ARTICLE V

SALE, LEASE OR CONVEYANCE OF 86 CENTRAL STREET

Will the Town authorize, but not require, pursuant to M.G.L. c. 40, § 3, c. 40, § 15A and Article 5A, Section 4A of the Town of Hingham General By-laws and all other applicable laws, the Select Board to sell, lease or otherwise convey the property, with all buildings thereon, located at 86 Central Street, Hingham, MA, for community housing purposes as defined in M.G.L. c. 44B, § 2 and to authorize the Select Board to impose an Affordable Housing Restriction on said property under M.G.L. c. 184, §§ 31-33 to be held by a qualified governmental body or by a qualified charitable corporation or trust and which the Select Board is hereby authorized to approve and/or accept, all on such terms and conditions as the Select Board deems in the best interest of the Town, and provided further that the proceeds from any such sale shall be applied first to any outstanding indebtedness for the property under M.G.L. c. 44, § 63 with any remaining proceeds deposited into the "Capital Stabilization Fund", or act on anything relating thereto?
(Inserted by the Select Board)

COMMENT: This Article requests that the Town authorize but not require the Select Board to dispose of the property known as Lincoln School Apartments located at 86 Central Street, after engaging in a Request for Proposal process to explore the terms of a potential disposal. This authorization would allow the Select Board to initiate and evaluate proposals through a Request for Proposals ("RFP") process, but it does not approve a specific sale, lease, or conveyance of the property. Lincoln Street Apartments is an affordable housing development which provides 60 rental homes for Hingham seniors and people with disabilities and is a key property in meeting the Town's affordability goals. It is unique in serving its residents by virtue of its central location within the Town, its convenience to public transportation routes, and its proximity to shops, eateries, places of worship, and open space. Built in 1912, the property served as Lincoln Elementary School until its sale to the Benedictine Fathers in 1980, pursuant to Town Meeting vote, to expand the building to approximately double its original size and convert it to affordable housing for seniors and persons with disabilities. Corcoran Management has continuously managed the property since 1980. In 2008, and as approved by Town Meeting, the Town exercised its right of first refusal and repurchased the property, leased it to a Limited Liability Corporation owned by the Hingham Affordable Trust ("AHT"), and established a volunteer Board of Managers that oversees Corcoran Management. The AHT nominates two of the five total members of that Board.

The Town, in conjunction with the AHT and Board of Managers, has identified three reasons for exploring disposition of the property. First, the Town's experience over the last 18 years has led it to determine that it lacks sufficient expertise and resources to continue in the ownership role. Second, the property is in near-term need of significant capital improvements such as, but not limited to: repointing of the entire building envelope, roof repair and replacement, overhaul of the HVAC system, extensive interior renovations to the 45-year-old common areas and individual units, and installation of a second elevator to ensure the health and safety of residents. The Town wishes to explore whether a private entity would be better able to finance and carry out those renovations. Third, under the 2021 Master Plan, the Town has identified the increasing need for, and prioritized the development of, affordable housing, and has set a specific goal for the AHT of creating 50 new affordable units by 2031, especially for seniors and persons with disabilities. The Lincoln School Apartments property is a favorable site for building additional affordable units, both because it is an operating development with existing infrastructure that has met Town permitting requirements and because of its central location convenient to downtown Hingham. Lincoln School Apartments currently has over 140 existing applicants resulting in a two- to five-year waiting list for available units. The current waiting list would remain in effect, subject to any local preferences applicable to new units that favor Hingham residents, employees, and certain others. In sum, a disposition after an RFP process may provide an opportunity for a private (nonprofit or for-profit) entity to either acquire or enter into long-term lease of the property, carry out the significant needed renovations, and expand the number of units, if a favorable proposal is presented.

Approved by AdCom_03_24_2026.

Within the Commonwealth of Massachusetts, the Town is virtually alone in its role of ownership and oversight of a large affordable housing development, which is typically the role of housing authorities. As proposed, disposal of the property by sale or lease to private ownership and further development would benefit the Town by introducing greater management expertise and greater resources. Private financing options and tax credits that are unavailable to municipalities would facilitate much-needed capital improvements, renovations, and any potential expansion of the property, bolstering the Town's affordable housing stock especially within the senior community. The Town would require deed restrictions (1) protecting affordability to the greatest extent permitted by law, (2) restricting occupancy to seniors and persons with disabilities, consistent with the current occupancy of the property, and (3) limiting the size of the buildings on the property in total to no more than 30% of the size of the parcel.

Furthermore, the RFP process to be carried out by the Select Board, with the assistance of the AHT, would seek to ensure that any potential development or expansion of the property be of a scale and style that contributes positively to the character of the Town.

This vote represents an initial, exploratory step intended to allow the Town to better understand potential options for the property. A Town vote granting the Select Board authorization to dispose of the property at this stage is designed to facilitate the broadest set of RFP responses among interested developers. Recent experience in Massachusetts has shown that developers are more likely to invest in an expensive RFP response where the Town has shown its significant interest in proceeding with a transaction by delegating authority to the Select Board. The Town vote thus represents the first step in starting a meaningful and effective RFP process. As part of an ongoing, exploratory process the Town should expect plenty of opportunities for further public discourse. At the conclusion of the RFP process the Select Board would determine which, if any, proposal serves the best interest of the Town. Any proceeds of any ensuing sale of the property would be applied to the property's outstanding debt and any remaining proceeds would be deposited into the Town's Capital Stabilization Fund. The Select Board retains full discretion to accept or decline any proposal in accordance with its determination of the Town's best interest.

Approval of this Article requires a two-thirds vote by Town Meeting.

The Advisory Committee and the Select Board voted unanimously in favor of this Article.

RECOMMENDED: That the Town authorize, but not require, pursuant to M.G.L. c. 40, § 3, c. 40, § 15A and Article 5A, Section 4A of the Town of Hingham General By-laws and all other applicable laws, the Select Board to sell, lease or otherwise convey the property, with all buildings thereon, located at 86 Central Street, Hingham, MA, for housing for seniors and persons with disabilities with incomes not to exceed the low or moderate income levels under applicable laws and regulations, provided that in the event of any further construction on the property, the building or buildings in their entirety shall not occupy more than 30% of the land area of said parcel and to direct the Select Board in connection with any such conveyance to impose restrictions on said property for said use as housing for seniors and persons with disabilities with incomes not to exceed the low or moderate income levels under applicable laws and regulations and limiting the size of all buildings on the site to no more than 30% of the land area of said parcel, including but not limited to, a restriction under M.G.L. c. 184, §§ 31-33, if and to the extent such a restriction is approved by the Commonwealth of Massachusetts as required by law, to be held by a qualified governmental body or by a qualified charitable corporation or trust and which the Select Board is hereby authorized to approve and/or accept, all on such terms and conditions as the Select Board deems in the best interest of the Town, and provided further that the proceeds from any such sale shall be applied first to any outstanding indebtedness for the property under M.G.L. c. 44, § 63 with any remaining proceeds deposited into the "Capital Stabilization Fund".

Approved by AdCom_03_24_2026.