

**National Objective – Housing Rehabilitation Program**

The Housing Rehabilitation Program for Amesbury and Merrimac will meet the national objective to benefit Low and Moderate Income Persons by “directly benefiting low and moderate income persons by providing them with safe, decent and sanitary housing.” (Housing activity – 100% low-mod benefit) (24 CFR Part 570.483). The Program will document and verify the incomes of all households that will receive assistance to ensure 100% benefit to low and moderate-income people. It will only provide assistance for the rehabilitation of single-family units occupied by low and moderate-income households or to owners who commit to 15 years of rental to LMI tenants. Additionally, multi-unit properties of up to four units meeting the minimum requirement of 51 % of the units (50% in a duplex) being occupied by low and moderate-income households, may participate. This will be done in accordance with the “CDF Implementation Manual” and the “Section 8 Low and Moderate Income Guidelines for the Boston Area” for the City of Amesbury and for the Town of Merrimac, the “Section 8 Low and Moderate Income Guidelines for Lawrence MA-NH HUD Metro FMR Area.”

## Threshold Requirements

**Demonstrate project consistency with the applicant's Community Development Strategy**  
In Amesbury and Merrimac, housing rehabilitation has been identified as a community priority. It has been determined to be an essential way to keep residents of both communities in their homes as well as bringing and keeping their homes up to code.

Amesbury's **Community Development Strategy, Housing Element**, Ensure a variety of housing options for an economically diverse population states "Amesbury has a great diversity in its housing stock, with a broad range in home prices and rents suitable for a variety of income levels, age groups, and needs. Our community will continue to offer housing opportunities to meet the needs of Amesbury residents of all ages and income levels, as well as meeting the Commonwealth's guidelines to provide at least ten percent of its housing stock at affordable levels. The goal to provide a range of housing choices will be consistent with smart growth principals, promoting housing opportunities within the downtown area, preserving open space and natural resources, and Amesbury's historic homes and neighborhoods. The housing rehabilitation program addresses the following priorities:

- **Removal of barriers to affordable housing**
- **Increase home ownership opportunities**
- **Promote decent affordable housing**
- **End chronic homeless**
- **Provide increased homeownership and rental opportunities for LMI persons, persons with disabilities, the elderly, minorities, and families with limited English proficiency**

The **Priorities Table Logic Model** states that a priority is: rehabilitation of owner occupied housing units in one to four family dwellings. Identify and assist units to be rehabilitated in the City's Urban Village Core Area. Lead abatement in one to four family dwellings and reduction in childhood lead poisoning and hazards. Rehabilitation of structures for homeless and disabled populations. Lead abatement activities in investor owned multifamily properties. Rehabilitation of rental housing projects. A revitalization of the Housing Rehabilitation Program is essential to meeting this priority.

The Town of Merrimac's **Community Development Strategy: Housing and Households section states**, The Town of Merrimac's comprehensive Master Plan forms the foundation for its Community Development Strategy (CDS). The Master Plan has been guiding the Town's actions since its creation in 2002. It has served as the policy document for achieving the community's vision for future growth and development with four key outcomes in mind: 1) environmentally responsible, 2) socially inclusive, 3) economically vibrant, and 4) fiscally stable. The goals of the Master Plan have been furthered refined with the creation of five-year housing production plans to provide targets and policy guidance for the production of affordable

housing. The Affordable Housing Board of Trustees, a volunteer citizen committee, is in the process of updating the 2010 HPP with assistance from Merrimack Valley Planning Committee.

“The housing stock in Merrimac is diverse. Every age group, family size and level of income is accommodated. There is a range of housing choice: mobile home parks, apartments, modest cottages, condominium units, home office/studios, duplexes, home office/studio, commodious single family dwellings, in-law unit, farm homestead, and group home. From authentic to reproduction, the age and style of the housing stock represents every architectural period from colonial to modern. In Merrimac, householders over 60 will increase from 33 percent of the population in 2010 to 55 percent in 2030, an increase of 100 percent. Meanwhile, householders under 60 will decrease by 300, or 19 percent. These figures mirror what is happening across the state.

**The Goals associated with this section include:** Provide housing choice throughout the community; Protect and enhance the historic, intimate character of existing neighborhoods; Use regulations effectively to promote neighborhood-scale design in new residential developments; Use Affordable Housing Trust funds to support development of affordable housing that qualifies for the Subsidized Housing Inventory (SHI) list. **Listed as high priority goals:** Give preference to infill affordable housing development in and adjacent to the Town Center such as at the former Coastal Metal site; Seeking HOME & CDBG funds to subsidize improvements to existing housing stock or to facilitate conversions that require special permit.

**Threshold Requirements – Sustainable Development Principles**

**Demonstrate Project Consistency with the Sustainable Development Principles**

**Concentrate Development and Mix Uses.** The Housing Rehabilitation Program encourages rehabilitation and re-use of existing infrastructure rather than the construction of new infrastructure in the undeveloped areas while using Energy Star building performance standards. We continue to make existing housing more livable and keep it affordable.

**This program also meets the following principles:**

**Advance Equity.** The project promotes diversity and social equity and improves the neighborhood.

**Use Natural Resources Wisely.** The repair of failing septic systems will enhance water conservation and stop pollution of surrounding land.

**Expand Housing Opportunities.** Allowing funding for landlords to fix up substandard rental property will increase legitimate housing stock for LMI families, some of whom now reside, illegally, in motel rooms with their families.

**Promote Clean Energy.** All rehab projects comply with EPA's Energy Star guidelines.

**HRP Project Description**

**Project Name:** Housing Rehabilitation Program - a revitalization of Amesbury's program and creation of a new program in Merrimac.

**Type of Project:** Housing Rehabilitation

**Project Scope:** The Housing Rehabilitation Program will utilize 0% Deferred Interest Loans (DPLs) to rehabilitate up to 12 units in Amesbury and 9 units in Merrimac of single and multi-family properties for housing owned and/or occupied by low and moderate-income residents. This regional program will build upon the strength of utilizing the Town of Salisbury's existing staff to revitalize Amesbury's Program and the creation of a new program in Merrimac. There is waiting list of 43 Amesbury and 20 Merrimac, interested and pre-qualified LMI homeowners.

**Who can participate in the program:** Low and moderate-income individuals, homeowners or investor/owners with at least 50% of tenants qualifying as LMI whose properties can be brought into code compliance.

**What will be the maximum dollars, per unit, available to applicants:** \$30,000 per unit, \$35,000 for units that need sewer connection, septic replacement or lead paint removal.

**How many units (total) will be rehabilitated:** At least 12 units in Amesbury and 9 units in Merrimac which will be owner-occupied or investor-owned.

**Types of units eligible (single family, multi):** Owner-occupied single/multi-family structures as well as investor-owned units up to four units.

**How will the individual projects be awarded (grants, loans):** 0% Deferred Payments Loans for low and moderate income with loans due upon sale or transfer of property; however, a Forgiveness Policy for hardship cases is in place. There will be a mortgage recorded at the Essex County Registry of Deeds that has a 15-year affordability period.

**Who will be managing/implementing the grant:** The City of Amesbury and Town of Merrimac will contract with the Town of Salisbury's Office of Planning and Community Development (OPCD) and its Housing Rehabilitation staff. The Department has successfully managed similar housing rehabilitation projects for the last twelve years.

**Process:** The program manager completes the income qualification process. Upon verification from the Program Manager that the household/owner who has qualified as LMI, the Rehabilitation Specialist will make an initial inspection of the unit. A point system has been developed to rank each applicant. Points will be given for critical code violations, other health and safety code violations, household income, number of dependents, single parent households, handicapped family members and elderly. Properties with the highest points will be given priority and served first. In an emergency

situation priority will be given and critical violations will be corrected. Top priority is given to violations of HUD's minimum standards and the State sanitary code, followed by violations of town adopted BOCA Building and Mechanical and National Electric Codes. The Rehabilitation Specialist works closely with the homeowner to develop a detailed work write-up based on a priority of violations. The homeowners select the contractor, paying the difference to them out-of-pocket if they prefer not to hire the lowest qualified bidder. The Rehabilitation Specialist will monitor construction activities, coordinate change-order requests, and inspect the completed project before progress payments or any final payments are made. The Program Manager assists the homeowner with any questions or concerns during the process.

**National Objective:** The Housing Rehabilitation Program for Amesbury and Merrimac will continue to meet the national objective to benefit Low and Moderate Income Persons by “directly benefiting low and moderate income persons by providing them with safe, decent and sanitary housing.” (Housing activity – 100% low-mod benefit) (24 CFR Part 570.483). The Program will document and verify the incomes of all households that will receive assistance to ensure 100% benefit to low and moderate-income people. It will only provide assistance for the rehabilitation of single-family units occupied by low and moderate-income households or to owners who commit to 15 years of rental to LMI tenants. Additionally, multi-unit properties of up to four units meeting the minimum requirement of 51 % of the units (50% in a duplex) being occupied by low and moderate-income households, may participate. This will be done in accordance with the “CDF Implementation Manual” and the “Section 8 Low and Moderate Income Guidelines for the Boston Area” and for Merrimac, the Lawrence, MA-NH HUD Metro FMR area.”

**Target Area/Population:** The Target Area for the Housing Rehabilitation Program is the Amesbury Urban Village Core and the Merrimac Center Corridor (attachment 2B), and the target population is households that qualify as low and moderate income, using HUD guidelines for the Boston PMSA and for Merrimac, the Lawrence, MA-NH HUD Metro FMR area.”

**Project Need:** Currently 43 Amesbury families and 20 Merrimac families are on the waiting list for this program. This project allows people to afford to continue living in their own homes as well as allowing owners of multifamily dwellings to be able to improve their properties while still keeping their rents affordable.

**Estimated low and moderate-income beneficiaries:** 84 LMI residents

**Total Dollars to be leveraged by this project: \$66,684** as well as the support pledged below to work along with our funds when additional funding is necessary to make a project feasible; list may be available on a case by case basis  
**In-kind services - \$31,000:** Amesbury and Merrimac Health and Building Departments, Accountant, Treasurer, utilities and office space.

- As members of the North Shore HOME Consortium, funding of \$26,901 for Amesbury and \$8783 for Merrimac is available to preserve, maintain and improve the affordable housing stock.
- TD Bank will extend loans of up to \$30,000 for program qualified participants at prime with no closing costs.
- Newburyport Bank pledges an uncapped line of credit for program qualified participants at prime with no closing costs.
- Mass Housing Get the Lead Out Program
  - Owner-occupants 0% Deferred Interest Rate Eligible borrowers may not have to repay the loan until they sell or refinance their home
  - Preventative Owner-occupants amortizing loan with a 2% interest
  - Investor-Owners who rent to income-eligible tenants 5% fully amortizing
- Rural Development Housing Repair and Rehabilitation Loans fund very low-income rural residents who own and occupy dwellings in need of repairs. Loans of up to \$20,000 at 1% interest and grants of up to \$7,500 are available for owners 62 years of age or older.
- CTI Home Modifications Program: The intent of the Home Modifications Program is to modify homes for improved access to allow people to continue to live independently in their communities. Based on income eligibility, homeowners and landlords may apply for \$1,000 up to \$30,000 in a deferred payment loan or amortized loan for access modifications to the principle residence of elders, adults with disabilities and families with disabled children. The loan is secured by a promissory note and mortgage that are recorded as a lien on the property.
- Community Action, Inc. – heating system repair and replacement and heating fuel assistance is available to most program participants
- Action, Inc. weatherization an energy auditor will visit your home to see how we can help you stay warm in the winter and cool in the summer, while cutting back on heating and A/C costs. Weatherization work will be performed by qualified area contractors. Measures may include adding insulation, repairing windows, repairing/replacing roofs, weather-stripping and more, based on need and available funding.

## **Threshold Requirements – Housing Rehabilitation Program**

### **Demonstrate project consistency with Target Areas requirements**

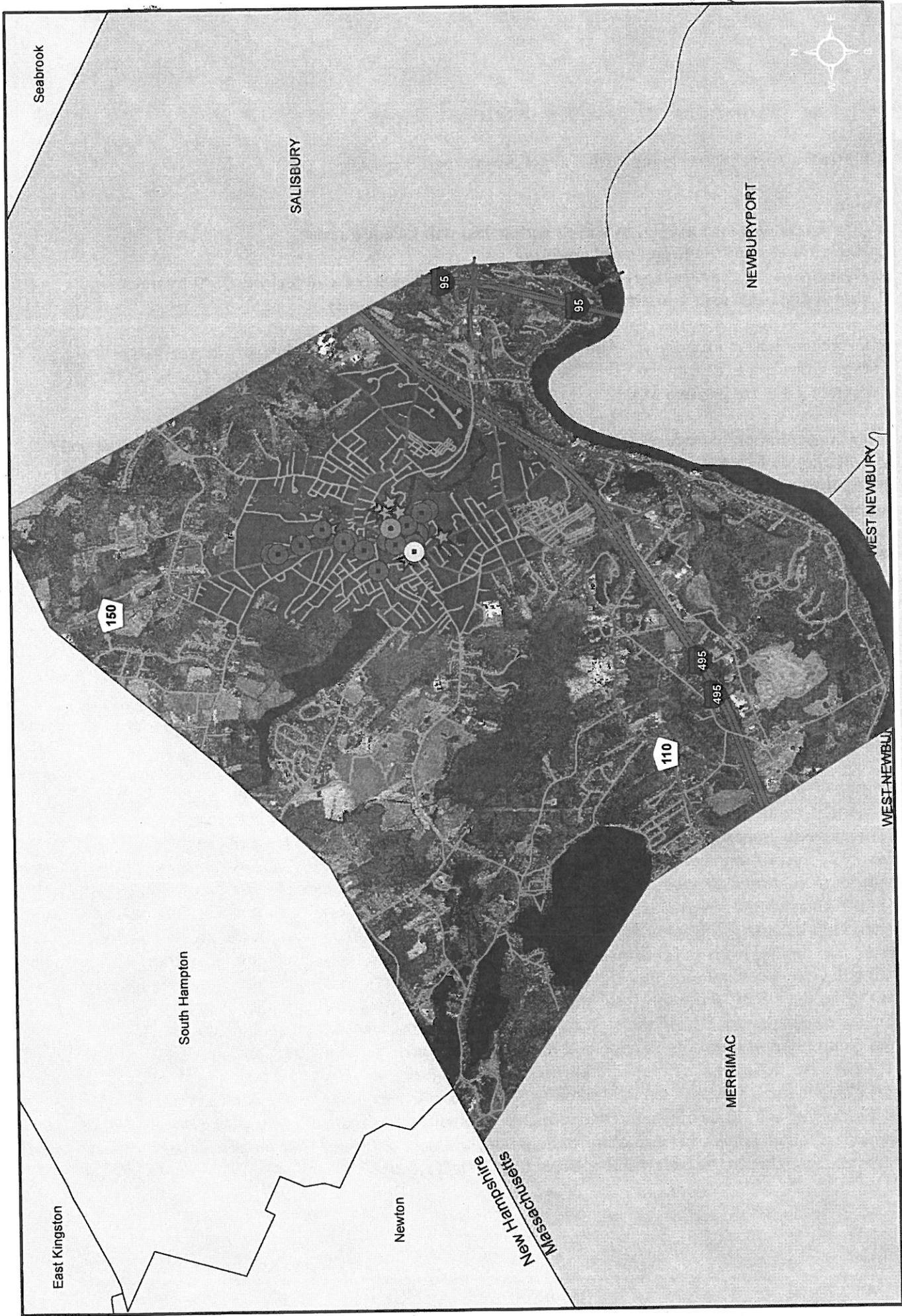
**Provide:**

- 1. The name of target area(s) in which activit(ies) will be conducted,**
- 2. Attach a map of the target area, and**
- 3. Description of the target area(s) and how the boundaries were determined. Why does this geographic area constitute a target area in the community?**

The Housing Rehabilitation Program for Amesbury and Merrimac will occur exclusively in **Amesbury's Urban Village Core Area** (attachment 2B – Target Area Map) and the **Merrimac Center Corridor Target Area** (attachment 2B – Target Area Map).

The primary concentration of targeted services will be the **Amesbury Urban Village Core Target Area** and will benefit all eligible low and moderate income households. The Urban Village Core contains, in its eastern border, the Madison Street Neighborhood, the Clinton-Brown Street Neighborhood and the Highland Street neighborhood in the northern and western borders. The Urban Village Core Target Area was selected in 2012 and again by the City Council in 2015, in response to a Needs Assessment Survey. On November 9, 2015, the CAC voted to expand the borders in response to community input. The basis for assigning priority needs includes data derived from the US 2010 Census, local studies and information gathered from cooperative relationships and consultation. The framework for priority assignment was shaped by North Shore Home Consortium Continuum of Care coordination and public hearing process, the City's Citizen Participation Process, Community Action Inc.'s Strategic Plan and Needs Assessment and CDBG regulations. The Community Development Strategy is consistent with, and reflects the sustainable development principles outlined by the Office of Commonwealth Development. This area is the oldest and most underserved of the City's 25 distinct neighborhoods and is the focus of a comprehensive revitalization, and therefore it was designated as the **Amesbury Urban Village Core Target Area**.

The **Merrimac Center Corridor Target Area** was determined through a public process. The Merrimac Center Corridor Target Area's boundaries were originally approved by the Affordable Housing Trust on November 10, 2015. This area is bounded by Interstate Route 495 on the south; the City of Haverhill on the west; the City of Amesbury on the east and Nichols Street and West Shore Drive on the north. The area covered by the Target Area had been the recent focus for the Affordable Housing Trust. Through the Affordable Housing Trust, the community is working on meeting the needs of its low-medium income (LMI) population through an analysis of existing housing stock and the needs of the current population, work on Merrimac's Housing Production Plan, infrastructure improvement, concentrating development and economic development. The basis for assigning priority needs includes data derived from the US 2010 Census, local studies and information gathered from cooperative relationships and consultation. The framework for priority assignment was shaped by North Shore Home Consortium Continuum of Care coordination and public hearing process, the Citizen Participation Process, Community Action Inc.'s Strategic Plan and Needs Assessment and CDBG regulations. The Community Development Strategy is consistent with, and reflects the sustainable development principles outlined by the Office of Commonwealth Development. This area has many older homes, a mobile home park, subdivisions, infrastructure and the largest concentration of LMI households; therefore it was designated as the **Merrimac Center Corridor Target Area**.



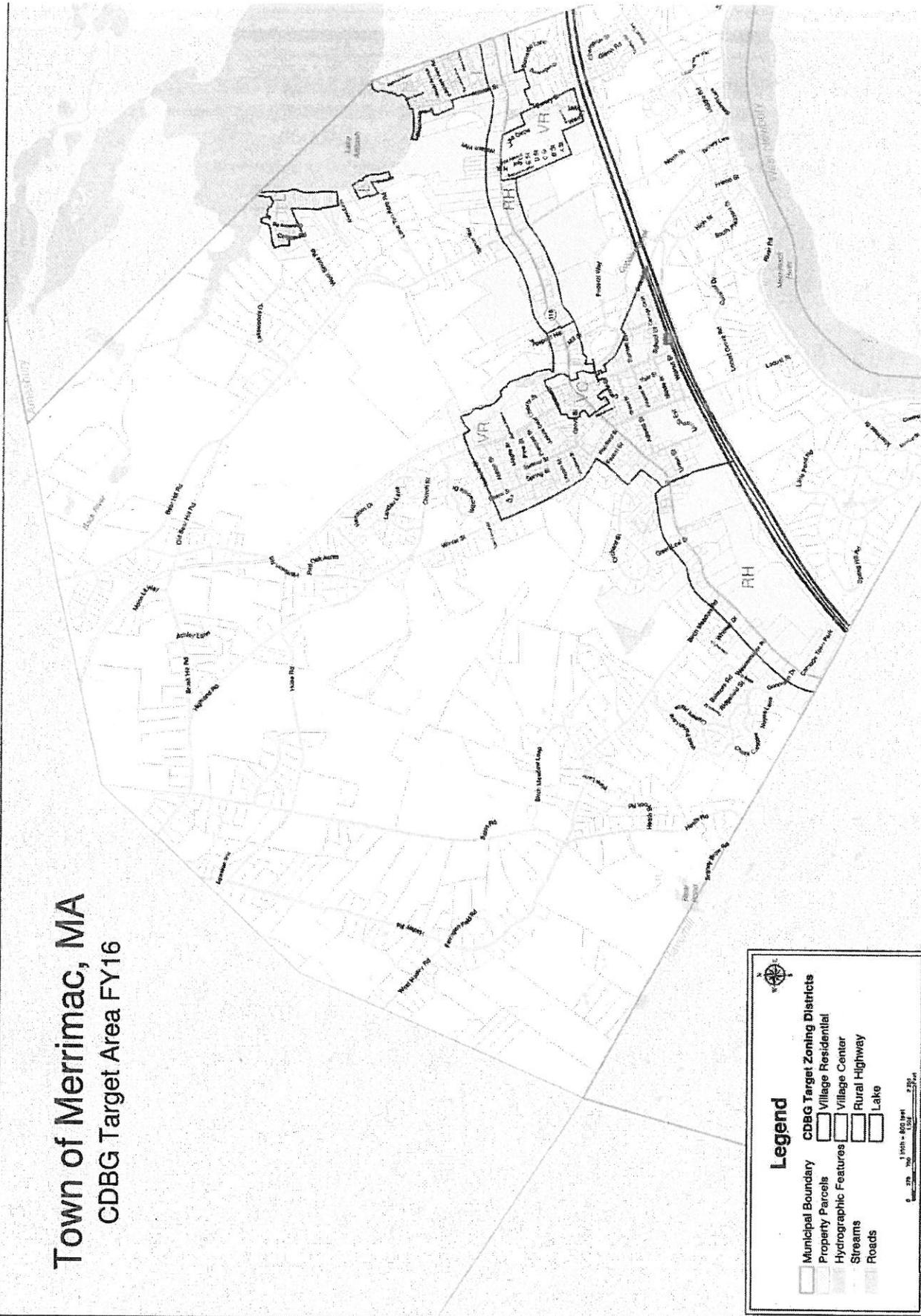
# Amesbury Target Area FY2016 CDBG and Non-CDBG Activities

- CDBG Activities:**
- Housing Rehabilitation Units on Waiting List
  - Pettengill House
  - Our Neighbor's Table

- Amesbury Target Area
- ★ Non CDBG Activities

# Town of Merrimac, MA

## CDBG Target Area FY16



**Legend**

- Municipal Boundary
- Property Parcels
- Hydrographic Features
- Streams
- Roads
- CDBG Target Zoning Districts
- Village Residential
- Village Center
- Rural Highway
- Lake

Scale: 0 25 50 100 Feet

North Arrow

**HRP - detailed explanation of the estimated cost per unit,  
and the basis for the cost**

Number of Units	Cost Per Unit	Total
14	30,000	420,000
7	35,000	245,000
21	14@\$30,000/7@\$35,000	665,000

**Note: Each unit is different and requires an individual assessment and set of work specifications.**

No Septic/sewer	
Specification	Amount
Windows	10,000
Storm Doors	750
Gutters and Roof	10,500
Electrical	4000
Plumbing	4,750
Total Bid	\$30,000

With Septic/sewer	
Specification	Amount
Windows	10,000
Storm Doors	750
Gutters and Roof	10,500
Electrical	4000
Plumbing	1,000
Septic/sewer	8,750
Total Bid	\$35,000

With Lead	
Specification	Amount
Windows	13,000
Storm Doors	2,750
Gutters and Roof	10,500
Electrical	4,000
Plumbing	4,750
Total Bid	\$35,000

**Qualifications of the person responsible:** Philip Jewett is the CDBG office Rehabilitation Specialist and will inspect properties, meet with homeowners, write up work requirements, manage the bidding process and recommend contract awards. The Rehabilitation Specialist monitors the actual construction and monitors the contractors' performance for timely implementation and compliance with construction regulations. Mr. Jewett was hired by the Town of Salisbury in 2011 and has over 30 years' experience as a general contractor and 10 years of direct experience working as a Rehabilitation Specialist using CDBG funds.

**Operation and Maintenance Plan for HRP:** Maintenance of the rehabilitated dwellings will be the responsibility of the individual homeowners. The homeowners will also be required to maintain insurance and flood insurance if applicable as part of the contract documents.