

# Affordable Housing Trust, May 2, 2012

TOWN OF SCITUATE MASSACHUSETTS

Affordable Housing Trust

Minutes

May 2nd, 2012, 7:00PM

WPA Building, Gannett Road

## I. Call to Order

Maureen Karlberg, George Trafton, John Hallin and Barbara Cox.

Meeting called to order at 7:08 pm

## II. Acceptance of Agenda

George Trafton motion; Barbara Cox seconded. It was unanimously voted 4-0 to accept the agenda.

## III. Presentation by Paula Stuart

Community Opportunities Group Inc

Status of Lottery Application with State of MA

Mr. Hallin spoke to owning the homes for over two years and the property needing to move forward. There needs to be some answers given to us. Mr. Trafton asked Ms Stuart, where we are in the process.

Ms Stuart spoke to the group in regards to her discussion with Janice Lesniak. The data had been accumulated from Madeline Colety, Ms. Stuart's predecessor on the Scituate AHT Lottery. All of the revisions and markups were submitted. The Town Council, JimTwoomey, is working on the regulatory agreement. Ms. Stuart looks as though we are ready to start as soon as Scituate Town Council finishes their review. Once the regulatory agreement is received the Selectmen need to vote on the project. By including Stockbridge Road, the regulatory agreement needed to be revised and reviewed. The unit needs to be built within the year or there then needs to be another round of advertising. Ms. Cox wanted to know from Ms. Stuart why the process has taken so long. Where was the response from Communities Properties Group. Paula said that they have taken responsibility and are willing to move forward. Mr. Trafton asked if the Stockbridge Road project will hold things up any further. Ms. Stuart stated that once the regulatory agreement is all set, we should proceed without a problem. Mr. Hallin asked about the Marketing process and how AHT will set the parameters around getting some local presence and / or preference. Ms. Stuart said that Scituate decides what local preference actually is. The state allows up to 70% of the population. There is a minority outreach requirement. The pool of applicants needs to include 27% minority applicants in the local preference pool. Mr. Trafton asked if there are Scituate residents who are in the minority group, if that populates the 27%. Ms. Stuart stated that there was no logical reasoning for Fall River and New Bedford to be part of the minority pool. Brockton will be included in the outreach. First time homebuyers throughout the area will be contacted/included. Scituate alone is our local pool. Scituate residents, Scituate employees, etc.... Mr. Hallin asked how the lottery actually works. Ms. Stuart stated that the applications are reviewed based on whether or not they even qualify. First time homebuyers, income eligible, and they have to have a down payment. Once pinned as pre-qualified, they need to provide documentation to state if there is a local preference. As it comes down to the lottery there is a week – 10 days for the final determination. The pre-lottery places all of the minorities in the general pool into the minority pool. The Committee finds someone who they have trust in to pull names. There will be a number associated with every application. All names will be pulled. Local preference applicants will be placed in both lotteries. The balancing act becomes a little complicated but it all works out once the parameters are met. Mrs. Karlberg asked about background checks. Ms. Stuart stated that they don't pull credit reports, but that the applicants are responsible for getting all documents in for the deadline. There needs to be a pre-qualification letter

written from a bank / mortgage company. Ms. Stuart asked if AHT committee needed to keep the clause of a \$2,000.00 application fee, involved. Mr. Hallin stated that there was never a discussion about that fee. The application should be enough. Ms. Stuart stated she would remove this fee from the application. The letter needs to be a preapproval not a prequalification. 3.5 – 5 % down payment. They should have at least 1.5% of their own funds available for down payment. The applicant needs to sign a statement that the Affordable Housing unit they purchase will remain an Affordable Housing unit. Mrs. Karlberg asked about co-signers being involved. Ms. Stuart stated that there is no co-signers allowed. The state has a program with no PMI. FHA credit scores can be lower, with 3 % down so if they can qualify for FHA, that would be best.

Mrs. Karlberg asked if the residents need to be a married couple. The state only look at the total household income: married couple, adult children, parents, siblings, etc. If there is a foreclosure the deed writer survives the foreclosure and the lender can recoup costs. The unit needs to be sold to eligible at the housing applicants.

Prevailing wage will be at the housing rate. Mrs. Cox asked about the time line. The only requirement is that there is a 90 day window. Mrs. Cox asked about information meetings. Ms. Stuart said we need to advertise for 30 days prior to having an informational meeting. There needs to be enough interest so that applicants show up. A flyer, an advertisement, a description of units, eligibility requirements, information on how to get an application. Keep advertisement simple.

#### IV.New Business

Future Meeting dates were set for: June 6, July 11, August 1, September 5, October 3, November 7, December 5

Housing Authority meeting was attended by Ms. Karlberg and Mr. Trafton. 2 representatives would need to represent the group. AHT would set up the meeting with HA to put forth an interest transferring the land on the Driftway to AHT. The proposal would be for money to start building something on the property. COA would like to see a Senior Center on the Driftway property. This would be a multi use facility. Town wants a new Senior Center. Two members from AHT and COA need to sit on HA.

#### V.Adjournment

Mr. Trafton voted to adjourn 8:43, seconded by Mr. Hallin. Unanimously voted 4-0 to adjourn the meeting.