

1. What is the Affordable Housing Trust Bylaw Committee?

On October 23, 2021, West Newbury voters voted to accept [Massachusetts General Laws Chapter 44, Section 55C](#) and authorized the Select Board to establish the West Newbury Affordable Housing Trust for the purpose of creating and preserving affordable housing in West Newbury.

To that end, the Board appointed five community members to [The West Newbury Affordable Housing Trust Bylaw Committee](#) to advise the Select Board on the development of a draft bylaw for consideration at the 2022 Annual Town Meeting.

2. What if we don't approve the Affordable Housing Trust bylaw?

The town already voted to adopt the enabling legislation for the Affordable Housing Trust at the October 2021 Special Town Meeting. If we don't develop and approve a local bylaw, then we will have to use the exact provisions for Affordable Housing Trusts as detailed in [Massachusetts General Laws Chapter 44, Section 55C](#) with no provisions for additional local processes. Among other things, that means that neither Select Board nor Town Meeting approval would be required for borrowing or purchases.

3. Who could be served by the programs of the Trust?

Household eligibility is determined by comparing income to the Area Median Income (AMI). West Newbury is part of the Lawrence, MA – NH HUD area and our AMI currently is \$105,400. This number changes periodically.

- Households earning less than 80 percent of the AMI are considered low income and qualify for subsidized housing
- Households earning less than 100 percent of the AMI qualify for Community Preservation Act funded housing
- Households earning less than 120 percent of the AMI qualify for moderate income and workforce housing

4. Will an Affordable Housing Trust help protect the town from an unfriendly 40B* development?

It's possible, but it would be challenging. With West Newbury's current affordable housing stock at less than 2.5% (43 current units), we would have to create at least 113 affordable/subsidized units to reach the 10% goal. Once the 2020 Census data is available, the percentage of affordable housing stock in West Newbury is likely to be less than 2.5%.

*"40B" allows developers to override local zoning bylaws in order to increase the number of affordable homes in municipalities where less than 10% of the housing stock is affordable.

5. If it is challenging to build enough affordable units to reach the 40B target why does West Newbury need more affordable housing?

- Residents may not be able to afford housing after retiring
- First- time home buyers and town employees may have to live elsewhere
- Affordable housing could help foster socio-economic diversity

6. Why has West Newbury created so few affordable housing units to date?

- Lack of municipal sewer and poor/wet septic soils greatly increase building costs thus discouraging for-profit developers from building affordable housing
- Community opposition. Three previous attempts to build affordable housing— two with 150+ units and one small development – were opposed by the town

7. How might an Affordable Housing Trust help address the need for more affordable housing in West Newbury?

- Creation of affordable home ownership and rental housing units by new construction or rehabilitation
- Conversion of market rate housing to affordable
- Providing housing assistance
- Preserving affordable units

8. How would the Trust obtain funding for these projects?

- Inclusionary Housing payments
- Community Preservation Act transfers
- Free cash or budget line items
- Private donations
- New taxes or surcharges (legislative approval needed)

9. The Trust has many powers under the enabling legislation including the powers to buy, sell and rent property, to accept donations, borrow money and mortgage property. Is it appropriate or desirable for West Newbury's Trust to have such broad powers?

Yes, it allows the Trust to respond quickly to real estate opportunities. The following safeguards will make sure that the Town's interests are protected:

- A Select Board member will be on the Trust.
- The Town Manager will be an ex officio member of the Trust.
- Select Board approval will be required for purchase of land or property.
- Select Board and Town Meeting approval will be required for borrowing by the Trust.
- All of the Trust's activities are governed by Massachusetts General Laws

10. What is the price of an affordable house in West Newbury?

For Section 8 and public housing, the cost (price or rent) of affordable housing is specific to each household and depends on income and family size. For private developments, like 40B, the cost is calculated so that a household does not spend more than 30% of their income on housing costs.

The following example shows the cost of a market rate housing unit versus an affordable housing unit at the Drake's Landing development in West Newbury in 2019:

Type of Housing	Sale Date	Sale Price
Market Rate/Unrestricted	6/13/19	\$518,755
Affordable/Restricted	12/4/19	\$174,300