subsidized Housing Inventory for Participating Communities**

<table>
<thead>
<tr>
<th></th>
<th>DANVERS</th>
<th>NORTH</th>
<th>PEABODY</th>
<th>READING</th>
<th>SAUGUS</th>
<th>WILMINGTON</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Housing Units</td>
<td>259</td>
<td>44</td>
<td>505</td>
<td>90</td>
<td>313</td>
<td>82</td>
</tr>
<tr>
<td>DDS Units</td>
<td>95</td>
<td>32</td>
<td>138</td>
<td>42</td>
<td>86</td>
<td>19</td>
</tr>
<tr>
<td>Other Rental</td>
<td>659</td>
<td>414</td>
<td>1143</td>
<td>526</td>
<td>300</td>
<td>451</td>
</tr>
<tr>
<td>Ownership</td>
<td>0</td>
<td>43</td>
<td>232</td>
<td>26</td>
<td>60</td>
<td>158</td>
</tr>
<tr>
<td><strong>Total SHI Units</strong></td>
<td>1013</td>
<td>533</td>
<td>2018</td>
<td>684</td>
<td>759</td>
<td>710</td>
</tr>
<tr>
<td><strong>Total Current SHI</strong></td>
<td>9.2%</td>
<td>9.5%</td>
<td>9.1%</td>
<td>7.1%</td>
<td>7.1%</td>
<td>9.1%</td>
</tr>
<tr>
<td>Pending Units</td>
<td>108</td>
<td>0</td>
<td>0</td>
<td>132</td>
<td>0</td>
<td>108</td>
</tr>
<tr>
<td><strong>Total Pending SHI</strong></td>
<td>1121</td>
<td>533</td>
<td>2018</td>
<td>816</td>
<td>759</td>
<td>818</td>
</tr>
<tr>
<td><strong>Pending %SHI</strong></td>
<td>10.1%</td>
<td>9.5%</td>
<td>9.1%</td>
<td>8.5%</td>
<td>7.1%</td>
<td>10.5%</td>
</tr>
</tbody>
</table>
B. Develop a Monitoring Plan

For this task, the legal framework of each project, generally found in the Regulatory Agreement and Owner Deed, is reviewed and detailed conditions are analyzed. The role and responsibility of the municipality for monitoring the housing unit(s) is then identified, as are the specific requirements for local programs and restrictions. This effort results in the development of the Annual Monitoring Plan.

As background, different affordable housing programs generally require program specific monitoring responsibilities for municipalities. For example, the DHCD LIP Program, used for both ownership and rental in 40B and Local Action Unit (LAU) developments, generally requires annual certification by the Municipality to DHCD to ensure units comply with deed and regulatory requirements. On the other hand, the MassHousing NEF (New England Fund) Housing Starts Program requires a third-party Monitoring Agent to perform the required annual certifications, and currently only for rental units. Rental units, in all programs, require annual tenant recertification using updated primary source documents. Tenants must remain income-eligible to continue occupying an affordable unit. It is useful to know that DHCD’s monitoring expectations may change, placing a greater emphasis on compliance certification by the responsible parties. This may result in additional efforts by the municipalities that are not currently required.

Execute Annual Monitoring Plan

The Annual Monitoring Plan is developed based on the projects and units regulated in the municipality with activities specific to ownership units and rental units, with the objective to confirm that the development and/or owner is compliant with the affordable housing restrictions.

For ownership units, the annual monitoring task is to confirm that the owner of record is compliant. It is important to note that the form of affordable housing restriction can vary greatly depending on when the deed is recorded and the regulatory program requirements. Generally though, the restriction requires that the owner live in the unit as their primary residence and that they obtain approval for refinancing or transfer. This effort starts with the research at the appropriate Registry of Deeds to review any new information for the unit – such as refinancing (more common) or transfers (less common). Self-certification letters are sent to each owner requiring return confirmation of the restrictions. This annual correspondence with the owners is a useful opportunity for the municipality to reiterate the deed restriction requirements and to direct owners to resources that can assist them to continue to maintain their property – both physically and financially as needed.

For rental units, the annual monitoring task is to confirm that the project is in compliance with the rental regulatory agreement. The monitoring effort for rental projects is mostly for LIP projects. For these developments, the municipality is required
to review the rents charged, review the certification of the tenants, review that the units are maintained, to ensure that tenant selection practices comply with Fair Housing laws, and to certify all the above to DHCD. For non-LIP projects, the level of this effort is more discretionary as the municipality generally has no identified responsibility. However, the municipality may wish to obtain a general certification from the project sponsor that they are in compliance with deed restriction requirements.

It is expected through this extensive review that compliance violations will be identified and rectified. Violations may be the result of misunderstood program guidelines, Fair Housing violations, general neglect or lack of oversight. This effort results in the development of a list of compliance violations, with a proposed course of action, as well as certifications of compliance.

C. Value ownership units for assessment purposes

This effort provides the Assessor’s Office with annual valuations for the affordable units. As required by the Department of Revenue, property assessments must take into account deed restrictions in their valuation. This value-added service is facilitated greatly by the complete inventory and analysis of each deed restriction and its method of resale calculation for ownership units. This effort results in the delivery of a list to the Assessor’s Office of the proposed valuation of each affordable unit for tax assessment purposes.

D. Approve owner refinancing and related inquiries

Many owners wish to refinance or investigate selling their unit. This requires first an initial valuation as well as helping them with required processes. The initial inquiries may lead to refinancing approvals required by the municipality, or triggering resale provisions. This effort results in the drafting of the refinancing approval for the municipality and potentially a Subordination Agreement.

Regional Services

The second grouping of core services relate to regional services and regional linkages among the participating municipalities. There are many tasks and activities under the Monitoring Services umbrella.

I. Locating eligible buyers and renters

This service provides the municipalities and their properties access to ready renter and ready buyer lists for unit leasing and resale. Gathering this information regionally would benefit each of the communities. Activities include:
- developing marketing plans per regulation and guidelines
- performing outreach and affirmative/fair marketing units
- qualifying applicants and certifying eligibility
- administering and documenting lotteries
- assisting applicants through occupancy

**J. Resident training/services**

This service provides training and services to existing home owners by connecting them to regional programs and services. The collaborative communities may opt to offer post-purchase training modules or provide linkages to foreclosure resources. This service offering is greatly leveraged across multiple communities.

**Supplementary Support Services**

The third subset of proposed housing services, Local Support, would be provided on additional fee-for-service as part of the contract. The local support options would allow each participating municipality to select from a menu of value-added services to focus on specific projects and locally sponsored unit creation development and administration. Should some municipalities require additional assistance beyond the hours allotted in the base contract, supplemental services could be separately arranged through the office or identified service provider.

**E. On-site support for staff, boards and committees**

The housing service entity could provide on-site support to local staff, Boards and Committees, including attendance at meetings with presentation materials. The level of support will vary by municipality as will the number of meetings.

**F. Assist with specific development projects and unit creation**

This service offering provides assistance for specific projects, including locally sponsored and/or private development projects. Activities could include:

- assisting municipal boards and developers with evaluating parcels or municipally-owned property;
- facilitating site and conceptual plan review, project concepts and designs;
- preparing or reviewing project proforma budgets;
- analyzing projects using locally-adopted rules, State guidelines/regulations, best practices;
• reviewing finalized plans with regard to the affordable component, including unit mix, disbursement, cost, governance, schedule, marketing;
• interacting with DHCD and Subsidizing Agency; and
• providing comments on the Regulatory Agreement, and other local agreements as appropriate.

G. Develop resident assistance programs

This service provides support in creating resident assistance programs such as down payment assistance, small grants or capital improvement programs, rental assistance programs, buydown programs or any other locally defined initiatives to assist new or existing residents.

Activities include developing the program including eligibility requirements, funding determination, development of application materials, and implementation assistance. Administration of the resulting program is assumed to rest with the municipality, though could also be included in the contracted services if desired.
V. Financial Modeling

Using a model created for the original 6-town Regional Shared Housing Office study (Sudbury project), MAPC used the survey information gathered from the 6 towns to create a financial model and cost estimate for combined services.

The Model

Three key pieces are needed to estimate the costs for the shared housing services. They are:

1) the number of communities participating;
2) the level of service for each, and
3) the fixed costs

Because many of the tasks to be provided are time intensive, most of the costs associated with the shared services office are labor costs. Labor costs are estimated to run between $60-$90 per hour, and will vary depending on the procurement option decided upon and the capacity of the selected service provider and type.

The service level table on the following page shows a rough estimate of hours for each community by the monitoring services and supplemental local support that may be requested. The fixed costs are the facilities and infrastructure. From a facilities perspective, a central office is desired but not mandatory, however a central phone number needs to be provided for residents to call. One can assume that all meetings are at the individual municipality site, and that independent work can take place in a home office. Other fixed costs include paper, postage, accounting, insurance, computers, office equipment, legal as well as other items.

Fee Structure

The participating municipalities will proportionally share the total cost of operating the Regional Housing Services Office. The proportional share is determined based on the percentage of hours planned to support each municipality for core service as derived from the DRAFT service level table and then represented in the DRAFT fee schedule (See pages 18 and 19.)

This DRAFT fee structure is an estimate and includes payment for all core services, along with potential supplemental services which will be proposed and invoiced outside of this agreement or payment for additional hours in excess of the allotted hours.
Please note that costs will vary to some extent on a year to year basis, depending on the supplemental Local Support needed. Additionally, first year costs are likely to be higher due to the time allotted for the research and collection of documents and other information to be included in the central repository. Further, if a municipality already has existing, up-to-date files for individual properties and projects, less time will be required and costs will be lower.
Table 4: ESTIMATED** Individual Community Service Levels: First Year

<table>
<thead>
<tr>
<th>Methodology</th>
<th>Danvers</th>
<th>N. Reading</th>
<th>Peabody</th>
<th>Reading</th>
<th>Saugus</th>
<th>Wilmington</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CORE SERVICES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Monitoring</td>
<td>1</td>
<td>0</td>
<td>43</td>
<td>43</td>
<td>232</td>
<td>232</td>
</tr>
<tr>
<td>*Ownership Units: Annual Monitoring</td>
<td>2</td>
<td>4</td>
<td>8</td>
<td>1</td>
<td>2</td>
<td>5</td>
</tr>
<tr>
<td>*Rental Units: Compliance report</td>
<td>1</td>
<td>0</td>
<td>43</td>
<td>43</td>
<td>232</td>
<td>232</td>
</tr>
<tr>
<td>Assessor Valuation</td>
<td>4</td>
<td>10</td>
<td>40</td>
<td>5</td>
<td>20</td>
<td>20</td>
</tr>
<tr>
<td>Resolve SHI discrepancies (1% of SHI units)</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td><strong>Regional Activities</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Locate buyers/renters</td>
<td>50</td>
<td>1</td>
<td>50</td>
<td>1</td>
<td>50</td>
<td>1</td>
</tr>
<tr>
<td>Administration</td>
<td>1</td>
<td>2</td>
<td>12</td>
<td>12</td>
<td>12</td>
<td>12</td>
</tr>
<tr>
<td>Resident Support</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>1</td>
<td>3</td>
<td>1</td>
</tr>
<tr>
<td><strong>SUBTOTAL – CORE SERVICES</strong></td>
<td>113</td>
<td>173</td>
<td>619</td>
<td>153</td>
<td>221</td>
<td>415</td>
</tr>
<tr>
<td><strong>SUPPLEMENTAL SERVICES</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Local Support</td>
<td>3</td>
<td>12</td>
<td>36</td>
<td>12</td>
<td>36</td>
<td>12</td>
</tr>
<tr>
<td>On Site Meeting</td>
<td>20</td>
<td>1</td>
<td>20</td>
<td>1</td>
<td>20</td>
<td>2</td>
</tr>
<tr>
<td>Program Administration</td>
<td>2</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>Program Consultation</td>
<td>20</td>
<td>1</td>
<td>20</td>
<td>0</td>
<td>0</td>
<td>2</td>
</tr>
<tr>
<td>Prepare Updated HPP</td>
<td>250</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td><strong>SUBTOTAL: SUPPLEMENTAL SVC</strong></td>
<td>76</td>
<td>56</td>
<td>116</td>
<td>76</td>
<td>76</td>
<td>56</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>189</td>
<td>229</td>
<td>735</td>
<td>229</td>
<td>297</td>
<td>471</td>
</tr>
<tr>
<td><strong>Percent of Total</strong></td>
<td>41.3</td>
<td>3.6</td>
<td>14.1</td>
<td>4.4</td>
<td>4.4</td>
<td>5.7</td>
</tr>
</tbody>
</table>

*Ownership and Rental Units monitoring in year one includes creating monitoring database. Additional hours for database development may be required to complete this task.

**All Core Services hours are estimated based on SHI inventory. Hours for supplemental services were filled in for budget demonstration purposes.
Table 5: DRAFT Membership Fee Schedule: ESTIMATES

A. Core Services Only (ESTIMATE)

<table>
<thead>
<tr>
<th>Town</th>
<th>Hours</th>
<th>% of hrs</th>
<th>Pro rata $(60 per hour)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Danvers</td>
<td>113</td>
<td>6.7%</td>
<td>$6,780</td>
</tr>
<tr>
<td>North Reading</td>
<td>173</td>
<td>10.2%</td>
<td>$10,380</td>
</tr>
<tr>
<td>Peabody</td>
<td>619</td>
<td>36.5%</td>
<td>$37,140</td>
</tr>
<tr>
<td>Reading</td>
<td>153</td>
<td>9.0%</td>
<td>$9,180</td>
</tr>
<tr>
<td>Saugus</td>
<td>221</td>
<td>13.0%</td>
<td>$13,260</td>
</tr>
<tr>
<td>Wilmington</td>
<td>415</td>
<td>24.5%</td>
<td>$24,900</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>1,694</strong></td>
<td><strong>100%</strong></td>
<td><strong>$101,640</strong></td>
</tr>
</tbody>
</table>

B. Core Services and Supplementary Services (ESTIMATE)

(The below fee schedule represents a potential scenario based on supplementary services selected for each community in the previous spreadsheet. Final hours and costs will be determined based on individual municipality use of supplementary services.)

<table>
<thead>
<tr>
<th>Town</th>
<th>Hours</th>
<th>% of hrs</th>
<th>Pro rata $(60 per hour)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Danvers</td>
<td>189</td>
<td>8.8%</td>
<td>$11,340</td>
</tr>
<tr>
<td>North Reading</td>
<td>229</td>
<td>10.7%</td>
<td>$13,740</td>
</tr>
<tr>
<td>Peabody</td>
<td>735</td>
<td>34.2%</td>
<td>$44,100</td>
</tr>
<tr>
<td>Reading</td>
<td>229</td>
<td>10.7%</td>
<td>$13,740</td>
</tr>
<tr>
<td>Saugus</td>
<td>297</td>
<td>13.8%</td>
<td>$17,880</td>
</tr>
<tr>
<td>Wilmington</td>
<td>471</td>
<td>21.9%</td>
<td>$28,260</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td><strong>2,150</strong></td>
<td><strong>100%</strong></td>
<td><strong>$133,300</strong></td>
</tr>
</tbody>
</table>
VI. Establishing A Regional Housing Services Office

For the final task, MAPC will work with the municipalities to identify the best procurement option to meet the needs of the final grouping of communities.

Options for Procurement

There are a few options for procurement and contracting discussed below. MAPC will assist in further developing these options should the municipalities proceed.

A. Consultant through Collaborative or Individual RFP
This option seeks to contract with a non-profit or private entity for desired services. This entity could be a private consulting firm, a public housing entity, or any other service provider. Municipalities could either contract together as one entity, or independently. Contracting together could potentially provide a more cost effective option and also establish a regional perspective. Contracting individually with the same provider would allow each community to join/terminate independently, and would allow additional communities to join in the future without creating a new group agreement.

B. IMA
The Inter-Municipal Agreement (IMA) option requires each participating municipality to sign on with a lead community that would then be charged with providing the services, staff and office space through RFPs meeting 30B requirements as well as management oversight.

C. MAPC to provide services
(MAPC would not be able to consider this option until Fall 2013 at the earliest, with implementation in late-FY14 or FY15, due to existing project commitments.)

This potential option considers MAPC leading and providing the housing office services through a regional non-profit model. Because MAPC is a public entity, the communities would not need to procure this service through an RFP or Chapter 30B requirements.

D. Public/Private Partnership through 501(c)(3)
This option would involve creating a 501(c)(3) non-profit organization with the municipalities on the Board and the service providers as staff. This is a more formal and permanent arrangement and takes significantly more initial effort to implement. It creates an entity, with tax and governmental requirements. The more permanent aspect to this organization would solidify the service offering for the future, and have more capability as a separate entity.
VII. Next Steps For Municipalities

The tentative next steps and proposed time line is shown below. A logical starting point would be to start services by the beginning of the fiscal year. That requires that minimally a service provider is identified and selected. Alternatively temporary contractual arrangements may be put into place until the final solution is implemented. Some communities will need to prepare appropriation requests for Town Meeting, and it is difficult to arrange the timing so that the exact cost is known then. An estimated or ballpark number might be needed.

March
- Outreach to local housing stakeholders to discuss model
- Communities to opt in
- Communities to define level of service

April
- Draft RFP/Document
- Town Meetings/Council start for funds appropriation

May
- Issue RFP/Solicit service providers

June
- Negotiate and award contract

July
- Implement