

# Vote YES for Affordable Housing in Lenox

Town meeting: Thursday, May 2<sup>nd</sup> 7:00 p.m. Lenox Memorial Middle High School



## SAWMILL BROOK: KNOW THE FACTS

### Who are we building for?

- There is a critical shortage of housing in Lenox for working families that is affordable:
  - Lenox median family home price: \$348,600
  - A household making \$50,000/year, with a \$25,000 down payment, excellent credit and no other debt, could afford to purchase only a \$214,500 house (in no need of repairs).
  - Two-thirds of Lenox households are renters.
  - 40% of current renters pay more than 30% of their income on housing.
  - Well over 50% of Lenox households will qualify for Sawmill Brook units.

#### Forty-one Affordable Units

(incomes up to \$43,620 for family of three)

Cashiers/wait staff	\$25,190
Retail Salespersons	\$29,400
Nursing Assistants	\$34,300
Customer Service	\$35,650
Hairdressers	\$36,150
Office/Admin.	\$39,390
Teachers (starting)	\$42,020
Legal Assistants	\$42,550

#### Nine Workforce Units

(incomes up to \$87,240 for family of three)

Carpenters	\$50,530
Surgical Technicians	\$51,600
Police	\$53,170
Loan Officers	\$69,650
Landscaper	\$62,720
Electrical Engineers	\$69,800
Dental Hygienists	\$72,880
Registered Nurses	\$84,540

- Preference for those living, working or related to someone living in Lenox: The developer working, with the Town, will seek State approval for a preference for those who live or work in Lenox.

### What is getting built?

- 50 townhome-style units in five buildings in a New England vernacular: twelve 1-bedroom units, twenty-eight 2-bedroom units, and ten 3-bedroom units
- It is an excellent site for housing, midway between the town center and the schools, on public transportation, with town water and sewer.
- Approx. 5 acres will be developed with 15 acres permanently preserved open space
- Includes community gardens, indoor and outdoor meeting places, playground
- All units will be extremely energy efficient and use sustainable building materials.
- Includes three fully ADA units; all 50 units will be visitable by persons in wheelchairs

### Long-term sustainability

- \$250,000 operating reserve is established on day-one
- The Operating Budget includes monthly contributions to a replacement reserve account for major capital improvements whenever they become needed; lead developer, Berkshire Housing Development Corp. (BHDC), managed properties have typical Replacement Reserve balances of \$350,000-\$500,000.
- BHDC properties are attractive, built to last and are in excellent shape: 45 year-old properties are in as good or better shape than when they were built, including significant energy efficiency upgrades.
- The Sawmill Brook apartments will be audited financially and physically monitored annually by the funding sources forever.

## From Concept to Reality

- The current conceptual development plan will be fully vetted with significant public input through two robust public permitting processes: the 40B Zoning Permit and the wetlands environmental Notice of Intent permit. The process of working with the town and with abutters has only just begun.
- The project's finances and long-term sustainability will be overseen by the Massachusetts Department of Housing and Community Development, the equity investors who purchase the project's Low Income Housing Tax Credits, and by a local bank who will hold the permanent mortgage.

## Local Developers, Local Owners, Local Property Manager (forever) with a Public Mission

- **Berkshire Housing Development Corp. (BHDC)**, lead developer, community-based with an excellent 45-year track record, Board of Directors all live in Berkshire County
- **CDC of South Berkshire**, community-based nonprofit with 31 years of experience, Board of Directors all live in south Berkshire County
- **BHDC**, property manager, has created 950 affordable units, manages 22 properties with over 780 residential units and a commercial portfolio.
- **Elton + Hampton Architects**, design firm: Nick Elton of Sandisfield, MA, has over thirty years of experience as an architect and has produced more than 2,700 units of affordable family housing.
- **Foresight Land Services** has close to twenty years' experience with this site.

## Neighbors and Neighborhood

- Nearest distance between Sawmill Brook apartments and the closest abutter = 425 feet
- Natural shielding is provided by forest (even in winter) and rock outcroppings.
- Studies from around the country have shown that affordable housing has NO negative impact on surrounding property values, and often has a positive impact.

## Economic Benefits

- Stimulating the workforce, attracting new businesses and employees
- Providing needed housing for those who work in the Lenox
- Increased local spending by new residents will benefit businesses and increase local tax revenue
- Town revenue from property taxes and fees will increase – property taxes for the new housing is projected to be between \$40,000 and \$50,000 annually.

## Town Contribution

The State requires towns to contribute to the cost of affordable developments either by donating property or with a cash contribution. The donation of the Sawmill Brook property, purchased with Community Preservation funds, serves this purpose and strengthens the developer's application for other funding sources.

## Project History

The Sawmill Brook property was originally envisioned as an affordable housing home-ownership project. For a number of years, the CDC of South Berkshire worked closely with the town on developing a 50-unit townhome project that would include 22 affordable units. Unfortunately, with the Great Recession of 2008, Massachusetts stopped all funding for affordable ownership housing, leaving this original concept stranded with no financing. Eleven years later, the State still has no intention of funding affordable home ownership; the original concept is entirely infeasible. At the same time, there is a very deep need for affordable rental housing in Lenox – for young people, young families, seniors – and fortunately, with available state and federal grants, high quality affordable rental housing is financially feasible and will provide great benefits to the community. **Vote YES for Sawmill Brook Affordable Housing and help create 50 new high-quality affordable rental homes for our friends and neighbors who live and work here.**

For more information:

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