


Article 2 – Home Rule Petition - Real Estate Transfer Fee



ARTICLE 2. Reauthorize Home Rule Petition for Real Estate Transfer Fee for Affordable Housing

ARTICLE 2. Mr. Johnson moves: that the Town take affirmative action on Article 2 as printed in the warrant.


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SUPPLEMENTAL

Article 2

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ARTICLE 2: Reauthorize Home Rule Petition for Real Estate Transfer Fee for Affordable Housing

2019 Affordable Housing Funding Plan

2019 Town Meeting voters approved Affordable Housing Funding Committee's plan to

- Accept statute to create a Municipal Affordable Housing Trust—*CMAHT bylaw adopted by 2020 Town Meeting*
- File home rule legislation for real estate transfer fee and building permit surcharge to fund Trust** for estimated \$2.6 million/year - *updated estimate: \$2.2 to \$2.4-million*
- Appropriate \$500,000 in the meantime – *also at town meetings in 2020, 2021 & 2022: \$2-million total so far.*

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ARTICLE 2: Reauthorize Home Rule Petition for Real Estate Transfer Fee for Affordable Housing

What would real estate transfer fee look like?

Total Purchase Price	\$1,000,000 Exemption	Price amount subject to fee	Transfer Fee charged	Fee as % of Total Price
\$600,000	-\$600,000	\$0	\$0	0.00 %
\$1,000,000	-\$1,000,000	\$0	\$0	0.00 %
\$1,500,000	-\$1,000,000	\$500,000	\$5,000	0.33 %
\$2,000,000	-\$1,000,000	\$1,000,000	\$10,000	0.50 %
\$3,000,000	-\$1,000,000	\$2,000,000	\$20,000	0.66 %

Town staff estimates \$1.9 million would be raised per year.


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ARTICLE 2: Reauthorize Home Rule Petition for Real Estate Transfer Fee for Affordable Housing

- Article 2 would reauthorize home rule legislation for Concord to impose a **1% real estate transfer fee on buyer** for portion of purchase price above **\$1,000,000** for deposit in **Concord MAHT** – *for above \$600,000 in 2019* – *Town staff estimates \$1.9 million in annual revenues from this source*
- Exempts** transfers to federal, state, local government, including Concord's housing entities -- CHA, **CMAHT**; CHDC; affordable housing deed-restricted properties; family members; confirmatory deeds for no consideration; charitable & religious organizations
- For **affordable housing** to benefit households with incomes of up to **150%** of AMI (area mean income) – *AMI % not defined in 2019*
- Accept act at town meeting**, but without a ballot vote – *same procedure as proposed statewide legislation.*

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ARTICLES 2 & 3: Reauthorize Home Rule Petitions for Affordable Housing

Household Income Limits

HH size	80% AMI* Low Income	100% AMI Moderate	115% AMI** Concord Median	150% AMI Concord PRD
1	\$78,300	\$98,140	\$112,861	\$147,250
2	\$89,500	\$112,160	\$128,984	\$168,250
3	\$100,700	\$126,180	\$145,107	\$189,300
4	\$111,850	\$140,200	\$161,230	\$210,300

* 80% AMI countable on Subsidized Housing Inventory
 ** Concord Median of **\$160,392** shown at nearest AMI %

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