

## Why prioritize housing when spending ARPA funds?

- Affordable housing is the top priority and most urgent need of the groups in Lynn that were harmed most by COVID-19 and the pandemic shutdowns. And the needs of those populations are exactly where ARPA funds are supposed to be targeted.
- This is a rare opportunity to put local funds into quality, affordable homes for Lynn residents. Stable housing has a huge positive impact on everything from [physical and mental health](#), to public school classrooms, to the [local economy](#).
- The federal government is encouraging local governments to use ARPA for affordable housing, including the affordable housing preservation and development activities in the Community Housing Plan. The Treasury Department and the US Department of Housing and Urban Development (HUD) went so far as to produce a “How-To Guide” titled “[How to Use State and Local Fiscal Recovery \[ARPA\] Funds for Affordable Housing Production and Preservation](#).”

## What is the Community Housing Plan proposal?

The Community Housing Plan was put forward by ECCO, Lynn United for Change, and Neighbor to Neighbor after consultation with their grassroots constituents and local affordable housing experts. The full, updated proposal is at <https://bit.ly/lchpa2022> and now has three parts:

- Most important, a Housing Stabilization for Equitable Recovery program to preserve currently affordable housing & create new quality, affordable homes. (request: \$15 million)
- A Neighborhood Health Housing Repair Program to help owner-occupant and small-scale landlords address unsafe housing conditions while continuing to rent to working class/low-income tenants. (request: \$1 million)
- A Lynn Housing Stability Voucher Program to provide mobile housing vouchers for Lynn households at risk of displacement, with a focus on those at extreme risk of displacement and/or unable to access other assistance. (request: \$2 million)

## Can these funds be spent quickly enough to meet the ARPA deadlines?

Yes. We have consulted with experienced housing developers and local Community Development Corporations about the ARPA requirements to “obligate” the funds by December 31, 2024 and “fully expend” them by December 31, 2026. All confirm that expending this scale of funding by the ARPA deadlines will not be a problem, particularly because Treasury rules allow the funds to be used on “pre-development” activities.



## Isn't this too much money on one category?

- There is local precedent for putting a large portion of ARPA funds into affordable housing preservation and development: [the City of Boston is spending roughly 42% of its ARPA dollars on housing](#). Boston is targeting significant resources specifically at acquisition of occupied properties and land for development of affordable housing.
- We continue to believe that the Community Housing Plan should be funded at the full amount requested (\$18 million). That amount would still be less than was spent on parks in the first round of ARPA allocations. Combined with first round funding, that would boost the portion of the city's ARPA dollars put into affordable housing to only around 31% of the total.
- If full funding at our proposed level is not possible, at a minimum we hope to see a very significant percentage of the funds allocated to support the Community Housing Plan, and particularly the largest and most important component: Housing Stabilization for Equitable Recovery. That program would preserve existing housing as affordable and lay the groundwork for the creation of new affordable housing.

## Where would the funds be held?

- As our proposal states, we are open to various options regarding what entity holds the funds for the Housing Stabilization for Equitable Recovery program. In response to feedback from the Mayor's office and LHAND, we modified our original proposal and offer two options in the proposal: to put the funds into the city's Affordable Housing Trust Fund or into local Community Development Corporations. We are also open to other alternatives, as long as the program can effectively target the levels of affordability described in the proposal (with maximum allowable preferences for Lynn residents).
- As far as the Affordable Housing Trust Fund option, we note that several members of the board of the Trust Fund have expressed support for the idea of that body receiving the funds.

Further, if necessary a small portion of the ARPA funds could be used to expedite creation of the Trust Fund policies, plans, and infrastructure required to utilize the funds.

Finally, we are aware that the City of Somerville is putting ARPA funds into its Affordable Housing Trust Fund. In that case the funds are earmarked for a different purpose than suggested in our proposal, but we believe it is helpful to see a precedent for allocating ARPA dollars to a municipal Affordable Housing Trust Fund.