

LAU 101 Programmatic Overview

Definition: Local Action Units are affordable housing units that are created through local municipal action without a comprehensive permit and without direct State financial subsidies. Enabling local actions that municipalities can undertake to create LAUs include special permits, inclusionary zoning, conveyance of public land and utilization of Community Preservation Act (CPA) funds, among others (see graphic for examples). The LAU program provides technical and other non-financial assistance to communities seeking to increase the supply of housing for households at or below 80% of the area median income level.

Administration: LAUs are a component of the Local Initiative Program (LIP) administered by EOHLC. Local Initiative Program (LIP) is a state program that encourages the creation of affordable housing by providing technical assistance to communities and developers who are working together to create affordable rental or ownership opportunities for low- and moderate-income households. There are two components of LIPs: LIP Chapter 40B Comprehensive Permit developments (also known as a Friendly 40B) and LAU. LAUs should meet the requirements of the LIP Program, outside of requirements for a comprehensive permit.

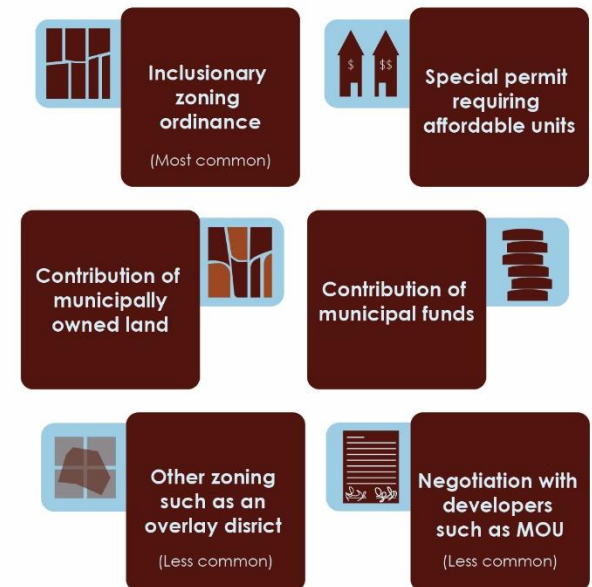
Adding LAUs to SHI: To qualify for the Subsidized Housing Inventory (SHI), LAUs must comply with the criteria in the 40B Guidelines as well as EOHLC's stand-alone Fair Housing Marketing and Selection guidelines. Requirements include:

1. Must be affordable for households earning less than 80% AMI
2. Occupancy restricted to Income Eligible Households
3. Subject to an Affirmative Fair Housing Marketing Plan (AFHMP) approved by EOHLC
4. Subject to a long-term affordability restriction
5. Subject to ongoing monitoring.

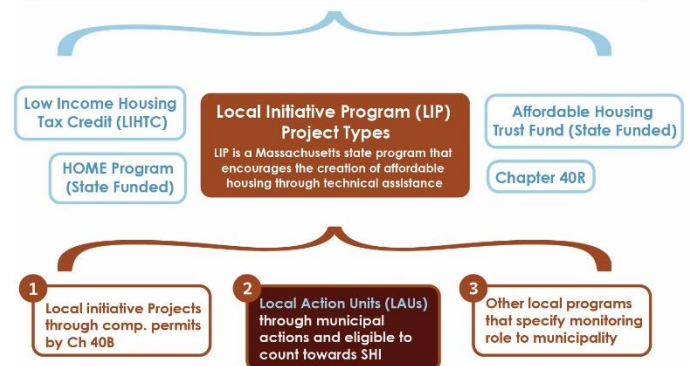
What is not an LAU? Typically, these will be

- Any project that has received a comprehensive permit or state financial subsidy.
- Units built with Low Income Housing Tax Credits (LIHTC).
- Units using MassHousing financing

LAU Types of Local Actions



Executive Office of Housing and Livable Communities (EOHLC)



- Units developed with Affordable Housing Trust Fund (AHTF) or HOME funds (if the funds come from state/federal sources)
- Units financed by state's rental production programs
- Units using state soft loans or grants
- Most units produced by HOME funds, with the exception if they meet the LIP LAU guidelines and if the HOME program is assigned to the municipality (Local Home).