

AFFORDABLE HOUSING TRUST

Meeting Minutes

January 20, 2022

ATTENDEES: Steve Irish, Chair; Nancy Chapman; Ruth Wagner, Maura Curran, Elizabeth Howie was absent from the meeting

Additional Attendees: Shari Young, Admin; Karen Sunnarborg, Presenter

Public Attendees:

The meeting was called to order at 6:01 pm via remote access only.

Mr. Irish moved to accept the agenda, Ms. Chapman seconded the motion; a role call vote was taken and unanimously in favor.

Mr. Irish – yes

Ms. Curran – yes

Ms. Chapman – yes

Ms. Wagner -yes

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DISCUSSION: Small Repairs Grant Program

Mr. Irish turned the meeting over to Ms. Sunnarborg for discussion on how to implement a Small Repairs Grant Program.

Ms. Sunnarborg provided the AHT with a template of a grant application and marked it up with key decisions the Trust needs to make i.e. eligibility criteria.

There was discussion about deed restricted units. Mr. Irish indicated the AHT was not aware of the limitations on deed restricted units that was brought to the AHT attention at the last meeting. The Trust would like to include deed restricted units and it was agreed that those applicants would apply in the same manner as any other applicant so long as the requirements were met.

Ms. Sunnarborg said the two major decisions the Trust has to make are related to age and income requirements.

- From experience if the program is open to all 2/3 of applicants are usually Seniors
- Income
 - 80% AMI or 100%AMI
 - Some programs take into consideration equity a person has in their home
 - 2% of the difference between the assessed value of the home and any outstanding mortgage or other liens and add that to income
 - 2% plus the total gross income has to be within the limits
 - Adding the 2% at the 80% AMI excludes a lot of people because people have a lot of equity in their homes.
 - If the 2% is included to calculate a measure of equity the recommendation is to move to the 100% AMI level
 - Ms. Sunnarborg did not where the 2% came from
 - Maximum house value part of eligibility criteria
 - Median or assessed value or average or mean of assessed value
 - Avg. assessed value will be higher than the median
 - Scituate is a community where values are \$1M plus

Ms. Wagner asked if people have equity in their homes why would they not get a home equity loan for the repairs needed. Ms. Sunnarborg said the idea of the program is small grant money, for health and safety needs; many people who qualify for the program find it challenging to go out and get financing, people are adverse to using their nest egg. Ms. Wagner also said since the grants are small taking the equity out in your home would likely be for something larger. Ms. Chapman also said loans may dependent on income and some may not qualify for a conventional loan even though they have equity in their home.

There was discussion that the AHT may get questioned about why grants would be given to people who have a lot of equity in their home; the AHT could explain the calculation being done to make sure grants are not being awarded to those that over qualify. If the criteria of maximum home value is used it helps insure that money is not being given to someone who has 100% equity in million dollar home.

Ms. Sunnarborg suggested the AHT may want to pilot this program at first if only going to have \$25,000; the program may not be able to help that many people. Once the program is running the criteria can change to may reach more people.

There was reference to the Housing Production Plan, HPP, and a table on cost burdens in the affordability analysis section. Ms. Sunnarborg indicated the table divides the population by renters versus owners, income ranges, seniors, small family, large families or other and it shows how many people are in those cost burdens; it shows that there are people earning below 50% of area median income.

Ms. Sunnarborg said she is pre-disposed against age-restrictions, but for the first year with limited funds the Trust may want to consider age restrictions and those with disabilities.

Ms. Curran said she is on the other side of this, because the Town has so many programs with age-restrictions already, she is trying to advocate for having it open to everyone.

Ms. Sunnarborg discussed that programs typically have a funding round, a launch is made, community outreach, there are deadlines for applications, etc. for each round and as the program evolves the requirements can be changed and the eligibility criteria can change based on experience.

There was discussion about how grants would be awarded, not only on the financial need, but also be based on the how dire the need for repair or modification is, but it is up to the Trust to make the final determination. Ms. Sunnarborg read from the first page of the grant application that applications would be evaluated and prioritized based on the extent of health and safety problems and financial need. It would be up to the Trust to make the decisions based on the applications. She indicated with this kind of program there is a lot flexibility; the Trust needs to make sure the information is out there and available, it is fair and there is accountability for the rules that are made.

Ms. Curran said the eligibility criteria may help to augment the cost for managing the program; if it is centered around Seniors may be able to ask the Senior Center for help, or it may have to go to Planning & Development. She said once there is an understanding how the program will run and who will be eligible for it the Town Administrator will help to find the right spot for it.

The Trust will have to come to consensus on several things, income, who, maximum grant dollar amount/recipient, equity and the property value, funding routes 2/yr., when funds are distributed. There will be lag between when the applications are due and the money it actually needed.

There was discussion the table referred to in the HPP; Table 3-29, pg. 52. Ms. Curran asked if the data needs to be updated for 2022 since the data is from 2018. Ms. Sunnarborg said the data always lags and 2018 is the latest report available.

Ms. Chapman asked that on page 4 of the sample application the word “household” be added. The program is based on the household income not solely on the applicant’s income. Ms. Sunnarborg will add “household” to the application.

Mr. Irish said table 3-29 could be used to illustrate the need; there are 400-450 elderly people that have a cost burden for housing. The Trust needs to decide what repairs it would pay for. The sample application has standard repairs, but anything could be added. Mr. Irish gave Norwell as an example as “flexible”, that exceptions can be made for things. Ms. Sunnarborg said Norwell’s grant program is only \$2,500 and most of the grants have gone for home modifications, special needs accommodations, i.e. grab bars, railings. Ms. Chapman said she would add a step-through tub cut into adaptations.

Ms. Sunnarborg said the Trust needs to get back to her with any suggestions and changes and the criteria and then she will make the changes and get together a press release, flyer, reports for keeping track of the program, award letter, etc.

Ms. Curran said there needs to be understanding of the process, who vets the contractors, where does the list of contractors reside, i.e. Building Department, etc.

Ms. Sunnarborg opined the Trust should be very careful about making referral for contractors; a list of Town approved contractors is not necessary. She said she has provided websites for people to do their own research.

Ms. Chapman asked if there should be requirements for the contractors that homeowner uses, i.e. licensed, adequate insurance, etc. Ms. Sunnarborg said the programs she has seen have not required that information on the contractor. She said part of the application is the homeowner provides a photo of the area, the work to be done and an estimate, when the work is completed and the homeowner approves the work photos of the completed work, an originally signed and dated invoice from the contractor and W-9 Form would be required. The Town’s Finance Department then processes the payment and sends it directly to the contractor. It would be up the homeowner to handle any permits if required. There was discussion about being able to use a handyman versus a contractor to do some of these jobs; that would be permitted the only restriction imposed is Town employees are restricted from doing the work and being paid.

Ms. Wagner asked about the possibility of having rolling applications. Ms. Sunnarborg said it can be done, but she has not seen it. Ms. Curran said the Trust would constantly be evaluating applications. Ms. Chapman added that there are many supportive agencies that can help people are in urgent need. Ms. Curran advocates for not having rolling applications, but there could be twelve-month check in. Ms. Sunnarborg said most programs have a grant agreement of 1 year to make improvements; she recommended that after six months there be a check in letter or email on the status of the work.

Mr. Irish said it needs to be as least cumbersome as possible on both ends; those applying and the administration of the program. He referred to Concords program. In the Concord program there is a stipulation that the homeowner needs to give the Grantor 60 days’ notice before selling or listing the home, but it does not say the money needs to be returned. Ms. Sunnarborg said that is usually covered in the grant agreement.

Mr. Irish proposed next steps; individually list wants and needs provide to Shari, Shari and Steve comply them using the draft application and then reconvene at next meeting to see where there is consensus, etc. Ms. Sunnarborg can then get all the comments, revise the draft and provide additional materials.

There was discussion about a process/procedure document to help determine the resource time that will be needed to maintain the program. Ms. Sunnarborg estimated less than an hour/application. Ms. Sunnarborg will provide a summary of who is responsible for what.

Mr. Irish to send a flow chart to Ms. Curran and Ms. Sunnarborg.

Meeting ended due to technical difficulties at 7:01pm and was not reconvened.

Submitted by: Shari Moak Young

Approved: February 16, 2022