



Truro Planning Board Agenda

Remote Public Meeting – Work Session

Wednesday, May 26, 2021 – 4:30 pm

www.truro-ma.gov

Open Meeting

This will be a remote meeting. Citizens can view the meeting on Channel 18 in Truro and on the web on the "Truro TV Channel 18" button under "Helpful Links" on the homepage of the Town of Truro website (www.truro-ma.gov). Click on the green "Watch" button in the upper right corner of the page. Please note that there may be a slight delay (approx. 15-30 seconds) between the meeting and the television broadcast/live stream.

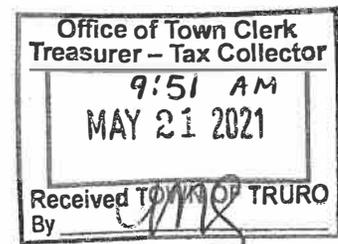
Citizens can join the meeting to listen and provide public comment by entering the meeting link; clicking on the Agenda's highlighted link; clicking on the meeting date in the Event Calendar; or by calling in toll free at [1-877-309-2073](tel:1-877-309-2073) and entering the access code [311-033-613#](tel:311-033-613#) when prompted. Citizens will be muted upon entering the meeting until the public comment portion of the hearing. If you are joining the meeting while watching the television broadcast/live stream, please lower or mute the volume on your computer or television during public comment so that you may be heard clearly. Citizens may also provide written comment via postal mail or by emailing the Town Planner at planner1@truro-ma.gov.

Meeting link: <https://global.gotomeeting.com/join/311033613>

Work Session

- ◆ Continued Discussion of Potential Bylaw Changes for ATM 2022

Adjourn



- b. Substantial financial assistance from funds raised, appropriated or administered by the city or town; or
- c. Provision of land or buildings that are owned or acquired by the city or town and conveyed at a substantial discount from their fair market value.

D. Accessory Apartments

1. General

The creation of accessory housing units within existing owner-occupied homes is a way to increase the supply and diversity of housing types. An accessory unit provides a housing opportunity for those in need of rental housing.

In order to have accessory apartments added to the Subsidized Housing Inventory, they must receive Local Action Unit (LAU) approval and meet the same basic requirements as other units qualifying for LAU approval:

- a. they have resulted from city or town action or approval;
- b. are subject to recorded use restriction in a form approved by DHCD, that has a term of not less than 15 years; and,
- c. except for the requirements related to receiving a Comprehensive Permit, they otherwise meet the requirements for LIP units set out in Section B of the LIP Guidelines.

2. Application

a. Form/Requirements

DHCD's application form for accessory apartments is available on the DHCD web site: www.mass.gov/dhcd, (type in "LIP Accessory Apartment application" in the search field, select the first result, and then select "Accessory Apartment Application"). There is no application fee.

Applications shall include:

- (1) Accessory Apartments application requirements include the majority of the Comprehensive Permit procedures. Specifically, Local Action Units applications must include the following sections of "B – Comprehensive Permits": 3a(1), (3)-(5), (9), and (11)-(13); see pp. VI-3 and 4.
- (2) A letter of support signed by the chief executive officer of the municipality.
- (3) An Affirmative Fair Housing Marketing Plan
- (4) Designation of a Local Project Administrator (LPA) for all accessory apartments. The LPA is an individual or entity that is responsible for oversight of the units. This could be a local official, a local housing partnership board member or staff member, the director of an area housing non-profit organization, or another appropriate person meeting DHCD approval.
- (5) A schedule of maximum rent for each accessory apartment.

(6) A proposed tenant application form and plan for processing of applications.

(7) A plan for annual verification of tenants' income.

b. Local Housing Partnership

The Department also encourages the Developer to consult with the local housing partnership, if any, and submit a letter of support from that entity.

After DHCD has approved an application, a municipality shall submit additional information for each accessory apartment created. DHCD will approve each accessory apartment that meets all program standards.

3. Local Action Requirement

a. General

To meet the requirement of local action, a municipality shall have enacted a zoning ordinance or bylaw that allows for the creation of accessory apartments for low- or moderate-income households. Units submitted to DHCD will have received zoning approval under the ordinance or bylaw.

b. Minimum Requirements

While the specific features of such ordinances or bylaws may vary considerably from one municipality to the next, each one shall, at a minimum, allow for the creation of accessory apartments that meet and are consistent with the LAU eligibility standards specified herein. No mandatory requirements applying to accessory apartments authorized under the ordinance or bylaw shall conflict with the LIP requirements.

c. Prohibited Provisions

Examples of ordinance or bylaw provisions that would prohibit approval under LIP and eligibility for the Subsidized Housing Inventory include:

- (1) Allowing affordable accessory dwelling units to be rented to family members.
- (2) Allowing affordable accessory apartments to be rented to households earning more than 80% of area median income.
- (3) A requirement that all accessory dwelling units shall be restricted to residents of the municipality.
- (4) Any provision in conflict with applicable fair housing laws.

d. Technical Assistance

Municipalities contemplating such an ordinance or bylaw may submit a draft to DHCD for compliance review prior to final local approval. DHCD, through provision of technical assistance, will review the draft submission and provide feedback regarding changes needed to ensure that units meet LIP standards. DHCD's review will be limited to noting any provisions that might conflict with LIP requirements.

4. Tenant Eligibility

a. Family Members Prohibited

No family member of the unit owner may be selected by the owner for an accessory apartment. Family member is defined as: a parent, a son, a daughter, an uncle, an aunt, a niece, a nephew, a grandparent and/or a sibling.

b. Income and Asset Limits

- (1) Tenants' household income shall not exceed 80% of the household income adjusted for actual household size, as determined by HUD. A municipality may set lower limits.
- (2) Certification of income eligibility will be made by the LPA. The LPA will review documentation (e.g., recent tax returns, pay stubs, affidavits, etc.) in order to certify such eligibility. The LPA may contact DHCD to request technical assistance in reviewing the eligibility of prospective tenants.
- (3) Information on an application shall be verified by the LPA. Any post-occupancy change in a household must be reported to the property owner and LPA immediately.

5. Affirmative Fair Housing Marketing

a. General

Accessory apartments shall be subject to the same affirmative fair marketing/non-discrimination policies as other LAUs. There shall be a specific prohibition of discrimination on the basis of race, creed, color, sex, age, disability, marital status, familial status, veteran status, sexual orientation, national origin or any other basis prohibited by law in the renting of units.

b. Goal

The goal of affirmative fair housing efforts is to expand housing opportunities for low and moderate income households that are protected under fair housing laws and are less likely to apply for housing in the area. Such efforts include marketing to minority households so that a percentage of minority tenancy in affordable accessory apartments in the area is at least equal to the percentage of minority households in the applicable HUD MSA region.

c. Affirmative Fair Housing and Marketing and Resident Selection Plan

The affirmative fair marketing and resident selection plan must describe the planned advertising and outreach. The affirmative fair housing marketing and resident selection plan must specifically address advertising and outreach to minority households.

See Section III for additional guidance.

- (1) Outreach - The affirmative fair marketing plan should describe the outreach planned by the LPA for media outlets such as newspapers/radio/local access television. It should list community-based organizations that will receive notice of availability of the affordable units, such as community development corporations, housing authorities, places of worship, and not-for-profit organizations, as well as any local employers.

- (2) Minimum Advertising Period - Initial advertising for affordable accessory apartments shall be conducted by the LPA over a period of at least 60 days.
- (3) Wait List - The plan shall also include the establishment and maintenance of a waiting list of *qualified* households applying to rent accessory apartments. This "Ready Renters List" may be retained and used to fill vacant units and periodically updated. Applicants on the List shall have their eligibility verified again at the time a unit is offered to them. The Ready Renters List shall be supplemented as needed, but at least annually, through ongoing outreach efforts. The LPA shall establish and maintain the Ready Renters List.

d. Annual Data Collection

While consistency with regional racial minority percentages is a goal as opposed to a minimum requirement, the LPA shall collect data annually regarding the number of minority households renting accessory apartments.

e. Failure to Apply Good Faith Efforts

DHCD may suspend or revoke the eligibility of units based upon a community's inadequate efforts and progress relative to this goal.

f. Tenant Selection

- (1) Step 1 - The owner of an affordable accessory apartment provides written notice of unit availability to LPA and requests referral of one or more applicants.
- (2) Step 2 - Within 5 business days, the LPA refers the top appropriately-sized household or households on the Ready Renters List to the owner, no more than three at any one time.
- (3) Step 3 - The owner shall meet the referred applicant(s) and show the unit. Referred applicants must be given no fewer than 10 business days to view the unit. The owner may select any of the referred applicants or may request a new referral of applicants. Non-selected applicants will return to the top of the Ready Renters List.
- (4) Step 4 - The owner shall enter into a one-year lease, satisfactory to the LPA, with the selected applicant.
- (5) Rejected applicants - Upon request of the LPA, the owner shall specify in writing a substantial nondiscriminatory reason for having rejected an applicant.

6. Rents; Lease

a. Initial Rent

Rents for accessory apartments shall be calculated in the same way as other LIP rental units (see Section B.6 of these LIP Guidelines).

b. Utility Costs

All utilities shall be included in the rent or, if utilities are separately metered, they may be paid by the tenant and an amount equivalent to a Section 8 utility allowance shall be deducted from the

maximum allowable rent. The LPA shall secure the amount of the appropriate Section 8 utility allowance from the local/regional housing authority.

c. Rent Increases

The property owner may not increase the rent without the prior approval of the LPA and DHCD even if the initial rent is lower than the maximum allowable LIP rent. An increase will be allowed only in proportion to growth in median household income as determined by HUD.

d. Lease Provisions

Leases for accessory apartments shall conform to the requirements of Section B.7 of these LIP Guidelines.

7. Use Restrictions

a. Requirement/Enforceability

Property owners shall agree to execute and the LPA shall record an affordable housing restriction for LIP-approved accessory apartment units. The restriction shall be binding on and enforceable against any person claiming an interest in the property

b. Form

LIP accessory apartment units shall be secured using DHCD's form of "Regulatory Agreement for Affordable Accessory Apartment Projects", which shall be signed by the homeowner, the Municipality, and DHCD.

c. Early Termination of Restriction

In certain circumstances, DHCD will approve accessory apartment programs that allow a use restriction to terminate early or to be revocable by the owner. Notwithstanding the early termination of a use restriction, in all cases, the owner must provide an existing tenant at least 60 days prior written notice that his or her lease will not be renewed.

- (1) **Transfer of the Property** - Restrictions that either terminate automatically or are revocable by the owner upon transfer of the property. If the restriction terminates and is not renewed by the new owner, the municipality must notify DHCD. The unit will no longer be deemed a Local Action Unit and will be removed from the Subsidized Housing Inventory unless the new owner obtains municipal approval to rent the accessory apartment and enters into an affordable housing restriction in the form approved by DHCD.
- (2) **Voluntary Termination** - Restrictions that allow the owner to voluntarily terminate the restriction and cancel a special permit at the end of a tenant's lease term. The municipality may specify that such a voluntary termination may occur only after the owner has rented the accessory apartment to eligible tenants for a minimum number of years. The municipality must notify DHCD that the restriction has been voluntarily terminated, and the unit will no longer be deemed a Local Action Unit and will be removed from the Subsidized Housing Inventory.

8. Municipal Responsibilities

a. Information to Homeowners

The LPA shall inform participating homeowners of their obligations and responsibilities with respect to the program. Homeowners shall be given, and acknowledge in writing, their understanding of an information package including but not limited to the following items:

- (1) An overall description of the program, its goals and homeowner responsibilities;
- (2) Materials about fair housing and anti-discrimination laws;
- (3) Information as to notification, marketing, and tenant selection requirements; and
- (4) Information regarding occupancy requirements, use restrictions and the resale fee (see E.2).

b. Monitoring

The municipality, or its designee, is named in the deed rider as the monitoring agent (along with DHCD). The monitoring agent shall monitor LIP-approved Accessory Apartments on a biennial basis to verify their continued affordability and compliance with all income and occupancy restrictions contained in the affordable housing restriction.

(3) Reporting/Records

By March 15th of each year, the LPA shall prepare an annual report (as of December 31st of the preceding year) summarizing the eligibility of tenants in LIP-approved accessory apartments and documenting rents being charged. In addition to rent and income verification, the annual report shall provide information on the number of minority households housed, the number of non-local residents housed, and the composition of the waiting list. DHCD may request substantiation by supporting documentation.

The monitoring agent must retain annual recertification materials for a minimum of five years.

(May 2013 Update: deleted section on Age Restricted Housing as it reiterated requirements contained in Part II.)

E. **Initial Unit Sales, Resales and Refinancing**

1. Initial Sale

a. Requirements of Mortgage Financing

Prior to the sale of a unit, DHCD will review and approve the terms of the buyer's mortgage financing. DHCD requires mortgage loans for LIP units to meet the following minimum standards:

- (1) Be a fully amortizing fixed rate mortgage with a down payment of at least 3%, at least half of which must come from the buyer's own funds.
- (2) Be made by an institutional lender. Project sponsors are encouraged to work with local banks to provide competitive financing to potential first-time homebuyers.