

MAY 28, 2010

**BARNSTABLE COUNTY
HOME CONSORTIUM**

HUD CPD CONSOLIDATED PLAN

**FEDERAL FISCAL YEARS
2010 – 2014**



Shore Road Duplex- Truro

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Cape Cod Commission

MAY 28, 2010

**BARNSTABLE COUNTY HOME CONSORTIUM
CONSOLIDATED PLAN
2010 – 2014**

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SECTION 1. EXECUTIVE SUMMARY

The Consolidated Plan (CP) is a U.S. Department of Housing and Urban Development (HUD) requirement that combines the planning and application process for the HOME Investment Partnerships (HOME) program funding that the County will receive over the next five years. Barnstable County expects to receive approximately \$3,750,000 in HOME funds over the next five years. In addition, applicants for funding for a number of other HUD programs including local housing authority annual plans and the region's Continuum of Care (CoC) annual McKinney-Vento funding application must demonstrate that their application or annual plan is consistent with the Consolidated Plan.

The development of the Consolidated Plan took place under the supervision of the Cape Cod Commission and the Barnstable County HOME Consortium Advisory Council. The Barnstable County HOME Consortium is comprised of Barnstable County, as the lead agency, and the fifteen towns of Cape Cod: Barnstable, Bourne, Brewster, Chatham, Dennis, Eastham, Falmouth, Harwich, Mashpee, Orleans, Provincetown, Sandwich, Truro, Wellfleet, and Yarmouth.

The Consolidated Plan is designed to be a collaborative process whereby citizens of the region establish a unified vision to address the affordable housing needs of the region over the next five years. The Plan examines current market conditions; identifies the housing needs for a wide range of specific populations; sets priorities for spending the HOME funds the County expects to receive; and identifies goals, objectives, and the benchmarks it will use for measuring progress. In addition, the Plan also includes the Action Plan for the use of the \$749,819 in federal fiscal year (FFY) 2010 HOME funding the County will receive. In subsequent years, the Action Plan is submitted separately.

Sections 3 and 4 describe in some detail the current market conditions in the County and the challenges they pose for low income families and individuals, and those with special needs. Housing affordability problems also impact, especially on the lower Cape, moderate and middle income households looking to own and, in fact, threatens the economic competitiveness of the County and the well-being of all residents. To briefly summarize the key findings and their implications:

- **While the region's population is estimated to have declined slightly since the 2000 Census, the number of low income households with housing problems- primarily cost burdens- has increased by over 35% since the 2005 Consolidated Plan: from approximately 18,500 households to over 25,000 households. While both low income owners and renters have seen an increase in housing problems, the situation has gotten especially burdensome for low income renters- 79% of whom have a housing problem, compared with 57% in 2000. The proportion of low income owners with housing problems has increased to 63% in 2008, compared with 51% in 2000.**
- **The region's Section 8 waiting list is over 4,000 households, while the region's housing authorities reported waiting lists of over 1,800 households for family units and over 2,600 households for their elderly and disabled units. Despite the need,**

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there apparently has been a decrease in year round rental units over this decade. The need for affordable rental units, especially for very and extremely low income households, continues to be the region's primary housing concern.

- The gap between wages and real estate prices has only grown over the last five years. While historically low interest rates have brought the possibility for homeownership back into view for moderate and middle income buyers in some parts of Upper and Mid Cape towns, low income households still face an affordability gap. Massachusetts is one of the most expensive real estate markets in the nation, yet single family homes on the Cape are 10% more expensive than the rest of the state. Higher real estate prices combined with lower wages- the region's average wage is 35% lower than that of the state- has produced our affordability gap.**
- Housing that is affordable, and accessible, to populations with specialized needs – and resources to address their needs – are inadequate.**
- While the region has apparently made progress in reducing the number of homeless individuals and families over the last five years through the coordinated efforts of the Continuum of Care agencies that have employed a housing first approach along with aggressive prevention efforts, homelessness still remains an intractable issue and is likely to get worse with the predicted continuation of high foreclosure rates over the next two-three years.**

After analyzing the housing market and needs, the Consortium established five priorities for the upcoming period. These priorities are designed to address what we consider the most pressing housing needs facing the County. It is our opinion that if we are successful in achieving these goals and objectives, it will result in a significant improvement in the quality of life for the area's very low and low income households.

PRIORITIES

- 1. Develop and maintain an adequate supply of safe, decent rental housing that is affordable and accessible to residents with a range of income levels and household needs.**
- 2. Preserve and maintain the existing affordable housing stock, particularly the units occupied by extremely and very low income households.**
- 3. Reduce individual and family homelessness by providing a viable continuum of care that implements a housing first strategy for permanent supportive housing.**
- 4. Expand homeownership opportunities for low income households**
- 5. Ensure that County residents with long-term support needs have access to accessible, community housing options**

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The Consortium adopted the following annual goals for the next five years for County HOME resources along with the following performance measures to assess success in achieving the goals:

Rental Production- 45 units/year

- Number of affordable units produced for each income category
- Number of units for households at or below 30% area median income: goal is at least 33% of units
- Number of units for households at or below 50% of area median income: goal is at least 66% of units
- Number accessible under Section 504: goal is at least 10% of newly constructed units
- Number of units for homeless individuals/families: goal is at least 2 units
- Number of units for special needs households: goal is at least 2 households
- Number of newly constructed units that meet Energy Star standards: goal is at least 50% of units
- Number of newly constructed units that are LEED certified: goal is at least 25% of units

Homeownership Production- 10 units/year

- Number of affordable units produced for each income category
- Number of units for households at or below 50% of area median income: goal is at least 5% of units
- Number accessible under Section 504: goal is at least 10% of newly constructed units
- Number of newly constructed units that meet Energy Star standards: goal is at least 50% of units
- Number of newly constructed units that are LEED certified: goal is 25% of units

Homebuyer Assistance- 25 units/year

- Number of homebuyers assisted
- Number of minority households assisted: goal is at least 10% of all households

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Finally, the Consortium proposed the following allocation of FFY 2010 HOME funding to achieve the goals established in the FFY 2010 Action Plan:

FFY 2010 HOME ALLOCATIONS

Area/Program	Allocation	Goals- Units or Households assisted
Administration- 10% (1)	\$ 74,982	
CHDO Housing Production Projects (2)*	\$ 112,473	15 units
Housing Production (3)*	\$ 387,364	40 units
Down Payment/Closing Cost Program (4)	\$ 175,000	25 households
TOTAL	\$ 749,819	

- (1) A maximum of 10% of the HOME allocation is allowed for program administrative costs.
- (2) Required 15% non-profit community housing development organization (CHDO) set aside. Includes Consortium legal costs associated with project loan closings.
- (3) At least \$350,000 of total housing production projects, including CHDO projects, are reserved for rental projects. Includes Consortium legal costs associated with project loan closings.
- (4) One pool of funds with the maximum award of \$10,000 for first time homebuyers with the amount limited to the amount actually needed to complete the transaction. Deferred payment loan payable upon sale, transfer, or in some cases refinancing of the property.

* Any projected program income (estimate \$15,000) and unobligated carry over funds from prior years will be added to the housing production total submitted to HUD.

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SECTION 2. INTRODUCTION: CONSULTATION AND MANAGING THE PROCESS

The Consolidated Plan (CP) is a U.S. Department of Housing and Urban Development (HUD) requirement that combines the planning and application process for the HOME Investment Partnerships (HOME) program funding that the County will receive over the next five years. Barnstable County expects to receive approximately \$3,750,000 in HOME funds over the next five years. In addition, applicants for funding for a number of other HUD programs along with local housing authority annual plans and the CoC McKinney-Vento annual funding application must demonstrate that their application or annual plan is consistent with the Consolidated Plan.

The Consolidated Plan is designed to be a collaborative process whereby citizens of the region establish a unified vision to address the affordable housing needs of the region over the next five years. The Plan examines current market conditions; identifies the housing needs for a wide range of specific populations; sets priorities for spending the HOME funds the County expects to receive; and identifies goals, objectives, and the benchmarks it will use for measuring progress. In addition, the Plan also includes the Action Plan for the use of the \$749,819 in federal fiscal year (FFY) 2010 HOME funding the County expects to receive. In subsequent years, the Action Plan is submitted separately.

The development of the Consolidated Plan took place under the supervision of the Cape Cod Commission and the Barnstable County HOME Consortium Advisory Council. The Commission is Barnstable County's land use and planning agency and is responsible for the overall administration of the HOME Program. The Advisory Council is comprised of a representative from each of the fifteen towns, two at-large members and the Commission's affordable housing specialist as its ex-officio member. The Council has had representation from a broad range of housing and community interests, including local housing authorities, non-profit housing agencies, local housing partnerships, the elderly, tenants, banks, real estate, town government, the religious sector, human services and private citizens.

The Advisory Council was consulted on a regular basis and played an integral role in the development of the Consortium's CP. The broad range of housing/community interests and experience of the Advisory Council helped to ensure that the Consolidated Plan reflected what the community saw as its most critical needs and priorities. The Consortium also consulted with town and county officials, local housing authorities, community development agencies, non-profit housing organizations, town housing committees, religious organizations and agencies that service the needs of the elderly, children with lead-based point poisoning, people with special needs, people with AIDS, people with developmental and mental health disabilities, tenants, the homeless and others.

The Commission has established a working relationship with a great many housing and housing related agencies, organizations, etc., from throughout the Cape. The Commission's affordable housing specialist serves on the committees of several prominent community based and housing organizations. This contact has provided a conduit of information regarding the development and implementation of the policies, programs and activities of the Consortium and the Commission.

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For the last sixteen years the Consortium has provided technical assistance on an ongoing basis to local housing organizations, housing authorities, municipalities, private developers and low income groups interested in applying for HOME funds. For the most part this consultation has taken the form on one on one discussions with the Consortium's affordable housing specialist or through review of funding applications.

Additionally, the Commission has provided technical assistance to low income groups through its Technical Assistance Program (TAP). Established in 1995, the TAP provides technical assistance to non-profits, housing authorities, and towns through payment to consultants for either strategic planning or predevelopment assistance on a variety of affordable housing issues or projects. The primary goal of the TAP is to increase the overall capacity of local groups to address the Cape's affordable housing needs. To date over ninety projects have been funded, including some in each of the fifteen Cape communities.

The Commission's wide participation in affordable housing issues in the County has engendered broad support for adopting regional strategies to address the Cape's needs and has served has served the Consortium well. It has provided an established framework for carrying out the goals, objectives and activities of the Consortium.

CITIZEN PARTICIPATION PROCESS FOR THIS PLAN

From its inception, the Consortium has placed a high premium on citizen participation. Specific steps were taken early on to ensure that the fifteen towns and the numerous housing/social agencies that exist on Cape Cod were given the opportunity to participate in this process. In the respect, the most significant step was to create the Advisory Council. Established through the passage of an ordinance by the County Legislature and appointed by the County Commissioners, the Advisory Council continues to play a central role in the development of Consortium's program, plans and policies.

The Advisory Council, which meets monthly, assisted in the development of this Plan, provides ongoing input regarding program design and implementation, and participates in the awarding project funds. The council meetings are open to the public and welcome their participation. Over the last fifteen years, the Advisory Council has become an important forum for discussing and taking action regarding both housing and community matters.

Consultation also took place with a host of agencies, organizations and individuals regarding the housing needs of low income people in general, and special needs in particular. These agencies/organizations included: the fifteen Local Housing Authorities, Housing Assistance Corporation, Lower Cape Cod Community Development Partnership, Department of Mental Health, Department of Developmental Services, The Resource Inc., AIDS Support Group of Cape Cod, Cape Organization for Rights of the Disabled, the Veterans' Outreach Center, Elder Services of Cape Cod and the Islands, Community Action Committee of Cape Cod and the Islands, Independence House, Duffy Health Center, Community Connections, the Homeless Prevention Council, the Regional Network To End Homelessness, Cape Cod Hospital, seven town housing committees (Barnstable, Eastham, Falmouth, Harwich, Orleans, Provincetown,

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Wellfleet, and Yarmouth), and town community development staff.

The Consortium also conducted focus groups facilitated by the following organizations for the purpose of gathering information about the region's fair housing and affordable housing needs:

- Cape Organization for Rights of the Disabled (individuals with disabilities/elders)
- NAACP
- Community Action Committee (families with children and/or housing vouchers)
- Mashpee Wampanoag Tribe
- Barnstable County Human Rights Commission
- Immigrant Center of Cape Cod

Finally, the Consortium also met with the region's Housing Authority Executive Directors and participated in a jointly sponsored (with Barnstable and Yarmouth CDBG staff) focus group on January 26, 2010 with over twenty (20) individuals representing a range of the region's affordable housing organizations, social service providers, and housing committees.

At the February 18, 2010 Advisory Council meeting, the initial findings of the housing needs and market analysis sections of the Plan were presented and discussed.

At the March 25, 2010 Advisory Council meeting, the initial draft of the strategy and priority section of the plan was discussed along with the FFY 2010 HOME allocation for the Action Plan. On March 5, 2010, a Public Notice was placed in the Cape Cod Times informing the public that on March 29, 30, and 31, 2010 public meetings would be held in the three separate regions of the Cape to receive testimony regarding the content of the CP and the 2010 Action Plan. On March 5, 2010 an e-mail notice about the March public meetings was sent to about 150 people from all fifteen towns, local housing authorities, affordable housing developers, local housing committees, and social service and minority organizations working with low income residents. The notice about the meetings that was e-mailed was also translated into Spanish and Portuguese. Translated notices of the public meetings along were posted on the Commission web site on March 29, 2010.

All hearing locations were handicap accessible, and provisions were made for providing special accommodations for language interpretation or services for the deaf or hard of hearing.

The Advisory Council at its April 22, 2010 meeting approved the final draft version of the CP and Action Plan pending receipt of any additional public comment. A Public Notice was placed in the Cape Cod Times on April 26, 2010 informing the public that the CP would be available for comment until May 26, 2010 at seventeen (17) locations throughout the Cape and on the Cape Cod Commission web site for anyone to review before it was submitted to HUD. Again, the e-mail list was used to inform people of the final thirty (30) day comment period on April 26, 2010. Lastly, the CP was posted on the Commission web site on April 23, 2010.

A summary of comments received either orally or in writing on the draft Consolidated Plan are included in Appendix B. In addition, the Consortium's overall citizen participation plan is included in Appendix B.

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SECTION 3. HOUSING MARKET ANALYSIS

While Barnstable County experienced the same pendulum in the real estate market that occurred in the state and much of the nation over these past five years, i.e. 2005 as the peak of the inflated housing market followed by four years of steady but not precipitous price declines, the County's housing market is impacted somewhat differently than the rest of the state because of its tourist-based economy, its high proportion of second home owners, its older population, and its environmental constraints. These factors combine, along with others, to make the creation of affordable housing a particularly difficult endeavor in this region; in fact the challenges facing Cape affordable housing developers are more similar to those facing other resort areas like Key West, Aspen, or Jackson Hole.

HOUSING DEMAND

The following sections/charts of the housing demand analysis were excerpted from the 2009 Cape Cod Commission Comprehensive Economic Development Strategy (CEDS):

- Quick facts
- Description of the Cape Cod Regional Economy
- Data trends: population; wages & income

The following sections/charts of the housing demand analysis were excerpted from the 2009 Barnstable County Fair Housing Plan:

- Age Groups in Population
- Age Distribution
- Minority population
- Household Income by Race

Quick Facts

Barnstable County consists of the 15 towns that, as a group, make up the region called Cape Cod. The Cape is typically divided into three sub-regions: upper Cape (Bourne, Falmouth, Mashpee, and Sandwich); mid Cape (Barnstable, Dennis, and Yarmouth); and lower Cape (Brewster, Chatham, Eastham, Harwich, Orleans, Provincetown, Truro, and Wellfleet). The following table compares population and income for Barnstable County with the state and the nation using the most up-to-date data available. While at first glance the Cape looks like an economic development success, the data belie the real socio-economic differences between population groups and the cost rapid growth has imposed on the environment that is only just now beginning to be felt by the taxpayers.

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People & Income Overview (By Place of Residence)	Barnstable County, MA	Massachusetts	United States
Population (2008)	221,049	6,497,967	304,059,724
Growth (%) Since 1990	18.5%	8.0%	22.2%
Growth (%) Since 1970	128.7%	14.2%	49.6%
Upland Land Area (in sq. miles)	395.5	7,840.0	3,537,438.4
Population Density (2008)	558.9	828.8	86.0
% Reporting One Race Only (2000)	98.3%	97.7%	97.6%
% Reporting Only African American (2000)	1.8%	5.4%	12.3%
% Reporting Hispanic (of any race) (2000)	1.3%	6.8%	12.5%
Households (2000)	94,822	2,443,580	105,480,101
Labor Force (2008)	121,010	3,424,018	154,287,000
Unemployment Rate (2008)	5.8	5.3	5.8
Total Average Wage (2007 by place of work)	\$37,691	\$55,244	\$44,458
Per Capita Personal Income (PCPI) (2007)	\$47,640	\$48,995	\$38,615
10 Year PCPI Growth (%) adj. for inflation	21.0%	24.4%	18.0%
Poverty Rate (2005)	7.1	10.3	13.3
H.S. Diploma or More - % of Adults 25+ (2000)	91.8%	84.8%	80.4%

Description of the Cape Cod Regional Economy

The majority of jobs on Cape Cod in 2007 are in two sectors closely tied to tourism: retail (18%) and accommodations & food service (15%). The average annual wage in the retail sector is \$27,557, while average wages in accommodations & food service is \$19,829 annually. The 2007 county average wage was \$37,691. Actual wages in both sectors may be marginally higher because employment data does not account for the many part-time or seasonal jobs in these industries. A significant portion of activity in these industries is related to tourism and second homeowners, particularly on the Outer Cape where the year-round population remains relatively small.

Industry Overview (2007) (By Place of Work)	Barnstable County		Massachusetts		United States	
	Jobs	Avg. Wage	Jobs	Avg. Wage	Jobs	Avg. Wage
Total	92,642	\$37,691	3,234,357	\$55,244	135,366,106	\$44,458
Manufacturing	2.4%	\$49,805	9.1%	\$69,573	10.3%	\$53,544
Transportation and Warehousing	2.5%	\$37,519	2.9%	\$44,767	4.0%	\$44,618
Retail Trade	17.7%	\$27,557	10.8%	\$27,599	11.5%	\$26,120
Health Care, Social Assist. - % of all jobs	15.9%	\$43,439	15.1%	\$47,441	12.5%	\$41,202
Finance and Insurance	2.4%	\$61,392	5.6%	\$116,007	4.4%	\$84,858
Professional Services	4.8%	\$58,126	7.7%	\$93,006	5.7%	\$71,992
Accommodations & Food Service	15.2%	\$19,829	7.9%	\$18,840	8.5%	\$16,415

The third largest industry in terms of employment is health care and social services (15.5%), with an annual average wage of \$43,439 in 2007. This industry does pay higher wages and provides

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full-time jobs with benefits for most employees. Jobs in this industry cover the full range of skill levels and, with the aging population, this industry is expected to continue to provide career opportunities over the next several decades. Public administration, construction, and educational services each represent between 5 – 10% of employment on Cape Cod. The rest of the regional economy is made up of smaller industry sectors, each employing less than 5% of those working in the county.

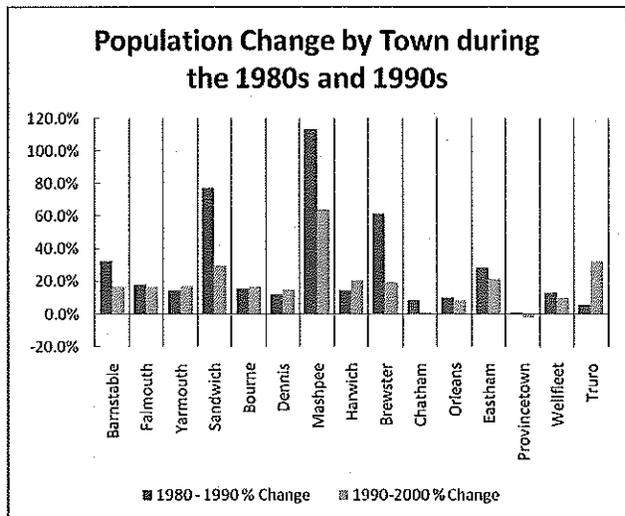
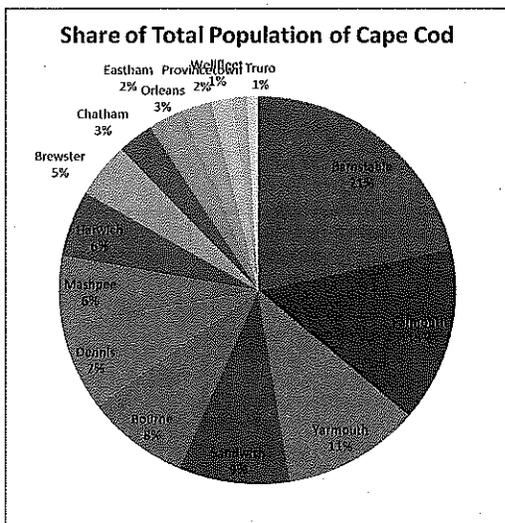
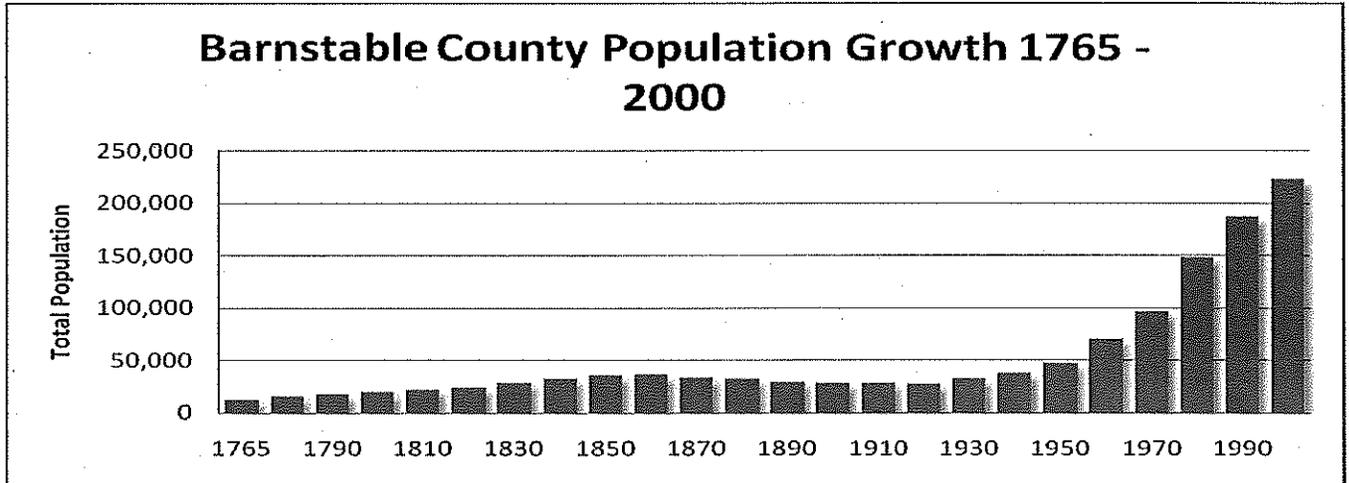
As noted from the chart, the Cape's average wage is over 30% below that of the state. Combined with the fact that is described later in this section that the region's housing prices are higher than the state averages, the creation of affordable housing becomes both very needed and very difficult. According to the 2005 Barnstable County Nexus Study, 47% of the region's net job growth from 1990- 2004 came in four sectors: retail; food service and accommodations; arts, entertainment, and recreation; and other non-governmental services. All of these job categories paid less than \$25,000 in 2004, while the region's average wage in 2004 was just over \$34,000.

The region's unemployment rate as of February 2010 was 13.4%, well above the state and national averages. While the Cape typically has a spike in unemployment during the winter, this level of unemployment is the highest in 16 years.

Data Trends

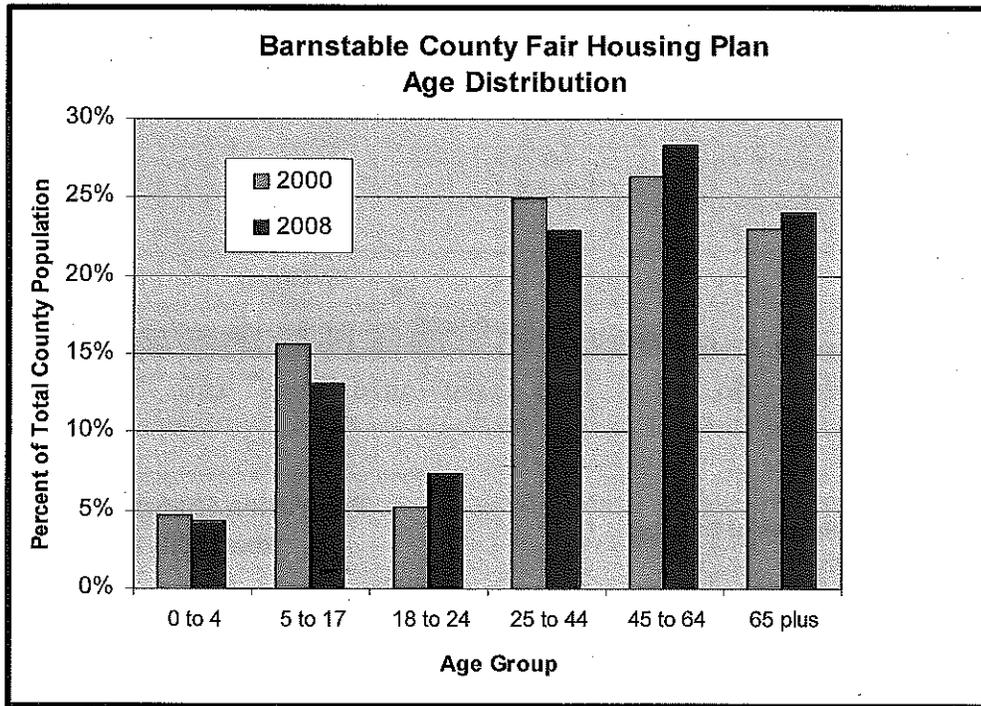
★ Population: Cape Cod experienced extraordinarily rapid population growth beginning in the 1970's through 2003. Population estimates since 2003 indicate the population has reverted back to 2000 levels. Actual population change will not be known until the 2010 Census is completed.

Population Over Time	Barnstable County, MA	Massachusetts	United States
2008 (Estimate)	221,049	6,497,967	304,059,724
2000	222,230	6,349,097	281,421,906
1990	186,605	6,016,425	248,790,925
1980	147,925	5,737,093	226,542,250
1970	96,656	5,689,170	203,302,037
1990 to 2000 % change	19.1%	5.5%	13.1%
1980 to 2000 % change	50.2%	10.7%	24.2%
1970 to 2000 % change	129.9%	11.6%	38.4%

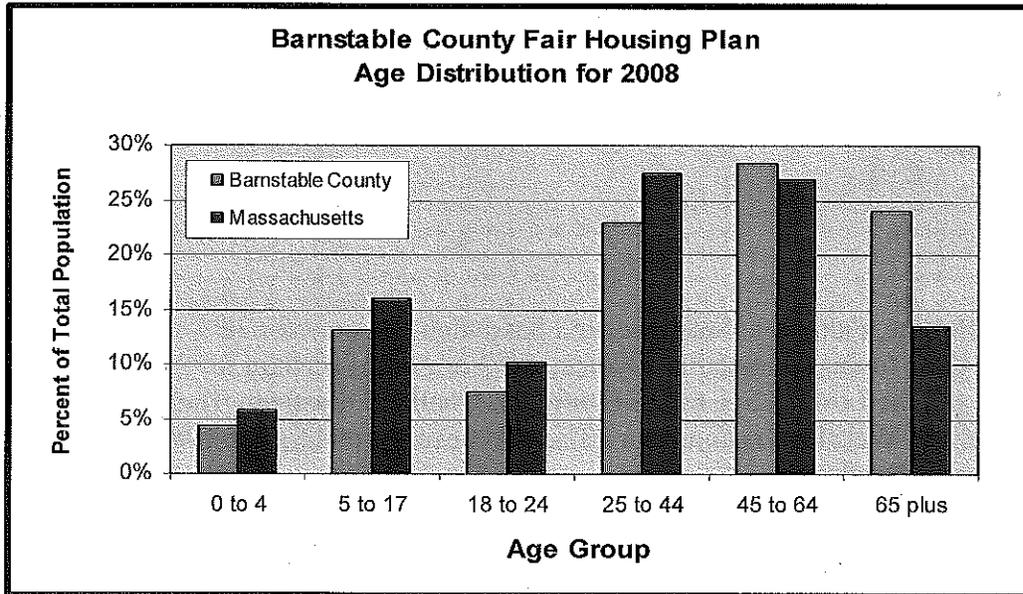


Upper Cape towns (Bourne, Falmouth, Mashpee, and Sandwich) account for 38% of the region's population; the Mid-Cape towns (Barnstable, Dennis, and Yarmouth) account for 39% of the region's population; and the Lower Cape towns (Brewster, Chatham, Eastham, Harwich, Orleans, Provincetown, Truro, and Wellfleet) account for 23%. The fastest growth since 1980 has occurred in Mashpee and Sandwich.

Barnstable County is the oldest county in the state with 24% of the population age 65 or older, compared with 13% for the state. In this decade, there has been a decrease of households in the family formation stage (ages 25-44) as younger households comprised 23% of the region's population in 2008, compared with 25% in 2000.



Source: 2009 Barnstable County HOME Consortium Fair Housing Plan



Source: 2009 Barnstable County HOME Consortium Fair Housing Plan

This trend of an aging population is also reflected in the % of households with children under 18 years of age; however, surprisingly it appears that both average household size and average family size have increased during the decade.

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HOUSEHOLD/FAMILY SIZE

	2000	2008
Households with children under age 18	24.3%	22.9%
Average household size	2.28	2.33
Average Family Size	2.82	2.96

Sources: 2000 Census; 2008 American Community Survey

These population trends are reflected in the 10% decline in public school enrollment over the last five years; however, the percentage of low income students in the region's public schools has increased from 17% to 21% during this same time period.

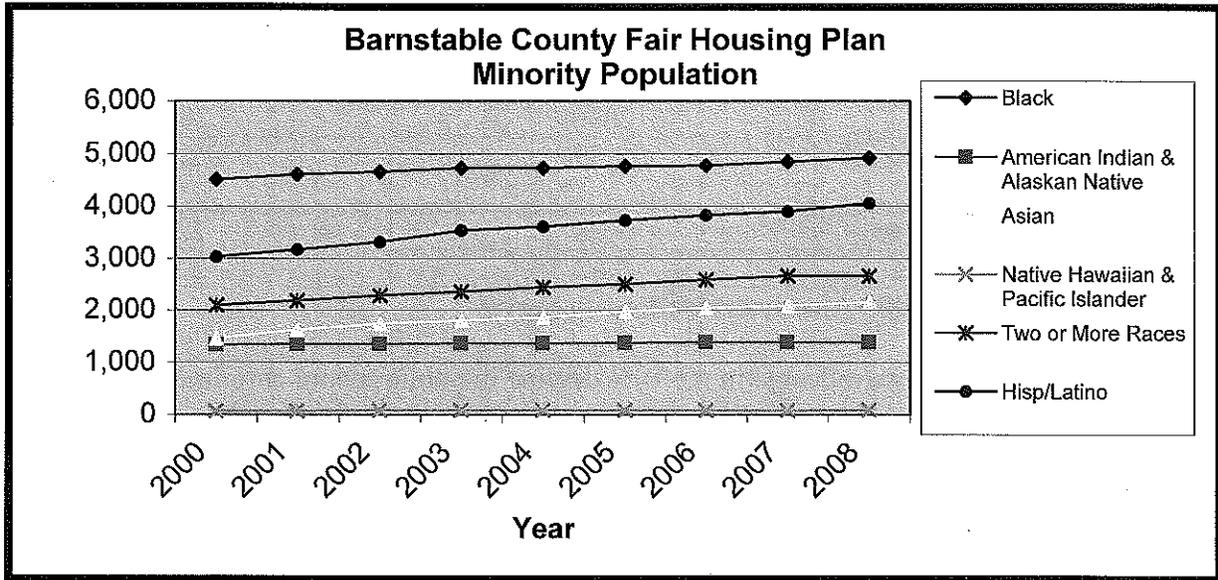
Year	Total Public School Enrollment	% Change From 2004-2005
2004-2005	30,744	-
2005-2006	29,909	-2.7%
2006-2007	29,179	-5.1%
2007-2008	28,445	-7.5%
2008-2009	27,594	-10.25%

Source: Falmouth Human Services

Year	% of Low Income Students- Public Schools
2004-2005	17%
2005-2006	16%
2006-2007	19%
2007-2008	18%
2008-2009	21%

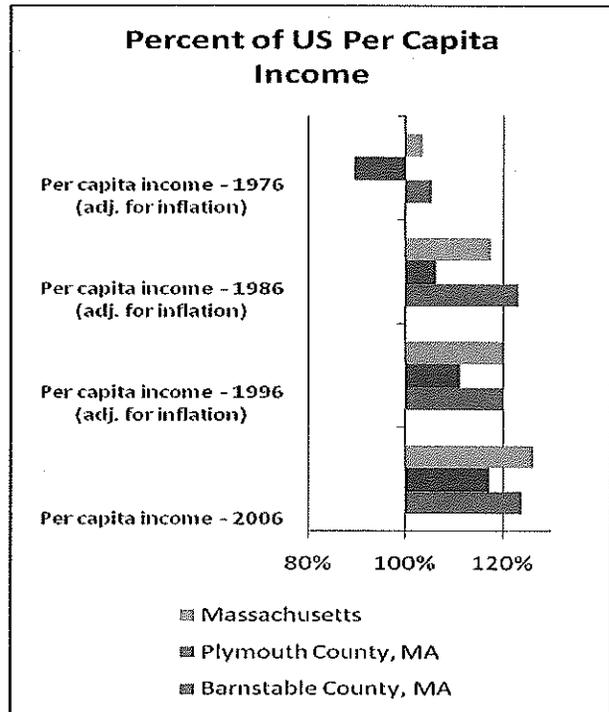
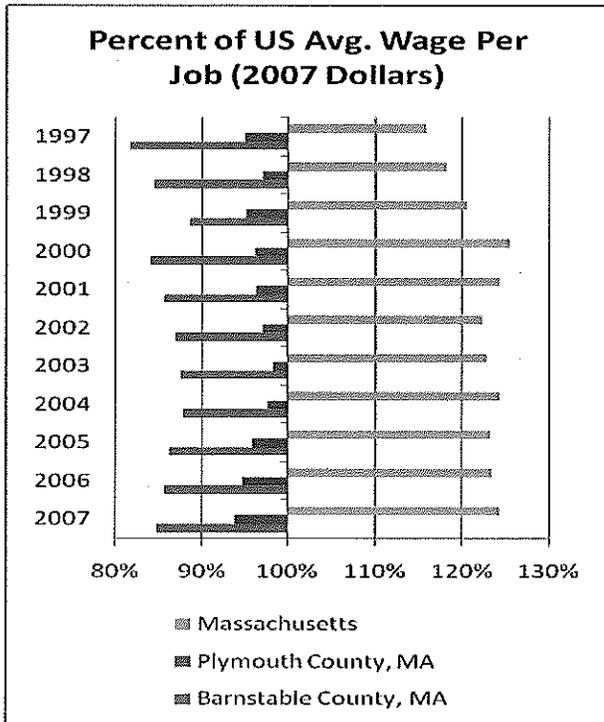
Source: Falmouth Human Services

While the region's population is significantly less diverse than that of the state (6.6%- Cape Cod; 18.1%- state- 2000 Census), there has been some increase in the region's various minority populations during this decade. As the region's overall population has declined somewhat since 2000, it is likely that the 2010 Census will show a higher minority % than in 2000.



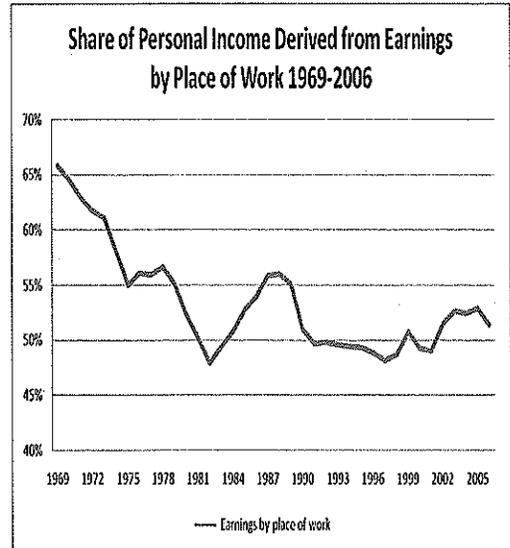
Source: 2009 Barnstable County HOME Consortium Fair Housing Plan

★ Wages & Income: Data on local wages paid and data on personal income paint different pictures of the monetary wellbeing of Cape Cod residents; wages are dramatically lower than statewide wages and neighboring Plymouth County wages and yet, personal income per capita on the Cape is comparable to the state and above Plymouth County. This trend suggests that while wealthy people may live on Cape Cod that wealth was probably not earned on Cape Cod.



Sources: US Bureau of Labor Statistics, US Bureau of Economic Analysis

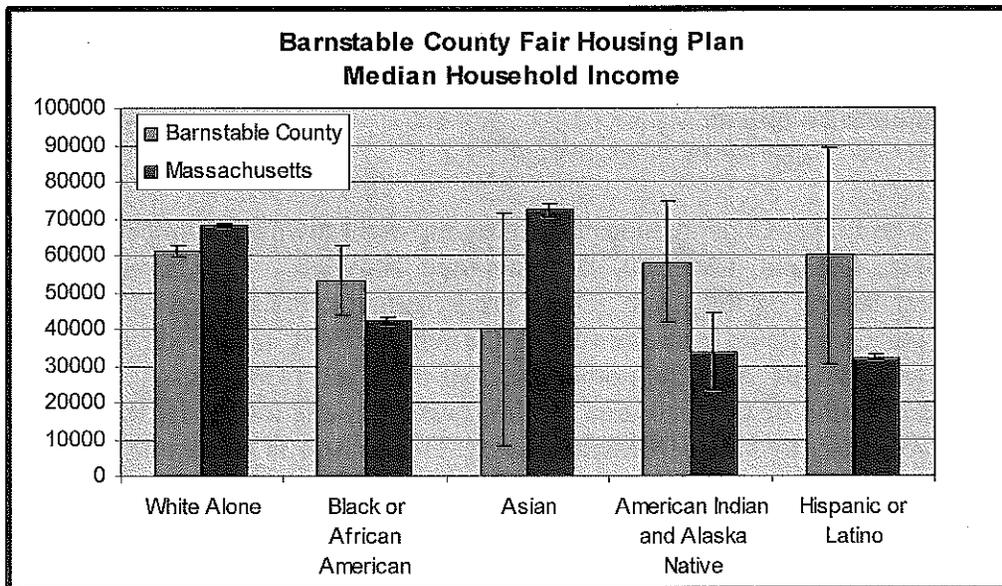
The amount of personal income derived from employment earnings has declined by 15% on average since 1969. This trend coincides with rapid population growth during the 1970s, 80s, and 90s and suggests that new residents were not coming to the Cape to work but more likely to retire on income derived from social security and dividend from retirement plans.



Sources: US Bureau of Economic Analysis

According to the U.S. Census' American Community Survey- 2006-2008, the median household income for the County's white households was \$61,000, compared with \$69,000 for the state, a difference of 13%.

The median household income for the region's various minority/ethnic households was less than that of white households although the Census did report a significant margin of error (signified on the following chart by the vertical lines), presumably because of the low sampling numbers for these groups.



Source: 2009 Barnstable County HOME Consortium Fair Housing Plan

Regional Characteristics

★ Second home owners: Cape Cod continues to be a desirable region for second-home owners and retirees as 32% of the Cape's housing stock (47,016 out of 147,083 units) in 2000 was classified as being for seasonal, recreational, or occasional use. According to the 2008 Survey of Cape Cod Second-Home Owners conducted by the UMass Donahue Institute for the Cape Cod Commission, 22% of second home-owners indicated that they would convert their home to a primary residence within the next fifteen years. In addition, that survey found that 67% of the second home-owners had an annual income of over \$100,000. This finding is in line with 2007 data from demographer Peter Francese that second homeowners have an average household income of about \$80,000 compared with the Cape average household income of about \$45,900. As the baby-boom generation approaches retirement age (the 45-54 age range was the fastest growing group in the 2000 Census) and as long as the Cape is viewed as an attractive area, the demand for either second or retirement homes, particularly among those with upper-incomes, will continue to drive the real estate market on the Cape as these prospective owners are better able to compete for the existing stock of housing and to drive prices higher.

★ Environmental considerations: All strategies or programs to address the Cape's affordable housing needs must consider its relationship to, and potential impact on, the Cape's environment. Cape Cod's water supply is provided by its sole source aquifer. With the exception of portions of Barnstable, Chatham, Falmouth, and Provincetown, the Cape's wastewater treatment is handled by on-site septic systems. These Title V systems are not designed to remove nitrogen, and consequently a good number of the region's ponds and coastal embayments have suffered degradation. There has been significant attention paid by Barnstable County and the region's towns to the issue of wastewater facilities and capacity over the last couple of years, and fundamentally the development of adequate wastewater facilities is critical to any efforts to make significant progress with respect to affordable housing. One of the major challenges for wastewater efforts, as it is for affordable housing, is securing sufficient resources to provide the needed infrastructure as the estimates for the cost of the needed wastewater facilities in the region range from \$3 billion to \$6 billion.

★ Lower Cape issues: The Lower Cape includes the following eight towns: Provincetown, Truro, Wellfleet, Eastham, Orleans, Chatham, Brewster and Harwich. The Lower Cape is considered the most rural region of the Cape. There are several factors related to affordable housing that set the Lower Cape apart from the rest of the region. First, the Lower Cape has a much higher proportion of seasonal units than other areas of the Cape (45% versus 32% Cape-wide). Second, a large proportion of the land area on the Lower Cape is owned by the National Seashore (from 30% of Eastham to 77% of Provincetown). Third, there is a sizeable retirement population on the Lower Cape. Fourth, most of Eastham, Wellfleet, and Truro have no public water supply or shared or public wastewater facilities; therefore, larger lot sizes are necessary for any residential development. These factors mean that the Lower Cape has higher housing costs and less land available for affordable housing than other areas of the Cape. In addition, the predominantly tourist based economy has resulted in lower wages and higher unemployment for

this region. The need for a car to get around is much more acute on the Lower Cape. Finally, the fragile nature of the Lower Cape's environment limits what this community can do to address its affordable housing needs. All of these factors have meant that low income household on the Lower Cape have fewer affordable housing opportunities.

★ Transportation: Because of the relatively low population density spread out over a large area, Cape Cod residents are heavily dependent on privately owned vehicles for transportation. According to the 2000 Census 81.3% of Cape residents drive alone to work, 8.1% carpool, and only 1.4% use public transportation. The compares with state averages of 73.8% driving alone, 9% carpools, and 8.7% using public transportation. This dependence is due in large part to the rural nature of Barnstable County. Consequently, local residents frequently must travel long distances for work, school and to purchase goods or services. While the region has added a Flex bus service for the lower Cape over the last five years, it has not had a significant impact on the private auto versus public transportation ratio. This unavoidable reliance on private transportation has had a destabilizing impact on the area's low-income households. It has meant that these households must commit a disproportionately large share of their meager incomes towards owning and maintaining a car (or cars). This in turn impacts their ability to pay for other vital necessities, including housing costs.

★ Energy costs: According to a January 16, 2010 article in Banker & Tradesman magazine, Cape Cod residents have the second highest electricity costs in the nation, only after Hawaii. These high costs have a destabilizing impact on the ability of the area's low-income renters and owners to meet existing housing costs as a disproportionate share of household income is consumed by the costs of heat and electricity.

HOUSING SUPPLY

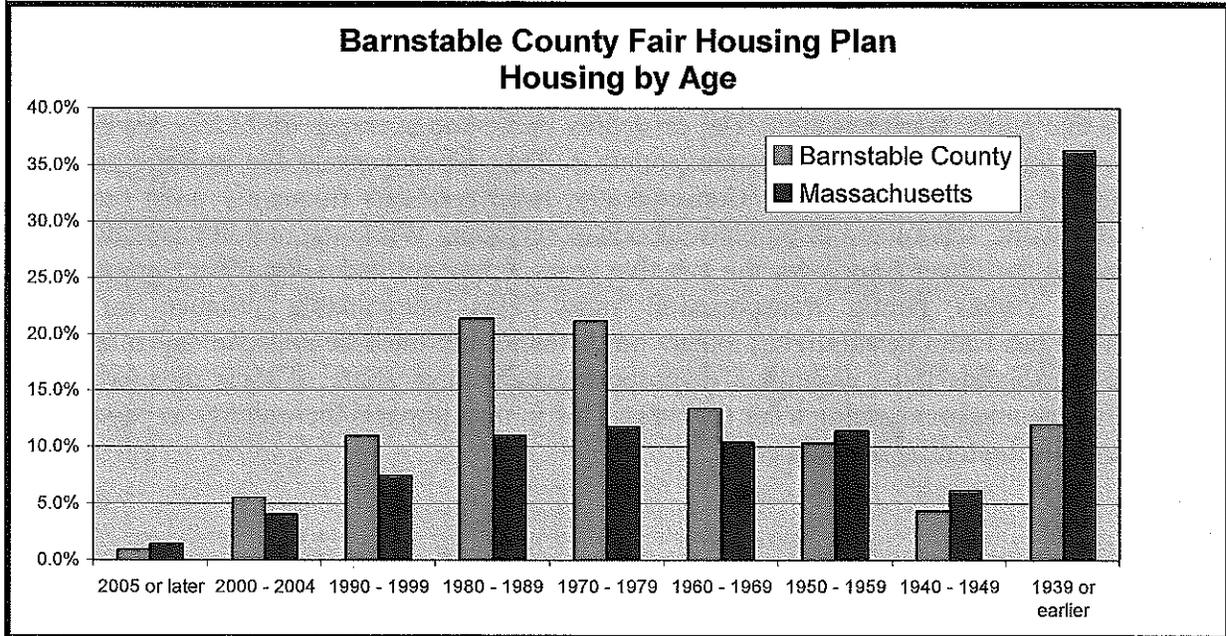
Overview

While residential unit growth has continued during this decade, the pace of growth in housing units has slowed dramatically from the explosive growth that occurred in the region from 1970-2000. Given the economic down turn and accompanying drop off in new residential construction since 2007, this decade will likely see the smallest number of new residential units added in the region since 1940- 1949.

Years	Total Residential Units	Units Added in the Decade	% Change
Through 1969	63,678	-	-
1970- 1979	95,489	31,811	50%
1980- 1989	129,261	33,772	35.4%
1990- 1999	145,481	16,220	12.5%
2000- 2007	156,141	10,660	7.3%

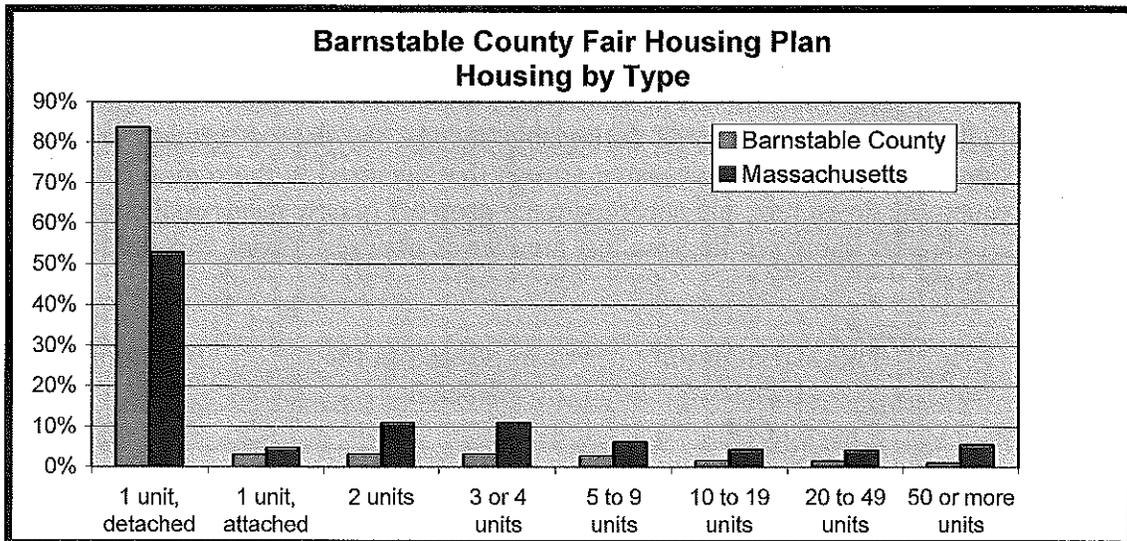
Source: 2008 American Community Survey

Not surprisingly, the County's housing stock is generally newer than that of the state. For example, 12% of the region's housing stock was built prior to 1939, compared with 36% for the state.



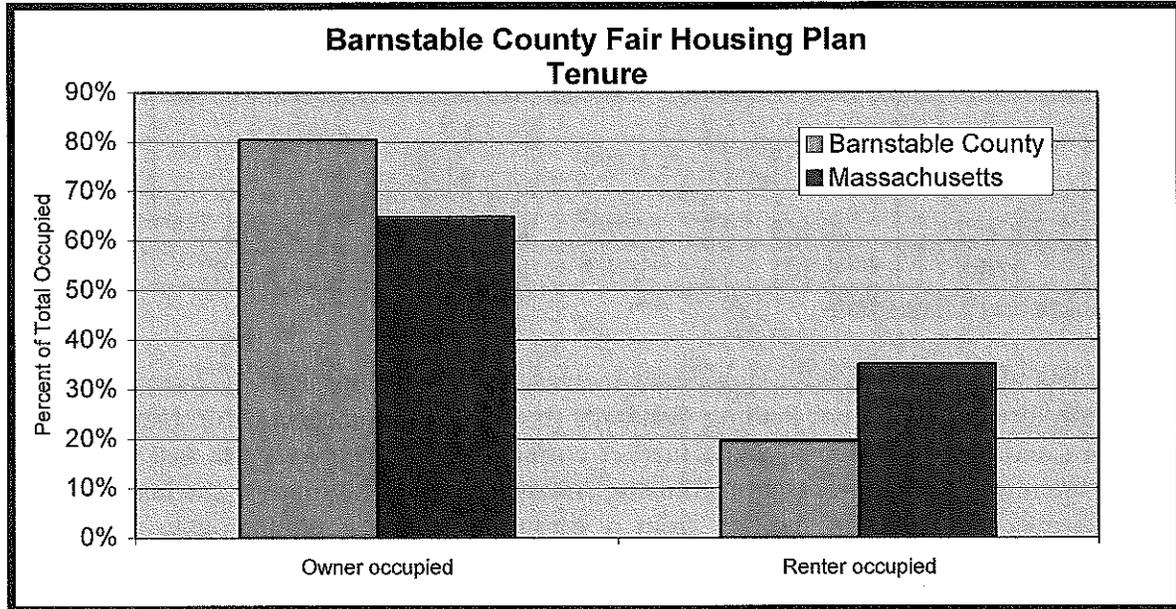
Source: 2009 Barnstable County HOME Consortium Fair Housing Plan

The region has far less diversity in housing stock than that of the state as 84% of the region's residential units are single family detached homes, compared to 53% for the state.



Source: 2009 Barnstable County HOME Consortium Fair Housing Plan

At the time of the 2000 Census, the Cape's ownership rate was 77.8%- the fourth highest ownership rate in the nation. According to 2008 American Community Survey estimates, the region's ownership rate has risen to 80%. The ownership rate in the state is 65%.



Source: 2009 Barnstable County HOME Consortium Fair Housing Plan

While the region's population is older (44.6 versus 36.5- 2000 Census) and its average household size is smaller (2.28 versus 2.51- 2000 Census) than that of the state, the preponderance of housing units in the region are three bedrooms or larger.

Unit Size	Total	% of Total
0-2 Bedrooms	59,703	38.2%
3+ Bedrooms	96,438	61.8%

Source: 2008 American Community Survey

According to the November 2008 State of the Massachusetts Housing Market Study by the UMass Donahue Institute, the Cape had a sufficient number of housing units to meet its current and projected need; however, there was a significant mismatch in housing types. The study estimated that there was a current oversupply of over 16,000 single family homes in the Cape and Islands region and a current under supply of over 14,000 multi-family units.

Housing Type	2008 Under () or Over (+) Supply- Units	2009 Under () or Over (+) Supply- Units	2010 Under () or Over (+) Supply- Units	2011 Under () or Over (+) Supply- Units	2012 Under () or Over (+) Supply- Units
Single Family	+16,227	+16,704	+17,416	+18,125	+18,895
Multi-family	(14,134)	(14,359)	(14,575)	(14,781)	(14,982)

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Source: The State of the Massachusetts Housing Market- 2008- UMass Donahue Institute

The volume of sales in the region has declined significantly since the peak in 2004: 42% fewer single family sales in 2009 compared with 2004 and a decline of 45% in condominium sales during that same period.

Housing Type	Volume of Sales-2004	Volume of Sales-2005	Volume of Sales-2006	Volume of Sales-2007	Volume of Sales-2008	Volume of Sales-2009
Single Family	5,501	4,853	3,896	3,781	3,293	3,161
Condo	1,487	1,468	1,271	1,205	910	794
TOTAL	6,988	6,321	5,167	4,986	4,203	3,955

Source: Banker and Tradesman

The region has also experienced a significant increase in foreclosure activity over the last five years: initially driven by the lax lending standards that led to the unsustainable increase in real estate values and subsequent real estate market correction and then over the last year or two because of the impacts of the recession. Housing Assistance Corporation over the last three years has secured over \$800,000 in funding from a variety of sources: public (state and federal-including some stimulus funding), local bank, Mass Division of Banks, and MassHousing to offer foreclosure prevention counseling services. Starting in August 2007 HAC’s foreclosure counseling staff has fielded about 100 calls per month and typically deals with over 1,000 clients per year. In addition, the Town of Barnstable received \$400,000 in Neighborhood Stabilization Program I funds that it intends to use to enable the Barnstable Housing Authority and Housing Assistance Corporation to acquire four foreclosed properties in designated census tracts.

While the number of foreclosure deeds dropped almost 20% from 2008 to 2009, the number of foreclosure petitions actually increased in 2009 from the prior year; therefore, there is no indication that the region is heading back toward a more normal level of foreclosure activity. In fact the number of foreclosure deeds through April of 2010 was 266 compared with 166 through the first four months of 2009. Until the economy revives and the jobless rate returns to more normal levels, the region will likely continue to deal with the impacts of foreclosures.

Year	Number of Foreclosure Deeds	% Change From Prior Year
2005	49	-
2006	119	+143%
2007	348	+192%
2008	599	+ 72%
2009	481	- 20%

Source: Barnstable County Registry of Deeds

One other impact of the increased foreclosures in the region is that there has been an increase demand for and supply of rental units. While the information is anecdotal, it appears that

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foreclosed upon homeowners are moving into the rental market and also some investors are putting expected ownership units, especially condos, on the market as rentals in order to generate some cash flow for their investment. Housing Assistance Corporation reported that it has 58 new landlords participating in its voucher programs since July 1, 2009, and it thus has become somewhat easier for voucher holders to find rental units.

Finally, there are some special regional conditions that impact housing supply. A Cod Commission study in 2006 estimated that about 42% of the Cape has been developed, 42% has either been protected or is wetlands, and 16% is remaining. No Cape town has more than one quarter of its land remaining to be developed. Falmouth and Orleans with 24%, and Harwich and Sandwich with 20% are the communities with the highest proportions of land remaining, while Provincetown with 2% and Eastham with 8% have the least amount of developable land available.

The tension between supply and demand is most serious on the Outer Cape. Here, the existence of the Cape Cod National Seashore further limits the supply of available land. National Seashore owned land is 32% of Eastham, 58% of Wellfleet, 68% of Truro, and 79% of Provincetown. Similarly, while Barnstable County overall, by conservative estimates, has a summer population 2.5 times that of the winter, the multiple in these Outer Cape towns ranges from 3.5 to 6.5 times.

A Cape Cod Commission analysis of local zoning in 2010 determined that over 70% of the residentially-zoned land in the region was zoned at one acre or more. This fact, more than any other, has meant that the creation of affordable housing has required the density relief afforded by the Chapter 40B process as 84% of the newly created affordable units in the region from 2001-2008 were permitted under Chapter 40B.

Availability

As noted earlier, according to the 2008 State of the Massachusetts Housing Market Study, the Cape had a sufficient number of housing units to meet its current and projected need; however, there was a significant mismatch in housing types. The study estimated that there was a current oversupply of over 16,000 single family homes in the Cape and Islands region and a current under supply of over 14,000 multi-family units. Since the 2000 Census there has been a slight decrease both of population and of households; however, there has been an increase of over 10,000 new housing units added in the region.

Year	Population	Households	Housing Units
2000	222,230	94,822	145,481
2008	221,049	93,027	156,141

Source: 2008 American Community Survey

Also as noted earlier there is a mismatch between household size and the size of housing. Approximately 28% of households in 2008 (those family households with children and non-family households not living alone) would potentially need housing with three bedrooms or more; however, 62% of the region's housing stock is of that size. Perhaps because of the housing stock size, overcrowding does not seem to be a significant issue in the region. Overcrowding is

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defined as having more than one person per room, and the data from the 2008 American Community Survey estimated that 1.3% of all households were living in overcrowded conditions.

Occupants Per Room	Estimated Occupied Units	% of Total
1.00 or less	91,814	98.7%
1.10 to 1.50	403	.4%
1.51 or more	810	.9%

Source: 2008 American Community Survey

As will be described in the next section, the primary affordable housing issue in the region is one of affordability and not of availability.

Affordability

a) Rental Market

Although both the drop in prices of real estate over the last four years and the impacts of foreclosures have apparently led to an increase in the supply of market rate rentals along with some decrease in rents, rental housing in general and affordable rental housing in particular on Cape Cod remains in very short supply. In fact, there appears to have been a significant decrease in the numbers of occupied rental housing units since 2000. Caution must be used in drawing broad conclusions as the decline is based upon the single year American Community Survey (for example the 2009 HUD CHAS data- based upon 2005-2007 ACS- listed 20,000+ rental units) and the 2010 Census will provide more definitive data; however, a decline in year round rental units is not a welcome trend. The region did see a number of condominium conversions of former rental units during the real estate boom period from 2002-2007, and that may partially what the rental unit stock numbers may be reflecting.

Year	Number of Occupied Rental Units
2000	21,450
2008	17,471

Sources: 2000 Census; 2008 American Community Survey

The table below reports the findings of 133 rentals listed in the Cape Cod Times and Craigslist in late January 2010. These were all listings for year round units, and for listings that had the tenant paying utilities, HOME utility allowances were used to adjust for this factor and determine the gross rent. As visits were not made to any of the listings, Consortium staff cannot make any judgments on the condition of the advertised units.

Unit Size	Median Advertised Rent	2010 Fair Market Rent (FMR)
Studio	\$800	\$779
One Bedroom	\$927	\$913
Two Bedroom	\$1,252	\$1,201
Three Bedroom	\$1,814	\$1,433
Four Bedroom	\$1,885	\$1,478

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As the FMR's are estimated to be the 40% median actual paid rent (40% of rents should be lower than the FMR and 60% of rents should be higher), the survey indicates that the FMR's appear to be reasonable for the smaller units, i.e. those up to two bedrooms; however, there appears to be a significant gap for the larger units.

According to the 2008 American Community Survey, the median rent was \$1,031, and that rent would require an income of \$41,240. Only 23% of rents were less than \$750; an income of \$30,000 per year is required to afford a \$750 per month rent without being cost-burdened.

Unit Size	Median Advertised Rent	Annual Income Needed to Afford	Hourly Wage Needed to Afford
Studio	\$800	\$32,000	\$15.38
One Bedroom	\$927	\$37,080	\$17.83
Two Bedroom	\$1,252	\$50,080	\$24.08
Three Bedroom	\$1,814	\$72,560	\$34.88
Four Bedroom	\$1,885	\$75,400	\$36.25

RENTAL MARKET & TYPICAL HOURLY WAGES- 2010

2009 Fair Market Rent (FMR)- 1 bedroom	\$913/month
Wage Needed to Afford 1 bedroom FMR	\$17.56/hour
Fair Market Rent (FMR)- 2 bedroom	\$1,201/month
Wage Needed to Afford 2 bedroom FMR	\$23.10/hour
Estimated Renter Average Wage	\$11.50/hour
Restaurant cook	\$13.43/hour
Pre-school teacher	\$13.80/hour
Roofer	\$15.37/hour
Home health aide	\$12.00/hour

Sources: Out of Reach- National Low Income Housing Coalition; Mass EOLWD

The 2008 Barnstable County Monitoring the Human Condition report (an annual County-wide needs assessment) reported that 19% of Cape rental households were having difficulty paying for their housing and that 54% of the most needy renter households were having difficulty paying for their housing. The 2010 Out of Reach study by the National Low Income Housing Coalition showed that a worker needed to earn \$17.56 an hour to afford a one bedroom unit at the 2010 fair market rent of \$913 per month and earn \$23.10 an hour to afford the two bedroom FMR unit at \$1,201 per month. The need for affordable rental housing for our lowest income households was a common theme in the consultations, focus groups, and public meetings that the Consortium conducted during the planning process. This need was also demonstrated from the 79 affordable rental units in five HOME-supported developments that came on line in 2009. There were more than enough applicants for the units; however, approximately 50% of the applicants were deemed ineligible as they did not earn enough income to be able to afford the HOME and tax credit rents.

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b) Home Ownership Market

Since 2003 the Cape's ownership housing market, as measured by single family home values, has generally been more at least 5-10% more expensive than the rest of the state.

Year	Cape Median Single Family Home Sales Price	Massachusetts Median Single Family Home Sales Price	% Difference- Cape vs. State Single Family Home Prices
2000	\$176,000	\$215,000	-22%
2001	\$219,850	\$239,325	-8.9%
2002	\$265,950	\$276,500	-4.0%
2003	\$310,000	\$305,000	+1.6%
2004	\$353,225	\$337,500	+4.7%
2005	\$379,900	\$355,000	+7.0%
2006	\$369,000	\$345,000	+7.0%
2007	\$346,900	\$345,000	+1.0%
2008	\$333,850	\$305,000	+9.5%
2009	\$315,000	\$285,000	+10.5%

Source: Banker & Tradesman

The upper Cape towns of Mashpee and Sandwich tend to have single family values closest to that of the region, while the most expensive median single family values are typically in the lower Cape towns of Chatham, Orleans, Truro, and Provincetown.

Despite the combination of the 17% decline in single family home values over the last four years and the historically low interest rate environment of 2009 that shrunk the region's affordability gap, it is still extremely difficult for households to afford to buy homes on the Cape with the wages and salaries that exist in the region.

HOMEOWNERSHIP MARKET & TYPICAL MEDIAN ANNUAL SALARIES- 2009

Median Price- Single Family Home- 2009	\$315,000
Annual Income Needed To Afford To Purchase Median Priced Home	\$80,100
Police Officer	\$50,820
Firefighter	\$46,350
Elementary School Teacher	\$58,810

Source: Massachusetts Executive Office of Labor and Workforce Development (EOLWD)

As noted on the following chart, a homeownership affordability gap has existed on the Cape for the last decade. While the gap shrunk significantly in 2009 primarily because of historically low interest rates, tightened lending standards and the impact of the worst economic downturn since the 1930's has resulted in fewer willing and qualified low income, first time buyers.

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Year	Median Family Income	Income Needed To Buy Median Priced Home	Affordability Gap
1997	\$44,700	\$39,500	-\$5,200
1998	\$44,700	\$40,925	-\$3,775
1999	\$46,300	\$46,750	\$450
2000	\$47,700	\$57,890	\$10,190
2001	\$51,700	\$66,840	\$14,940
2002	\$56,500	\$77,725	\$20,775
2003	\$58,700	\$84,900	\$26,200
2004	\$61,800	\$96,500	\$34,700
2005	\$65,650	\$104,460	\$38,810
2006	\$66,800	\$106,400	\$39,600
2007	\$70,400	\$99,350	\$28,950
2008	\$73,500	\$93,100	\$19,600
2009	\$75,400	\$80,100	\$4,700

Assumptions: HUD income; 5% down payment; 30% housing ratio; Freddie Mac national average 30 year fixed interest rate; 1.5% of sales price for taxes, house insurance, and PMI.

c) Cost Burden

According to the 2009 CHAS data from HUD, there were significant issues for both tenants and owners with respect to cost burden, i.e. paying more than 30% of gross income toward housing costs. Severely cost burdened households are defined as those households paying more than 50% of gross income toward housing. Over 36% of all owners were cost burdened, including 16% who were severely cost burdened. The problem was even more severe for tenants as 47% of all renters were cost burdened, including 22.1% who faced a severe cost burden. Over 16,000 low income owners had some type of cost burden as did over 8,500 low income tenants.

Type	Total Households	Total- All Households -Cost Burden-	% of Total-Cost Burden	Total-Cost Burden-Low Income Households	Total- All Households -Severe Cost Burden	% of Total-Severe Cost Burden	Total-Severe Cost Burden-Low Income Households
Owners	78,515	15,920	20.3%	6,010	12,590	16.0%	10,470
Renters	20,475	5,095	24.9%	4,070	4,520	22.1%	4,490
Total	98,990	21,015	21.2%	10,080	17,110	17.3%	14,960

Source: 2009 HUD CHAS

Adequacy

As noted earlier, the region’s housing stock is relatively newer compared to that of the state, and there is not a significant issue in the region with respect to substandard units or vacant and abandoned properties. Substandard units are defined as those lacking either complete kitchen or plumbing facilities.

Type	Total Occupied Units	Total- Substandard Units	Total- Substandard Units- Low Income Households
Owner	78,515	255	20
Renter	20,475	115	105

Source: 2009 HUD CHAS

Only ¼ of 1% of the region’s housing stock was classified as substandard with 125 low income households estimated to be living in substandard housing.

A survey of six of the region’s building inspectors revealed that only approximately 30 units/buildings could be classified as vacant and abandoned; therefore the Consortium estimates that there are from 75-100 of these structures in the region- less than 1/10 of 1% of the region’s year-round housing stock.

Accessibility

While the HOME Consortium’s 2009 Fair Housing Plan found that the Consortium had done a very good job at distributing its resources throughout the region and was reaching a higher percentage of minority households than exists in the region, the Plan also found that housing discrimination does exist in the County. According to the 2000 Census data, whites make up 93.4% of the County’s population and minority households 6.6%. The 2009 HUD CHAS data estimated that only 3.8% of all homeowner households were minority, yet 10.1% of all renter households were minority. An analysis of the 2009 HUD CHAS data found that minority owner households experienced housing problems proportionately more than white households, while over half of renters had housing problems, irrespective of race.

	% Owners With Housing Problem	% Renters With Housing Problem
White Households	36.1%	54.6%
Minority Households	61%	54.7%

Source: 2009 HUD CHAS

The 2009 Barnstable County Fair Housing Plan included an analysis of the Home Mortgage Disclosure Act (HMDA) data on mortgage applications in the County from 2005-2008 and found that minority applicants had a higher denial rate than white households. Note that a little over 24% of all applicants did not disclose race or ethnicity and that the actual number of applicants in some of the categories other than white was low so that a slight shift in the results of a few applications would make a significant percentage change.

Race/Ethnicity	Denial Rates on Home Loan Applications- 2005-2008
American Indian/Alaskan Native	28.9%
Asian	23.0%
Black or African American	25.1%
Hispanic/Latino	30.7%
Native Hawaiian or Pacific Islander	23.2%
White	17.6%

Source: 2009 Barnstable County HOME Consortium Fair Housing Plan

While opposition to new housing development is not uncommon in most neighborhoods, the NIMBY attitude is particularly strong with respect to most affordable housing development, and particularly with respect to rental projects. The Barnstable Zoning Board of Appeals in January 2010 had about 50 neighbors appear at a public hearing to oppose a request of a homeowner to add an affordable accessory apartment to her home. While a number of Cape towns have an explicit goal of having affordable housing in every area of the town, the economics of the region's real estate market make the creation of affordable housing in higher income census tracts extremely challenging. For one land values are more expensive and thus make the economics of an affordable housing development much more infeasible, and secondly there are more resources available to mount a legal challenge, and thus delay, affordable housing developments, especially those using the Chapter 40B process, in those census tracts.

Housing Stock: Persons with Disabilities, HIV/AIDS, Supportive Housing

Cape-wide, there is a shortage of housing available for people with disabilities. The Cape Organization for Rights of the Disabled (CORD) has identified accessibility, affordability, and availability of housing as the three problems facing people with disabilities on Cape Cod. As the independent living center serving the Cape & Islands, CORD emphasizes the need for adequate, accessible, and affordable independent living options. Housing issues, such as discrimination and the need for modifications or adaptations, are also common problems facing the 1,400+ consumers with disabilities CORD serves annually.

There are two housing facilities on Cape Cod specifically for people with HIV/AIDS. Foley House, a congregate facility in Provincetown, serves ten people. It is owned by the Provincetown Housing Authority and has federal subsidies. The AIDS Support Group of Cape Cod (ASGCC) in Provincetown provides management and casework. Cape AIDS Ministry has nine units in Hyannis; rental assistance and property management for these apartments is provided by the Barnstable Housing Authority through Section 8 subsidies and the Shelter Plus Care Program. Both of these projects utilized HOME funds.

There are also about 70 rental subsidy certificates on-Cape specifically for people with HIV/AIDS. There are 16 Section 8's, 35 Housing First certificates (27 administered by Housing Assistance Corporation, 8 by Barnstable Housing Authority), 14 certificates through the Cape Regional Housing Initiative (HAC administering), and 7 through JRI in Boston (HAC administering). With these certificates and with the assistance of housing workers at HAC and

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ASGCC, it has been possible for people with HIV/AIDS to find housing. ASGCC had 453 clients as of January 2010, and the key problem is the insufficient number of rental subsidies available along with the overall lack of affordable housing.

As of February 2010, the Massachusetts Department of Developmental Services (DDS) has 1,089 clients on Cape Cod. Of these, 335 people receive residential services in 73 different homes, typically ranging in size from two to six people. There are also many more people either in shared living arrangements (with a non-disabled roommate) with or without some additional staff supports or in their own apartment with some case management provided. DDS also has ten McKinney homeless certificates for previously homeless people, five of which are Shelter-Plus, allowing for a non-disabled roommate. DDS does not keep a waiting list for affordable housing; however, staff estimate about 40 people over the next year will need a home.

The Department of Mental Health (DMH) has 176 residential beds in a variety of housing programs that are staffed various hours a day- some for 24 hours. Another 174 people are case-managed by DMH in their own apartments or with family through the Community Support Flexible Services program. Finally, the Cape Cod Supported Housing Program (a DMH/HAC program) has 20 subsidies for homeless individuals, and there are 4 subsidies available for the same population through a Barnstable Housing Authority/DMH program. DMH is currently phasing out residential beds in favor of supporting clients in their own environment; the biggest need is housing vouchers so that individuals in group homes can move on to more independent housing.

Across the Cape, there are both younger and older disabled people in elderly housing. Responding to the number of younger people in elderly housing, the state created the Alternative Housing Voucher Program (AHVP) in 1998. As of April 2010, only 40 of these AHVP vouchers were allocated to the Cape, a reduction from the 67 in use in November 1998. The reduction has been a result of state funding cutbacks that have put a freeze on the issuance on any vouchers that have been turned in when households move. The Cape has 200 Section 8 certificates for younger disabled people. This program, known locally as DIAL (Disabled Independent Adult Living), is administered by the Barnstable Housing Authority for the Bourne (20 vouchers), Barnstable (100 vouchers), and Falmouth (80 vouchers) Housing Authorities, all of which have federal elderly public housing. There is still a need for additional certificates as of February 2010, there were 104 households on the DIAL waiting list in Falmouth.

In Barnstable, the Life program, run by the Riverview School, provides condominiums for 16 special needs residents. CHIP's House (Cape Head Injured Program) provides supportive housing for 20 people with head injury problems. Gosnold in Falmouth runs a number of treatment programs for people with substance abuse.

The Massachusetts Assisted Living Facilities Association lists twelve facilities on Cape Cod in their directory. Until the opening of Pocasset Assisted Living in Bourne in March 2005, there was very little affordable assisted living on the Cape. With the addition of 60 affordable units at Pocasset, 14.5% of assisted living units on the Cape are now affordable; however, mid Cape and lower Cape facilities are underrepresented with respect to affordable units. In addition, with the aging of the Cape's population, especially those age 85 and over, the Consortium expects a need

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for additional affordable assisted living. In fact, Elder Services of Cape Cod reported a big gap for supportive housing or assisted living units for elders on Medicaid.

<u>Assisted Living Facilities</u>	<u>Units</u>	<u>Base Monthly Fee</u>	<u>Affordable Units</u>
Pocasset Assisted Living	60	\$3,650-4,170	60
Atria Woodbriar, Falmouth	99	\$5,300-6,950	none
Decatur House, Sandwich	14	\$3,965-5,145	none
Heritage at Falmouth	56	\$4,900-6,400	none
Harbor Point- Centerville	65	\$6,500-7,000	none
Thirwood Place, Yarmouth	55	\$3,460-5,160	none
Whitehall Estate, Hyannis	80	\$4500+	17
Mayflower Place, Yarmouth	10	\$3,880-5,675	none
The Royal, Harwich	28	\$4,560-6,150	none
Brewster Place/Epoch	68	\$5,000-7,500	6
The Victorian, Chatham	22	\$2,950-4,300	none
Woodlands- Brewster	<u>59</u>	\$4,250+	<u>6</u>
TOTAL	616		89

Housing Stock: Public Housing Units

Public housing on Cape Cod is an aging stock that is 20- 50 years old and is in fair to good condition with most authorities reporting many more critical modernization needs for their state-funded units than for their federally-funded ones. A March 2005 CHAPA study found that the state needed to spend on average an additional \$139 per unit per month to meet actual housing authority operating costs, or an additional \$78 million over the \$32 million allocated in the FY 2005 budget. While prior to the recession the state did increase operating support to authorities, the FY 2010 budget is \$62.5 million- a little more than 50% of what was reported to be needed in 2005. The lack of adequate state funding for public housing is putting at risk a housing stock that accounts for over 20% of all the affordable housing in the region.

The lack of state and federal resources for new construction over the last five years has resulted in only two units being added to the public housing stock over the last five years by the Barnstable Housing Authority; however, several housing authorities (Brewster, Chatham, Mashpee, and Truro) facilitated the development of 129 affordable rental housing units by other entities. In addition, the Wellfleet, Brewster, Yarmouth, Barnstable, Sandwich, and Mashpee authorities all have development projects in various stages of the pre-development or permitting process, while the Harwich Housing Authority has a facilitated 12 unit project currently in construction. The Falmouth Housing Authority (FHA) is in the process of federalizing the 59 unit Rose Morin Apartments. While this will not result in any new units, it will provide a better level of operating support. In addition, the FHA will be transferring 3+ acres of HUD land to the non-profit Falmouth Housing Corporation for the creation of 39 new family rental units.

There are no troubled housing authorities in the region; however, the public housing stock is inadequate in terms of number of units as housing authorities Cape-wide have over 1,900 households on wait lists for family housing and over 2,600 households on waiting lists for elderly/disabled housing.

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All Housing Authorities were surveyed about the conditions of their units. Most reported good to excellent conditions if they had federally funded units (Barnstable, Bourne, and Falmouth) but fair to poor condition with a lengthening list of repair/modernization needs in their state funded units. For example, Brewster reported a number of exterior (windows, siding, repaving) and interior (heating systems) modernization needs. Provincetown's needs include kitchen and bathroom renovations, replacement of flooring, and heating system upgrades. Falmouth noted that its state-funded units were built 35-55 years ago. Yarmouth's state elderly/disabled complex is almost 50 years old and needs electrical and bathroom updates. Harwich's family units need new roofs, siding, windows, and kitchens and baths. Bourne's state units need new roofs, septic system upgrades, and window replacement. Chatham's family units require new roofs siding, and windows, while the elderly/disabled units will need new kitchens and baths within the next five years. While no public housing units are expected to be lost in the next five years, continued lack of adequate funding for capital improvements for the approximately 1,000 state public housing units poses a long term risk to the viability of these units.

Housing Authorities on the Cape have the following public housing:

<u>Location & Housing Authority</u>	<u>Type</u>	<u>Funding</u>	<u>Unit Total</u>
Barnstable			
500 Old Colony, Hyannis	Elderly/Disabled	Federal 43-3	68
200 Stevens St., Hyannis	Elderly/Disabled	State 667	64
32/54 Sea St. Ext., Hyannis	Elderly/Disabled	State 667	71
30 Pine Ave., Hyannis	Elderly/Disabled	State 667	20
Scattered Sites	Family	State 705	52
Scattered Sites	Family	CDBG	16
93 Pleasant St., Hyannis	Family	HOME	10
89 Pleasant St., Hyannis	Family	CDBG	1
71 Pleasant St., Hyannis	Individuals	CDBG	9
Scattered Sites	Individuals w/disabilities		<u>52</u>
TOTAL			363
Bourne			
Roland Phinney Pl.	Elderly/Disabled	HUD/Sec. 8	56
Head of the Bay Rd.	Elderly/Disabled	State 667	36
78-86 Waterhouse Rd	Family	State 705	14
89 Waterhouse Rd	Family/Disabled	State 689	<u>16</u>
TOTAL			122
Brewster			
11 Frederick Court	Elderly/Disabled	State 667	32
Huckleberry Lane	Family	State 705	<u>24</u>
TOTAL			56

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<u>Location & Housing Authority</u>	<u>Type</u>	<u>Funding</u>	<u>Unit Total</u>
<u>Chatham</u>			
228-256 Crowell Rd	Elderly/Disabled	State 667	59
Captain's Landing	Family	State 705	12
Scattered Sites	Individuals w/disabilities		<u>14</u>
TOTAL			85
<u>Dennis</u>			
167 Center St.	Elderly/Disabled	State 667	52
109 Upper County Road	Elderly/Disabled	State 667	40
226 Old Bass River Rd.	Elderly/Disabled	State 667	32
Mulhern Dr.	Family	State 705	12
Scattered Sites	Family	State 705	8
Scattered Sites	Individuals w/disabilities		<u>8</u>
TOTAL			152
<u>Eastham</u>			
Fay Shook Apts., Rte. 6	Family	Town	4
Vandale, Rte. 6	Family	HOME	<u>8</u>
TOTAL			12
<u>Falmouth</u>			
Tatakot Apts.	Elderly/Disabled	HUD	83
Harborview Apts.	Elderly/Disabled	HUD	80
Choate Lane	Elderly/Disabled	State 667	24
Sea Salt Lane	Elderly/Disabled	State 667	30
Rose Morin Lane	Elderly/Disabled	State 667	59
Scattered Sites	Family	State 705	25
Scattered Sites	Individuals w/disabilities		<u>8</u>
TOTAL			309
<u>Harwich</u>			
Long Pond/Headwaters	Family	State 705	12
Scattered Sites	Individuals w/disabilities		<u>8</u>
TOTAL			20
<u>Mashpee</u>			
Job's Fishing Rd.	Elderly/Disabled	State 667	24
Old Barnstable	Family	State 705	6
TOTAL			30
<u>Orleans</u>			
Hopkins Lane	Elderly/Disabled	State 667	100
John Avellar Circle	Family	State 705	11
Scattered Sites	Individuals w/disabilities		<u>14</u>
TOTAL			125

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<u>Location & Housing Authority</u>	<u>Type</u>	<u>Funding</u>	<u>Unit Total</u>
Provincetown			
Harry Kemp Way	Elderly/Disabled	State 667	24
Pearl/Court	Family	State 705	5
Harry Kemp Way	Family	State 705	4
Scattered Sites	Individuals w/disabilities		<u>10</u>
TOTAL			43
Sandwich			
Hansen Village	Elderly/Disabled	State 667	28
Tom's Way Congregate	Elderly/Disabled	State 667	8
George Fernandes Way	Family	State 705	12
Scattered Sites	Family	State 705	1
Scattered Sites	Individuals w/disabilities		<u>12</u>
TOTAL			61
Truro & Wellfleet			
	None		
Yarmouth			
Long Pond Plaza	Elderly/Disabled	State 667	40
Scattered Sites	Individuals w/disabilities		<u>8</u>
TOTAL			48
TOTAL- BARNSTABLE COUNTY			1,426
TOTAL- ELDERLY/DISABLED			1,030
TOTAL- FAMILY			253
TOTAL- INDIVIDUALS			143

Housing Stock: Other Publicly Assisted Units

On Cape Cod, scattered site subsidies have worked particularly well in providing affordable units for year-round residents. These state and federal housing vouchers have been a critical component in enabling extremely low income households to be able to afford a rental unit on the Cape. For extremely low income families, given the dearth of family public housing on the Cape, housing vouchers are basically their only option to be able to afford to rent without incurring a significant cost burden. There are also some privately run subsidized housing complexes, particularly for the elderly.

As of April 2010, there were 1,853 Section 8 assisted units on Cape Cod- a reduction of about 325 vouchers from what was reported in the 2005 Plan. Housing Assistance Corporation (HAC) has a large Cape-wide Section 8 program with over 42% of the Cape's total. The Barnstable, Bourne, Chatham, Dennis, Falmouth, Mashpee, Sandwich, and Yarmouth Housing Authorities also run Section 8 programs. Of those receiving Section 8 assistance from HAC, 32% are working; the median income is \$11,220; the average income is \$14,307. There is high demand for Section 8 certificates in Barnstable County as HAC has over 4,000 households on its waiting

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list- double that reported in the 2005 Plan.

Since the Cape has just over 5,170 units on the subsidized housing inventory, these 1,850 federal vouchers are a significant component of the County's affordable housing efforts.

The state rental assistance program, the Massachusetts Rental Voucher Program (MRVP), continues to be a shrinking resource. These vouchers, formerly known as Chapter 707, were heavily utilized on Cape Cod, where landlords were willing to rent year-round for a guaranteed amount. When the state froze this program, no longer allowing mobile vouchers to turn over and also cutting back on rents and administration, the Cape was hard hit. When 707 changed to MRVP at the beginning of 1993, there were 1,521 vouchers on Cape, administered both by HAC and local housing authorities. In 2000, there were only 550 left. As of February 2010, there are only 280 MRVP's left. The few project-based MRVP vouchers (64 on Cape) will remain as a resource.

Year	Regional Section 8 Total	Regional MRVP Total	Total Vouchers
2005	2,175	242	2,417
2010	1,853	280	2,133

Some towns- notably Barnstable, Chatham, Harwich, and Wellfleet- have attempted to respond both to the need of low income tenants and the decreased availability of vouchers by using Community Preservation Act funding to establish local housing voucher programs (usually time-limited).

Across the Cape, there are a variety of home-ownership units that were subsidized at the time they were built through a variety of government funding programs and/or through the Chapter 40B comprehensive permit process or through local incentive zoning. Systematic monitoring of these units for continued affordability has improved significantly over the last five years as HAC has received state support to implement a County-wide resale monitoring program. Although the monitoring function has been significantly centralized with HAC, there are still some projects that are monitored by a local entity and some Chapter 40B developments are monitored by a state-wide organization. The total number of currently assisted and affordable homeownership units is over 700 Cape-wide. A number of the units developed in the late 1980's and early 1990's are in danger of being lost because they have an appraisal-based resale formula. With the tremendous real estate appreciation that has occurred over the last fifteen years, the resale prices on these units are often too high for a low income household to afford. HAC has been able to secure state resources and some Towns have contributed local funds to keep some of these affordable, but there is no designated state or County resource to deal with this issue. With the adoption by the HOME Consortium and state agencies in 2002 of a resale formula indexed to median income, the risk of losing units because the resale formula is not appropriate for a particular market condition has been reduced. However, the economic recession and the decline in the real estate market has resulted in a number of owners of affordable units facing foreclosure in the last two years. If the deed restriction does not have a provision that the affordability survives foreclosure and if an income-eligible buyer is not found within the typical 90-120 day

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option period, then the home can be sold at market value to a household of any income. It has been difficult to find buyers who are secure enough in their employment and who also pass the much tighter lending standards to purchase these units, and these units are in danger of being lost.

Homebuyer assistance programs have aided hundreds of first time, low income homebuyers across Cape Cod. Barnstable County has funded a down-payment assistance program using HOME funds (over 550 assisted) and a "soft-second" mortgage program using state funds (over 550 assisted) for the last fifteen years. These are administered through the Housing Consumer Education Center department at HAC. The homes of these first-time homebuyers though do not remain affordable unless there are deed riders or affordable housing restrictions attached to them as part of the project's development.

The primary homeowner rehabilitation programs in the region (approximately \$1 million annually each) are administered by The Resource Inc. (TRI) for the towns of Dennis and Harwich with state CDBG funds and by the Lower Cape Cod Community Development Corporation (CDC) for the towns of Wellfleet and Provincetown, also with state CDBG funds, have assisted both rental and low income homeownership units. Over the last decade TRI has assisted approximately 200 households, and the CDC has also assisted about 200 households. The units done by the CDC and by TRI have 15 year mortgages which require repayment if sold during the term, and some of the CDC units have 15 year deed riders that have tenant income and rent restrictions. Monitoring and liens should ensure that most of these units will remain assisted/affordable in the five year time frame.

Assisted programs for populations with specialized housing needs or for the homeless (described in other sections) are fairly secure.

There are over 2,500 non housing authority owned affordable rental units in the region. These units have been developed with a variety of local, state, and federal subsidies; have generally been permitted, especially those since 2000, through the Chapter 40B comprehensive permit process; and for those developed since 2000 generally are subject to an affordable housing restriction. The comprehensive permit and deed restriction generally provide a fair amount of protection against the loss of affordability. There have been ten privately-developed rental projects (431 units) over the last nine years that have used low income housing tax credits along with other federal or state subsidies that are not included on this list as all have affordability periods of at least 15 years and thus none of them are in danger of being lost within the next five years.

The assisted units most at risk of loss of affordability through 2015 are those generally older developments. The table on the next page is based upon the January 2010 CEDAC report and lists those projects that are subsidized through HUD/Section 8 or MRVP project-based vouchers, state or federally insured mortgages, or MassHousing mortgages and that are either up for renewal of their voucher contract or have mortgages and thus affordability requirements that are expiring within the next five (5) years. The last column only includes assisted units. Other units in these developments may be rented to people with Section 8 or other mobile certificates; these units are not considered subsidized in this table.

POTENTIAL AT RISK PRIVATELY OWNED RENTAL HOUSING- 2010-2014			
<u>Location</u>	<u>Type</u>	<u>Funding</u>	<u>Assisted Units</u>
<u>Barnstable</u>			
Founder's Court	Family	DHCD/TELLER	7
Fawcetts Pond	Elderly/Disabled	Private	99
<u>Bourne</u>			
Bourne Oaks	Elderly/Disabled	Private	105
<u>Brewster</u>			
Wells Court	Elderly/Disabled	HUD 202	24
<u>Falmouth</u>			
Cape Cod United Church	Elderly/Disabled	HUD 202	83
<u>Harwich</u>			
Pine Oaks I & II	Elderly/Disabled	RHS 515	98
Pine Oaks III	Elderly/Disabled	HUD 202/HOME	65
<u>Sandwich</u>			
Shawme Heights	Elderly/Disabled	RHS 515	44
Shawme Heights II	Elderly/Disabled	RHS 515	50
<u>Yarmouth</u>			
Swan Pond Village	Family	MHFA	150
Brush Hill Road	Disabilities	HUD 811	6
Weir Landing	Disabilities	HUD 811	4
TOTAL			741

Nine of the above developments are owned by non-profit sponsors: Founders Court, Wells Court, Cape Cod United Church, Pine Oaks I, II, and III, Shawme Heights I and II, Brush Hill Road, and Weir Landing- and thus can be considered at very low risk of being lost unless DHCD, HUD, or RHS reduces or does not renew its rental subsidy contracts.

Fawcetts Pond is privately owned with private financing and thus bears watching; however, it has a long history of affordability and the owner has a Section 8 mark to market contract that extends through May 2013.

Bourne Oaks prepaid its Rural Housing loan in 2004 in order to get a better interest rate, but has a history of renewing its Section 8 contract, last doing so in 2008 for a five year term, and thus can also be considered a relatively low risk of being lost; however, it also must be watched.

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Swan Pond Village's mortgage expires in September 2010, and its owner has the property on the market. However, MassHousing has reported that the owner is interested in preserving the project as affordable, and the owner has contacted up to five organizations that have experience in preserving affordable projects. MassHousing would look to work with any new owner to provide first mortgage financing for the development. The owner has also applied to renew the Section 8 contract. While the sale process will need to be monitored, it appears at this point that these 150 units will be preserved.

Areas with Concentration of Racial/Ethnic Minorities and/or Low Income Families

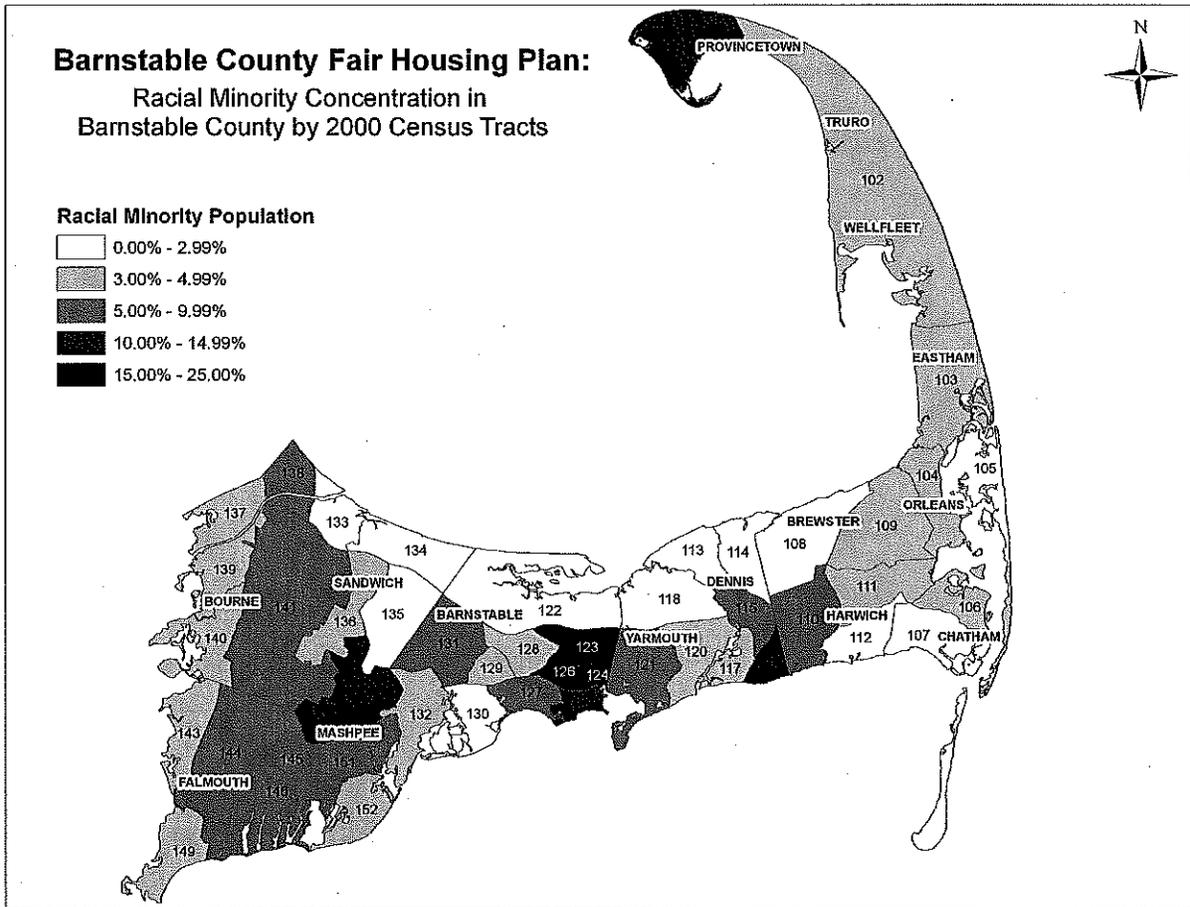
As noted in the 2009 Barnstable County HOME Consortium Fair Housing Plan, Barnstable County is generally characterized by the fact that both racial and ethnic minorities and also low-income households are scattered throughout the region.

The HOME Consortium defines an area of racial/ethnic concentration as a census tract with a population of at least 2,000 that has more than three (3) times the percentage of minorities as exists in the region. As the minority population in the region in the 2000 Census was 6.6%, any census tract that has a minority percentage of 20% or more will be defined as one of racial/ethnic concentration. One Hyannis census tract -124- meets that criterion. See attached map (note that census tract 124's total population was 585 and 126's minority population was 19.15%).

The HOME Consortium defines an area of low income concentration as a census tract with a population of at least 2,000 people that has a median family income that is less than 50% of the regional median income. According to the 2000 Census, one Hyannis census tract -124- meets that criterion.

Therefore, any new construction rental projects that request HOME funds in census tract 124 must satisfy the criteria in CFR 983.57(e)(3) in order to be eligible for funding.

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Source: 2009 Barnstable County HOME Consortium Fair Housing Plan

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Barriers To Affordable Housing

While the region has made progress in creating affordable housing over the last five years, the region- and every town- is still well short of meeting the state's goal of 10% affordable housing in every community. The region is still almost 4,700 affordable units short of meeting that goal.

Community	Year Round Units-2000	Affordable Units- 2001	% Affordable- 10/1/2001	Affordable Units- 2010	% Affordable- 4/1/2010
Barnstable	20,266	953	4.70%	1,352	6.7%
Bourne	7,787	375	4.82%	562	7.2%
Brewster	4,379	200	4.57%	252	5.8%
Chatham	3,596	121	3.36%	174	4.8%
Dennis	8,079	272	3.37%	337	4.2%
Eastham	2,642	38	1.44%	49	1.9%
Falmouth	14,440	527	3.65%	960	6.6%
Harwich	5,862	214	3.65%	291	5.0%
Mashpee	5,578	183	3.28%	222	4.0%
Orleans	3,317	256	7.72%	294	8.9%
Provincetown	2,062	135	6.55%	127	6.2%
Sandwich	7,574	141	1.86%	272	3.6%
Truro	999	6	0.60%	10	1.0%
Wellfleet	1,430	40	2.80%	37	2.6%
Yarmouth	12,056	287	2.38%	405	3.4%
TOTAL	100,067	3,748	3.75%	5,344	5.3%

The Cape is a high housing cost, low wage region in a state with extremely high housing costs compared with the rest of the nation. It is extremely challenging to create affordable housing, especially rental housing for very low income households, anywhere in the state, but even more so in this region. Some of the specific barriers are common to all affordable housing developers in the state; others are more particular to this region:

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- Insufficient public resources- In the projects the Consortium has funded over the last five years the amount of public subsidy (exclusive of the value of any donated land and/or the value of low income housing tax credits) needed to create one unit of affordable rental housing is about \$135,000, while the subsidy needed to create one affordable ownership unit about is \$82,000. It would require about \$620,000,000 in public subsidies for the region to meet its 10% goal by creating 4,000 rental units and 1,000 ownership units.
- Federal housing policy- The replacement about 30 years ago of deep federal subsidy programs for low income housing development with more and shallower subsidy programs has lengthened the time to complete development projects and has increased transaction costs. Different state and federal subsidy sources have differing requirements that increase the time and complexity involved in planning a project. For rental developments, it has also meant more staff time devoted to compliance issues for the various funders.
- Land use policies- At the town level, there exists land use policies that have been problematic with respect to the development of affordable housing. These land use policies were driven in large part by the need to protect the fragile nature of the Cape's environment. While their intent was not necessarily to function as a barrier to affordable housing, these policies have had that effect. Many of these policies were adopted in response to the rapid and over-development that took place on the Cape from 1970-1990. The primary land use barrier is large lot zoning. Approximately 70% of the residential acreage on the Cape is zoned one acre or more. While large lot zoning was envisioned as a mechanism to control growth and to protect the sole source aquifer, there is an increasing awareness on the Cape that these policies did not control growth or protect our water and coastal resources. They in fact have contributed to sprawl development and insufficient affordable housing. Fundamentally, lot requirements of this type make it impossible to create affordable housing without density relief and/or significant subsidies. Since 2001, 84% of the affordable housing created in the region has been permitted through the Chapter 40B comprehensive permit process that allows relief from certain zoning regulations.
- Limited wastewater infrastructure- Only Barnstable, Bourne, Chatham, Falmouth, and Provincetown have centralized sewer systems in parts of their towns. While the region is certainly now starting to face its wastewater challenge, this lack of infrastructure has limited the size and scope of affordable housing development.
- Limited town capacity- While the non-profit affordable housing development capacity has certainly increased over the last decade, towns have lagged behind. Only Barnstable, Bourne, Provincetown, and Yarmouth have town staff whose job is focused on affordable housing. While affordable housing development is not overly complicated, it does require time, perseverance and attention to detail that is often difficult for town staff to achieve given the myriad other responsibilities they have in addition to affordable housing.

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- Neighborhood and community resistance to development- While it is natural for neighbors to be curious and have concerns about any new development that might occur in their neighborhood, the amount and intensity of concerns expressed- whether it be about traffic, property values, fiscal impact, or community character- are significantly higher for affordable housing development. Rental housing development in particular typically faces more intense opposition and more scrutiny by town boards than do ownership projects.
- HOME/universal deed rider inconsistency- The recent HUD determination that HOME funds- either project-based or homebuyer-based- cannot be used in any transaction that involves the state's universal deed rider has significantly impacted the region's ability to support homeownership. Towns and lenders embraced the universal rider because it survived foreclosure (towns' interest) and was saleable to Fannie Mae (lenders' interest). The Consortium's ability to support small-scale ownership projects that rely on no state resources but significant Town support and CPA funds has been hampered. In addition, there are a number of first time homebuyers looking to purchase Town-supported, deed restricted units that now will not have access to the region's only pool of down payment and closing cost assistance.

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SECTION 4. HOUSING AND HOMELESSNESS NEEDS

Introduction

The Barnstable County HOME Consortium relied on several data sources in composing its analysis of the area's affordable housing needs and market conditions. These included the 2000 Census and 2008 American Community Survey Census data, the 2009 HUD Comprehensive Housing Affordability Strategy (CHAS) data (note that the CHAS data was compiled from the 2005-2007 American Community Surveys), the Cape Cod Commission's 2009 Comprehensive Economic Development Strategy, HUD, Bankers and Tradesman, Massachusetts Executive Office of Workforce Development, Massachusetts Department of Public Health, Massachusetts Department of Housing and Community Development. Other sources utilized for this needs assessment included the Consortium's 2005 CP, the Commission's 2009 Regional Policy Plan, the 2008 Monitoring the Human Condition report of Barnstable County, the HOME Consortium's 2009 Fair Housing Plan, the Ten Year Plan To End Homelessness, and the local housing plans of eight Cape towns.

As described earlier, consultation also took place with a host of agencies, organizations and individuals regarding the housing needs of low income people in general, and special needs in particular. These agencies/organizations included: the fifteen Local Housing Authorities, Housing Assistance Corporation, Lower Cape Cod Community Development Partnership, Department of Mental Health, Department of Developmental Services, The Resource Inc., AIDS Support Group of Cape Cod, Cape Organization for Rights of the Disabled, the Veterans' Outreach Center, Elder Services of Cape Cod and the Islands, Community Action Committee of Cape Cod and the Islands, Independence House, Duffy Health Center, Community Connections, the Homeless Prevention Council, the Regional Network To End Homelessness, Cape Cod Hospital, seven town housing committees (Barnstable, Eastham, Falmouth, Harwich, Orleans, Provincetown, Wellfleet, and Yarmouth), and town community development staff.

The Consortium also conducted focus groups facilitated by the following organizations for the purpose of gathering information about the region's fair housing and affordable housing needs:

- Cape Organization for Rights of the Disabled (individuals with disabilities/elders)
- NAACP
- Community Action Committee (families with children and/or housing vouchers)
- Mashpee Wampanoag Tribe
- Barnstable County Human Rights Commission
- Immigrant Center of Cape Cod

Finally, the Consortium also met with the region's Housing Authority Executive Directors and participated in a jointly sponsored (with Barnstable and Yarmouth CDBG staff) focus group on January 26, 2010 with over twenty (20) individuals representing a range of the region's affordable housing organizations, social service providers, and housing committees.

Overview

A common theme that emerged from the data, consultations, and focus groups was that even though the Cape’s housing market and economic conditions are very different in 2010 than what existed in 2005, the region’s primary affordable housing need continues to be rental housing, and especially rental housing affordable to extremely low income households, i.e. those with incomes 30% or less of area median income. The need for significantly more rental housing vouchers, especially for those who are homeless or who have special needs, was an important element of that theme.

An analysis of the housing needs identified in the housing plans of the eight communities that have completed them since 2005 (Barnstable, Bourne, Brewster, Falmouth, Harwich, Provincetown, Truro, and Wellfleet) identified a need for about 1,275 affordable rental units, 750 affordable ownership units, and an additional 165 ownership units affordable to moderate income (80-150% AMI) households.

While the region’s population has decreased slightly since 2000, the number of low income households with housing problems, particularly cost burdens, has increased significantly- by over 35%.

	LOW INCOME RENTERS-HOUSING PROBLEM	% LOW INCOME RENTERS-HOUSING PROBLEM	LOW INCOME OWNERS-HOUSING PROBLEM	% LOW INCOME OWNERS-HOUSING PROBLEM	LOW INCOME TOTAL-HOUSING PROBLEM
2000	6,972	57%	11,514	51%	18,486
2008	8,715	79%	16,540	63%	25,255

Sources: 2004 HUD CHAS; 2009 HUD CHAS

As noted in Section 3, compared with the state, the region’s 10% higher housing costs and 30% lower wages have produced affordability gap both for tenants as well as prospective first time homebuyers. While housing prices in certain parts of each of the seven Upper and Mid Cape towns have come down to the point of being affordable to middle income households (clearly abetted by historically low home mortgage rates), there still remains an ownership affordability gap for low income households, and generally home prices in the eight Lower Cape towns are still unaffordable to even median income households.

The 2008 Barnstable County Monitoring the Human Condition report (an annual County-wide needs assessment) reported that 19% of Cape rental households were having difficulty paying for their housing and that 54% of the most needy renter households were having difficulty paying for their housing. The 2010 Out of Reach study by the National Low Income Housing Coalition showed that a worker needed to earn \$17.56 an hour to afford a one bedroom unit at the 2010 fair market rent (FMR) of \$913 per month and earn \$23.10 an hour to afford the two bedroom FMR unit at \$1,201 per month. The region’s Section 8 waiting list exceeds 4,000 households. As noted earlier, the need for affordable rental housing for our lowest income households was a common

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theme in the consultations, focus groups, and public meetings that the Consortium conducted during the planning process. This need was also demonstrated from the 79 affordable rental units in five HOME-supported developments that came on line in 2009. There were more than enough applicants for the units; however, approximately 50% of the applicants were deemed ineligible as they did not earn enough income to be able to afford the HOME and tax credit rents.

HOUSING NEEDS

NUMBER AND TYPE OF HOUSEHOLDS IN NEED OF HOUSING ASSISTANCE

As noted above, the 35% increase this decade in households with housing problems indicates that the affordable housing crisis in the region has only gotten worse. The size and impacts on various segments of the region's population is described briefly below. Unless noted otherwise, all of this data comes from the 2009 HUD CHAS:

Extremely low income households (30% or less of area median income- AMI). Approximately 10.2% of the Cape's year-round households have incomes at or below 30% of the area's media (an increase from the 9.2% in the 2000 Census). 89.3% of these households (8,990 in total) have housing problems, and this is the group that is in most need of affordable housing- particularly housing vouchers. With the onset of the Great Recession, the need and numbers of households in this group has likely increased since 2007. For example, Lower Cape Outreach Council noted that the demand for food is up 40% so far this year from 2009. The Homeless Prevention Council reported a 30% increase in its caseload from 2008 to 2009 and has seen an over 40% increase in its caseload since 2005. Lower Cape Outreach Council has reported a 40% increase in demand for food over 2009. The fact that a number of area housing authorities cannot use their full allocation of federal or state housing vouchers because of budgetary constraints has made the situation even more precarious for extremely low income households.

Very low income households (30-50% AMI). Another 10.6% of households earn between 30-50% of the area median-income (up from 10.3% in the 2000 Census), and 69.1% of them have housing problems. Their needs are similar to those of the extremely low-income households.

Low income households (50-80% AMI). Households with income of 50-80% of area median income make up 18.7% of the year-round population (up from 18.1% in the 2000 Census), and 54.2% of them have housing problems. Overall then, 39.5% of Cape households fall within the various low income categories (an increase from the 37.6% in the 2000 Census). For the remainder of the plan, low income will refer to all households with income below 80% of area median income.

Moderate income households (81-95% AMI). Approximately 9.4% of Cape households are "moderate income." These families may be less on the edge, but, unless they already are homeowners, they find it very difficult to secure ownership housing in Barnstable County, especially on the Lower Cape.

Renters. As of 2007, there were 20,475 renter-occupied housing units, a decrease of 560 from 2000 (note that the 2008 American Community Survey estimated only 17,471 occupied rental

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units). These households are the most vulnerable to the Cape Cod housing crisis, whatever their income level, as 47% of all tenants have housing problems.

Homeowners. As of the 2000 Census, Barnstable County had the fourth highest homeownership rate- 77.8%- in the U.S. The 2009 HUD CHAS data reported that the region's ownership rate had increased to 80%. Even with this extremely high ownership rate, 36.3% of all owners had housing problems with 57.8% of low income owners having a housing problem.

Elders. As noted earlier Cape residents age 65 and over represented 24% of the area's population- the highest percentage in Massachusetts, which has a statewide average of 13%. Households with a person age 62 or over are overwhelmingly homeowners (89.5%); however, 31.8% of elder owners report a housing problem, and 59.2% of elder tenants have housing problems. Even though they may be homeowners, increasing real estate taxes, home insurance and medical expenses pose problems for some in this group.

Single people. According to the 2008 American Community Survey, 32.1% of Cape households were people living alone, an increase from the 29.5% of the 2000 Census. 50.4% of these single households were individuals age 65 or over. Housing developers throughout the region have reported an increasing number of single person applicants for rental housing over the last five years, and there is definitely a need to create additional affordable one bedroom or even efficiency apartments.

Large households. According to the 2008 American Community Survey, the average household size in the region was 2.33 people, while the average family size was 2.96 people. Large households (5 or more people) represent only a small percentage of Cape households (7.1%). While 18.6% of the total units on the Cape have eight or more rooms, very few are affordable or for rent. Large households comprise 7.1% of all owner households, but only 4.4% of all renter households.

Persons with HIV/AIDS. AIDS Support Group of Cape Cod reported 453 clients as of January 2010. Provincetown has by far the highest per capita HIV/AIDS rates of HIV infection diagnosis and people living with HIV/AIDS in the state. Across the Cape, the majority of AIDS clients are on disability or have limited incomes and cannot afford the high rents in the region.

Persons with Disabilities. According to the 2008 American Community Survey, 12.5% of the non-institutionalized population in the region had some type of disability. As noted in the housing market analysis, the Cape Organization for Rights of the Disabled (CORD) has identified accessibility, affordability, and availability of housing as the three problems facing people with disabilities on Cape Cod. As the independent living center serving the Cape & Islands, CORD emphasizes the need for adequate, accessible, and affordable independent living options. Housing issues, such as discrimination and the need for modifications or adaptations, are also common problems facing the 1,400+ consumers with disabilities CORD serves annually.

COST BURDEN, OVERCROWDING, AND SUBSTANDARD CONDITIONS

Cost Burden

According to the 2009 HUD CHAS data, there were significant issues for both tenants and owners with respect to cost burden, i.e. paying more than 30% of gross income toward housing costs. Severely cost burdened households are defined as those households paying more than 50% of gross income toward housing. Over 36% of all owners were cost burdened, including 16% who were severely cost burdened. The problem was even more severe for tenants as 47% of all renters were cost burdened, including 22.1% who faced a severe cost burden. Over 16,000 low income owners had some type of cost burden as did over 8,500 low income tenants.

Type	Total Households	Total- All Households -Cost Burden-	% of Total-Cost Burden	Total-Cost Burden-Low Income Households	Total- All Households -Severe Cost Burden	% of Total-Severe Cost Burden	Total-Severe Cost Burden-Low Income Households
Owners	78,515	15,920	20.3%	6,010	12,590	16.0%	10,470
Renters	20,475	5,095	24.9%	4,070	4,520	22.1%	4,490
Total	98,990	21,015	21.2%	10,080	17,110	17.3%	14,960

Source: 2009 HUD CHAS

Substandard Conditions

As noted earlier, the region's housing stock is relatively newer compared to that of the state, and there is not a significant issue in the region with respect to substandard units or vacant and abandoned properties. The Consortium considers units in standard condition as those that meet HUD's Section 8 Housing Quality Standards, while substandard units are defined by HUD as those lacking either complete kitchen or plumbing facilities.

Type	Total Occupied Units	Total- Substandard Units	Total- Substandard Units- Low Income Households
Owner	78,515	255	20
Renter	20,475	115	105

Source: 2009 HUD CHAS

Only ¼ of 1% of the region's housing stock was classified as substandard with 125 low income households estimated to be living in substandard housing.

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A survey of six of the region’s building inspectors revealed that only approximately 30 units/buildings could be classified as vacant and abandoned; therefore the Consortium estimates that there are from 75-100 of these structures in the region- less than 1/10 of 1% of the region’s year-round housing stock. Those vacant units that the Consortium would define as “suitable for rehabilitation” would be those that could be brought into compliance with local health and building codes for less than replacement cost.

Overcrowding

Also as noted earlier there is a mismatch between household size and the size of housing. Approximately 28% of households in 2008 (those family households with children and non-family households not living alone) would potentially need housing with three bedrooms or more; however, 62% of the region’s housing stock is of that size. Perhaps because of the housing stock size, overcrowding does not seem to be a significant issue in the region. Overcrowding is defined as having more than one person per room, and the data from the 2008 American Community Survey estimated that 1.3% of all households were living in overcrowded conditions.

Occupants Per Room	Estimated Occupied Units	% of Total
1.00 or less	91,814	98.7%
1.10 to 1.50	403	.4%
1.51 or more	810	.9%

Source: 2008 American Community Survey

DISPROPORTIONATE NEED BY RACIAL/ETHNIC GROUP

While the HOME Consortium’s 2009 Fair Housing Plan found that the Consortium had done a very good job at distributing its resources throughout the region and was reaching a higher percentage of minority households than exists in the region, the Plan also found that housing discrimination does exist in the County. On Cape Cod, the minority population is small but increasing, comprising 6.6% of the County’s population according to the 2000 Census (compared with 18.1% state-wide). Provincetown (13.9%), Mashpee (10.6%), and Barnstable (9.2%) are the most diverse Cape communities, while Sandwich (2.8%), Orleans (3.0%), and Brewster (3.6%) are the least diverse.

The 2009 HUD CHAS data estimated that only 3.9% of all homeowner households were minority, yet 10.1% of all renter households were minority. An analysis of the 2009 HUD CHAS data found that minority owner households experienced housing problems proportionately more than white households, while over half of renters had housing problems, irrespective of race.

	% Owners With Housing Problem	% Renters With Housing Problem
White Households	36.1%	54.6%
Minority Households	61%	54.7%

Source: 2009 HUD CHAS

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The 2009 Barnstable County Fair Housing Plan included an analysis of the Home Mortgage Disclosure Act (HMDA) data on mortgage applications in the County from 2005-2008 and found that minority applicants had a higher denial rate than white households. Note that a little over 24% of all applicants did not disclose race or ethnicity and that the actual number of applicants in some of the categories other than white was low so that a slight shift in the results of a few applications would make a significant percentage change.

Race/Ethnicity	Denial Rates on Home Loan Applications- 2005-2008
American Indian/Alaskan Native	28.9%
Asian	23.0%
Black or African American	25.1%
Hispanic/Latino	30.7%
Native Hawaiian or Pacific Islander	23.2%
White	17.6%

Source: 2009 Barnstable County HOME Consortium Fair Housing Plan

HOMELESSNESS NEEDS

NATURE AND EXTENT OF HOMELESSNESS

Homelessness on the Cape as elsewhere is complex but can be attributed to several factor:

- *Structural issues*- Obviously, poverty and the lack of affordable housing serve as contributing factors in this regard. There are far greater numbers of households in need of affordable housing than that which currently exists. This situation is compounded by the significant number of very low to low-income households with excessive to severe cost burdens. Consequently, the loss of a job or some unforeseen financial crisis can result in these households becoming homeless. In addition, seasonal rentals have and continue to create homelessness, particularly for families. As Cape residents are forced out of their homes in the spring, many are unable to find suitable replacement housing. Additionally, the very nature of the Cape's economy, with its seasonal employment and low-paying jobs is a contributing factor to the area's homelessness.
- *Personal issues*- Issues such as domestic violence, alcohol and other drug abuse, and mental health issues contribute to homelessness for some of the population. Homelessness in Barnstable County is, at times, less visible than in urban areas. However, although the population may be geographically more dispersed—whether sleeping under a wharf, in a car, in a campground, or in a shelter—homeless people are on Cape Cod.
- *Social policies and resources*- Policies such as the deinstitutionalization that occurred in the 1980's in addition to the availability and effectiveness of assisted housing, mental

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health programs, substance abuse treatment, and other service interventions all play a role in increasing or decreasing the numbers of people without adequate shelter.

The Cape and Islands has had a Continuum of Care (CoC) since 1995, and the CoC's current name is the Cape and Islands Regional Network To End Homelessness. The CoC adopted a Ten Year Plan To End Homelessness in 2005 that followed the nation-wide trend to change the focus from managing homelessness to targeting resources toward ending it- with a special emphasis on the chronically homeless. The Cape Cod Commission initiated a study of the costs of homelessness in the region authored by Lee Hamilton, and the results of the regional study mirrored that of other similar studies across the nation- permanent supportive housing is a more humane and cost effective approach to homelessness than is our shelter-based system. The Ten Year Plan's strategies included resources for a strong prevention network, better coordination of existing services, effective discharge planning, and housing development and/or increased rental vouchers using a Housing First approach.

The CoC has added 56 beds for chronically homeless individuals over the last two years and has secured significant homelessness prevention resources from state and federal sources since 2008. The Regional Network received a \$765,000 grant from the state's Interagency Council on Housing and Homelessness to fund prevention and diversion services. The Network has allocated \$475,000 of the grant for prevention programs run by non-profits throughout the region. Duffy Health Center received a three year \$600,000 federal Homeless Prevention and Rapid re-Housing Program (HPRP) grant for prevention and rapid re-housing of individuals, while Community Action Committee received a three year \$200,000 HPRP award to offer similar services for families. Duffy has reported excellent results from its work at providing housing along with support services (i.e. the Housing First model) as Duffy Health Center has provided 129 chronically homeless persons with housing and services over the last four years and has an 89% retention rate, i.e. individuals stayed housed at least six months.

As noted below, over the last six years the number of people counted as homeless in the region's annual point in time count in late January of every year has decreased by about 40%. The percentage decrease has been similar for both individuals and families. While there has been no study of the reasons for the decline, it is likely that a combination of high housing costs causing people to leave the area combined with a strong and well-coordinated prevention network and the creation of 56 new units for homeless individuals with services attached over the last two years has contributed to the decline.

Point in Time Homeless Counts- 2005-2010

Year	Total Homeless Persons
2005	1,228
2006	1,165
2007	904
2008	932
2009	806
2010	734

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The tables below provide a breakdown of the housing situations of individuals and families in the Point in Time counts. Note that there has been some- 14%- decrease (170 to 146) in six years in the numbers of individuals in shelter or on the street, while there has been more- 28%- of a decrease (85 to 62) over six years in families in shelter or on the street.

Individuals

	2005	2006	2007	2008	2009	2010
Eviction	8	0	0	0	0	0
Motel	317	330	191	112	97	87
Permanent Supportive Housing	146	145	175	178	184	215
Shelter	92	91	103	97	108	86
Street	78	40	65	64	47	60
Transitional Housing	118	163	67	80	90	58
Totals:	759	769	601	531	526	516

Families

	2005	2006	2007	2008	2009	2010
Eviction	3	2	2	4	7	0
Motel	39	34	27	23	15	18
Permanent Supportive Housing	5	5	6	5	12	2
Shelter	73	70	69	72	66	62
Street	13	9	4	13	0	0
Transitional Housing	34	36	17	19	12	4
Totals:	167	156	125	136	112	86

Persons in Families

	2005	2006	2007	2008	2009	2010
Eviction	7	6	7	8	12	0
Motel	119	97	73	92	48	54
Permanent Supportive Housing	11	12	14	13	5	5
Shelter	202	166	155	177	179	155
Street	42	25	11	43	0	0
Transitional Housing	88	90	43	68	41	14
Totals:	469	396	303	401	280	228

The primary need is for permanent supportive housing, and the Ten Year Plan To End Homelessness stated that there was a need for 550 additional units for single homeless individuals and 125 additional units for homeless families. The unmet need for individuals and families is actually higher than these numbers, since many individuals and families are situationally homeless (living in someone's basement or in other temporary quarters rather than on the streets), and are therefore not included in homeless statistics.

CHARACTERISTICS AND NEEDS OF THOSE AT RISK OF BECOMING HOMELESS

Fundamentally the people most at risk for homelessness are those extremely low income households that do not have adequate income for housing. Some low-income people are identified as homeless, while others may be situationally homeless—doubled up, on couches, or moving around. Often it is the depth of secondary problems, such as domestic abuse, mental health issues, or alcohol or drug addiction, that causes individuals or families to lose even their marginal housing.

The risk of homelessness for this group has increased with the onset of the severe economic downturn at the end of 2008. For example the Homeless Prevention Council which serves the eight towns of the lower Cape has seen its caseload increase by over 40% since 2005 with a 30% increase occurring between 2008 and 2009. The director of the Lower Cape Outreach Council reported in March 2010 that his organization has seen a 40% increase in the demand for food over last year. Finally, as many voucher holders are requiring more subsidy because of a decrease in income, housing authorities have been forced to not re-issue some turnover vouchers in order to stay within their voucher budget allocation; this has made the situation even more precarious for extremely low income households.

NATURE AND EXTENT OF HOMELESSNESS BY RACIAL AND ETHNIC GROUP

The homeless population has more racial diversity than the overall population in Barnstable County. The statistics below are from HAC’s Homeless Management Information System report for the period 10/1/2008- 9/30/2009.

Race	2000 Census %	Individuals- Emergency Shelters	Families in Emergency Shelters	Families in Transitional Housing
White	93.4%	80%	60%	57%
African American	2.4%	9%	13%	7%
Hispanic	1.3%	2%	4%	1%
Native American	1.0%	3%	3%	0%
Other	1.9%	5%	20%	35%
TOTAL	100%	100%	100%	100%

DESCRIPTION OF SUBPOPULATIONS AND ESTIMATES OF NEEDS

The following is a brief description of some of the homeless subpopulations based on information from the agencies that provide services to them and from the region’s 2010 Continuum of Care McKinney-Vento funding application. These categories are not mutually exclusive as many homeless individuals and families fall into more than one category.

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Chronically Homeless- The Regional Network estimated that there were 145 chronically homeless individuals in the region in 2009: 68 sheltered and 77 unsheltered. National research estimates that about 20% of the homeless population are heavy users of shelters and/or other public systems such as emergency rooms, the justice system, etc. The remaining 80% of the homeless population are estimated to be short term users of the system.

Homeless Mentally Ill- The Regional Network estimated the number of mentally ill homeless people at 147 in 2009 with many of these included in the estimate of the chronically homeless population.

Homeless Substance Abusers- The Regional Network estimated the number of chronic substance abusers at 175 in 2009, again with many of these included in the estimate of the chronically homeless population.

Homeless Veterans- The Regional Network estimated the number of homeless veterans at 68 in 2009. The Veterans' Outreach Center estimated that 70% of homeless veterans had substance abuse issues with alcohol as the primary substance abused. The Center also estimated that 35% of returning Iraqi/Afghanistan veterans have some sort of mental health issue.

Persons with HIV/AIDS- The Regional Network estimated the number of homeless persons with HIV/AIDS at 17 in 2009. There are two housing facilities on Cape Cod specifically for people with HIV/AIDS. Foley House, a congregate facility in Provincetown, serves ten people. It is owned by the Provincetown Housing Authority and has federal subsidies. The AIDS Support Group of Cape Cod in Provincetown provides management and casework. Cape AIDS Ministry has nine units in Hyannis; rental assistance and property management for these apartments is provided by the Barnstable Housing Authority through Section 8 subsidies and the Shelter Plus Care Program. Both of these projects utilized HOME funds.

Victims of Domestic Violence- The Regional Network estimated the number of homeless persons who are victims of domestic violence at 108 in 2009. Community Action Committee's Safe Harbor program serves about 60 families annually, while Cape Cod Center for Women has 9 beds available at any one time.

On the following page is a HUD-required chart for the needs of homeless and special needs populations. The data came from the 2009 CoC HUD McKinney-Vento funding application.

Table 1A-Homeless and Special Needs Populations

Continuum of Care: Housing Gap Analysis Chart

		Current Inventory	Under Development	Unmet Need/ Gap
Individuals				
Example	Emergency Shelter	100	40	26
Beds	Emergency Shelter	91	0	0
	Transitional Housing	85	0	20
	Permanent Supportive Housing	227	5	112
	Total	403	5	132
Persons in Families With Children				
Beds	Emergency Shelter	181	0	0
	Transitional Housing	36	0	9
	Permanent Supportive Housing	6	0	54
	Total	223	0	63

Continuum of Care: Homeless Population and Subpopulations Chart

Part 1: Homeless Population	Sheltered		Unsheltered	Total
	Emergency	Transitional		
Number of Families with Children (Family Households):	66	12	22	100
1. Number of Persons in Families with Children	179	36	60	275
2. Number of Single Individuals and Persons in Households without children	108	84	144	336
(Add Lines Numbered 1 & 2 Total Persons)	287	120	204	611
Part 2: Homeless Subpopulations	Sheltered		Unsheltered	Total
a. Chronically Homeless	68			
b. Seriously Mentally Ill	147			
c. Chronic Substance Abuse	175			
d. Veterans	68			
e. Persons with HIV/AIDS	17			
f. Victims of Domestic Violence	108			
g. Unaccompanied Youth (Under 18)	0			

Housing Stock: Facilities for Homeless Persons

The facilities for homeless families and individuals on Cape Cod are run by a variety of non-profit organizations. The facilities range from shelters to transitional housing (typically limited to a 24 month stay), and permanent supportive housing. The primary need is for permanent housing as The Cape and Islands Regional Network To End Homelessness has identified permanent supportive housing as its highest priority in every year of the Continuum of Care HUD application over the last ten years. The gap is particularly severe for individuals. The following table is based upon information from the Network's 2009 HUD McKinney application.

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<u>For Individuals</u>	<u>Program</u>	<u>Type</u>	<u>Number of Beds</u>
NOAH Shelter	HAC—Shelter	emergency	60
CC Council Churches	Overnights of Hospitality- Shelter	emergency	14
CACCI/Duffy	Pilot House	emergency	17
SUBTOTAL			91
Catholic Social Serv.	St. Clare's	transitional	6
Homestead I & II	NAM Vets, SRO	transitional	16
Career & Eve House	Baybridge	transitional	11
Elise & Faith House	Homeless Not Hopeless	transitional	15
Bayside Cottage	Housing for All Corp.	transitional	3
Sober houses	Gosnold	transitional	27
SUBTOTAL			75
Champ House I-III	Housing for All Corp, youth/adults	permanent supportive	37
Foley House	Provincetown HA/AIDS Support Gr	permanent supportive	10
Welcome Home	Duffy Health Center	permanent supportive	3
Bryan Chase House	HAC—independent living SRO	permanent supportive	6
Canal House	Lower Cape CDC, substance abuse	permanent supportive	8
Southside Village	HAC/DDS	permanent supportive	4
Spring Street	Barnstable Housing Authority	permanent supportive	8
Bridgeport	Falmouth Housing Corp.	permanent supportive	8
Kit Anderson House	BHA/Vinfen	permanent supportive	6
Cape Homes I, II, and III	HAC	permanent supportive	23
Home and Healthy for Good	HAC	permanent supportive	12
CC Supported Housing	DMH/Vinfen	permanent supportive	22
Chronic Homeless Outreach	DMH	permanent supportive	4
DMH Clubhouse	Baybridge	permanent supportive	16
Scattered	Cape Regional Housing Initiative	permanent supportive	21
Housing First/Pilot Plus	BHA	permanent supportive	40
SUBTOTAL			228
<u>For Families</u>	<u>Program</u>	<u>Type</u>	<u>Number of Units/Beds</u>
Cape Cod Center for Women	domestic violence	emergency	4/9
Carriage House	HAC young mothers and children	emergency	9/18
Angel House	HAC parents/substance abuse	emergency	13/31
Cataumet House	HAC	emergency	17/48
Safe Harbor	Community Action-domestic violence	emergency	20/60
Canal View	HAC	emergency	8/27
SUBTOTAL			71/193
CAC Transitional	Community Action Committee	transitional	12/36
SUBTOTAL			12/36
Cape Regional Housing Initiative	DTA	permanent supportive	3/6
SUBTOTAL			3/6

PERSONS WHO ARE NOT HOMELESS BUT REQUIRE SUPPORTIVE HOUSING

This section identifies and addresses the housing needs of those Cape residents who require specialized housing and/or support services. The following table identifies the estimated unmet housing needs of these populations over the next five years.

Specialized Housing Needs Subpopulations	Unmet Need
Elderly	620
Frail Elderly	910
Severe Mental Illness	175
Developmental Disability	40
Physical Disability	75
Persons with Alcohol/Drug Dependency	50
Persons with HIV/AIDS	10
Victims of Domestic Violence	600
TOTAL	2,480

Elderly and Frail Elderly

As noted earlier, the Cape’s population is the oldest in the state, and this characteristic will likely continue as the Baby Boom generation reaches retirement age over the next 15 years. According to the 2008 American Community Survey, there were over 14,500 Cape residents over age 65 who had some type of disability; therefore, 28.4% of the age 65+ population had some sort of disability. These disabilities often result in an inability to afford housing, to find suitably accessible housing, or to afford to make modifications in their home that would allow them to remain in their homes. In addition, according to the 2009 HUD CHAS data, 5,090 owners and 1,380 renters in this age group faced severe cost burdens, i.e. paying more than 50% of their income on housing costs. Of these, the Consortium estimated from the CHAS data that over 83% of seniors with housing problems are low income. Low income elders age 75+ comprise nearly 60% of the low income senior population with housing problems. Assuming that 28% of these low income elders with severe cost burdens also had a disability, the Consortium estimated the unmet housing need as 1,530 units- 910 of which should be for those age 75+. Supportive housing, affordable assisted living options, and additional home modification resources are all needed for this segment of the population.

Severe Mental Illness

The Department of Mental Health (DMH) has 176 residential beds in a variety of housing programs that are staffed various hours a day- some for 24 hours. Another 174 people are case-managed by DMH in their own apartments or with family through the Community Support Flexible Services program. As of March 2010 there were 7 people on the wait list for housing. DMH is currently phasing out residential beds in favor of supporting clients in their own environment; the biggest need is housing vouchers so that individuals in group homes can move on to more independent housing.

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Developmental Disability

As of February 2010, the Massachusetts Department of Developmental Services (DDS) has 1,089 clients on Cape Cod. Of these, 335 people receive residential services in 73 different homes, typically ranging in size from two to six people. There are also many more people either in shared living arrangements (with a non-disabled roommate) with or without some additional staff supports or in their own apartment with some case management provided. DDS also has ten McKinney homeless certificates for previously homeless people, five of which are Shelter-Plus, allowing for a non-disabled roommate. DDS does not keep a waiting list for affordable housing; however, staff estimate about 40 people over the next year will need a home.

Physical Disability

As of March 2010 CORD was contacted by 45 consumers with home modification issues over the prior six months, while Community Connection, Inc. estimates that it receives 10-20 calls per year for either accessible, affordable housing or home modifications to accommodate wheelchairs.

Persons with Alcohol/Drug Dependencies

Alcohol and drug addictions are significant problems on Cape Cod. Alcohol abuse is the primary drug problem on the Cape. According to the FY 2007 report of the Mass. Department of Public Health, 76.4% of the individuals from the Cape who entered treatment programs reported alcohol use in the prior year compared with 63.8% state-wide. Although the Cape accounts for approximately 3.5% of the state's population, Cape residents accounted for 4.6% of all admissions to licensed substance abuse treatment services in FY 2007. The Cape has approximately 165 beds for residential treatment and sober housing, and Duffy and Cape Cod Hospital social workers report often having to send people home as there are no treatment beds available. They estimated the need for at least another 50 beds for those with addictions.

Persons with HIV/AIDS

As noted earlier, there are about 70 rental subsidy certificates on-Cape specifically for people with HIV/AIDS. With these certificates and with the assistance of housing workers at HAC and ASGCC, it has been possible for most people with HIV/AIDS to find housing. ASGCC had 453 clients as of January 2010, and the key problem is the insufficient number of rental subsidies available along with the overall lack of affordable housing. ASGCC estimates that an additional 10 vouchers would be needed to meet the need.

Victims of Domestic Violence

Independence House serves about 6,000 clients per year and owns a duplex that can provide transitional-type housing for two families. It would like to expand that program to provide this type of housing for up to 20 families. Overall, Independence House estimates that about 10% of its clients need long term, safe, affordable housing.

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Public Housing

In public housing, elderly residents are facing particular difficulties as they age in place. Residents may need increasing levels of services or support, which may not be available. The large numbers of second floor elderly units without an elevator are a problem for Cape Cod housing authority properties and their residents.

NON-HOUSING COMMUNITY DEVELOPMENT NEEDS

The HOME Consortium is not required to identify regional non-housing community development needs in this Plan; however, the CDBG entitlement communities of Barnstable and Yarmouth will submit their Consolidated Plans that will identify community development needs in their respective communities.

LEAD PAINT HAZARDS

Because housing in Barnstable County is relatively new (12% of the region's housing stock was built prior to 1939, compared with 36% for the state), lead paint poisoning has not been as widespread a problem as it has elsewhere in the state. Screenings of children under age six by the Massachusetts Childhood Lead Poisoning Prevention Program as of June 2009 indicated an elevated level of lead in the blood at a rate of .2 per thousand for the Cape and Islands region (compared to 1.2 statewide).

A survey of homeowner rehab program loans made by The Resource, Inc. and HAC over the last two years show that 19 of the 49 jobs involved some kind of lead abatement, and 5 of those homes had children under the age of 6. The cost of lead paint removal can be prohibitively expensive and is an issue for the rehabilitation of older homes in the region.

The table on the following page summarizes the number of Cape year round dwelling units with potential lead-based paint hazards that are occupied by children under the age of 6. HUD estimates that 68% of housing units built before 1940, 43% of those built from 1940-1959, and 8% of those built between 1960-1979 have significant lead-based paint hazards. Applying these ratios to the Cape inventory of housing occupied by children provides a rough estimate of the number of children at risk. In total, there are over 1,200 year round units occupied by households including children that may contain lead hazards. It is not possible from the available data to know how many of these units include children under age six, and also it is not possible to know how many of these units may have had lead abatement.

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Year Structure Built	Owner Units with Children	Renter Units with Children	HUD Estimate of % of Units with Lead Paint	HUD Estimate of # of Units with Lead Paint and Children
Pre 1940	495	60	68%	377
1940-1959	555	670	43%	527
1960-1979	3,190	1,055	8%	340
TOTAL	4,240	1,785		1,244

Source: 2009 HUD CHAS

FAIR HOUSING

The Consortium completed its updated Fair Housing Plan and Analysis of Impediments in January 2010. The Plan noted that the Consortium had done a very good job both of distributing its resources throughout the region (all towns have received funding for some type of HOME eligible activity) and also of achieving a much higher minority participation rate in its programs (15%) than exists in the region (6.6%). However, the Plan noted that the Consortium did not have a formalized approach to fair housing activities, that housing discrimination exists in the region on the basis of disability, family status, and language, that mortgage lending data revealed higher denial rates for minority applicants than for white applicants, and that there was a generally low public understanding of fair housing in the region. The actions the Consortium will take on the recommendations in the Fair Housing Plan will be described in the following Strategic Plan section of the Consolidated Plan.

SECTION 5. STRATEGIC PLAN

OVERVIEW

This section describes what Barnstable County hopes to accomplish in the area of housing over the next five years (objectives), the strategies with which it intends to achieve these objectives and how it will know whether it has been successful (outcome measures). In each program area – affordable housing, homelessness, and special needs – priority needs have been identified, consistent with HUD guidelines. The objectives and strategies respond to those needs. The County uses the consolidated planning process to re-evaluate its housing programs in their entirety. The approximately \$750,000 the County expects to receive annually over the next five years from the HOME program covered by this plan is just small one piece, albeit a crucial one, of the resources needed to meet the region's affordable housing needs. The County's housing needs cut across a wide range of incomes and household types. Consistent with HUD's mandate, all of the HOME funding will directly benefit low income families and individuals with most of the benefits to very low and extremely low income households.

Also included in this section per HUD requirements are the County's strategies for removing barriers to affordable housing; its actions to reduce lead-based paint hazards; its anti-poverty strategy; the institutional structure through which the County will carry out its plan, including activities to enhance coordination among housing providers, government and quasi-governmental agencies and other participants; the strategy for addressing the needs of public housing residents; and its strategy to affirmatively further fair housing.

RELATIONSHIP OF THE STRATEGIC PLAN TO THE ACTION PLAN

The Strategic Plan describes generally how the County will allocate the resources it expects will be available during the five year period covered by the plan. Specific details of the HOME allocations for the next fiscal year- FFY 2010 (July 1, 2010- June 30, 2011)- are provided in the next section, the Action Plan. By definition, strategic plans present a "big picture." Action plans are much more detailed, identifying specific activities that will be undertaken annually to achieve the long term (five-year) objectives. For example, while the Strategic Plan states that the County will expand sustainable homeownership opportunities by providing homebuyer counseling, down payment assistance, and development project assistance, the Action Plan specifies the number of homeowners to be assisted under each specific programmatic initiative (e.g., Down Payment/Closing Cost Program, etc.).

SUMMARY OF FINDINGS

Sections 3 and 4 describe in some detail the current market conditions in the County and the challenges they pose for low income households, and those with special needs. Housing affordability problems also impact, especially on the lower Cape, moderate and middle income households looking to own and, in fact, threatens the economic competitiveness of the County and the well-being of all residents. To briefly summarize the key findings and their implications:

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- While the region's population is estimated to have declined slightly since the 2000 Census, the number of low income households with housing problems- primarily cost burdens- has increased by over 35% since the 2005 Consolidated Plan: from approximately 18,500 households to over 25,000 households. While both low income owners and renters have seen an increase in housing problems, the situation has gotten especially burdensome for low income renters- 79% of whom have a housing problem, compared with 57% in 2000. The proportion of low income owners with housing problems has increased to 63% in 2008, compared with 51% in 2000.

- The region's Section 8 waiting list is over 4,000 households, while the region's housing authorities reported waiting lists of over 1,800 households for family units and over 2,600 households for their elderly and disabled units. Despite the need, there apparently has been a decrease in year round rental units over this decade. The need for affordable rental units, especially for very and extremely low income households, continues to be the region's primary housing concern.

- The gap between wages and real estate prices has only grown over the last five years. While historically low interest rates have brought the possibility for homeownership back into view for moderate and middle income buyers in some parts of Upper and Mid Cape towns, low income households still face an affordability gap. Massachusetts is one of the most expensive real estate markets in the nation, yet single family homes on the Cape are 10% more expensive than the rest of the state. Higher real estate prices combined with lower wages- the region's average wage is 35% lower than that of the state- has produced our affordability gap.

- Housing that is affordable, and accessible, to populations with specialized housing needs – and resources to address their needs – are inadequate.

- While the region has apparently made progress in reducing the number of homeless individuals and families over the last five years through the coordinated efforts of the Continuum of Care agencies that have employed a housing first approach along with aggressive prevention efforts, homelessness still remains an intractable issue and is likely to get worse with the predicted continuation of high foreclosure rates over the next two-three years.

CONSOLIDATED PLAN 2010-2014 OBJECTIVES

The County's housing community (i.e., non-profits, local housing authorities, community action agency, and local housing partnerships and individuals) for the past thirty-five years has distinguished itself for its spirit of cooperation and collaboration. The Consortium has utilized this network in carrying out the goals and objectives contained in its 2005 Plan. This strategy will continue to be utilized during the upcoming five year period. The Consortium plans to use all of its HOME funds for the HUD objective of providing decent housing for low income households in all of the fifteen towns in Barnstable County. Within this general distribution of resources strategy, particular attention will be given to ensuring that the housing needs of the

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area's more rural sector (i.e., Lower Cape) are addressed.

The Consortium has established five priorities for the upcoming period. These priorities are designed to address what we consider the most pressing affordable housing needs facing the County. In addition, there are strategies outlined to achieve each objective. It is our opinion that if we are successful in achieving these objectives, it will result in a significant improvement in the quality of life for some of the area's low income households.

PRIORITIES/OBJECTIVES AND STRATEGIES

Priority/Objective #1: Develop and maintain an adequate supply of safe, decent rental housing that is affordable and accessible to residents with a range of income levels and household needs

Strategies:

- * Increase the supply of rental housing across a range of incomes by allocating the largest share of HOME resources over the next five years to this objective.
- * While there is a clear need to expand rental housing production for all of the various low income households, the cost of producing newly built units exceeds that of rehabilitated or redeveloped units, and the Consortium will give continue to give a higher funding priority to projects that propose to rehabilitate or redevelop existing structures. Clearly, however, newly constructed units will need to be built in order to achieve the goals in the Plan.
- * In order to respond to the significant increase in individuals with some type of disability, provide a higher funding priority for those new construction rental developments that provide units that are accessible and/or that have universal design and/or that are visit-able.
- * In order to provide a healthier living environment for tenants and to reduce energy costs, the Consortium will provide a higher funding priority for those new construction rental projects that are LEED certified.

Priority/Objective #2: Preserve and maintain the existing affordable housing stock, particularly the units occupied by extremely and very low income households.

Strategies:

- * Preserve the physical and financial viability of existing affordable housing (both privately and publicly assisted). While HOME funds cannot be used to preserve development projects which had a prior HOME investment, the Consortium can certainly provide resources to affordable rental developments that had no HOME investment and that are in danger of losing their affordability. In addition, the Consortium will closely monitor the three developments identified as at potential risk of losing their affordability over the next five years.

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* Support efforts of local housing authorities and others to increase the operating support for their state-funded units in order to address long term deferred maintenance because of underfunding in order to preserve this stock of approximately 1,000 affordable units in the region.

Homelessness

Priority/Objective #3: Reduce individual and family homelessness by providing a viable continuum of care that implements a housing first strategy for permanent supportive housing.

Context: The Leadership Council To End Homelessness published its Ten Year Plan To End Homelessness in February 2005. While the Council changed its name to the Cape and Islands Regional Network To End Homelessness, the region's strategies in support of this objective continue to focus on key stages in the cycle of homelessness. Early intervention programs can prevent households from becoming homeless by assisting with rent arrearage or moving costs. Continued funding support of street outreach workers to work with individuals on the street to assess their needs and connect them with the appropriate resources is critical to the overall strategy. Better information about the discharge processes of clients of shelters, mental health organizations, substance abuse clinics, corrections facilities and other programs that serve as supports for homeless individuals and families will provide the specialized assistance that is needed to get by and to move out. Improving coordination across services will enhance enrollment into mainstream benefits programs for homeless people. Permanent supportive housing and coordination among service providers will improve the care and quality of life for the chronic homeless, many of whom are unable to live independently without significant assistance. For example, Duffy Health Center has reported excellent results from its work at providing housing along with support services (i.e. the Housing First model) as Duffy has provided 129 chronically homeless persons with housing and services over the last four years and has an 89% retention rate, i.e. individuals stayed housed at least six months. Finally, affordable and subsidized housing opportunities are critical to moving individuals out of chronic homelessness, transitional environments, and dangerous, overcrowded or inappropriate living environments.

While the HOME Consortium's primary role would be to provide funding support for any new permanent supportive housing requests, the Consortium will continue to play an active role in the Regional Network's efforts to end homelessness in the region.

Strategies to reduce homelessness:

* Prevent homelessness by continuing to secure private and public resources for prevention and continue close coordination among the network of prevention organizations.

* Continue to provide housing first by getting chronically homeless people into permanent supportive housing as quickly as possible and eliminate the time consuming step by step process of "housing readiness" that was the hallmark of the prior continuum of care model.

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- * Develop a range of housing options and services for homeless families and individuals. This includes promoting the “housing first” model to get chronically homeless people into permanent supportive housing with appropriate supportive services as quickly as possible.
- * While not expanding the capacity of current shelters, continue to provide emergency shelters and transitional housing for the homeless and continue to support the efforts of the Council of Churches to continue its Overnights of Hospitality program and local efforts such as Operation In From the Streets.
- * Improve access/coordination across mainstream services and benefit sources.
- * In addition, the strategies that preserve and expand the supply of affordable housing, and programs that enable low income residents to pay for housing (e.g., rental assistance) also support the objective of reducing homelessness.
- * Preserve existing affordable housing (both publicly assisted and private).
- * Maintain a system of public housing and rental assistance.
- * Increase the supply of affordable rental housing.

Priority/Objective #4: Expand homeownership opportunities for low income households

Strategies To Expand Homeownership:

- * Provide down payment assistance and affordable mortgage programs: The Consortium will continue to allocate HOME resources to provide down payment/closing cost assistance to first time, low income households.
- * The County will also continue to advocate for adequate resources be allocated for the state’s Soft Second Loan Program.
- * Provide homebuyer counseling and education: Homebuyer counseling and education are valuable marketing and outreach tools that can bridge the information gap and expand the pool of potential homebuyers, preparing them for a successful application and ownership experience. The HOME Consortium will continue to require that recipients of down payment assistance attend a first time homebuyer workshop.
- * Increase the supply of housing affordable to a range of incomes: Any effort that increases the supply of housing by creating new units, especially to very low income households as well as to moderate income households, extends the opportunity for homeownership.

Strategies to Maintain Homeownership:

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* Assist existing low income homeowners to make home repairs and/or modifications by supporting the efforts of non-profits and Towns to attract state and federal rehabilitation resources to upgrade existing housing stock owned or rented by low income household to ensure that health and safety issues are addressed, and that the homes remain functional and habitable.

Specialized Housing Needs

Objective #5: Ensure that County residents with long-term support needs have access to accessible, community housing options

Strategies:

* Encourage community-based, supportive living options for those with disabilities.

* Provide a range of housing options and services for persons with specialized housing needs.

* In addition, the strategies that preserve and expand the supply of affordable rental housing, and the programs that enable low income residents to pay for housing (e.g., rental assistance) also support this objective.

HOME FUNDING LEVEL AND SUMMARY OF OTHER RESOURCES

In order to achieve any of these objectives, public resources will be required. The FFY 2010 HOME funding level will be about \$749,819. The FFY 2010 Annual Plan will detail how these funds will be allocated. In addition Appendix A outlines the other federal, state, quasi-public, local, and private resources that are expected to be available to address the objectives in the Plan.

For example, the state expects to have available the following additional resources on an annual basis for the next five years for its housing production programs:

- \$14.7 million in HOME;
- \$175 million from state bonds (HIF, HSF, FCF, public housing modernization, affordable housing trust fund);
- \$255 million from the state operating budget;
- \$13.6 million in federal and \$4 million in state low income housing tax credits, which will leverage nearly \$100,000,000 in investor capital for low income rental housing production and/or preservation;
- \$553 million from other federal housing production programs (Section 202, 811, etc.);
- \$1 billion in project financing from the state's quasi-public agencies

The following required table estimates the unmet housing needs among various income and household segments. Please note, as required by HUD, the estimates of need are based upon 2000 Census data and that, as described earlier, the numbers of households with housing problems is estimated to be 35% more than described here. However, an analysis in this format is not available from recent ACS data at this time. An explanation of the various categories and of the priority rankings follows.

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HUD Table 2A
Priority Housing Needs/Investment Plan Table

PRIORITY HOUSING NEEDS (households)		Priority		Unmet Need
Renter Total- 6,892	Small Related	0-30%	H	919
		31-50%	H	719
		51-80%	H	717
	Large Related	0-30%	H	144
		31-50%	H	81
		51-80%	H	160
	Elderly	0-30%	H	800
		31-50%	H	595
		51-80%	H	431
	All Other	0-30%	H	930
		31-50%	H	745
		51-80%	H	651
Owner Total- 11,312	Small Related	0-30%	M	479
		31-50%	M	630
		51-80%	M	1,729
	Large Related	0-30%	M	62
		31-50%	M	199
		51-80%	M	507
	Elderly	0-30%	M	2,312
		31-50%	M	1,922
		51-80%	M	1,558
	All Other	0-30%	M	530
		31-50%	M	525
		51-80%	M	859
Non-Homeless Specialized Housing Needs	Elderly	0-80%	H	620
	Frail Elderly	0-80%	H	910
	Severe Mental Illness	0-80%	H	175
	Physical Disability	0-80%	H	75
	Developmental Disability	0-80%	H	40
	Alcohol/Drug Abuse	0-80%	H	50
	HIV/AIDS	0-80%	H	10
	Domestic Violence Victim	0-80%	H	600

Definitions

“Priority Need Level” is defined as follows:

High priority means activities to address this need will be funded by the County with HOME funds, usually with the investment of other public and/or private funds during the Consolidated Plan period.

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Medium priority means if funds are available, activities to address this need may be funded with HOME funds, usually with the investment of other public or private funds during the Consolidated Plan period. Also, the County will take other actions to help this group locate other sources of funds.

Low priority means the County will not fund activities to address this need during the Plan period. The County will consider certifications of consistency for other entities' applications for federal assistance.

As defined by HUD, a "Small Related" household (HH) is a household of 2 to 4 persons that includes at least one person related to the householder by blood, marriage, or adoption.

A "Large Related" HH is a household of 5 or more persons which includes at least one person related to the householder by blood, marriage, or adoption.

An "Elderly" HH is a 1 or 2 person household in which the head of the household or spouse is at least 62 years of age.

"Special Populations" include households of one or more persons containing at least one person with a disability (i.e. mental, physical, developmental, persons with HIV/AIDS and their families) or alcohol or other drug addiction that may require housing with supportive services.

"Other" HH refers to households of one or more persons that do not meet the definition of a small related, large related, elderly, or special populations households.

EXPLANATION OF PRIORITIES

The Consortium views provision of family housing as highly important and will commit HOME resources to build, rehabilitate, and preserve affordable rental housing. According to the amount of unmet need, providing rental housing for small related, large related, elderly, and all other rental households has been classified as high priority for all income categories up to 80% of area median income.

The Consortium views the promotion of homeownership as an essential long term housing strategy, because it can help low income households build assets, become more integrally invested in their communities, and become less exposed to future increases in the cost of rental housing. In addition, homeownership can contribute to the stability and vitality of communities.

Homeownership is promoted both by providing development project funding as well as by helping first time homebuyers to purchase their homes. However, since about 89.5% of households over age 62 own their homes, the Consortium views age restricted (over age 55) ownership housing as a low priority and will not commit HOME housing development funds for this activity. However, the Consortium will still make down payment/closing cost assistance available to eligible households to purchase an age-restricted ownership unit that is developed without HOME funds.

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The Consortium recognizes that a significant portion of homeowners have housing cost problems; however, none of the HOME eligible activities can directly address this issue.

The Consortium recognizes the serious housing needs of persons with special needs. Accordingly, special needs permanent housing has been assigned a high priority.

It should be noted that, although the County can target its resources, it cannot assure that the outcomes will be proportional to the goals. Since County HOME resources, although strategically targeted, are typically a very small portion of the overall subsidies needed to create affordable housing, the continued availability of other public and private resources will be necessary in order to achieve the goals in this Plan. Finally, given the market and economic conditions on the Cape, the County recognizes that the overwhelming majority of the new homeownership opportunities will serve households closer to 80% of area median income (AMI) than to 50 or 30% percent of AMI.

ANNUAL GOALS: UNITS/HOUSEHOLDS ASSISTED WITH HOME RESOURCES

The following required chart describes the annual units and/or assisted households goals for HOME-funded activities.

TABLE 5.1

Grantee Name: Program Year:	Expected Annual Number of Units To Be Completed	Actual Annual Number of Units Completed	Resources used during the period			
			CDBG	HOME	ESG	HOPWA
<u>BENEFICIARY GOALS</u> (Sec. 215 Only)						
Homeless households	2		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Non-homeless households	76		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Special needs households	2		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Total Sec. 215 Beneficiaries*	80		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
<u>RENTAL GOALS</u> (Sec. 215 Only)						
Acquisition of existing units	0		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units	30		<input type="checkbox"/>	X		<input type="checkbox"/>
Rehabilitation of existing units	15		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	0		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Affordable Rental	45		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>

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HOME OWNER GOALS (Sec. 215 Only)	Expected Annual Number of Units To Be Completed	Actual Annual Number of Units Completed	CDBG	HOME	ESG	HOPWA
Acquisition of existing units	2		<input type="checkbox"/>	X		
Production of new units	8		<input type="checkbox"/>	X		
Rehabilitation of existing units	0		<input type="checkbox"/>	<input type="checkbox"/>		
Homebuyer Assistance	25		<input type="checkbox"/>	X		<input type="checkbox"/>
Total Sec. 215 Affordable Owner	35		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
COMBINED RENTAL AND OWNER GOALS (Sec. 215 Only)						
Acquisition of existing units	2		<input type="checkbox"/>	X		<input type="checkbox"/>
Production of new units	38		<input type="checkbox"/>	X		<input type="checkbox"/>
Rehabilitation of existing units	15		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	0		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Homebuyer Assistance	25		<input type="checkbox"/>	X		<input type="checkbox"/>
Combined Total Sec. 215 Goals*	80		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
OVERALL HOUSING GOALS (Sec. 215 + Other Affordable Housing)						
Annual Rental Housing Goal	45		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Annual Owner Housing Goal	35		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Total Overall Housing Goal	80		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>

Section 215 Affordable Housing is defined as follows:

1. Rental Housing: A rental housing unit is considered to be an affordable housing unit if it is occupied by an extremely low, very low, or low income household and bears a rent that is the lesser of (A) the existing Section 8 Fair Market Rent for comparable units in the area or, (B) 30% of the adjusted income of a family whose income equals 65% of the median income for the area, except that HUD may establish income ceilings higher or lower than 65% of the median income because of prevailing levels of construction costs or fair market rents, or unusually high or low family incomes.

2. Homeownership: A). Housing that is for purchase (with or without rehabilitation) qualifies as affordable housing if it (i) is purchased by an extremely low, very low, or low income first-time homebuyer who will make the housing his or her principal residence and; (ii) has a sale price that does not exceed the mortgage limit for the type of single family housing for the area under HUD's single family insuring authority under the National Housing Act. B). Housing that is to be rehabilitated, but is already owned by a family when assistance is provided, qualifies as

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affordable housing if the housing (i) is occupied by an extremely low, very low, or low income household which uses the house as its principal residence and; (ii) has a value, after rehabilitation, that does not exceed the mortgage limit for the type of single family housing for the area, as described in (A) above.

EXPLANATION OF SECTION 215 GOALS

The annual goals in Table 5.1 reflect households assisted only with HOME funds over the next five years. They do not include other affordable units that are created without the investment of any HOME funds. Clearly, there will need to be a significant number of these if the housing needs in the County are to be addressed. The following are the assumptions that were used to develop the HOME goals in Table 5.1:

Beneficiaries- While the Consortium recognizes the needs for housing for homeless individuals and families and for those with special needs, the Consortium has received limited development project funding requests for these types of projects over the last five years- one for homeless individuals (10 units) and two for special needs housing (6 units). Most of the permanent supportive housing for homeless individuals created in the last five years has been done with housing vouchers. State and federal capital and operating subsidy funding for special needs housing is extremely limited and extremely competitive. The Consortium expects to receive one or two funding requests in each category over the next five years that will yield 10 units each.

Rental Goals-

Production: For the first four years of the 2005-2009 Consolidated Plan, 151 rental units were completed; therefore, given the need that exists, the Consortium will set an ambitious goal of creating 45 rental units annually through HOME development project funding. In order to achieve this goal, the low income housing tax credit program will need to be functioning. There have been 10 tax credit projects done in the region that have created 431 units this decade. If investors do not return to the tax credit equity market and/or if HUD does not continue to commit resources to the tax credit exchange program, then the Consortium will fall well short of this goal. Over the last five years, one rental unit was created for approximately every \$7,000 in HOME funding provided; therefore, it will require approximately \$325,000 annually to be allocated to rental production to meet this goal.

Type of Production: Until the region's wastewater infrastructure capacity is expanded, thus providing more economically feasible redevelopment opportunities, the Consortium expects 67% of rental housing to be created through new construction and the rest through acquisition and rehabilitation of existing units.

Rental Assistance: Despite the desperate need of extremely low income households for more rental vouchers, the Consortium determined that its relatively limited funding would be best used over the long term in investing annually in housing development projects that will create new permanent affordable rental units every year than in creating a local voucher program that will assist a fixed number of people every year.

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Home Owner Goals-

Production: The Consortium has created 66 new ownership units over the first four years of the 2005-2009 Consolidated Plan with an average HOME investment of about \$19,000 per unit. As the priority in this Plan continues to be the creation of rental units, the Consortium will maintain its current annual ownership production goal of 10 units each year. To meet this goal, the Consortium would have to commit at least \$175,000 of HOME funds annually.

As DHCD has assigned a medium priority to ownership production in its draft plan, the Consortium therefore expects limited state resources available for ownership production and that the ownership funding requests to the Consortium will likely be smaller scale projects that have significant town funding.

Type of Production: The Consortium has funded two housing buy-down projects that involve purchase of existing units. These projects have taken time to implement as project developers have had to compete with investors for lower priced properties in relatively decent shape. In addition, the combination of a tightened mortgage lending environment and the recession has shrunk the pool of interested and qualified buyers. The Consortium expects these trends to continue through at least the first two years of the 2010 Plan; therefore, we anticipate that most ownership development will involve new construction with the opportunity for funding of a limited number of buy-down projects in limited parts of the region.

Homebuyer Assistance: Even with the challenges facing first time homebuyers, the Consortium has had record demand for down payment assistance this program year and intends to continue supporting its down payment/closing cost program assistance with a goal of 25 households per year. As the average loan and associated project costs are about \$7,000, the Consortium will need to allocate about \$175,000 annually to this program to achieve its goal.

Rehabilitation of Existing Units: Even though there is a clear need for a repair program for low income home owners, the Consortium determined two years ago that given our limited resources, funding such a program would not achieve much regional impact and would also not be of a scale that would be efficient to administer. The Consortium will continue to support the efforts of towns to secure state and federal resources for such programs.

MEASURING OUTCOMES

The Consortium will continue to monitor its outcomes, a process that started in the 2005-2009 Consolidated Plan. The Consortium will use the following annual performance measures for each year in the 2010-2014 Plan:

Rental Production: Affordability for the purpose of providing decent housing- 45 units

- Number of affordable units produced for each income category: goal is 45 units
- Number of units for households at or below 30% area median income: goal is at least 10% of units
- Number of units for households at or below 50% of area median income: goal is at least 33% of units

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- Number that are accessible under Section 504: goal is at least 10% of newly constructed units
- Number of units for homeless individuals/families: goal is at least 2 units
- Number of units for special needs households: goal is at least 2 households
- Number of newly constructed units that meet Energy Star standards: goal is 100% of units
- Number of newly constructed units that are LEED certified: goal is 25% of units

Homeownership Production: Affordability for the purpose of providing decent housing- 10 units

- Number of affordable units produced for each income category: goal is 10 units
- Number of units for households at or below 50% of area median income: goal is at least 10% of units
- Number that are accessible under Section 504: goal is at least 10% of newly constructed units
- Number of newly constructed units that meet Energy Star standards: goal is 100% of units
- Number of newly constructed units that are LEED certified: goal is 25% of units

Homebuyer Assistance: Affordability for the purpose of providing decent housing- 25 units

- Number of homebuyers assisted: goal is 25 households
- Number of minority households assisted: goal is at least 10% of all households.

The Consortium will review and revise as necessary its guidelines and scoring system for housing development projects to reflect the priorities and goals in the Consolidated Plan. The Consortium plans to continue its practice of awarding additional funds beyond its per unit and per project funding maximums to projects that score exceptionally well.

STRATEGIES FOR REDUCING BARRIERS TO AFFORDABLE HOUSING

The Consortium identified a number of barriers to affordable housing production that involved resource allocation, housing policy, land use policy, lack of infrastructure and staff capacity, and public perception and attitudes. The Consortium proposes the following strategies to address these barriers over the next five years:

Resource allocation: With respect to public subsidies, the Consortium will continue to advocate for a larger share of budgetary resources be devoted to both housing production- including HOME- and housing voucher programs at the state and federal level. In addition, the Consortium will continue to support funding for the federal Affordable Housing Trust Fund.

Housing policy: The Consortium will have programmatic requirements to the greatest extent possible that are consistent with those of other public funders- especially with DHCD. For ongoing monitoring of rental projects, the Consortium will use reports from other public funders to the greatest extent possible for its required compliance reviews. Finally, the Consortium will engage DHCD to develop an ownership deed restriction that 1) survives foreclosure; 2) satisfies HOME regulations; and 3) enables units to be counted on the Subsidized Housing Inventory.

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Land use policies: The Consortium will publicize and will advocate that towns 1) adopt local affordable housing bylaws such as those in Dennis and Barnstable; and 2) create a Chapter 40R district and/or adopt inclusionary zoning. The Consortium will continue to advocate for the continuation and improvement in Chapter 40B- the state's comprehensive permit law that allows applicants in communities that have not achieved 10% affordable housing to receive waivers from local regulations if the project has at least 20-25% affordable units. Chapter 40B has been a critical tool for affordable housing in the County as a September 2008 Cape Cod Commission study found that historically 40% of the County's affordable units had been created through the Chapter 40B zoning process- including 84% of all newly created affordable units since 2001. Chapter 40B allows the densities needed for affordable housing development which would otherwise have been impossible under the existing zoning. (Note: A ballot initiative to repeal Chapter 40B will go before the state's voters in November 2010).

Limited wastewater infrastructure: The Consortium will encourage and support wastewater planning and implementation efforts in local communities. The Consortium will also advocate that towns adopt land use bylaws that encourage affordable housing as part of their wastewater planning efforts.

Town staff capacity: The Consortium will continue to promote and support the use of the Planned Production regulations under Chapter 40B as a means for towns to both have an affordable housing plan and also to have more control over the types of Chapter 40B development that occurs. To implement these plans, the Consortium will advocate that Towns look to local resources- particularly Community Preservation Act funds- to provide staff capacity to carry out the activities in the housing plans.

Neighborhood and community resistance: The Consortium will continue to educate the public through publications, workshops, and its web site of the need for and impact of affordable housing in the region.

LEAD BASED PAINT STRATEGIES

Because housing in Barnstable County is relatively new (median year built is estimated to be 1974) compared with other areas of the state, lead paint poisoning is not a widespread problem. Screenings of children under age six by the Massachusetts Childhood Lead Poisoning Prevention Program as of June 2009 indicated a rate of .2 per thousand for the Cape and Islands region (compared to 1.2 statewide). While the cost of lead paint removal can potentially be prohibitively expensive, the Consortium will vigorously enforce the revised 2002 lead based paint regulations for all of its program activities and will continue to support efforts of local organizations to attract lead paint removal resources to the region.

ANTI-POVERTY STRATEGY

Through implementation of this plan, the Consortium hopes to make a significant impact on the reduction of the number of households with incomes at or below the area's poverty level. To the extent that the Consortium can support the creation of affordable rental housing- especially for extremely low income households- that will lessen the housing cost burdens on these households

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and will enable those households to have resources to meet other pressing needs. The creation of ownership housing for very low income households will enable those families to build assets. Finally, the Consortium will support all efforts in the region to protect low income households in deed restricted ownership units from losing their assets through foreclosure.

While the Consortium's programs and resources can have some, albeit a very limited, impact on moving households out of poverty, there are other agencies in the region that have more impact and resources to address this issue. Through a DHCD initiative, all of the region's Section 8 voucher holders are part of a Moving To Work program that is designed to provide flexibility to administering agencies and to encourage voucher holders to increase their economic self-sufficiency. The region's anti-poverty agency, the Community Action Committee of Cape Cod and the Islands, has a number of programs and resources that attempt to move households toward economic self-sufficiency: a child care network that provides information and referrals as well as access to child care subsidies; advocacy for low income immigrants; assistance for low income households to find free or affordable health care; housing search services; and staff support to Cape United Elders- a grassroots senior activist organization.

FAIR HOUSING STRATEGIES

The Consortium completed its updated Fair Housing Plan and Analysis of Impediments in January 2010, and the Plan is available for review in the Affordable Housing section of the Cape Cod Commission web site- www.capecodcommission.org. The Plan noted that the Consortium had done a very good job both of distributing its resources throughout the region (all towns have received funding for some type of HOME eligible activity) and also of achieving a much higher minority participation rate in its programs (15%) than exists in the region (6.6%). However, the Plan noted that the Consortium did not have a formalized approach to fair housing activities, that housing discrimination exists in the region on the basis of disability, family status, and language, that mortgage lending data revealed higher denial rates for minority applicants than for white applicants, and that there was generally low public awareness of fair housing in the region.

The Consortium has designated staff- the Affordable Housing Specialist- as the designated Fair Housing officer and intends to create a Fair Housing Subcommittee of interested stakeholders to oversee the implementation of the recommendations in the Plan. While it is not certain of which recommendations in the Plan will be the focus of the Consortium in the near term, it is expected that the following areas will be addressed during the Consolidated Plan period:

- Identify/seek resources, e.g. HUD's Fair Housing Initiatives Program, for outreach and information on fair housing
- Partner with regional and state fair housing organizations to publicize fair housing issues
- Support adoption by housing providers/managers of HUD's "Supplemental and Optional Contact Information for HUD-Assisted Housing Applicants"
- Sensitivity training for housing providers on issues faced by individuals with disabilities
- Address linguistic and hearing barriers faced by applicants for affordable housing

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PUBLIC HOUSING STRATEGIES

Public housing financial needs: As described earlier, there are no state or federally designated troubled housing authorities in the region. Federal and state public housing on Cape Cod is an aging stock that is 20- 50 years old and is in fair to good condition with most authorities reporting many more critical modernization needs for their state-funded units than for their federally-funded ones. A March 2005 CHAPA study found that the state needed to spend on average an additional \$139 per unit per month to meet actual housing authority operating costs, or an additional \$78 million over the \$32 million allocated in the FY 2005 budget. While prior to the recession the state did increase operating support to authorities, the FY 2010 budget is \$62.5 million- a little more than 50% of what was reported to be needed in 2005. The lack of adequate state funding for public housing is putting at risk a housing stock that accounts for over 20% of all the affordable housing in the region. As noted in the strategies for priority/objective #2, the Consortium will vigorously advocate for additional state resources be made available to local housing authorities to maintain and upgrade the over 1,000 affordable units in their ownership.

Tenant involvement in management: Local housing authorities (LHA's) are governed by a five member Board of Commissioners- four of whom are elected locally and one of whom is a Governor's appointee. Tenants are eligible to run for seats, and one housing authority- Provincetown- has a tenant serving on the Board. Provincetown and Dennis have active tenant associations, while Barnstable, Bourne, and Falmouth have active resident advisory boards. DHCD provides technical support for tenants interested in forming local tenant organizations (LTO's). State regulations require that LTO's be consulted when the LHA's annual operating budget is prepared, when LHA jobs become available or when modernization funds become available. LHA's are required to fund the LTO's and to notify them of all LHA Board meetings.

Homeownership: The high cost of homes in the region has made it difficult, if not impossible, for housing authorities interested in promoting homeownership to effectively implement a program. The Barnstable Housing Authority has a self-sufficiency program for its state-funded family units and has used Town CDBG and other resources to enable two of their tenant families to become homeowners over the last year, and BHA expects to assist another two families into homeownership in 2010.

INSTITUTIONAL STRUCTURE AND COORDINATION

Cape Cod has a long history of being in the forefront when it comes to addressing its affordable housing needs. Throughout the community there exists a network of highly experienced, capable individuals and agencies committed to addressing this issue. Guiding these efforts is a spirit of cooperation and collaboration that has come to characterize the Cape's housing community. This approach, which places the needs of low income households first, has played a central role in the successes and accomplishments achieved by this community.

The creation of the Consortium is one of the best examples of this cooperative spirit in action. This effort, which began over fifteen years ago, has required the participation and support of county and town officials, housing agencies, housing advocates and private citizens.

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The creation of the Consortium along with the history of the Cape's housing community has provided fertile ground for intergovernmental cooperation. The Consortium, through the Cape Cod Commission and the Advisory Council, will provide overall coordination of the strategies, actions, and resources to effectively meet the goals and objectives of this Plan. The Commission will continue to provide technical assistance to local agencies involved in affordable housing activities, seek additional housing grants, and monitor the development and certification of the local comprehensive plans.

The Advisory Council, which is comprised of individuals representing local housing authorities, regional nonprofit housing organizations, town housing committees, the Lower Cape Cod CDC, town officials, and others, will monitor the development and implementation of the HOME Program and the five year strategy. The Council will serve as an information resource for the Cape, as well as a regional center where critical housing issues are discussed and new and innovative strategies are developed.

The existing structure has proven to be particularly effective in carrying out the Consortium's housing strategy and addressing matters impacting the area's affordable housing needs. The Consortium has identified four areas that it believes requires ongoing attention and action. Briefly stated, these are: the relationship between affordable housing and the area's economy, addressing the area's housing needs on a regional basis, conflicting state and federal policy and programmatic requirements, and the effects of community and neighborhood resistance to affordable housing development.

To address the issues cited above, the Consortium will undertake the following actions:

1. Utilize the HOME Advisory Council as a vehicle for the following purposes: secure federal, state and other funds, maintain communication between the towns, and serve as an information resource center for the Cape.
2. Encourage and support the activities of regional housing programs.
3. Educate the public about what is affordable housing and why it is needed.
4. Advocate and work with DHCD and HUD to resolve inconsistencies in programmatic requirements, funding programs, and in agency policies. The Consortium will focus on the HOME/universal deed rider issue as its first priority.
5. Educate and work with lenders on the needs of first time homebuyers and the issues associated with affordable housing restrictions.
6. Advocate that all towns create housing action plans in accordance with DHCD's Housing Production standards and provide capacity to implement those plans.
7. Encourage use of local labor for HOME assisted projects.

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BARNSTABLE COUNTY HOME CONSORTIUM

ANNUAL PLAN

FEDERAL FISCAL YEAR 2010

(JULY 1, 2010 – JUNE 30, 2011)

COVER SHEET

PARTICIPATING JURISDICTION	BARNSTABLE COUNTY HOME CONSORTIUM
LEAD AGENCY	BARNSTABLE COUNTY – CAPE COD COMMISSION
CONTACT PERSON	PAUL RUCHINSKAS
TELEPHONE	(508) 362 - 3828
PROGRAM YEAR	2010

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BARNSTABLE COUNTY HOME CONSORTIUM

2010 ANNUAL PLAN

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SECTION 1- EXECUTIVE SUMMARY

A. OVERVIEW

The 2010-2014 Consolidated Plan (“the five year plan”) that will be submitted to the U.S. Department of Housing and Urban Development (HUD) in June 2010 identifies the housing needs of Barnstable County and provides the framework for how the County intends to address and prioritize those needs over the next five years (2010-2014). The five year plan and the 2010 Annual Plan apply to the activities of the HOME Investment Partnerships Program (HOME).

The 2010 Annual Plan is based on the housing priorities/objectives set forth in the Strategic Plan section of the five year plan:

1. Develop and maintain an adequate supply of safe, decent rental housing that is affordable and accessible to residents with a range of income levels and household needs.
2. Preserve and maintain the existing affordable housing stock, particularly the units occupied by extremely and very low income households.
3. Reduce individual and family homelessness by providing a viable continuum of care that implements a housing first strategy for permanent supportive housing.
4. Expand homeownership opportunities for low income households
5. Ensure that County residents with long-term support needs have access to accessible, community housing options

B. EVALUATION OF CURRENT YEAR’S PERFORMANCE

For FFY 2009, through May 28, 2010, the following is the status of the goals and accomplishments in each of the Consortium’s four program areas:

Housing Production-

- a. Rental Housing- 4 completed projects: 67 units; Goal- 60 units.
- b. Ownership housing- 1 completed project: 13 units; Goal- 10 units.

Down Payment/Closing Cost Program- 46 households assisted; Goal- 20 households.

As described more fully in the next section, the Consortium is proposing to continue to allocate funding for these activities for FFY 2010. Once final program year data is available, more extensive performance evaluation measurements will be submitted in the FFY 2009 annual performance evaluation report.

C. ALLOCATION OF FUNDS

For Federal Fiscal Year (FFY) 2010 the Consortium will receive a formula allocation of \$749,819 in HOME funds. This represents a slight decrease increase from FFY 2009's allocation. As a result of an analysis of need and past actual funding commitments to the various program areas, the following are the proposed allocations of HOME funds along with the goals for each area:

FFY 2010 HOME ALLOCATIONS

Area/Program	Allocation	Goals- Units or Households assisted
Administration- 10%	\$ 74,982	
CHDO Housing Production Projects- 15%	\$ 112,473	15 units
Housing Production	\$ 387,364	40 units
Down Payment/Closing Cost Program- DPCC	\$ 175,000	25 households
TOTAL	\$ 749,819	

Consistent with the objectives established in the 2010-2014 Consolidated Plan, HOME funds will be directed to increase the Cape's affordable rental stock for very low and low-income tenants, homeownership opportunities for low-income homebuyers, and promote housing opportunities for the area's special needs populations.

D. CITIZEN PARTICIPATION

From its inception, the Consortium has placed a high premium on citizen participation. Specific steps were taken early on to ensure that the fifteen towns and the numerous housing/social agencies that exist on Cape Cod were given the opportunity to participate in this process. In the respect, the most significant step was to create the Advisory Council. Established through the passage of an ordinance by the County Legislature and appointed by the County Commissioners, the Advisory Council continues to play a central role in the development of Consortium's program, plans and policies.

The Advisory Council, which meets monthly, assisted in the development of this CP, provides ongoing input regarding program design and implementation, and participates in the awarding project funds. The council meetings are open to the public and welcome their participation. Over the last fifteen years, the Advisory Council has become an important forum for discussing and taking action regarding both housing and community matters.

At the March 25, 2010 Advisory Council meeting, the initial draft of the strategy and priority section of the plan was discussed along with the FFY 2010 HOME allocation for the Action Plan. On March 5, 2010, a Public Notice was placed in the Cape Cod Times informing the public that on March 29, 30, and 31, 2010 public meetings would be held in the three separate regions

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of the Cape to receive testimony regarding the content of the CP and the 2010 Action Plan. On March 5, 2010 an e-mail notice about the March public meetings was sent to about 150 people from all fifteen towns, local housing authorities, affordable housing developers, local housing committees, and social service and minority organizations working with low income residents. The notice about the meetings that was e-mailed was also translated into Spanish and Portuguese. Translated notices of the public meetings along were posted on the Commission web site on March 29, 2010.

All hearing locations were handicap accessible, and provisions were made for providing special accommodations for language interpretation or services for the deaf or hard of hearing.

The Advisory Council at its April 22, 2010 meeting approved the final draft version of the CP and Action Plan pending receipt of any additional public comment. A Public Notice was placed in the Cape Cod Times on April 26, 2010 informing the public that the Plan would be available for comment until May 26, 2010 at seventeen (17) locations throughout the Cape and on the Cape Cod Commission web site for anyone to review before it was submitted to HUD. Again, the e-mail list was used to inform people of the final thirty (30) day comment period on April 26, 2010. Lastly, the Plan was posted on the Commission web site on April 23, 2010.

A summary of comments received either orally or in writing on the draft Consolidated Plan are included in Appendix B. In addition, the Consortium's overall citizen participation plan is included in Appendix B.

E. MONITORING AND PERFORMANCE MEASUREMENT

HUD issued a proposed rule on its Outcome Performance Measurement System. The system incorporated the following three objectives of the Housing and Community Development Act of 1974: 1) create suitable living environments; 2) provide decent housing; and 3) create economic opportunities. Beyond that, the system directs grantees to select from one of the following three outcomes to help define the intent of the activity: 1) availability/accessibility; 2) affordability; and 3) sustainability- promoting livable or viable communities. Therefore, for each proposed activity the grantee will select one of the nine Outcome Statements. In accordance with HUD's directive, the Consortium started to report its activities using this format as of October 1, 2006. In addition, the Consortium will use the following performance measures for its three programs:

Rental Production: Affordability for the purpose of providing decent housing- 45 units

- Number of affordable units produced for each income category: goal is 45 units
- Number of units for households at or below 30% area median income: goal is at least 10% of units
- Number of units for households at or below 50% of area median income: goal is at least 33% of units
- Number that are accessible under Section 504: goal is at least 10% of newly constructed units
- Number of units for homeless individuals/families: goal is at least 2 units
- Number of units for special needs households: goal is at least 2 households

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- Number of newly constructed units that meet Energy Star standards: goal is 100% of units
- Number of newly constructed units that are LEED certified: goal is 25% of units

Homeownership Production: Affordability for the purpose of providing decent housing- 10 units

- Number of affordable units produced for each income category: goal is 10 units
- Number of units for households at or below 50% of area median income: goal is at least 10% of units
- Number that are accessible under Section 504: goal is at least 10% of newly constructed units
- Number of newly constructed units that meet Energy Star standards: goal is 100% of units
- Number of newly constructed units that are LEED certified: goal is 25% of units

Homebuyer Assistance: Affordability for the purpose of providing decent housing- 25 units

- Number of homebuyers assisted: goal is 25 households
- Number of minority households assisted: goal is at least 10% of all households.

The Consortium will review and revise as necessary its guidelines and scoring system for housing development projects to reflect the priorities and goals in the Consolidated Plan. The Consortium plans to continue its practice of awarding additional funds beyond its per unit and per project funding maximums to projects that score exceptionally well.

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SECTION 2. ALLOCATION OF FUNDS AND ADMINISTRATION

A. OVERVIEW

The 2010-2014 Consolidated Plan (“the five year plan”) that will be submitted to the U.S. Department of Housing and Urban Development (HUD) in June 2010 identifies the housing needs of Barnstable County and provides the framework for how the County intends to address and prioritize those needs over the next five years (2010-2014). The five year plan and the 2010 Annual Plan apply to the activities of the HOME Investment Partnerships Program (HOME).

The 2010 Annual Plan is based on the housing priorities/objectives set forth in the Strategic Plan section of the five year plan:

1. Develop and maintain an adequate supply of safe, decent rental housing that is affordable and accessible to residents with a range of income levels and household needs.
2. Preserve and maintain the existing affordable housing stock, particularly the units occupied by extremely and very low income households.
3. Reduce individual and family homelessness by providing a viable continuum of care that implements a housing first strategy for permanent supportive housing.
4. Expand homeownership opportunities for low income households
5. Ensure that County residents with long-term support needs have access to accessible, community housing options

B. USE OF FUNDS

Context/Background: For Federal Fiscal Year (FFY) 2010 the Consortium will receive a formula allocation of \$749,819 in HOME funds. This represents a slight decrease over FFY 2009’s allocation. HOME funding is limited to the following four eligible activities for low income households: housing production- both rental and ownership; home buyer assistance, e.g. down payment programs; home owner assistance, e.g. homeowner rehab programs; and tenant-based rental assistance.

In making its decision on its programmatic recommendations for allocating FFY 2010 HOME funds, the Advisory Council considered the history of the Consortium’s commitments over the last five years (see table below), the housing market analysis and housing needs described in the Consolidated Plan, and the experience and trends it has observed over this program year.

Over the last five years, the County has received about \$3.6 million in HOME funds; however, as the commitment summary notes, the Consortium has made \$4.3 million in commitments over this period. These additional commitments were made possible by the program income (repaid

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down payment and homeowner rehab loans) that the Consortium has received over time. The amount of program income has dropped significantly over the last two years, and the Consortium expects that trend to continue over at least the next few years. Therefore, over the course of the next five years, the Consortium for the first time may well have more demand for its resources than it has funds available to allocate.

Summary of HOME Commitments- 2005-2009

Category	Funds Committed	# of Affordable Units/ Households Assisted	% of Total Funding
1) Housing Development	\$2,463,500	261	57.2%
Rental- 11 projects	\$1,410,000	205	32.8%
Ownership- 9 projects	\$1,053,500	56	24.4%
2) Down Payment	\$1,110,000	156	25.8%
3) Homeowner Rehab	\$375,000	31	8.7%
4) Administration	\$357,492		8.3%
TOTAL	\$4,305,992	448	

Over the last four years the County has experienced similar real estate market conditions as has the rest of the state and much of the country. The median single family home price has declined over 17% over the last four years although it still requires over \$80,000 in income to afford the \$315,000 median priced single family home. However, prices have fallen in parts of some Cape communities to the point that some low income buyers are seeing opportunities to purchase in the market for the first time in over six years.

New ownership housing development, including Chapter 40B developments, has virtually come to a standstill. There are nearly 300 affordable ownership units that have been permitted under Chapter 40B in the region, and the Consortium expects only about 10- 20 units to be completed within the next 12-18 months as for-profit developers have put their projects on hold because of the uncertainty of being able to sell the market rate units. The primary affordable ownership opportunities are being provided through either Habitat for Humanity projects, Town-sponsored housing buy-down programs, or re-sales of existing affordable units.

Developers of larger scale rental projects have faced immense challenges over the last two years as the low income housing tax credit program has witnessed a significant decline in the number of available and willing investors along with a decrease of about 25% in the amount of equity that any of the remaining investors were willing to invest in the project. The \$50 million in tax credit exchange funding the state will receive through the American Recovery and Reinvestment Act (ARRA) directed to stalled tax credit projects will get the pipeline of some projects moving again. Despite the current difficulties with the tax credit program, there were four tax credit projects in the region seeking state funding in the February 2010 funding round. In addition there are a number of smaller rental projects also in the pipeline in the region. For the first time in its history, the Consortium currently has more development project funding requests than it has resources available to allocate.

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Despite the fact that the number of affordable housing lotteries has slowed this program year, the demand for the down payment/closing cost program has increased significantly with thirty-two (32) households assisted to date. The Consortium has increased its original allocation twice in order to meet the demand; however, it is not clear whether this year was an anomaly, in part spurred by the homeownership tax credit and historically low interest rates. Because of the deepening recession and stricter bank lending standards, the number of qualified applicants for homeowner opportunities has been decreasing, and the Consortium expects this trend to continue for the 2010 program year.

During the consultation, focus group, and hearing process, the Consortium heard the need for a homeowner repair program. The Consortium acknowledged this need in the context of its homeownership objective; however, it reaffirmed its decision of two years ago to not fund this activity as other resources, particularly CDBG, offer much more impact regionally and also provide a scale at which such a labor-intensive program can be administered efficiently.

Also during the consultation process, the Consortium heard about the need desperate need for additional housing vouchers, particularly for extremely low income households. While there was interest among some members for establishing a tenant-based rental assistance program, the Consortium chose not to fund this new activity as the Consortium believed its limited resources could best be allocated to creating new affordable units every year as opposed to assisting a fixed number of households with vouchers over the next five years.

Recommendation: Given the priority for rental housing in the Plan and given the expected continuing needs in the housing production program and the continued but likely reduced need in the down payment/closing cost (DPCC) program, the Consortium is proposing for FFY 2010 to 1) continue our funding priority for creation of new affordable housing units by allocating about 67% of our funding to housing production activities- with a priority for rental housing production- and to increase funding limits for projects that score very well under our scoring system; and 2) maintain the DPCC allocation at \$175,000 and to revert to a maximum loan amount of \$10,000 per household.

Therefore, consistent with the housing objectives established in the 2010-2014 Consolidated Plan, HOME funds will be directed to increase the Cape's affordable rental stock for very low and low income tenants, homeownership opportunities for low income homebuyers, and promote housing opportunities for the area's special needs populations.

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FFY 2010 HOME ALLOCATIONS

Area/Program	Allocation	Goals- Units or Households assisted
Administration- 10% (1)	\$ 74,982	
CHDO Housing Production Projects (2)*	\$ 112,473	15 units
Housing Production (3)*	\$ 387,364	40 units
Down Payment/Closing Cost Program (4)	\$ 175,000	25 households
TOTAL	\$ 749,819	

- (1) A maximum of 10% of the HOME allocation is allowed for program administrative costs.
- (2) Required 15% non-profit community housing development organization (CHDO) set aside. Includes Consortium legal costs associated with project loan closings.
- (3) At least \$350,000 of total housing production projects, including CHDO projects, is reserved for rental projects. Includes Consortium legal costs associated with project loan closings.
- (4) One pool of funds with the maximum award of \$10,000 for first time homebuyers with the amount limited to the amount actually needed to complete the transaction. Deferred payment loan payable upon sale, transfer, or in some cases refinancing of the property.

* Any projected program income (estimate \$15,000) and unobligated carry over funds from prior years will be added to the housing production total submitted to HUD.

C. OTHER RESOURCES

The other local, state, and federal resources that could be available for the activities/priorities described in the Annual Plan are described in Appendix A.

D. LEAD AGENCY

Barnstable County, through the Cape Cod Commission, will continue to serve as the Consortium's lead entity. The Commission will oversee administration of the HOME Program and implementation of the Annual Plan. The Commission will provide staff support to the Consortium's HOME Advisory Council and serve as an ex-officio member. The Consortium intends to utilize the permitted amount of \$74,982 to administer its HOME Program. We note that none of the HOME related work time (15-20 hours per week) or overhead spent by the Commission's affordable housing specialist is charged against the HOME Program.

E. COMMUNITY HOUSING DEVELOPMENT ORGANIZATION (CHDO) PARTICIPATION

Three organizations have received CHDO designation from the Consortium: Housing Assistance Corporation, Harwich Ecumenical Council for the Homeless, and Lower Cape Cod Community

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Development Corporation/Community Development Partnership. All of these organizations were selected, in part, because they have a regional or sub-regional focus and have helped to ensure that CHDO funds are being distributed throughout the Cape.

Since 1994, the Consortium has exceeded the 15% minimum threshold for projects undertaken by its designated CHDO's as 30.7% of its HOME allocations through April 30, 2010 have been awarded to CHDOs. The Consortium will strive to maintain this active CHDO participation during the upcoming year. At a minimum \$112,473 will be available for an eligible project(s).

F. GEOGRAPHIC DISTRIBUTION

As noted in the Consolidated Plan, the Consortium has one census tract- tract 124 in Hyannis- that it has designated as an area of high minority and low income concentration (see map on page 38); therefore, any new construction rental projects that request HOME funds in census tract 124 must satisfy the criteria in CFR 983.57(e)(3) in order to be eligible for funding.

As no community has achieved its 10% affordable housing goal, the need for affordable housing is widespread throughout the region; therefore, the primary funding allocation goal of the Consortium is to provide assistance to all of the towns that comprise Cape Cod. A secondary goal is to ensure that the more rural areas of the Cape are being adequately served. The Consortium intends to achieve these goals through what it considers client and project based programs/activities. The former (e.g., down payment assistance) will be available to individual households residing anywhere in the County. The latter (e.g. acquisition/rehabilitation/new construction development projects) will be directed to specific projects throughout the region.

HOME funds expended and committed to date clearly demonstrate that the Consortium is achieving its geographic distribution goals. HOME funds have reached into twelve (12) of the fifteen towns so far this program year via the client and project based projects we have funded. For example, this past year we have construction underway or completed or have commitments to fund development projects in the following towns: Bourne, Sandwich, Mashpee, Barnstable, Yarmouth, Dennis, Harwich, Orleans, Truro, and Provincetown. The results also demonstrate that the Lower Cape region (the Cape's most rural area) continues to receive significant assistance from the HOME Program.

G. MATCH/LEVERAGING

The Consortium will rely on a variety of sources to meet its 25% match requirement. Included in this mix is utilization of the state's Massachusetts Rental Voucher Program (MRVP). As permitted by HUD, the state is allowed to parcel out portions of its MRVP budget to local participating jurisdictions for meeting local match requirements. Use of the MRVP easily permits the Consortium to meet its match requirement. However, other qualified forms of matching resources will be added to our match pool. Participating jurisdictions are allowed to "bank" match resources into future years in order to guarantee access to the funding stream. As reported in the Consortium's FFY 2008 annual report, there is an excess of \$14.6 million in match funds available for use in this and future program years.

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The Consortium will continue to place a strong emphasis on using the HOME funds as a means for leveraging other funds for specific projects. This will be achieved through owner equity, use of other funding sources, town owned land, Commission required affordable housing set-asides, local contributions and other means. As reported in the Consortium's FFY 2008 annual report, the Consortium leveraged over \$25 for every \$1 of HOME funds expended.

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SECTION 3. MONITORING & PERFORMANCE MEASUREMENT

A. MONITORING

Barnstable County, through the Cape Cod Commission, and in collaboration with the Advisory Council, will review and monitor the activities of the Consortium on a monthly basis to assure that all of the statutory and regulatory requirements are being met and that its housing programs are being carried out in accordance with this plan. Commission staff reviews the HOME funding reports on the HUD web site on a monthly basis to ensure that HOME funds are being committed and expended within the required time frames.

The Consortium intends to continue its practice of contracting administration of its down payment program to a local agency. The selected agency is chosen through a competitive procurement process and is required to execute comprehensive sub-recipient agreements that comprise a scope of services, implementation timetables, requirements for program performance and the submission of quarterly reports.

The Advisory Council will meet monthly to review program operations, policies, goals, etc. Additionally, the Commission's affordable housing specialist will provide the Barnstable County Commissioners with annual reports.

The Consortium has instituted a schedule for annual on site monitoring of the down payment/closing cost program as well as housing development projects that are completed and occupied during the program year and will continue that practice during this program year. In addition, all completed HOME assisted rental projects are monitored annually (usually in the late summer/early fall) for certification of tenant incomes and rents, compliance with affirmative marketing and tenant selection, and financial health. Finally, the Consortium contracts for an inspector to conduct the required (every one-three years depending upon HOME unit total) Housing Quality Standards inspections on completed HOME-assisted rental housing projects.

B. PERFORMANCE MEASUREMENT

HUD issued a proposed rule on its Outcome Performance Measurement System. The system incorporated the following three objectives of the Housing and Community Development Act of 1974: 1) create suitable living environments; 2) provide decent housing; and 3) create economic opportunities. Beyond that, the system directs grantees to select from one of the following three outcomes to help define the intent of the activity: 1) availability/accessibility; 2) affordability; and 3) sustainability- promoting livable or viable communities. Therefore, for each proposed activity the grantee will select one of the nine Outcome Statements. In accordance with HUD's directive, the Consortium started to report its activities using this format as of October 1, 2006. In addition, the Consortium will use the following performance measures for its three programs:

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Rental Production: Affordability for the purpose of providing decent housing- 45 units

- Number of affordable units produced for each income category: overall goal is 45 units
- Number of units for households at or below 30% area median income: goal is at least 10% of units
- Number of units for households at or below 50% of area median income: goal is at least 33% of units
- Number that are accessible under Section 504: goal is at least 10% of newly constructed units
- Number of units for homeless individuals/families: goal is at least 2 units
- Number of units for special needs households: goal is at least 2 households
- Number of newly constructed units that meet Energy Star standards: goal is 100% of units
- Number of newly constructed units that are LEED certified: goal is 25% of units

Homeownership Production: Affordability for the purpose of providing decent housing- 10 units

- Number of affordable units produced for each income category: goal is 10 units
- Number of units for households at or below 50% of area median income: goal is at least 10% of units
- Number that are accessible under Section 504: goal is at least 10% of newly constructed units
- Number of newly constructed units that meet Energy Star standards: goal is 100% of units
- Number of newly constructed units that are LEED certified: goal is 25% of units

Homebuyer Assistance: Affordability for the purpose of providing decent housing- 25 units

- Number of homebuyers assisted: goal is 25 households
- Number of minority households assisted: goal is at least 10% of all households.

The Consortium will review and revise as necessary its guidelines and scoring system for housing development projects to reflect the priorities and goals in the Consolidated Plan. The Consortium plans to continue its practice of awarding additional funds beyond its per unit and per project funding maximums to projects that score exceptionally well.

The Consortium understands that its housing production goals are not solely within its control to meet as it requires applicants to bring development projects before it. In order to be more proactive in meeting its housing production goals, the Consortium will institute an outreach/public education effort to potential developers and to Towns as a method to promote the use of HOME resources for any affordable housing projects that these entities may be considering.

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SECTION 4. OBJECTIVES AND STRATEGIES

The following objectives and strategies from Section 5, the strategic plan, of the five year plan are incorporated into the 2010 Annual Plan:

The Consortium has established five priorities for the upcoming period. These priorities are designed to address what we consider the most pressing affordable housing needs facing the County. In addition, there are strategies outlined to achieve each objective. It is our opinion that if we are successful in achieving these objectives, it will result in a significant improvement in the quality of life for some of the area's low income households.

PRIORITIES/OBJECTIVES AND STRATEGIES

Priority/Objective #1: Develop and maintain an adequate supply of safe, decent rental housing that is affordable and accessible to residents with a range of income levels and household needs

Strategies:

- * Increase the supply of rental housing across a range of incomes by allocating the largest share of HOME resources over the next five years to this objective.
- * While there is a clear need to expand rental housing production for all of the various low income households, the cost of producing newly built units exceeds that of rehabilitated or redeveloped units, and the Consortium will give continue to give a higher funding priority to projects that propose to rehabilitate or redevelop existing structures. Clearly, however, newly constructed units will need to be built in order to achieve the goals in the Plan.
- * In order to respond to the significant increase in individuals with some type of disability, provide a higher funding priority for those new construction rental developments that provide units that are accessible and/or that have universal design and/or that are visitable.
- * In order to provide a healthier living environment for tenants and to reduce energy costs, the Consortium will provide a higher funding priority for those new construction rental projects that are LEED certified.

Priority/Objective #2: Preserve and maintain the existing affordable housing stock, particularly the units occupied by extremely and very low income households.

Strategies:

- * Preserve the physical and financial viability of existing affordable housing (both privately and publicly assisted). While HOME funds cannot be used to preserve development projects which had a prior HOME investment, the Consortium can certainly provide resources to affordable rental developments that had no HOME investment and that are in danger of losing their

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affordability. In addition, the Consortium will closely monitor the three developments identified as at potential risk of losing their affordability over the next five years.

* Support efforts of local housing authorities and others to increase the operating support for their state-funded units in order to address long term deferred maintenance because of underfunding in order to preserve this stock of approximately 1,000 affordable units in the region.

Homelessness

Priority/Objective #3: Reduce individual and family homelessness by providing a viable continuum of care that implements a housing first strategy for permanent supportive housing.

Context: The Leadership Council To End Homelessness published its Ten Year Plan To End Homelessness in February 2005. While the Council changed its name to the Cape and Islands Regional Network To End Homelessness, the region's strategies in support of this objective continue to focus on key stages in the cycle of homelessness. Early intervention programs can prevent households from becoming homeless by assisting with rent arrearage or moving costs. Continued funding support of street outreach workers to work with individuals on the street to assess their needs and connect them with the appropriate resources is critical to the overall strategy. Better information about the discharge processes of clients of shelters, mental health organizations, substance abuse clinics, corrections facilities and other programs that serve as supports for homeless individuals and families will provide the specialized assistance that is needed to get by and to move out. Improving coordination across services will enhance enrollment into mainstream benefits programs for homeless people. Permanent supportive housing and coordination among service providers will improve the care and quality of life for the chronic homeless, many of whom are unable to live independently without significant assistance. For example, Duffy Health Center has reported excellent results from its work at providing housing along with support services (i.e. the Housing First model) as Duffy has provided 129 chronically homeless persons with housing and services over the last four years and has an 89% retention rate, i.e. individuals stayed housed at least six months. Finally, affordable and subsidized housing opportunities are critical to moving individuals out of chronic homelessness, transitional environments, and dangerous, overcrowded or inappropriate living environments.

While the HOME Consortium's primary role would be to provide funding support for any new permanent supportive housing requests, the Consortium will continue to play an active role in the Regional Network's efforts to end homelessness in the region.

Strategies to reduce homelessness:

* Prevent homelessness by continuing to secure private and public resources for prevention and continue close coordination among the network of prevention organizations.

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- * Continue to provide housing first by getting chronically homeless people into permanent supportive housing as quickly as possible and eliminate the time consuming step by step process of “housing readiness” that was the hallmark of the prior continuum of care model.
- * Develop a range of housing options and services for homeless families and individuals. This includes promoting “housing first” model to get chronically homeless people into permanent supportive housing with appropriate supportive services as quickly as possible.
- * While not expanding the capacity of current shelters, continue to provide emergency shelters and transitional housing for the homeless and continue to support the efforts of the Council of Churches to continue its Overnights of Hospitality program and local efforts such as Operation In From the Streets.
- * Improve access/coordination across mainstream services and benefit sources.
- * In addition, the strategies that preserve and expand the supply of affordable housing, and programs that enable low income residents to pay for housing (e.g., rental assistance) also support the objective of reducing homelessness.
- * Preserve existing affordable housing (both publicly assisted and private).
- * Maintain a system of public housing and rental assistance.
- * Increase the supply of affordable rental housing.

Priority/Objective #4: Expand homeownership opportunities for low income households

Strategies To Expand Homeownership:

- * Provide down payment assistance and affordable mortgage programs: The Consortium will continue to allocate HOME resources to provide down payment/closing cost assistance to first time, low income households.
- * The County will also continue to advocate for adequate resources be allocated for the state’s Soft Second Loan Program.
- * Provide homebuyer counseling and education: Homebuyer counseling and education are valuable marketing and outreach tools that can bridge the information gap and expand the pool of potential homebuyers, preparing them for a successful application and ownership experience. The HOME Consortium will continue to require that recipients of down payment assistance attend a first time homebuyer workshop.
- * Increase the supply of housing affordable to a range of incomes: Any effort that increases the supply of housing by creating new units, especially to very low income households as well as to moderate income households, extends the opportunity for homeownership.

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Strategies to Maintain Homeownership:

* Assist existing low income homeowners to make home repairs and/or modifications by supporting the efforts of non-profits and Towns to attract state and federal rehabilitation resources to upgrade existing housing stock owned or rented by low income household to ensure that health and safety issues are addressed, and that the homes remain functional and habitable.

Specialized Housing Needs

Objective #5: Ensure that County residents with long-term support needs have access to accessible, community housing options

Strategies:

- * Encourage community-based, supportive living options for those with disabilities.
- * Provide a range of housing options and services for persons with specialized housing needs.
- * In addition, the strategies that preserve and expand the supply of affordable rental housing, and the programs that enable low income residents to pay for housing (e.g., rental assistance) also support this objective.

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SECTION 5. OTHER STRATEGIES: AFFORDABLE HOUSING BARRIERS; LEAD PAINT; ANTI-POVERTY

A. STRATEGIES FOR REDUCING BARRIERS TO AFFORDABLE HOUSING

The Consortium identified a number of barriers to affordable housing production that involved resource allocation, housing policy, land use policy, lack of infrastructure and staff capacity, and public perception and attitudes. The Consortium proposes the following strategies to address these barriers over the next five years:

Resource allocation: With respect to public subsidies, the Consortium will continue to advocate for a larger share of budgetary resources be devoted to both housing production- including HOME- and housing voucher programs at the state and federal level. In addition, the Consortium will continue to support funding for the federal Affordable Housing Trust Fund.

Housing policy: The Consortium will have programmatic requirements to the greatest extent possible that are consistent with those of other public funders- especially with DHCD. For ongoing monitoring of rental projects, the Consortium will use reports from other public funders to the greatest extent possible for its required compliance reviews. Finally, the Consortium will engage DHCD to develop an ownership deed restriction that 1) survives foreclosure; 2) satisfies HOME regulations; and 3) enables units to be counted on the Subsidized Housing Inventory.

Land use policies: The Consortium will publicize and will advocate that towns 1) adopt local affordable housing bylaws such as those in Dennis and Barnstable; and 2) create a Chapter 40R district and/or adopt inclusionary zoning. The Consortium will continue to advocate for the continuation and improvement in Chapter 40B- the state's comprehensive permit law that allows applicants in communities that have not achieved 10% affordable housing to receive waivers from local regulations if the project has at least 20-25% affordable units. Chapter 40B has been a critical tool for affordable housing in the County as a September 2008 Cape Cod Commission study found that historically 40% of the County's affordable units had been created through the Chapter 40B zoning process- including 84% of all newly created affordable units since 2001. Chapter 40B allows the densities needed for affordable housing development which would otherwise have been impossible under the existing zoning. (Note: A ballot initiative to repeal Chapter 40B will go before the state's voters in November 2010).

Limited wastewater infrastructure: The Consortium will encourage and support wastewater planning and implementation efforts in local communities. The Consortium will also advocate that towns adopt land use bylaws that encourage affordable housing as part of their wastewater planning efforts.

Town staff capacity: The Consortium will continue to promote and support the use of the Planned Production regulations under Chapter 40B as a means for towns to both have an affordable housing plan and also to have more control over the types of Chapter 40B development that occurs. To implement these plans, the Consortium will advocate that Towns

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look to local resources- particularly Community Preservation Act funds- to provide staff capacity to carry out the activities in the housing plans.

Neighborhood and community resistance: The Consortium will continue to educate the public through publications, workshops, and its web site of the need for and impact of affordable housing in the region.

B. LEAD BASED PAINT STRATEGIES

Because housing in Barnstable County is relatively new (median year built is estimated to be 1974) compared with other areas of the state, lead paint poisoning is not a widespread problem. Screenings of children under age six by the Massachusetts Childhood Lead Poisoning Prevention Program as of June 2009 indicated a rate of .2 per thousand for the Cape and Islands region (compared to 1.2 statewide). While the cost of lead paint removal can potentially be prohibitively expensive, the Consortium will vigorously enforce the revised 2002 lead based paint regulations for all of its program activities and will continue to support efforts of local organizations to attract lead paint removal resources to the region.

C. ANTI-POVERTY STRATEGY

Through implementation of this plan, the Consortium hopes to make a significant impact on the reduction of the number of households with incomes at or below the area's poverty level. To the extent that the Consortium can support the creation of affordable rental housing- especially for extremely low income households- that will lessen the housing cost burdens on these households and will enable those households to have resources to meet other pressing needs. The creation of ownership housing for very low income households will enable those families to build assets. Finally, the Consortium will support all efforts in the region to protect low income households in deed restricted ownership units from losing their assets through foreclosure.

While the Consortium's programs and resources can have some, albeit a very limited, impact on moving households out of poverty, there are other agencies in the region that have more impact and resources to address this issue. Through a DHCD initiative, all of the region's Section 8 voucher holders are part of a Moving To Work program that is designed to provide flexibility to administering agencies and to encourage voucher holders to increase their economic self-sufficiency. The region's anti-poverty agency, the Community Action Committee of Cape Cod and the Islands, has a number of programs and resources that attempt to move households toward economic self-sufficiency: a child care network that provides information and referrals as well as access to child care subsidies; advocacy for low income immigrants; assistance for low income households to find free or affordable health care; housing search services; and staff support to Cape United Elders- a grassroots senior activist organization.

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SECTION 6. PUBLIC HOUSING

Public housing on Cape Cod is an aging stock that is 20- 50 years old and is in fair to good condition with most authorities reporting many more critical modernization needs for their state-funded units than for their federally-funded ones. A March 2005 CHAPA study found that the state needed to spend on average an additional \$139 per unit per month to meet actual housing authority operating costs, or an additional \$78 million over the \$32 million allocated in the FY 2005 budget. While prior to the recession the state did increase operating support to authorities, the FY 2010 budget is \$62.5 million- a little more than 50% of what was reported to be needed in 2005. The lack of adequate state funding for public housing is putting at risk a housing stock that accounts for over 20% of all the affordable housing in the region.

The lack of state and federal resources for new construction over the last five years has resulted in only two units being added to the public housing stock over the last five years by the Barnstable Housing Authority; however, several housing authorities (Brewster, Chatham, Mashpee, and Truro) facilitated the development of 129 affordable rental housing units by other entities. In addition, the Wellfleet, Brewster, Yarmouth, Barnstable, Sandwich, and Mashpee authorities all have development projects in various stages of the pre-development or permitting process, while the Harwich Housing Authority has a facilitated 12 unit project currently in construction. The Falmouth Housing Authority (FHA) is in the process of federalizing the 59 unit Rose Morin Apartments. While this will not result in any new units, it will provide a better level of operating support. In addition, the FHA will be transferring 3+ acres of HUD land to the non-profit Falmouth Housing Corporation for the creation of 39 new family rental units.

There are no troubled housing authorities in the region; however, the public housing stock is inadequate in terms of number of units as housing authorities Cape-wide have over 1,900 households on wait lists for family housing and over 2,600 households on waiting lists for elderly/disabled housing.

PUBLIC HOUSING STRATEGIES

Public housing financial needs: As described earlier, there are no state or federally designated troubled housing authorities in the region. Federal and state public housing on Cape Cod is an aging stock that is 20- 50 years old and is in fair to good condition with most authorities reporting many more critical modernization needs for their state-funded units than for their federally-funded ones. A March 2005 CHAPA study found that the state needed to spend on average an additional \$139 per unit per month to meet actual housing authority operating costs, or an additional \$78 million over the \$32 million allocated in the FY 2005 budget. While prior to the recession the state did increase operating support to authorities, the FY 2010 budget is \$62.5 million- a little more than 50% of what was reported to be needed in 2005. The lack of adequate state funding for public housing is putting at risk a housing stock that accounts for over 20% of all the affordable housing in the region. As noted in the strategies for priority/objective #2, the Consortium will vigorously advocate for additional state resources be made available to local housing authorities to maintain and upgrade the over 1,000 affordable units in their ownership.

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Tenant involvement in management: Local housing authorities (LHA's) are governed by a five member Board of Commissioners- four of whom are elected locally and one of whom is a Governor's appointee. Tenants are eligible to run for seats, and one housing authority- Provincetown- has a tenant serving on the Board. Provincetown and Dennis have active tenant associations, while Barnstable, Bourne, and Falmouth have active resident advisory boards. DHCD provides technical support for tenants interested in forming local tenant organizations (LTO's). State regulations require that LTO's be consulted when the LHA's annual operating budget is prepared, when LHA jobs become available or when modernization funds become available. LHA's are required to fund the LTO's and to notify them of all LHA Board meetings.

Homeownership: The high cost of homes in the region has made it difficult, if not impossible, for housing authorities interested in promoting homeownership to effectively implement a program. The Barnstable Housing Authority has a self-sufficiency program for its state-funded family units and has used Town CDBG and other resources to enable two of their tenant families to become homeowners over the last year, and BHA expects to assist another two families into homeownership in 2010.

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SECTION 7. ANNUAL PLAN INSTITUTIONAL STRUCTURE AND COORDINATION

Cape Cod has a long history of being in the forefront when it comes to addressing its affordable housing needs. Throughout the community there exists a network of highly experienced, capable individuals and agencies committed to addressing this issue. Guiding these efforts is a spirit of cooperation and collaboration that has come to characterize the Cape's housing community. This approach, which places the needs of low income households first, has played a central role in the successes and accomplishments achieved by this community.

The creation of the Consortium is one of the best examples of this cooperative spirit in action. This effort, which began over fifteen years ago, has required the participation and support of county and town officials, housing agencies, housing advocates and private citizens.

The creation of the Consortium along with the history of the Cape's housing community has provided fertile ground for intergovernmental cooperation. The Consortium, through the Cape Cod Commission and the Advisory Council, will provide overall coordination of the strategies, actions, and resources to effectively meet the goals and objectives of this Plan. The Commission will continue to provide technical assistance to local agencies involved in affordable housing activities, seek additional housing grants, and monitor the development and certification of the local comprehensive plans.

The Advisory Council, which is comprised of individuals representing local housing authorities, regional nonprofit housing organizations, town housing committees, the Lower Cape Cod CDC, town officials, and others, will monitor the development and implementation of the HOME Program and the five year strategy. The Council will serve as an information resource for the Cape, as well as a regional center where critical housing issues are discussed and new and innovative strategies are developed.

The existing structure has proven to be particularly effective in carrying out the Consortium's housing strategy and addressing matters impacting the area's affordable housing needs. The Consortium has identified four areas that it believes requires ongoing attention and action. Briefly stated, these are: the relationship between affordable housing and the area's economy, addressing the area's housing needs on a regional basis, conflicting state and federal policy and programmatic requirements, and the effects of community and neighborhood resistance to affordable housing development.

To address the issues cited above, the Consortium will undertake the following actions:

1. Utilize the HOME Advisory Council as a vehicle for the following purposes: secure federal, state and other funds, maintain communication between the towns, and serve as an information resource center for the Cape.
2. Encourage and support the activities of regional housing programs.

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3. Educate the public about what is affordable housing and why it is needed.
4. Advocate and work with DHCD and HUD to resolve inconsistencies in programmatic requirements, funding programs, and in agency policies. The Consortium will focus on the HOME/universal deed rider issue as its first priority.
5. Educate and work with lenders on the needs of first time homebuyers and the issues associated with affordable housing restrictions.
6. Advocate that all towns create housing action plans in accordance with DHCD's Housing Production standards and provide capacity to implement those plans.
7. Encourage use of local labor for HOME assisted projects.

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SECTION 8. HOME SUBMISSION REQUIREMENTS

A. RESALE/RECAPTURE PROVISIONS

Rental Housing Development

All HOME-funded rental housing units must contain long-term affordability restrictions. The length of the restrictions is dependent on the amount of development project assistance received. Rental projects receiving assistance under the rental housing development program are subject to the following restrictions:

- 15 years for award below \$15,000;
- 20 years for award between \$15,000 to \$29,999;
- 30 years for award between \$30,000 to \$49,999;
- 40 years for award between \$50,000 to \$74,999;
- 50 years for award of \$75,000 or more.

Each applicant/borrower shall be required to sign a Promissory Note, Mortgage, Loan Agreement and Affordable Housing Restriction.

The HOME funds shall be provided in the form of a fifteen to fifty year, zero interest, and no monthly payment, deferred payment loan. The note will contain language that will allow for an extension of the loan term if necessary to preserve affordability. The loan amount will be recaptured if the unit(s) is sold during the term of mortgage, unless there is a default on the terms of the loan, in which case the entire loan amount, plus interest, will be due. During the term of the Affordable Housing Restriction, the affordability requirements will remain in effect regardless of a transfer occurring during its term.

All rental units receiving HOME rental assistance will be subject to a one year lease and will comply in every respect with all applicable HOME regulations governing income eligibility, income occupancy percentages, and HOME rents.

Homeownership Development

Each applicant/borrower shall be required to sign a Promissory Note, Mortgage, and Loan Agreement with the Affordable Housing Restriction (AHR) as an exhibit to the Loan Agreement. The HOME funds shall be provided in the form of a short term (less than five years), zero interest, no monthly payment, forgivable loan. Upon the applicant's completion of the project and submission of evidence that the required number of HOME-assisted units were sold to income-eligible households and that affordable housing restrictions were recorded, the Consortium will discharge the mortgage.

All HOME-assisted homeownership unit(s) shall be restricted to ensure long-term affordability through the use of an Affordable Housing Restriction recorded after the deed of the homebuyer. The length of the affordability term will be perpetuity or the longest term allowable by law. The

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Consortium will employ an AHR that uses a resale formula indexed to area median income that will ensure a fair return (including approved capital improvements) while preserving affordability. In compliance with HOME regulations, the AHR will require that the owner sell their home/unit to an income-eligible household during the minimum required HOME affordability period, i.e. 5-15 years depending upon amount of assistance. In addition, the AHR will survive foreclosure.

Homebuyer Assistance

The Consortium will utilize recapture provisions for its Down payment/Closing Cost program. The HOME funds shall be provided in the form of a zero-interest, no monthly payment, deferred loan. Each applicant/borrower shall be required to sign a Promissory Note and Mortgage, along with a Disclosure Statement. The Consortium will require applicants receiving down payment/closing cost homeownership assistance to repay all of the HOME assistance at the time the unit is resold, transferred, or in some cases refinanced. Repayment of the full amount due in the case of a resale will not be required if there are not sufficient net proceeds. Net proceeds are the sales price minus closing costs and loan repayment (other than HOME funds). If full repayment of the HOME funds is not possible, then the amount of the HOME repayment will be proportional to the HOME investment and the owner's initial down payment, i.e. HOME loan / HOME loan + owner down payment times net proceeds will equal the HOME repayment amount.

B. AFFIRMATIVE MARKETING

The Barnstable County HOME Consortium has established a statement of policy and procedures to meet the requirements for establishing and overseeing a minority and women business outreach program and affirmative marketing under 24 CFR 92.350 and 92.351 respectively; consistent with HUD responsibilities under Executive Orders 11625 and 12432 (concerning Minority Business Enterprise (MBE)) and 12138 (concerning Women Business Enterprise (WBE)). The Consortium will make all efforts to encourage the use of minority business and women business enterprises in connection with HOME funded activities. These will be in conformance with 24 CFR 85.36 (e).

Minimum Acceptable Outreach Standards

Section 281 of the HOME Investment Partnerships Act and 24 CFR 92.350 require each participating jurisdiction to prescribe procedures acceptable to HUD to establish and oversee a minority outreach program. The program shall include minority and woman-owned businesses in all contracting activities entered into by the Barnstable County Consortium to facilitate the provision of affordable housing authorized under this act or any other Federal housing law applicable to such jurisdiction. Therefore, minimum HUD standards require that the Barnstable County HOME Consortium outreach effort to minority and woman-owned businesses be:

1. A good faith, comprehensive and continuing endeavor;
2. Supported by a statement of public policy and commitment published in the print media of

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widest local circulation;

3. Supported by an office and/or a key, ranking staff person with oversight responsibilities and access to the chief elected official, and
4. Designed to use all available and appropriate public and private sector local resources.

Minority Outreach Program

Under the minimum HUD standards cited above, the following guidelines are provided for use in implementing outreach programs to ensure the inclusion, to the maximum extent possible, of entities owned by minorities and women. The Barnstable County HOME Consortium will:

1. Utilize the State Office of Minority and Women Business Assistance Directory (SOMBA) to ensure the inclusion of MBEs and WBEs in activities of the HOME Program;
2. Use local media, electronic and print, to market and promote contract and business opportunities for MBEs and WBEs;
3. Develop solicitation and procurement procedures that facilitate opportunities for MBEs and WBEs to participate as vendors and suppliers of goods and services;
4. Maintain records with statistical data on the use and participation of MBEs and WBEs as contractors/subcontractors in HOME assisted program contracted activities.

Affirmative Marketing Procedures and Requirements

The Barnstable County HOME Consortium in accordance with 24 CFR 92.351 (b) has adopted the following procedures to ensure fair and affirmative marketing of HOME assisted housing containing five (5) or more housing units and its homebuyer assistance program. The Consortium and its contracted agency(ies) will:

1. Require the agency that administers its Down Payment/Closing Cost program to submit affirmative outreach plans for program participants and to submit quarterly reports on minority participation in the program.
2. Include additional points for applicants utilizing MBE's and/or WBE's as part of their development team in the development project scoring system.
3. Require any development project receiving the maximum award (\$150,000) to make a good faith effort to commit 10% of its development budget to utilization of MBE's and/or WBE's.
4. Require any development project to submit an affirmative marketing plan and tenant/owner selection plan for Consortium approval. The Consortium intends to use the requirements of DHCD's Local Initiative Program for this purpose.

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5. Inform the public, owners and potential tenants about the existence of fair housing laws and the Consortium's policies.
6. Notify towns, public and non-profit agencies and organizations that serve and/or represent minorities and women of the availability of HOME assisted housing;
7. Utilize local media, electronic and print, to market and promote, on widest scale possible, the availability of HOME funds.
8. To appear before local boards, tenant groups, non-profits, social service agencies and others to inform and market the Consortium's HOME program to women and minorities.

C. FAIR HOUSING AND ANALYSIS OF IMPEDIMENTS TO FAIR HOUSING (AIFH)

The Consortium completed its updated Fair Housing Plan and Analysis of Impediments in January 2010, and the Plan is available for review in the Affordable Housing section of the Cape Cod Commission web site- www.capecodcommission.org. The Plan noted that the Consortium had done a very good job both of distributing its resources throughout the region (all towns have received funding for some type of HOME eligible activity) and also of achieving a much higher minority participation rate in its programs (15%) than exists in the region (6.6%). However, the Plan noted that the Consortium did not have a formalized approach to fair housing activities, that housing discrimination exists in the region on the basis of disability, family status, and language, that mortgage lending data revealed higher denial rates for minority applicants than for white applicants, and that there was generally low public awareness of fair housing in the region.

The Consortium has designated staff- the Affordable Housing Specialist- as the designated Fair Housing officer and intends to create a Fair Housing Subcommittee of interested stakeholders to oversee the implementation of the recommendations in the Plan. While it is not certain of which recommendations in the Plan will be the focus of the Consortium in the near term, it is expected that the following areas will be addressed during the Consolidated Plan period:

- Identify/seek resources, e.g. HUD's Fair Housing Initiatives Program, for outreach and information on fair housing
- Partner with regional and state fair housing organizations to publicize fair housing issues
- Support adoption by housing providers/managers of HUD's "Supplemental and Optional Contact Information for HUD-Assisted Housing Applicants"
- Sensitivity training for housing providers on issues faced by individuals with disabilities
- Address linguistic and hearing barriers faced by applicants for affordable housing

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SECTION 9. CITIZEN PARTICIPATION

From its inception, the Consortium has placed a high premium on citizen participation. Specific steps were taken early on to ensure that the fifteen towns and the numerous housing/social agencies that exist on Cape Cod were given the opportunity to participate in this process. In the respect, the most significant step was to create the Advisory Council. Established through the passage of an ordinance by the County Legislature and appointed by the County Commissioners, the Advisory Council continues to play a central role in the development of Consortium's program, plans and policies.

The Advisory Council, which meets monthly, assisted in the development of this Plan, provides ongoing input regarding program design and implementation, and participates in the awarding project funds. The council meetings are open to the public and welcome their participation. Over the last fifteen years, the Advisory Council has become an important forum for discussing and taking action regarding both housing and community matters.

At the February 18, 2010 Advisory Council meeting, the initial findings of the housing needs and market analysis sections of the Plan were presented and discussed.

At the March 25, 2010 Advisory Council meeting, the initial draft of the strategy and priority section of the plan was discussed along with the FFY 2010 HOME allocation for the Action Plan. On March 5, 2010, a Public Notice was placed in the Cape Cod Times informing the public that on March 29, 30, and 31, 2010 public meetings would be held in the three separate regions of the Cape to receive testimony regarding the content of the CP and the 2010 Action Plan. On March 5, 2010 an e-mail notice about the March public meetings was sent to about 150 people from all fifteen towns, local housing authorities, affordable housing developers, local housing committees, and social service and minority organizations working with low income residents. The notice about the meetings that was e-mailed was also translated into Spanish and Portuguese. Translated notices of the public meetings along were posted on the Commission web site on March 29, 2010.

All hearing locations were handicap accessible, and provisions were made for providing special accommodations for language interpretation or services for the deaf or hard of hearing.

The Advisory Council at its April 22, 2010 meeting approved the final draft version of the CP and Action Plan pending receipt of any additional public comment. A Public Notice was placed in the Cape Cod Times on April 26, 2010 informing the public that the CP would be available for comment until May 26, 2010 at seventeen (17) locations throughout the Cape and on the Cape Cod Commission web site for anyone to review before it was submitted to HUD. Again, the e-mail list was used to inform people of the final thirty (30) day comment period on April 26, 2010. Lastly, the CP was posted on the Commission web site on April 23, 2010.

A summary of comments received either orally or in writing on the draft Consolidated Plan are included in Appendix B. In addition, the Consortium's overall citizen participation plan is included in Appendix B.

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APPENDIX A

Directory of Resources Available to Support Barnstable County's FFY 2010 Annual Plan

1. FEDERAL RESOURCES RECEIVED BY THE COMMONWEALTH OF MASSACHUSETTS

Community Development Fund (CDF) Expected FY 2010 Funding: \$21,000,00
Administering Agency: DHCD, Division of Community Services

A component of the state's Community Development Block Grant (CDBG), CDF supports revitalization efforts and addresses the needs of low and moderate income residents by supporting housing as well as community and economic development activities in cities and towns. The fund is divided into two parts for purposes of allocation: CDF I is for communities with high needs as defined by a statistical formula; CDF II is for communities with more moderate needs. The CDBG entitlement communities of Barnstable and Yarmouth are not eligible for CDF. Of the region's remaining communities Sandwich is CDF II eligible only; all others are CDF I eligible, while Brewster and Falmouth are both CDF I and II eligible.

HOME Investment Partnerships Act (HOME) Expected FY 2010 Funding: \$14,755,731
Administering Agency: DHCD, Division of Housing Development

DHCD is the state's administering agency for HOME funds. The Agency intends to continue awarding the majority of its HOME funds competitively, with priority being given to projects located in municipalities not receiving HOME funds directly from HUD. DHCD will administer two HOME programs: multi-family rental housing loans (\$11.5 million) and homebuyer assistance (\$1.75 million), both project-based and purchaser based.

Multi-Family Rental Housing Loans Expected FY 2010 Funding: \$11,500,000

Typically, DHCD awards up to \$50,000 per unit in HOME assistance to projects located in HOME entitlement or consortium communities. Projects on the Cape seeking state HOME funds must first receive a commitment of County HOME funds in order to be eligible for state HOME funding. In non-entitlement or consortium communities, DHCD awards up to \$65,000 per unit. Typically, a maximum of \$750,000 is awarded to a project.

Homebuyer Assistance Expected FY 2010 Funding: \$1,750,000

DHCD expects to award approximately \$1.75 million dollars in project based homebuyer funds to construct or rehabilitate single-family homes for sale to eligible first-time homebuyers through this program. Typically, a maximum of \$750,000 is awarded to a project. In addition, DHCD expects to award approximately \$250,000 for purchaser-based down payment and closing cost assistance.

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Housing Choice Voucher Program (Section 8) Expected FY 2010 Funding: \$225,296,955
Administering Agency: DHCD, Division of Public Housing & Rental Assistance

Massachusetts receives funding from the federal government for several types of Section 8 rental assistance. The bulk of these funds are provided under the Section 8 Housing Choice Voucher Program (HCVP) administered statewide by DHCD and 8 regional non-profit organizations. Housing Assistance Corporation administers the Section 8 program for the region. A percentage of DHCD's HCVP portfolio (limited by federal regulation to a maximum of 20% of HCVP budget authority) can be dedicated to the Section 8 Project-Based Voucher (PBV) Program. This program permits long term Section 8 contracts for existing, recently rehabilitated or newly constructed rental housing. An additional \$24,600,000 represents rental assistance tied to specific projects under the Section 8 New Construction, Moderate and Substantial Rehabilitation Programs, a program no longer funded by Congress (with the exception of the Section 8 SRO Moderated Rehabilitation program tied to the McKinney program discussed below.)

Approximately 130 local housing authorities also administer the Section 8 Housing Choice Voucher Program with federal funds that are allocated directly to them. A small number of these agencies also dedicate a percentage of their HCVP funds to the project-based voucher program. Their funding is not included in this total.

Low Income Housing Tax Credits (LIHTC) Expected FY 2010 Funding: \$13,600,000;
\$110,000,000 TCAP and Tax Credit Exchange- ARRA Administering Agency: DHCD, Division of Housing Development

The LIHTC Program, under which investors receive a stream of credits against their federal taxes in exchange for providing funds for low income housing, supports the construction or acquisition and substantial rehabilitation of low-income family housing, as well as special needs housing and low-income housing preservation. At least 20 percent of the units must be reserved for and made affordable to persons with incomes 50 percent or less than the area median income or at least 40 percent of the units must be made affordable for persons with incomes 60 percent or less than the area median income. DHCD also requires that sponsors reserve 10% of the total number of units for persons or families earning less than 30 percent of area median income. The tax credit equity market has shrunk considerably, and it is unclear when it will recover. DHCD expects to utilize \$110 million in American Recovery and Reinvestment Act (ARRA) funding for the TCAP and tax credit exchange programs to enable tax credit deals unable to secure investors to move forward.

Low Income Home Energy Assistance Program (LIHEAP) Expected FY 2010 Funding: approximately \$214,444,143 Administering Agency: DHCD, Division of Community Services

DHCD's Division of Community Services administers approximately \$214 million annually to assist low-income households in meeting the high costs of home heating. Approximately 200,000 households will be assisted in federal FY 2010. Historically, within the LIHEAP funds, \$14 million has been set aside for the Heating Emergency Assistance Retrofit Task Weatherization Assistance Program (HEARTWAP). These funds provide for a comprehensive heating system

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repair and replacement program for low-income (LIHEAP-eligible) households. This emergency-based program was expected to serve approximately 14,000 households between October 1, 2008 and September 30, 2009.

A network of local sub-grantee agencies, covering every community in the Commonwealth, manages these programs, which help maintain affordable housing by reducing energy costs for low-income residents.

Low Income Weatherization Assistance Program (WAP) Expected FY 2010 Funding: approximately \$10,133,264 + \$122,077,457 through ARRA Administering Agency: DHCD, Division of Community Services

The U.S. Department of Energy's Weatherization Assistance Program provides funds for weatherization improvements in residential units occupied by low income persons. Weatherization improvements include air sealing, attic and/or sidewall insulation, weatherstripping, and minor repairs associated with the weatherization work. The conservation services provided will reduce the average household's heating cost by about 25 to 30 percent. DHCD Community Services Division, the administering agency, received a significant infusion of ARRA funds (over \$122 million) and that will enable it to greatly expand its comprehensive energy conservation retrofit services.

McKinney Act Resources Expected FY 2010 Funding: \$9,400,000

Lead Agency for Barnstable County: Community Action Committee of Cape Cod and the Islands (CAC)

CAC administers the regional continuum of care, The Cape & Islands Regional Network To End Homelessness. The Network is eligible to apply directly to HUD in the annual funding round. McKinney resources are one of the primary resources available to address the housing and support services needs of the region's homeless population. The Council has been successful in receiving approximately \$1.1 million in funding each of the last five years. McKinney funds can be used for the following programs:

Supportive Housing Program (SHP) SHP was created to develop and support innovative approaches to combining housing and supportive services for homeless individuals and families, with an emphasis on those with special needs. The program provides transitional housing for individuals and families and permanent housing for handicapped homeless persons. The transitional program enables homeless individuals who previously resided in shelters or other temporary residential settings to achieve independent living. The Transitional Housing (TH) component of SHP provides clients with up to, but no more than, two years in a transitional housing facility, during which time they are encouraged and supported in their efforts to regain permanent housing. The Permanent Housing (PH) component of SHP has provided independent living for homeless individuals with a chronic disability. Often an alternative to institutionalization, the PH program has funded projects to provide community-based, long-term housing and supportive services.

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Section 8 Moderate Rehabilitation for Single Room Occupancy Dwellings (SRO) The purpose of the program is to provide funding to rehabilitate existing structures to create SRO housing for homeless individuals of very low income. SRO is designed to allow homeless individuals to obtain permanent housing in a setting that combines communal living with a modicum of privacy. Section 8 subsidy payments fund a project for a period of ten years in the form of rental assistance in amounts equal to the rent, including utilities, minus the portion of rent payable by the tenants.

Shelter Plus Care targets the hardest to serve homeless: those with mental and physical disabilities who are living on the street or in shelters. Four different delivery mechanisms include sponsor-, project-, and tenant-based assistance, in addition to support for Section 8 SRO facilities in the form of an operating expense subsidy.

Neighborhood Stabilization Program (NSP) Expected FY 2009 Funding: \$43,466,030
Administering Agency: DHCD, Division of Housing Development

Special one-time funding from federal CDBG funds to help alleviate the foreclosure crisis. Select neighborhoods in thirty-nine (39) communities in the Commonwealth, including three on the Cape- Barnstable, Falmouth, and Yarmouth, were deemed to be eligible to receive this funding. Barnstable received \$400,000 of the \$6.38 million allocated by DHCD for direct assistance to NSP communities. All three of the region's towns are eligible for the over \$21.3 million allocated for acquisition and rehabilitation assistance and housing development.

Section 202 Elderly Housing

Funds for this program are awarded directly to project sponsors on the basis of a competition for a regional allocation of funds. In recent years, 5-6 projects have been awarded funds state-wide under this highly competitive program, enabling them to create, on average 130 new units per year.

Section 811 Special Needs Housing

Funds for this program are awarded directly to project sponsors on the basis of a competition for a regional allocation of funds. In recent years, 4-6 projects have been awarded funds state-wide under this highly competitive program, enabling them to create, on average 30 new units per year.

USDA Rural Development Resources Administering Agency: USDA Rural Development State Office, Amherst, MA

The U.S. Department of Agriculture (USDA) Rural Development funds projects that bring housing, community facilities, utilities and other essential services to rural areas. It offer programs in three areas of community development: housing, utilities and business. The housing programs are available in communities with populations of under 20,000, and eleven Cape towns have populations below that threshold.

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Single-family homeownership loans: Section 502 direct loans and Rural Housing guaranteed loans. The purpose of both is to provide financing with little or no down payment at favorable rates and terms either through a direct loan from Rural Development or a guaranteed loan through a private financial institution. For Fiscal Year 2010, USDA received an allocation of ARRA funds, and it has over \$16.2 million available for Massachusetts for Section 502 direct loans and over \$49.5 million for Rural Housing guaranteed loans.

Multifamily Housing Programs (MFH) provides for the development, repair and subsidies of low income rental housing complexes. Although there has been very little funding for new multifamily production in recent years and none in Massachusetts, two existing developments received loans to repair and rehabilitate units. There are 63 RHS apartment developments containing 1,996 units in Massachusetts. The national allocation for the Section 515 program is expected to be \$65 million.

Rural Housing home improvement loans and grants help elderly and low income homeowners remove health and safety hazards, such as failing septic systems, contaminated wells and leaking roofs, to name a few. For Fiscal Year 2010, Massachusetts expects to have available \$100,000 for Section 504 single-family repair loans and \$100,000 for Section 504 single-family grants.

Housing Preservation Grant (HPG) funding will also be available in 2010 in an amount similar to prior year's levels of \$50,000 for use by eligible non-profit organizations and municipal entities to fund a repair or rehabilitation program on a local level.

2. STATE RESOURCES FROM CAPITAL* AND OPERATING BUDGETS

Affordable Housing Trust Fund (AHTF)* Expected FY 2010 Funding: \$35,295,830
Administering Agency: MassHousing, under contract to DHCD

Established by the Legislature in 2000, the AHTF is designed to provide resources to create or preserve affordable housing throughout the state for households whose incomes are not more than 110% of median income. The AHTF was funded at \$20,000,000 per year for three years (State Fiscal Years 2001 – 2003) from the state's General Fund. In 2003, the Legislature provided for the capitalization of the AHTF via bond authorizations, and the FY 2010 funds will come from the state's capital budget. Preference is given to developments that produce new affordable housing units; create units affordable to households with a range of incomes, with a special emphasis on units for households with incomes below 80% of the area's median income; or include affordable units for families or for the disabled and the homeless. Preference is also given to projects that propose the longest term of affordability; are sponsored by non-profit organizations; or use private funding sources.

Capital Improvement and Preservation Fund (CIPF)* Expected FY 2010 Funding: \$5,000,000
Administering Agency: DHCD, Division of Housing Development

CIPF was created as part of the 1998 housing bond bill, which authorized DHCD to use \$55 million (\$20 million in 1998 and \$35 million in 2002) in general obligation bond funds for the

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purpose of preserving and improving existing privately-owned, state or federally assisted housing. CIPF may only be used in connection with housing where the prepayment of a state or federally assisted mortgage would lead to the termination of its affordability restrictions, or housing for which a project-based rental assistance contract is expiring or has expired. The CIPF program provides loans to eligible projects sponsored and developed by community development corporations, for-profit or non-profit corporations.

Community-Based Housing Program (CBH)* Expected FY 2010 Funding: \$5,000,000
Administering Agency: DHCD, Division of Housing Development

In 2004, the Legislature authorized \$25 million in bond funds for a new housing program to serve disabled adults who are not clients of the Department of Mental Health or the Department of Developmental Services (and therefore not FCF eligible). CBH funds are used as deferred 30 year mortgage loans to cover a maximum of 50 percent of the total development cost of housing developments.

Emergency Assistance Family Shelters and Individual Emergency Shelters Expected FY 2010 Funding: \$127,887,194 Administering Agency: DHCD, Housing Stabilization Division

The FY 2010 State Operating Budget included \$91.6 million for family shelters and \$36.3 million for assistance to homeless individuals. DHCD provides homeless beds and services through two major programs: the emergency assistance family shelter program and the individual shelter program

Emergency Assistance Family Shelter Program In FY 2010, DHCD expects to receive an estimated \$91.6 million for its family shelter program. This program is the Commonwealth's basic safety net program for homeless families. The program provides a mix of shelter units and support services. It serves families with incomes under \$20,917 per year or 130% of the federal poverty level. (Numbers reflect maximum incomes for a family of three). To qualify, families cannot have assets worth more than \$2,500.

Shelter Units & Capacity Families qualify for family shelter units if they have been evicted; have been displaced due to a natural disaster; live in unsafe conditions; or live in unsanitary conditions. As of 2009, the Department funded approximately 2,245 family shelter units.

Individual Homeless Shelters The homeless individual appropriation provides shelter capacity for 3,289 men and women throughout the Commonwealth. Also provided are day programs, health care, housing search and a food bank. In FY 2010, the approximate homeless individual appropriation is expected to be \$36.3 million.

Facilities Consolidation Fund (FCF)* Expected FY 2010 Funding: \$7,500,000 Administering Agency: DHCD, Division of Housing Development

FCF addresses the needs of clients of the Departments of Mental Health and Developmental Services who are being deinstitutionalized, currently living in inappropriate or unsafe housing, or are presently homeless. FCF funds are used as deferred 30-year mortgage loans to cover a

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maximum of 50% of the total development cost of housing projects.

Home Modification Loan Program for Individuals with Disabilities* Expected FY 2010 Funding: \$4,000,000 Administering Agency: MRC with CEDAC, under contract to DHCD

The Home Modification Loan Program (HMLP) is a program established by the state legislature to provide loans for access modifications. The loans are designed for modifications to the principal residence of elders, adults with disabilities and families with children with disabilities. The intent of the program is to modify homes for improved access to allow people to continue to live independently in their communities. Home modification loans are made available in amounts from \$1,000 to \$30,000. The funds are available through 6 regional provider agencies.

Housing Consumer Education Centers (HCEC) Expected FY 2010 Funding: \$1,624,317 Administering Agency, DHCD, Division of Public Housing and Rental Assistance

The HCECs are funded by state appropriations and operated by non-profit housing agencies across the Commonwealth. The goal of the HCEC program is to provide information and education for housing consumers and providers through regionally-specific and statewide coordinated efforts in order to increase housing stability, reduce the incidences of displacement and homelessness, and to strengthen the interdependent network of tenants, landlords, and homeowners across the Commonwealth. HCEC services are targeted to housing consumers, including tenants, rental property owners, homeowners, and potential tenants and homebuyers. The HCECs accomplish this primarily through telephone or walk-in contacts and by providing information and referral services, trainings and workshops. Statewide, HCECs serve almost 50,000 people per year. HAC is the HCEC provider in the region.

Housing Innovations Fund (HIF) * Expected FY 2010 Funding: \$9,000,000 Administering Agency: DHCD, Division of Housing Development

The State Legislature authorized \$75 million for (HIF VI) in 2008 for the creation and retention of alternative forms of housing (e.g., single room occupancy housing; transitional housing for the homeless; limited equity cooperative housing; battered women's shelters and transitional housing for battered women and their families; employer assisted housing; housing in receivership; and lease-to-purchase housing). HIF provides permanent, deferred payment loans for an initial term of 30 years. Funds may cover up to 50% of a project's total development cost. At least 50% of the units in HIF projects must be reserved for low-income households, with half of those reserved for very-low income individuals.

Housing Stabilization Fund (HSF) * Expected FY 2010 Funding: \$13,000,000 Administering Agency: DHCD, Division of Housing Development

The Housing Stabilization Fund, created in 1993 and further funded in 1998, 2002, and 2005 bond bills, supports comprehensive neighborhood redevelopment efforts and the preservation and rehabilitation of affordable housing. In FY 2010, DHCD anticipates spending approximately \$13 million in HSF, depending on the availability of bond spending allocations. The program emphasizes strong community involvement in the design and implementation of efforts that will

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respond to local priorities for neighborhood improvement and reinvestment. Although DHCD gives priority to applicants proposing to develop and produce new units, the Department remains committed to the goal of preserving and maintaining existing affordable rental stock, and to that end, HSF may be used for either purpose. HSF specifically targets the production or preservation of housing for people age 60 and over and for families and individuals with incomes at or below 30% of area median. Eligible applicants for Housing Stabilization funds are for-profit and non-profit developers, local housing authorities or municipal entities in cooperation with for-profit or non-profit developers. The minimum project size is five units. Maximum funding amount per application is \$750,000 to \$1,000,000. The maximum per HSF-assisted unit is \$50,000 in HOME Program entitlement/HOME consortium communities, \$65,000 elsewhere.

Public Housing Modernization and Development* Expected FY 2010 Funding: \$87,000,000
Administering Agency: DHCD, Division of Public Housing & Rental Assistance

DHCD has approximately \$87 million in FY 2010, including \$5,000,000 from the Affordable Housing Trust Fund, for capital projects at state-supported public housing. DHCD expects to fund about 600 capital improvement projects to protect the health and safety of residents and to preserve and, where appropriate, modernize the state's portfolio of affordable public housing.

Public Housing Operations Expected FY 2010 Funding: \$62,500,000 Administering Agency: DHCD, Division of Public Housing & Rental Assistance

Massachusetts is one of only a few states that operate a purely state-funded public housing program. Approximately 50,000 units of housing for families, the elderly and persons with disabilities are administered by 242 local housing authorities and four regional housing authorities, each with its own board of commissioners but overseen by DHCD. The units house those with incomes up to 80 percent of AMI, but the household income of the vast majority of tenants is at or below 30 percent of AMI. Residents pay 27 to 32 percent of their income for rent (depending on which utilities are included in the rent). These developments were constructed with state capital grants, and state operating subsidies are provided for those authorities that operate at a deficit.

The portfolio of state public housing units includes 32,400 units for elderly and disabled households, 15,736 units for families, and 1,879 units for individuals with special needs, primarily group homes for clients of the Department of Developmental Services and the Department of Mental Health. The oldest units (about 12,700 of the family units) were built about 55 years ago, while the majority of the senior housing units were built in the 1960's and 1970's. Most developments are small (less than 100 units) and low to medium density (one or two stories). There are no high-rise family developments.

In FY 2010, \$62.5 million in state funding was appropriated for these subsidies.

Residential Assistance for Families in Transition (RAFT) Program Expected FY 2010 Funding: \$3,060,000 Administering Agency: DHCD, Division of Public Housing & Rental Assistance

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The Massachusetts Legislature in FY 2005 approved legislation creating the RAFT Program. The program provides short term, limited financial assistance which will enable families to retain housing, obtain new housing or otherwise avoid homelessness. DHCD contracts with nine Regional Non Profit housing agencies (RNPs) to administer the program on the local level. Applicants must be families who are homeless or at-risk of becoming homeless because they cannot afford housing costs without financial assistance. Program participants must have incomes at or below 50% of the area median income and include a dependent child or a family member with a disability. Eligible use of funds include: security deposits, first/last months rent, moving expenses, utility payments, rent arrearages, transportation related expenses if necessary for employment, and other housing related expenses deemed necessary by the RNP to ensure that families moving from a shelter environment are able to obtain to their own apartment.

Rental Assistance Programs Expected FY 2010 Funding: \$33,447,061 Administering Agency: DHCD, Division of Public Housing & Rental Assistance

Massachusetts Rental Voucher Program (MRVP) During FY 2010, the Commonwealth has allocated \$29,997,061 for the MRVP. The MRVP is administered on the local level by over 125 local housing agencies and remains one of the largest state-financed rental programs in the nation. Currently, there are over 6,343 MRVP subsidies under contract with local housing agencies. An MRVP applicant's net household income must be at or below 200% of the federal poverty level. Households eligible for the MRVP receive either a project based voucher or mobile voucher.

A project-based voucher allows an eligible household to live in a unit (the subsidy is assigned to the unit/development). If the household in such a unit chooses to relocate, the subsidy remains with the unit, and another eligible household is referred for occupancy. Project based vouchers allow the participating household to receive a subsidy based on a fixed percentage of household income (40% if the unit rent includes heat, 35% if the heat is not included).

A mobile voucher is assigned to a participant, rather than a specific unit, and allows the holder to live in private leased housing anywhere in the Commonwealth. A voucher's value depends on geographic location, income level, and household size, with the subsidy paid directly to the owner by the housing/agency; the household pays the difference between the voucher value and the rent charged for the property.

Alternative Housing Voucher Program (AHVP) AHVP was created in 1995 to provide transitional assistance to people under age 60 with disabilities who choose to relocate from state-aided public housing or who are on the waiting list for such housing. The program was created in conjunction with a new state policy enacted at that time that allowed housing authorities to designate formerly mixed elderly and disabled complexes as elderly-only and to cap the percentage of non-elderly disabled households in those complexes at 13.5 percent. Eligibility for the program is identical to the eligibility criteria for the state's Chapter 667 elderly/disabled housing. All AHVP vouchers are mobile and may be used throughout the state. This program was allocated \$3,450,000 in FY 2010, which will serve approximately 400 households. Like the larger Massachusetts Rental Voucher Program, (MRVP) the AHVP is administered by Local Housing Authorities. The tenant rent share is calculated in the same manner as in the Chapter

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667 Program- either 25 or 30 percent of adjusted income, depending on whether all utilities are included in the rent.

Soft Second Loan Program* Expected FY 2010 Funding: Unknown Administering Agency: Massachusetts Housing Partnership under contract to DHCD

State first time homebuyer assistance program operated by the Massachusetts Housing Partnership that has assisted over 12,000 households. Buyers obtain a bank mortgage for 77 percent of the purchase price and the Soft Second program provides a second mortgage for 20 percent of the price. The interest on the second mortgage may be subsidized for 10 years. The public investment is secured by the junior mortgage repayable at the time of resale or refinancing. Funded from the Housing Stabilization Fund. The DHCD/Massachusetts Housing Partnership Fund (MHP) Soft Second Loan Program is a joint initiative of the public and private sectors to help eligible buyers purchase their first homes. The program is established at the local level with potential buyers working with participating lenders and local officials to determine their eligibility. The program combines a conventional first mortgage with a subsidized second mortgage to help low- and moderate-income households qualify for a mortgage and purchase a home for the first time. Over 580 households have received soft second loans in the County, and Housing Assistance Corporation administers the program for the County.

3. STATE FINANCIAL RESOURCES FROM OTHER SOURCES

State Low Income Housing Tax Credit Program Expected FY 2010 Funding: \$2,329,213 Administering Agency: DHCD, Division of Housing Development

In 1999, Massachusetts established a program similar to the Federal tax credit program, targeted to investors with Commonwealth of Massachusetts tax liabilities. Since that time, the program has supported the creation of approximately 2,900 homes, nearly two thirds of them affordable. An additional \$100 million over five years was approved in 2004. The state tax credits piggy-back on top of the federal credits; they do not represent additional units.

4. ORGANIZATIONAL RESOURCES: MASSACHUSETTS QUASI-PUBLIC AGENCIES AND OTHER COMMUNITY PARTNERS

Community Economic Development Assistance Corporation (CEDAC)

CEDAC is a quasi-public entity created in 1978 to increase the amount of affordable housing and to foster the revitalization of economically distressed areas by providing a range of development assistance programs to nonprofit development corporations. The agency offers a range of programs that provide technical assistance and pre-development funding to nonprofit developers. It underwrites the Housing Innovations Fund and the Facilities Consolidation Fund loan programs for DHCD and, under a technical assistance contract from the HUD HOME program, provides technical assistance to Community Housing Development Organizations (CHDOs), to build their capacity. CEDAC is a nationally recognized leader the preservation of Section 8 and other federally-assisted rental stock for low-income families.

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MassHousing (formerly the Massachusetts Housing Finance Agency, MHFA)

A quasi-public agency created in 1966 to help finance affordable housing programs. MassHousing sells both tax-exempt and taxable bonds to finance its many single-family and multi-family programs. Agency bonds have financed over 68,000 rental units in mixed income projects and over 59,000 home mortgages and home improvement loans. MassHousing had a record year for lending in FY 2009 with over \$753 million in loans- \$506 million of which was for homeownership. MassHousing oversees and regulates the properties it has assisted, and runs a number of other programs, some on behalf of HUD and DHCD. It administers both rental and home ownership programs that create and preserve affordable housing:

Rental Housing To produce and preserve rental housing, MassHousing makes loans directly to developers and property owners who meet affordability and underwriting criteria. At least 20% of the units in a rental housing community must be affordable to low income residents in order to qualify for MassHousing financing. MassHousing's rental housing financing programs leverage a variety of federal and state resources including tax-exempt mortgage revenue bonds, Low-Income Housing Tax Credits, HOME funds, interest rate reduction subsidies, various rental assistance programs, as well as private equity. Preserving the existing inventory of subsidized housing at risk of conversion to market rate represents a steady share of MassHousing's new business. The agency offers various refinancing programs that maintain and extend affordability in existing properties and address the capital needs of what are now aging buildings. Through its Section 202 Refinancing Program, it funds needed repairs and supportive services for an aging-in-place population.

Home Ownership MassHousing's home ownership programs serve low-and moderate income first-time homebuyers in Massachusetts. Funded from the proceeds of Mortgage Revenue Bonds (MRBs) and other capital sources, MassHousing provides prospective homebuyers with a zero-, one-, or two-point mortgage product, with flexible underwriting standards, and little or no money down. Loans are originated through a network of 140 banks and mortgage companies throughout the Commonwealth. The Agency also administers a variety of second mortgage products that enable low-and moderate-income homeowners to make needed repairs (e.g., de-leading and lead paint abatement; repairs to and replacement of septic systems; retrofitting of properties to make them accessible to family members with a physical disability).

Massachusetts Housing Partnership Fund (MHP)

MHP is a quasi-public agency financed by the banking industry to support affordable housing and neighborhood development. MHP provides communities, local housing partnerships, and nonprofit and for-profit developers with technical assistance and below-market financing to create affordable rental housing and homeownership opportunities throughout the Commonwealth. It offers several long-term fixed-rate financing programs at favorable interest rates for rental properties of 5 or more units to for-profit and nonprofit developers; terms are for up to 20 years and amortization is for up to 30 years. Loan amounts are from \$250,000 to \$15 million, or as low as \$100,000 if part of a community redevelopment effort. MHP also administers the Soft Second Loan Program, which is funded by the Department of Housing and Community Development (See details under State Programs). The program provides second

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mortgage loans to low- and moderate-income first-time homebuyers to reduce their first mortgage amounts and to lower their initial monthly costs. The program has assisted over 12,000 first-time homebuyers to date. MHP provides on-going technical assistance and training to local, municipally appointed, housing committees and partnerships that are attempting to expand the supply of low and moderate income housing in their communities. MHP will also produce educational materials for local officials. It will also provide funds for contracts for third-party consulting services under the Chapter 40B Technical Review Assistance Program to help local Zoning Boards of Appeal and other municipal boards review proposed affordable housing developments seeking comprehensive permits pursuant to MGL c.40B. The program was developed in cooperation with DHCD and is funded by application fees from developers seeking Project Eligibility Letters from MassHousing, Massachusetts Housing Partnership, DHCD, and MassDevelopment. Finally, MHP will continue to administer a three year Production Capacity Grant program using Bank of America grant funds. The grants aim to increase non-profit affordable housing development throughout the Commonwealth by supporting and strengthening the staffing capacity of non-profit developers.

Federal Home Loan Bank of Boston (FHLBB)

The Federal Home Loan Bank of Boston is one of the 12 district banks in the Federal Home Loan Bank System. It is a wholesale bank (a bank for banks), that provides access to credit for its members and administers several programs to promote community development and expand affordable housing. The FHLBB covers the 6 New England states and is owned by more than 450 New England financial institutions. It offers several programs, the two principal ones are the Affordable Housing Program (AHP) and the New England Fund (NEF):

AHP All FHLBs are required to allocate 10 percent of their yearly net profits to a subsidy pool that provides discounted loans, and in some cases, grants, to member institutions. Members use these funds to support initiatives to develop and preserve affordable rental or ownership housing in their communities for households earning at or below 80 percent of the area median income. AHP funds are awarded in semi-annual competitive application rounds. Because there were no net profits in the prior year, there will not be any AHP rounds in 2009.

NEF An affordable housing program of the FHLBB, under which advances (loans) are made to member financial institutions to finance affordable housing. NEF has become one of the most widely used programs for the development of new mixed income ownership housing under the Mass Chapter 40B comprehensive permit law.

Home Funders

A group of private and public organizations joined together in 2003 to create a \$26 million fund to support the creation of housing for very low income families. Home Funders pools private dollars to make low-interest loans and grants to build housing where at least 30 percent of the units are reserved for extremely low income families. Loans are distributed through the Massachusetts Housing Partnership and CEDAC. Nearly \$20 million has been committed to the fund to date and it has made its first loans.

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Massachusetts Housing Investment Corporation (MHIC)

MHIC is a private, 501(c)(3) non-profit corporation that provides a variety of financing products for affordable housing and community development projects in Massachusetts. Its products include a variety of loan types, equity investments in housing projects that qualify for federal Low Income Housing Tax Credits (LIHTCs), and equity investments in commercial community development projects that qualify for federal New Markets Tax Credits. MHIC loan products include pre-development, acquisition, construction, permanent, mini-perm, and bridge loans. Amounts, rates and terms vary by product type. Typically, loan sizes range from a minimum of \$100,000 to a maximum of \$10,000,000. MHIC works with both for-profit and non-profit developers, financing both rental and ownership projects. The agency is a leading purchaser of federal and state LIHTCs and historic tax credits in Massachusetts.

Property and Casualty Initiative (PCI)

A private community development loan fund capitalized by a consortium of twenty-six Massachusetts property and casualty insurance companies in 1999. PCI lends to a range of community development projects including affordable housing. It makes most of its loans directly, but may also participate with other community lenders.

The Life Initiative (TLI)

A private community investment fund capitalized by a consortium of eleven Massachusetts life insurance companies in 1998 (twelve companies now participate). TLI invests in a range of community development activities including affordable housing, channeling most (2/3) of its loans and investments through community loan funds and intermediaries.

5. LOCAL RESOURCES

Community Preservation Act (CPA)

Allows communities, at local option, to establish a Community Preservation Fund to preserve open space, historic resources and community housing, by imposing a surcharge of up to 3% on local property taxes. The state provides matching funds from its own Community Preservation Trust Fund, generated from an increase in certain Registry of Deeds' fees. All fifteen Cape communities passed ballot questions by May 2005 to adopt the CPA. Thirteen communities exchanged CPA for the Land Bank, while two- Chatham and Provincetown, have both CPA and the Land Bank. Two communities- Bourne at 70% and Brewster at 50%- have required that a significant portion of their CPA allocation be spent on open space and thus reduced the potential amount available for affordable housing in those communities. Anywhere from \$1.2 million to nearly \$10 million could now be available annually for affordable housing purposes across the region. Many CPA committees have funding criteria that encourage projects that address more than one of the CPA issue areas, and the Consortium encourages those types of projects whenever feasible.

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Community Development Block Grant (CDBG)

During the mid 1990's, the towns of Barnstable and Yarmouth were designated as entitlement communities to receive CDBG funds. Both communities have used parts of their CDBG allocations for affordable housing purposes. Barnstable will receive \$381,584 and Yarmouth \$149,782 in FY 2010.

Barnstable County Surplus Housing Funds

Since 1998 the County has made five separate allocations totaling over \$1.2 million for a variety of affordable housing initiatives (\$700,000 for rental housing development; \$300,000 for homeownership initiatives, including support for a regional monitoring system of the resale of affordable units; and over \$200,000 for a variety of homelessness initiatives). While budget surpluses in the next few years are unlikely, the County will continue to be looked to for support of certain targeted housing initiatives.

Cape Cod Commission

The Commission requires that 10% of all residential developments of 30 units or 30 acres or more be set aside for affordable housing. 122 affordable units have been created as a result of the Commission's regulatory programs. In addition, the 2009 Regional Policy Plan includes cash mitigation for affordable housing impacts from commercial projects that come under Commission review; therefore, some funds for affordable housing creation should be available in those towns in which Commission-reviewed projects are located.

Housing Trust Funds

A number of Cape communities have established housing trust funds for locally generated revenue to be expended on affordable housing efforts, and Barnstable, Bourne, Chatham, Dennis, Eastham, and Yarmouth have taken advantage of changes in state legislation to create municipal housing trusts that have powers to act independently of Town Meeting.

Town Donated Land

Currently all fifteen towns in the County have designated a total of approximately 200 acres of undeveloped town-owned land for affordable housing.

Cape Light Compact

This County consortium provides grants to low income owners to install energy efficient lighting and appliances and also provides subsidies to developers of newly constructed housing that meet Energy Star standards.

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APPENDIX B

**Citizen Participation Plan; Summary of Citizen Comments;
and Copies of Public Notices**

1. CITIZEN PARTICIPATION PLAN (CPP)

Introduction:

The Barnstable County HOME Consortium's Citizen Participation Plan (CPP) was prepared as required for the Consolidated Plan in accordance with CFR Part 91, Section 105. The purpose of the CPP is to outline the procedures for citizen's participation in the development and implementation of the Consortium's Five-Year Consolidated Plans, Annual Plans, Consolidated Annual Performance Reports (CAPER), and substantial amendments to five-year or annual plans.

The development of the Consolidated Plan takes place under the supervision of the Cape Cod Commission and the Barnstable County HOME Consortium Advisory Council. The Commission is Barnstable County's land use and planning agency and is responsible for the overall administration of the HOME Program. The Advisory Council is comprised of a representative from each of the fifteen towns, two at-large members and the Commission's affordable housing specialist as its ex-officio member. The Council has had representation from a broad range of housing and community interests, including local housing authorities, non-profit housing agencies, local housing partnerships, the elderly, tenants, banks, real estate, town government, the religious sector, human services and private citizens.

The Advisory Council was consulted on a regular basis and played an integral role in the development of the Consortium's CP. The broad range of housing/community interests and experience of the Advisory Council helped to ensure that the Consolidated Plan reflected what the community saw as its most critical needs and priorities.

A key element of the Consolidated Planning process is citizen participation. The CPP is designed to encourage the participation of low income households, particularly those living in slum and/or blighted areas and in areas where HOME funds are proposed to be used. The CPP encourages the participation of all citizens, including minorities and non-English speaking persons, as well as persons with mobility, visual and/or hearing impediments. The CPP also encourages the participation of public and assisted housing residents in the development and implementation of the Consolidated Plan.

The community involvement process has three main objectives:

1. To help determine the housing, needs of our region.
2. To assess how well the County is meeting these needs.
3. To help determine priorities.

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Citizen Participation in the Development of the Consolidated Plan:

The following narrative describes how citizens of the Barnstable County can become involved in the development of the Five-Year Consolidated Plan, Annual Plans (also known as Action Plans), Consolidated Annual Performance Evaluation Reports (CAPER), Citizen Participation Plan, and Substantial Amendments. The Five-Year Consolidated Plan identifies priority housing needs within Barnstable County. It also identifies the funding (public and private) and the activities required to address priority needs over a five-year period. The Action Plan identifies the housing and community development funding and activities that the Consortium anticipates being available during each of the program years covered by the Five-Year Consolidated Plan. The Annual Plan also serves as the application for HOME program funds allocated by formula to the region. The Consolidated Annual Performance Review (CAPER) provides the public with the means to gauge the progress of each activity listed in an Annual Action Plan. This document is prepared at the end of each program year covered by a Five-Year Consolidated Plan.

1. **Consultation Meetings:** During the development of the Five-Year Consolidated Plan, the Consortium consults with local service providers (public and private) to obtain their opinion on the housing and needs of “special needs” households in the County. These households include: 1) elderly/frail elderly; 2) persons with HIV/AIDS; 3) substance abusers; 4) persons with developmental disabilities; 5) persons with mental disabilities; 6) persons with physical disabilities; and 7) the homeless. The consultations may include scheduled meetings, focus groups, phone/e-mail interviews, invitations to public meetings, and surveys as deemed appropriate.
2. **Public Hearings/Meetings:** The Consortium will schedule at least two public hearings per year as part of the regular monthly Advisory Council meetings to obtain citizen’s views on housing needs, the development of proposed activities, and to review the program performance at different stages of the program year. The Consortium will provide timely notification of these meetings and public hearings of not less than one week. The County will notify the general public of the time and date of all public hearings by placing a legal advertisement in the Cape Cod Times. Additional notices may be posted on the Commission web site- www.capecodcommission.org, County buildings, and in local government offices, libraries, and senior centers as deemed appropriate. All public hearings will be held in handicap accessible locations. The County will make every effort to provide translation services for those needing it upon request. Requests should be made in advance and through the Cape Cod Commission- phone 508-362-3828.

Encouragement of Citizen Participation:

Encouragement will include legal ads in the Cape Cod Times. Additional notices may be posted on the Commission web site- www.capecodcommission.org, County buildings, and in local government offices, libraries, and senior centers as deemed appropriate. All public hearings will be held in handicap accessible locations. The County will make every effort to provide translation services for those needing it upon request. Requests should be made in advance and through the Cape Cod Commission- phone 508-362-3828. Citizens are encouraged to submit

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their views and proposals on all aspects of the housing plan at the public hearings. However, to ensure that citizens are given the opportunity to assess and comment on all aspects of the HOME program on a continuous basis, citizens may, at any time, submit written comments or complaints to the Cape Cod Commission, PO Box 226- 3225 Main Street, Barnstable, MA 02630, ATTN: Affordable Housing Specialist.

Citizen Comment on the Consolidated Plan and Annual Plans:

According to 24 CFR 91.105, all citizens, public agencies, and other interested parties have thirty (30) days to submit comments on the Consolidated Plan and Annual Plans. The Consortium will place a legal advertisement in the Cape Cod Times announcing the availability to examine the Consolidated Plan and the Annual Plans and all related documents at the Cape Cod Commission, 3225 Main Street, Barnstable, MA, 02630; at the Barnstable County Commissioners Office, Superior Court House, Main Street, Barnstable, MA. 02630; and all fifteen town halls in the county. The public hearing and availability of Consolidated Planning and Annual Plan documents will also be advertised for viewing on the Commission website at www.capecodcommission.org, and at selected housing organizations, and other municipal buildings and libraries as deemed appropriate. The official thirty day comment period will be begin when announced in the paper, but comments are encouraged at the hearings, and participants may contact the Cape Cod Commission office during regular office hours Monday through Friday 8:30am to 4:30pm.

Barnstable County is including the following minimum requirements per 24 CFR 91.105 in the development of the Consolidated Plan:

The Citizen Participation Plan requires that prior to adopting the Consolidated Plan, the County will make available to citizens, public agencies, and other interested parties the amount of assistance the jurisdiction expects to receive (including grant funds and program income) and the range of activities that may be undertaken, including the amount that will benefit low income persons. Barnstable County includes the expected grant fund amount and program income in the draft Consolidated Plan document for all public hearings and open comment periods related to the Consolidated Planning process. The expected amount is then included in any advertisement announcing the availability and final comment period of the draft Consolidated Plan, Citizen Participation Plan, and Annual Plans.

The plan will also identify Barnstable County's plans to minimize displacement and what type of assistance will be made available to those persons displaced. It is rare for the Consortium to undertake projects that include displacement or relocation. The County works closely with applicants in an effort to minimize permanent residential displacement. It would be the County's general practice not to approve any proposed HOME activities involving relocation of tenants, businesses, or owners unless circumstances warrant it. If a project is approved that results in displacement, the Consortium, in compliance with Uniform Relocation Act under the Federal Regulations, will work with a qualified relocation advisory agency to give relocation assistance to the occupants to be replaced.

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Amendments- Criteria for Amendment to Consolidated Plan:

Due to changes in regional needs during program years, amendments and/or revisions to the Consolidated Plan and/or Action Plan may be necessary. Some changes may be substantial enough that they significantly alter the priorities of the Action Plan and ultimately the Five-Year Consolidated Plan. Amendments and/or revisions that are considered substantial will include:

Substantial Amendments:

- * Reduction in funding of 25% or more of the HOME program;
- * Addition of a new funding category from the prior year's Annual Plan with an allocation of \$100,000 or more;
- * Deletion of a funding category from the prior year's Annual Plan that had an allocation of \$100,000 or more;
- * Redefinition of the number and type of HOME program beneficiaries.

The HOME Consortium will follow the following procedures for any substantial amendments:

A legal advertisement will be placed in the Cape Cod Times announcing any substantial amendments to the Consolidated Plan, action plan, or citizen participation plan.

The public will have thirty (30) days to submit written and/or oral comments on the amendment from the date the public is notified via legal advertisement; all comments will be considered and a summary will be filed in the Affordable Housing department of the Cape Cod Commission and made part of the plan.

Approval must be granted by the Advisory Council for any substantial amendments;

A written admission to the Department of Housing and Urban Development (HUD) for approval will be required prior to the implementation.

Performance Reports:

The HOME Consortium will place a legal advertisement in the Cape Cod Times announcing the availability of the Consolidated Annual Performance Evaluation Report (CAPER) for review at the office of the Cape Cod Commission, 3225 Main Street, Barnstable, MA 02630. The Consortium will allow comments to the Cape Cod Commission on the performance report for a period of not less than fifteen (15) days prior to submitting to HUD for approval.

Availability to the Public and Access to Records:

To facilitate citizen access to HOME program information, the Cape Cod Commission's Affordable Housing department will keep all documents related to the HOME program on file at 3225 Main Street, Barnstable, MA 02630, which can be accessed upon request Monday through Friday from 8:30am to 4:30pm. The County will make every effort to provide translation services for those needing it upon request. Requests should be made in advance and through the

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Cape Cod Commission. Any questions or comments relating to the HOME program or plans can be mailed to the above address or by calling 508-362-3828.

Information from the project files shall be made available for examination and duplication, on request, during regular business hours. The HOME Consortium will make every reasonable effort to assure that HOME program information is available to all citizens, especially those of low income and those residing in blighted neighborhoods and/or HOME project areas. The location of the public files and public hearings are handicap accessible.

Materials to made available shall include, but are not necessarily limited to the following: the Citizen Participation Plan; the Consolidated Plan; the Annual Action Plan; the Consolidated Annual Performance Evaluation Report (CAPER); records of public hearings; mailings and promotional materials; prior HOME applications; letters of approval; grant agreements; the construction specifications; labor standards and materials; proposed and approved HOME program applications for the current year; written comments or complaints received concerning the HOME housing programs; written responses from the HOME Consortium; and copies of the applicable Federal and State rules, regulations, policies, requirements and procedures governing the HOME program.

In no case shall Barnstable County disclose any information concerning the financial status of any program participant(s) that may be required to document program eligibility or benefit. Furthermore, Barnstable County shall not disclose any information which may, in the opinion of legal counsel, be deemed of a confidential nature.

Technical Assistance:

The Consortium's affordable housing staff offers technical assistance, upon request, to all low, very low and poverty income individuals and/or organizations serving low income neighborhoods or persons. The assistance is for the purpose of developing proposals to request funding under its HOME program and activities. Consortium staff will also provide technical assistance to grant recipients to ensure compliance with federal rules and regulations. Please contact the Cape Cod Commission, 3225 Main Street, Barnstable, MA 02630, or call 508-362-3828.

Complaints:

The public hearings scheduled, as described in this Citizen Participation Plan, are designed to facilitate public participation in all phases of the HOME program planning process. Citizens are encouraged to submit their views and proposals on all aspects of the regional HOME housing plan at the public hearings. However, to ensure that citizens are given the opportunity to assess and comment on all aspects of the HOME program on a continuous basis, citizens may at any time submit written comments or complaints to the Cape Cod Commission, PO Box 226- 3225 Main Street, Barnstable, MA 02630, ATTN: Affordable Housing Specialist.

The Consortium will respond to all comments and complaints regarding any phase of the Consortium's Consolidated Plan, or any activities implemented under the plan, in writing within

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fifteen (15) working days of receipt of them, where feasible. Responses will be substantive, where appropriate. When complaints remain unsatisfied, the staff will bring the complaint to the Advisory Council for review and resolution.

Adoption of the Citizen Participation Plan:

The Citizen Participation Plan will be adopted as a section of the Consolidated Plan, thereby going through the same process of local review and public comment, ending with a thirty (30) day public comment period. Amendments and changes to the Citizen Participation Plan will be addressed in the annual update of the Consolidated Plan.

Use of Citizen Participation Plan:

The Barnstable County HOME Consortium will follow the citizen participation plan as outlined in this document.

Any comments or questions about this plan can be directed to:

**Affordable Housing Specialist
Cape Cod Commission
3225 Main Street
Barnstable, MA 02630**

Phone: (508) 362-3828; Fax: (508) 362-3136

Office Hours: Monday through Friday 8:30am to 4:30pm

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2. SUMMARY OF PUBLIC COMMENTS AND RESPONSES

One comment was received during the thirty day public comment period:

Comment:

The commenter stated that there should be closer oversight of the HUD funds that are distributed to the Housing Assistance Corporation (HAC). The commenter was concerned that two HOME down payment/closing cost (DPCC) loans were made to employees or family members of HAC employees during a short period of time and that these should be a reporting of these loans. The commenter was also concerned that the amount of assistance available was misrepresented and that all applicants are not treated on an equal basis.

Response:

The Consortium receives quarterly reports from HAC on the DPCC program, and Consortium staff monitors HAC annually with respect to compliance with all HOME program requirements. The administrator for the DPCC program is chosen through a Request for Proposals process every three years.

With respect to the DPCC loans made to HAC employees or family members, the Consortium follows the process described in the HOME conflict of interest regulations (24 CFR 92.356). The Consortium sends a description of the facts of the case to its attorney for a determination if there is any violation of state or local law and if an exception to the HOME conflict of interest regulation is warranted. If the Consortium's attorney determines that there is no violation of law and that an exception to the HOME conflict of interest regulation is warranted, the Consortium publishes a public notice to that effect in the Cape Cod Times and then submits a request, including a copy of the Consortium's attorney's opinion and the legal ad, to the HUD Regional office in Boston for a determination of whether an exemption to the conflict of interest regulations can be granted. HUD makes the final determination of whether the applicant is eligible to receive a HOME loan. In general, exceptions are granted if the employee and/or family member has no decision making power with respect to the administration of the particular loan program, is income eligible, and otherwise meets the requirements of the particular program. Over the last eight years, the Consortium has requested, and HUD has granted, four exemptions to the conflict of interest regulations out of the 362 DPCC and rehab loans made during that time- 1.1% of the total. However, the Consortium will start in 2010 to report the number of conflict of interest exemptions granted as part of its Annual Performance Report and will also adopt a policy that sets a limit on the number of exemptions that will be allowed in any year.

With respect to the last set of concerns, the Consortium is unable to respond without additional details. The Consortium would fully and carefully investigate any specific instance that is described to us by a program applicant or participant of any disparate treatment.

3. COPIES OF PUBLIC NOTICES

MONDAY, APRIL 26, 2010

CAPE COD TIMES/B-11

NOTICE OF PUBLIC MEETINGS

Barnstable County HOME Consortium
 Program Years 2010-2014 Consolidated Plan
 and Program Year 2010 Action Plan

In accordance with the provisions of Title 24A Housing and Urban Development, Part 91 Consolidated Submissions for Community Planning and Development Programs, notice is hereby given of the following proposed action to be undertaken by the Consortium:

Prior to publishing a draft of the above plans for public review, the Consortium will hold the following public meetings and will be accepting written comments beginning March 29, 2010 to April 15, 2010 in connection with its Consolidated Plan for Program Years 2010-2014 and Program Year 2010 Action Plan for the following program:

HOME Investment Partnerships Program

Monday, March 29, 2010, 4:30 PM to 6:00 PM
 Eastham Town Hall
 Siting Hearing Room
 2500 State Highway
 Eastham, MA 02642

Tuesday, March 30, 2010, 4:30 PM to 6:00 PM
 Gus Carty Community Center
 Room #1
 790 East Main Street
 Falmouth, MA 02540

Wednesday, March 31, 2010, 4:30 PM to 6:00 PM
 Cape Cod Commission
 Conference Room
 3225 Main Street
 Barnstable, MA 02630

All locations are handicap accessible. If you need a reasonable accommodation, please contact Michelle Springer at (508) 362-3828 by March 19, 2010.

The purpose of the meetings is to obtain from citizens, public agencies, community organizations, and other interested parties data, views, and comments relative to housing needs and priorities in Barnstable County. Information obtained will be considered in the preparation of the draft Five Year Consolidated Plan and 2010 Action Plan.

Estimated HOME funding for Program Year 2010: \$750,000 (based upon current funding level)

Contact information: Please contact the Cape Cod Commission at (508) 362-3828. Anyone unable to attend the meetings may submit written comments or questions to Paul Ruchinskas, PO Box 226, Barnstable, MA 02630 or pruchinskas@capecodcommission.org

3/9/10

Legal Notices

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Legal Notices

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PUBLIC NOTICE
 BARNSTABLE COUNTY HOME CONSORTIUM
 FIVE YEAR CONSOLIDATED PLAN, ONE YEAR ANNUAL PLAN, AND
 CITIZEN PARTICIPATION PLAN

PUBLIC COMMENT PERIOD

The Barnstable County HOME Consortium is preparing its Five-Year Consolidated Plan (CP) for 2010-2014, its 2010 Annual Plan, and Citizen Participation Plan for the U.S. Department of Housing and Urban Development (HUD). These plans serve as the strategic and planning documents for the region's HOME program that is funded by HUD. Pursuant to the requirements of the HOME Investment Partnerships Program, the Consortium will provide a thirty day comment period on the CP, Annual Plan, and Citizen Participation Plan.

The Consortium expects to receive \$749,819 in HOME funds and \$15,000 in program income for the 2010 program year (July 1, 2010- June 30, 2011). The proposed allocations in the 2010 Annual Plan are as follows:

Housing Production- \$402,364
 CHDO Housing Production- \$112,478
 Down Payment/Closing Cost Program- \$175,000
 Program Administration- \$74,982

This comment period will begin April 27, 2010 and end at 4:00 p.m. May 26, 2010. The CP, Citizen Participation Plan, and 2010 Annual Plan is available for review at the following locations that are handicap accessible, and interpreters are available upon advance request:

Barnstable County Commissioners Office
 Superior Court House
 3195 Main Street
 Barnstable, MA 02630

Cape Cod Commission
 3225 Main Street
 Barnstable, MA 02630

Town Halls in each town in Barnstable County

Cape Cod Commission web site- www.capecodcommission.org

The CP will contain a summary of public comments received. All comments should be submitted to:

Paul Ruchinskas
 Cape Cod Commission
 3225 Main Street- PO Box 226
 Barnstable, MA 02630
 pruchinskas@capecodcommission.org
 4/26/10

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APPENDIX C. ANNUAL PLAN ALLOCATION FORMS

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**U.S. Department of Housing & Urban Development
CPD Consolidated Plan
Listing of Proposed Projects**

<u>Project ID</u>	<u>Project Title/Priority Objective/Description</u>	<u>HUD Matrix Code Title/Citation/Accomplishments</u>	<u>Funding Source</u>	<u>Funding Amount</u>
0001	Housing Production	01 Acquisition of Real Property	CDBG ESG HOME HOPWA	\$412,364.00
	Housing	570.201(a) 55 Housing Units	Total	\$412,364.00
	To create affordable rental and ownership units through acquisition and/or rehabilitation of existing stock.			
	Help the Homeless?	Yes	Start date: 07/01/10	
	Help with HIV or AIDS?	Yes	Completion Date: 06/30/11	
	Eligibility: Subrecipient: Location (s):	Local Government Addresses		

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**U.S. Department of Housing & Urban Development
CPD Consolidated Plan
Listing of Proposed Projects**

<u>Project ID</u>	<u>Project Title/Priority Objective/Description</u>	<u>HUD Matrix Code Title/Citation/Accomplishments</u>	<u>Funding Source</u>	<u>Funding Amount</u>
0002	Downpayment Closing Cost Assistance Housing	05R Homebuyer Downpayment Assistance 570.201 (e) 25 Households	CDBG ESG HOME HOPWA TOTAL	\$175,000 \$175,000

Help the Homeless?
Help with HIV or AIDS?

No
No

Start date: 07/01/10
Completion Date:06/30/11

Eligibility:
Subrecipient:
Location (s):

Local Government
Addresses

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**U.S. Department of Housing & Urban Development
CPD Consolidated Plan
Listing of Proposed Projects**

<u>Project ID</u>	<u>Project Title/Priority Objective/Description</u>	<u>HUD Matrix Code Title/Citation/Accomplishments</u>	<u>Funding Source</u>	<u>Funding Amount</u>
0004	CHDO Housing 15% CHDO set aside	12 Construction of Housing 570.204 0 Households (General)	CDBG ESG HOME HOPWA Total	 \$112,473 \$112,473

Help the Homeless?
Help with HIV or AIDS?

Yes
Yes

Start date: 07/01/10
Completion Date:06/30/11

Eligibility:
Subrecipient:
Location (s):

Local Government
Addresses

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**U.S. Department of Housing & Urban Development
CPD Consolidated Plan
Listing of Proposed Projects**

<u>Project ID</u>	<u>Project Title/Priority Objective/Description</u>	<u>HUD Matrix Code Title/Citation/Accomplishments</u>	<u>Funding Source</u>	<u>Funding Amount</u>
0005	Administration	21A General Program Administration	CDBG ESG	
	Planning \$ Administration	570.206	HOME HOPWA	\$74,982
	10% Admin set aside	0 Households (General)	Total	\$74,982
	Help the Homeless?	Yes	Start date: 07/01/10	
	Help with HIV or AIDS?	Yes	Completion Date:06/30/11	
	Eligibility: Subrecipient: Location (s):	Local Government Addresses		

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**APPENDIX D. CONSOLIDATED PLAN HOUSING NEEDS AND
LOW INCOME/MINORITY CONCENTRATIONS**

**HUD Table 2A
Priority Housing Needs/Investment Plan Table**

PRIORITY HOUSING NEEDS (households)		Priority		Unmet Need
Renter Total- 6,892	Small Related	0-30%	H	919
		31-50%	H	719
		51-80%	H	717
	Large Related	0-30%	H	144
		31-50%	H	81
		51-80%	H	160
	Elderly	0-30%	H	800
		31-50%	H	595
		51-80%	H	431
	All Other	0-30%	H	930
		31-50%	H	745
		51-80%	H	651
Owner Total- 11,312	Small Related	0-30%	M	479
		31-50%	M	630
		51-80%	M	1,729
	Large Related	0-30%	M	62
		31-50%	M	199
		51-80%	M	507
	Elderly	0-30%	M	2,312
		31-50%	M	1,922
		51-80%	M	1,558
	All Other	0-30%	M	530
		31-50%	M	525
		51-80%	M	859
Non-Homeless Specialized Housing Needs	Elderly	0-80%	H	620
	Frail Elderly	0-80%	H	910
	Severe Mental Illness	0-80%	H	175
	Physical Disability	0-80%	H	75
	Developmental Disability	0-80%	H	40
	Alcohol/Drug Abuse	0-80%	H	50
	HIV/AIDS	0-80%	H	10
Domestic Violence Victim	0-80%	H	600	

HUD Table 1A-Homeless and Special Needs Populations

Continuum of Care: Housing Gap Analysis Chart

	Current Inventory	Under Development	Unmet Need/ Gap
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Individuals

Example	Emergency Shelter	100	40	26
Beds	Emergency Shelter	91	0	0
	Transitional Housing	85	0	20
	Permanent Supportive Housing	227	5	112
	Total	403	5	132

Persons in Families With Children

Beds	Emergency Shelter	181	0	0
	Transitional Housing	36	0	9
	Permanent Supportive Housing	6	0	54
	Total	223	0	63

Continuum of Care: Homeless Population and Subpopulations Chart

Part 1: Homeless Population	Sheltered		Unsheltered	Total
	Emergency	Transitional		
Number of Families with Children (Family Households):	66	12	22	100
1. Number of Persons in Families with Children	179	36	60	275
2. Number of Single Individuals and Persons in Households without children	108	84	144	336
(Add Lines Numbered 1 & 2 Total Persons)	287	120	204	611
Part 2: Homeless Subpopulations	Sheltered		Unsheltered	Total
a. Chronically Homeless	68			
b. Seriously Mentally Ill	147			
c. Chronic Substance Abuse	175			
d. Veterans	68			
e. Persons with HIV/AIDS	17			
f. Victims of Domestic Violence	108			
g. Unaccompanied Youth (Under 18)	0			

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TABLE 5.1

Grantee Name: Program Year:	Expected Annual Number of Units To Be Completed	Actual Annual Number of Units Completed	Resources used during the period			
			CDBG	HOME	ESG	HOPWA
BENEFICIARY GOALS (Sec. 215 Only)						
Homeless households	2		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Non-homeless households	76		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Special needs households	2		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Total Sec. 215 Beneficiaries*	80		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
RENTAL GOALS (Sec. 215 Only)						
Acquisition of existing units	0		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Production of new units	30		<input type="checkbox"/>	X		<input type="checkbox"/>
Rehabilitation of existing units	15		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	0		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Total Sec. 215 Affordable Rental	45		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
HOME OWNER GOALS (Sec. 215 Only)						
Acquisition of existing units	2		<input type="checkbox"/>	X		
Production of new units	8		<input type="checkbox"/>	X		
Rehabilitation of existing units	0		<input type="checkbox"/>	<input type="checkbox"/>		
Homebuyer Assistance	25		<input type="checkbox"/>	X		<input type="checkbox"/>
Total Sec. 215 Affordable Owner	35		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
COMBINED RENTAL AND OWNER GOALS (Sec. 215 Only)						
Acquisition of existing units	2		<input type="checkbox"/>	X		<input type="checkbox"/>
Production of new units	38		<input type="checkbox"/>	X		<input type="checkbox"/>
Rehabilitation of existing units	15		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Rental Assistance	0		<input type="checkbox"/>	<input type="checkbox"/>		<input type="checkbox"/>
Homebuyer Assistance	25		<input type="checkbox"/>	X		<input type="checkbox"/>
Combined Total Sec. 215 Goals*	80		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>

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OVERALL HOUSING GOALS (Sec. 215 + Other Affordable Housing)	Expected Annual Number of Units To Be Completed	Actual Annual Number of Units Completed	CDBG	HOME	ESG	HOPWA
Annual Rental Housing Goal	45		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Annual Owner Housing Goal	35		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>
Total Overall Housing Goal	80		<input type="checkbox"/>	X	<input type="checkbox"/>	<input type="checkbox"/>

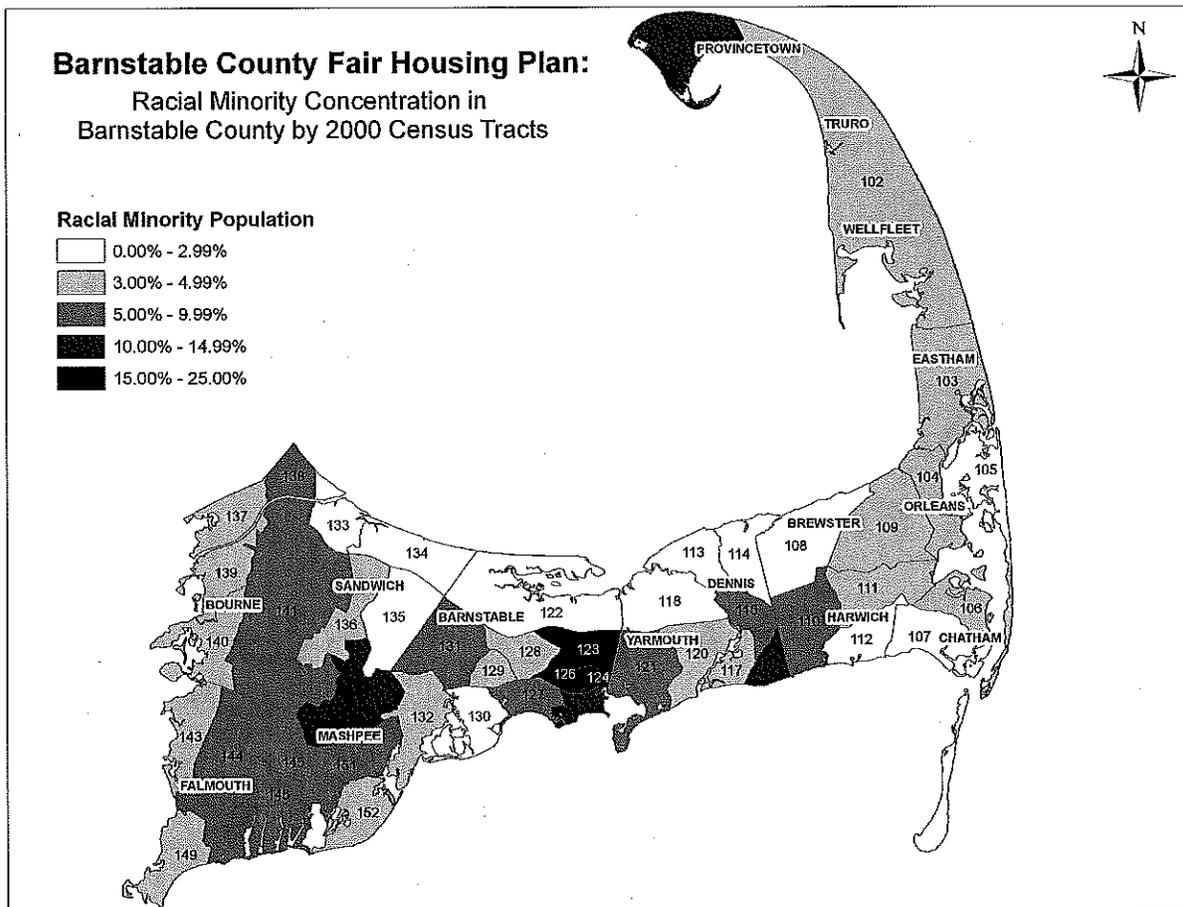
Areas with Concentration of Racial/Ethnic Minorities and/or Low Income Families

As noted in the 2009 Barnstable County HOME Consortium Fair Housing Plan, Barnstable County is generally characterized by the fact that both racial and ethnic minorities and also low-income households are scattered throughout the region.

The HOME Consortium defines an area of racial/ethnic concentration as a census tract with a population of at least 2,000 that has more than three (3) times the percentage of minorities as exists in the region. As the minority population in the region in the 2000 Census was 6.6%, any census tract that has a minority percentage of 20% or more will be defined as one of racial/ethnic concentration. One Hyannis census tract -124- meets that criterion. See attached map (note that census tract 124's total population was 585 and 126's minority population was 19.15%).

The HOME Consortium defines an area of low income concentration as a census tract with a population of at least 2,000 people that has a median family income that is less than 50% of the regional median income. According to the 2000 Census, one Hyannis census tract -124- meets that criterion.

Therefore, any new construction rental projects that request HOME funds in census tract 124 must satisfy the criteria in CFR 983.57(e)(3) in order to be eligible for funding.



Source: 2009 Barnstable County HOME Consortium Fair Housing Plan

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APPENDIX E. CERTIFICATIONS

Application for Federal Assistance SF-424

*1. Type of Submission:

- Preapplication
 Application
 Changed/Corrected Application

*2. Type of Application

- New
 Continuation
 Revision

* If Revision, select appropriate letter(s)

*Other (Specify)

3. Date Received:

4. Applicant Identifier:

DC-25-0217

5a. Federal Entity Identifier:

*5b. Federal Award Identifier:

State Use Only:

6. Date Received by State:

7. State Application Identifier:

8. APPLICANT INFORMATION:

*a. Legal Name: Barnstable County

*b. Employer/Taxpayer Identification Number (EIN/TIN):
04-6001419

*c. Organizational DUNS:
076612407

d. Address:

*Street 1: 3225 Main Street
Street 2: P.O. Box 226
*City: Barnstable
County: Barnstable
*State: MA
Province: _____
*Country: USA
*Zip / Postal Code 02630

e. Organizational Unit:

Department Name:

Division Name:

f. Name and contact information of person to be contacted on matters involving this application:

Prefix: Mr. *First Name: Paul
Middle Name: _____
*Last Name: Ruchinskas
Suffix: _____

Title: Affordable Housing Specialist

Organizational Affiliation:
Cape Cod Commission

*Telephone Number: 508-362-3828

Fax Number: 508-362-3136

*Email: pruchinskas@capecodcommission.org

Application for Federal Assistance SF-424

Version 02

***9. Type of Applicant 1: Select Applicant Type:**

B.County Government

Type of Applicant 2: Select Applicant Type:

Type of Applicant 3: Select Applicant Type:

*Other (Specify)

***10 Name of Federal Agency:**

11. Catalog of Federal Domestic Assistance Number:

14.239

CFDA Title:

HOME Investment Partnerships Program

***12 Funding Opportunity Number:**

*Title:

13. Competition Identification Number:

Title:

14. Areas Affected by Project (Cities, Counties, States, etc.):

Barnstable County

***15. Descriptive Title of Applicant's Project:**

Annual HOME allocation to create and preserve affordable housing for the region's low income households.

Application for Federal Assistance SF-424

Version 02

16. Congressional Districts Of:

*a. Applicant: 10th

*b. Program/Project: 10th

17. Proposed Project:

*a. Start Date: 07/01/10

*b. End Date: 06/30/11

18. Estimated Funding (\$):

*a. Federal	_____	\$749,819
*b. Applicant	_____	
*c. State	_____	
*d. Local	_____	
*e. Other	_____	
*f. Program Income	_____	\$15,000
*g. TOTAL	_____	\$764,819

***19. Is Application Subject to Review By State Under Executive Order 12372 Process?**

- a. This application was made available to the State under the Executive Order 12372 Process for review on _____
- b. Program is subject to E.O. 12372 but has not been selected by the State for review.
- c. Program is not covered by E. O. 12372

***20. Is the Applicant Delinquent On Any Federal Debt? (If "Yes", provide explanation.)**

- Yes
- No

21. *By signing this application, I certify (1) to the statements contained in the list of certifications** and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances** and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil, or administrative penalties. (U. S. Code, Title 218, Section 1001)

** I AGREE

** The list of certifications and assurances, or an internet site where you may obtain this list, is contained in the announcement or agency specific instructions

Authorized Representative:

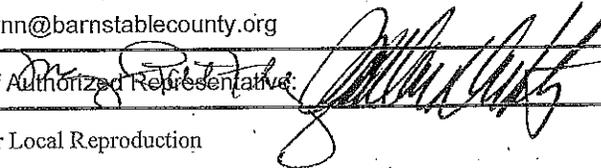
Prefix: Ms. _____ *First Name: Mary Pat _____
Middle Name: _____
*Last Name: Flynn _____
Suffix: _____

*Title: Chairman, County Commissioners

*Telephone Number: (508)375-6648

Fax Number: (508) 362-4136

* Email: mflynn@barnstablecounty.org

*Signature of Authorized Representative: 

*Date Signed: 6/2/10

CERTIFICATIONS

In accordance with the applicable statutes and the regulations governing the consolidated plan regulations, the jurisdiction certifies that:

Affirmatively Further Fair Housing -- The jurisdiction will affirmatively further fair housing, which means it will conduct an analysis of impediments to fair housing choice within the jurisdiction, take appropriate actions to overcome the effects of any impediments identified through that analysis, and maintain records reflecting that analysis and actions in this regard.

Anti-displacement and Relocation Plan -- It will comply with the acquisition and relocation requirements of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended, and implementing regulations at 49 CFR 24; and it has in effect and is following a residential antidisplacement and relocation assistance plan required under section 104(d) of the Housing and Community Development Act of 1974, as amended, in connection with any activity assisted with funding under the CDBG or HOME programs.

Drug Free Workplace -- It will or will continue to provide a drug-free workplace by:

1. Publishing a statement notifying employees that the unlawful manufacture, distribution, dispensing, possession, or use of a controlled substance is prohibited in the grantee's workplace and specifying the actions that will be taken against employees for violation of such prohibition;
2. Establishing an ongoing drug-free awareness program to inform employees about -
 - (a) The dangers of drug abuse in the workplace;
 - (b) The grantee's policy of maintaining a drug-free workplace;
 - (c) Any available drug counseling, rehabilitation, and employee assistance programs; and
 - (d) The penalties that may be imposed upon employees for drug abuse violations occurring in the workplace;
3. Making it a requirement that each employee to be engaged in the performance of the grant be given a copy of the statement required by paragraph 1;
4. Notifying the employee in the statement required by paragraph 1 that, as a condition of employment under the grant, the employee will -
 - (a) Abide by the terms of the statement; and
 - (b) Notify the employer in writing of his or her conviction for a violation of a criminal drug statute occurring in the workplace no later than five calendar days after such conviction;
5. Notifying the agency in writing, within ten calendar days after receiving notice under subparagraph 4(b) from an employee or otherwise receiving actual notice of such conviction. Employers of convicted employees must provide notice, including position title, to every grant officer or other designee on whose grant activity the convicted employee was working, unless the Federal agency has designated a central point for the receipt of such notices. Notice shall include the identification number(s) of each affected grant;

6. Taking one of the following actions, within 30 calendar days of receiving notice under subparagraph 4(b), with respect to any employee who is so convicted -
 - (a) Taking appropriate personnel action against such an employee, up to and including termination, consistent with the requirements of the Rehabilitation Act of 1973, as amended; or
 - (b) Requiring such employee to participate satisfactorily in a drug abuse assistance or rehabilitation program approved for such purposes by a Federal, State, or local health, law enforcement, or other appropriate agency;
7. Making a good faith effort to continue to maintain a drug-free workplace through implementation of paragraphs 1, 2, 3, 4, 5 and 6.

Anti-Lobbying -- To the best of the jurisdiction's knowledge and belief:

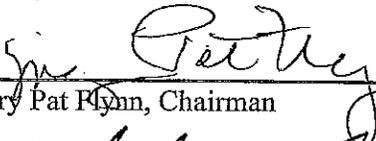
1. No Federal appropriated funds have been paid or will be paid, by or on behalf of it, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any Federal grant, the making of any Federal loan, the entering into of any cooperative agreement, and the extension, continuation, renewal, amendment, or modification of any Federal contract, grant, loan, or cooperative agreement;
2. If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with this Federal contract, grant, loan, or cooperative agreement, it will complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying," in accordance with its instructions; and
3. It will require that the language of paragraph 1 and 2 of this anti-lobbying certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants, and contracts under grants, loans, and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.

Authority of Jurisdiction -- The consolidated plan is authorized under State and local law (as applicable) and the jurisdiction possesses the legal authority to carry out the programs for which it is seeking funding, in accordance with applicable HUD regulations.

Consistency with plan -- The housing activities to be undertaken with CDBG, HOME, ESG, and HOPWA funds are consistent with the strategic plan.

Section 3 -- It will comply with section 3 of the Housing and Urban Development Act of 1968, and implementing regulations at 24 CFR Part 135.

BARNSTABLE COUNTY COMMISSIONERS



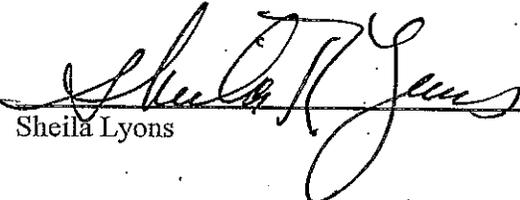
Mary Pat Flynn, Chairman

10/2/10

Date



William Doherty, Vice-Chair



Sheila Lyons

Specific HOME Certifications

The HOME participating jurisdiction certifies that:

Tenant Based Rental Assistance -- If the participating jurisdiction intends to provide tenant-based rental assistance:

The use of HOME funds for tenant-based rental assistance is an essential element of the participating jurisdiction's consolidated plan for expanding the supply, affordability, and availability of decent, safe, sanitary, and affordable housing.

Eligible Activities and Costs -- it is using and will use HOME funds for eligible activities and costs, as described in 24 CFR § 92.205 through 92.209 and that it is not using and will not use HOME funds for prohibited activities, as described in § 92.214.

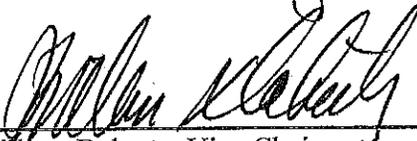
Appropriate Financial Assistance -- before committing any funds to a project, it will evaluate the project in accordance with the guidelines that it adopts for this purpose and will not invest any more HOME funds in combination with other Federal assistance than is necessary to provide affordable housing;

BARNSTABLE COUNTY COMMISSIONERS

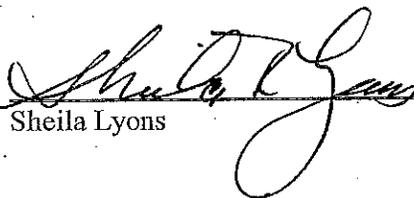


Mary Pat Flynn, Chairman

6/7/10
Date



William Doherty, Vice-Chair



Sheila Lyons

APPENDIX TO CERTIFICATIONS

INSTRUCTIONS CONCERNING LOBBYING AND DRUG-FREE WORKPLACE REQUIREMENTS:

A. Lobbying Certification

This certification is a material representation of fact upon which reliance was placed when this transaction was made or entered into. Submission of this certification is a prerequisite for making or entering into this transaction imposed by section 1352, title 31, U.S. Code. Any person who fails to file the required certification shall be subject to a civil penalty of not less than \$10,000 and not more than \$100,000 for each such failure.

B. Drug-Free Workplace Certification

1. By signing and/or submitting this application or grant agreement, the grantee is providing the certification.
2. The certification is a material representation of fact upon which reliance is placed when the agency awards the grant. If it is later determined that the grantee knowingly rendered a false certification, or otherwise violates the requirements of the Drug-Free Workplace Act, HUD, in addition to any other remedies available to the Federal Government, may take action authorized under the Drug-Free Workplace Act.
3. Workplaces under grants, for grantees other than individuals, need not be identified on the certification. If known, they may be identified in the grant application. If the grantee does not identify the workplaces at the time of application, or upon award, if there is no application, the grantee must keep the identity of the workplace(s) on file in its office and make the information available for Federal inspection. Failure to identify all known workplaces constitutes a violation of the grantee's drug-free workplace requirements.
4. Workplace identifications must include the actual address of buildings (or parts of buildings) or other sites where work under the grant takes place. Categorical descriptions may be used (e.g., all vehicles of a mass transit authority or State highway department while in operation, State employees in each local unemployment office, performers in concert halls or radio stations).
5. If the workplace identified to the agency changes during the performance of the grant, the grantee shall inform the agency of the change(s), if it previously identified the workplaces in question (see paragraph three).
6. The grantee may insert in the space provided below the site(s) for the performance of work done in connection with the specific grant: The certification with regard to the drug-free workplace is required by 24 CFR part 24, subpart F.

Place of Performance (Street address, city, county, state, zip code)

Check ___ if there are workplaces on file that are not identified here.

7. Definitions of terms in the Nonprocurement Suspension and Debarment common rule and Drug-Free Workplace common rule apply to this certification. Grantees' attention is called, in particular, to the following definitions from these rules:

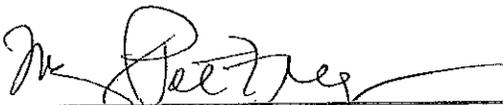
"Controlled substance" means a controlled substance in Schedules I through V of the Controlled Substances Act (21 U.S.C. 812) and as further defined by regulation (21 CFR 1308.11 through 1308.15);

"Conviction" means a finding of guilt (including a plea of nolo contendere) or imposition of sentence, or both, by any judicial body charged with the responsibility to determine violations of the Federal or State criminal drug statutes;

"Criminal drug statute" means a Federal or non-Federal criminal statute involving the manufacture, distribution, dispensing, use, or possession of any controlled substance;

"Employee" means the employee of a grantee directly engaged in the performance of work under a grant, including: (i) All "direct charge" employees; (ii) all "indirect charge" employees unless their impact or involvement is insignificant to the performance of the grant; and (iii) temporary personnel and consultants who are directly engaged in the performance of work under the grant and who are on the grantee's payroll. This definition does not include workers not on the payroll of the grantee (e.g., volunteers, even if used to meet a matching requirement; consultants or independent contractors not on the grantee's payroll; or employees of subrecipients or subcontractors in covered workplaces).

BARNSTABLE COUNTY COMMISSIONERS



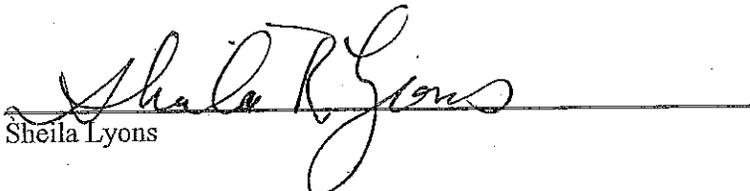
Mary Pat Flynn, Chairman

10/2/10

Date



William Doherty, Vice-Chair



Sheila Lyons