**AFFORDABLE HOUSING TRUST**

Meeting Minutes

November 17, 2016, 7 pm

WPA Building

**Present**: Stephen Irish (Chair), Maura Curran, Barbara Cox, Ruth Wagner

**Others Present:** Stephen Coulter, Scituate Housing Authority Commission; Joe Armstrong, Consultant; Michael Cucchiara, Director, The Grantham Group

Meeting was called to order at 7 p.m.

**Acceptance of Agenda:** A MOTION was made by Mr. Irish to accept the agenda; SECONDED by Ms. Curran; All in Favor

**Acceptance of June 28, 2016 Meeting Minutes**: Ms. Curran made a MOTION to accept the prior meeting minutes as submitted; SECONDED by Ms. Wagner; All in Favor

**Update discussion on SHA proposed senior housing project – Lawson Green Apartments**

Mr. Coulter introduced Mr. Armstrong and Mr. Cucchiara to the board members and reviewed the Lawson Green Apartments project. The property behind Central Park, which is owned by the SHA, will be subdivided to build 30 affordable housing units for moderate income seniors. The Grantham Group is the developer for this project. Mr. Coulter noted that the architect that worked on the design also worked at Pine Hills in Plymouth. The design will tie in to the Central Park building and will blend in with the neighborhood.

Mr. Coulter noted that each unit will be affordable and will fit into the 30% AMI and 60% AMI to address the needs of the senior who can no longer afford their home, but do not qualify for the other housing offered in Town, like Wheeler Park and Lincoln Park. He added that these senior housing projects are for very low income seniors. Mr. Coulter referred to the 2015 Housing Study which indicated that the over 65 age group is the fastest growing population in Scituate and they face a lack of affordable housing options.

Funding for the project will come from a variety of sources, including Affordable Housing Tax Credits, the Scituate Affordable Housing Trust, the Scituate CPC *[****Note****: the CPC FY17 project voting will not take place until January 2017]*, and the State Affordable Housing Trust. Mr. Coulter added that the CPC and AHT funds will help to make it financially feasible to keep the Lawson Green Apartments affordable in perpetuity.

Mr. Cucchiara explained the income level of the applicants – 22 units will be rented to people whose income is NOT above 60% AMI *(rental: $1,000 per month)*; 8 units will be allocated to those people whose income is NOT above 30% AMI *(rental: $870/month).*

Mr. Cucchiara added that, with the CPC funding, they will be able to achieve a higher level of affordability than would traditionally be found on a project like this. In addition to the CPC and AHT monies, he said that they are also pursuing as many Federal and State low income housing tax credit funding sources as possible.

Mr. Armstrong noted that, because the Central Park building and land is owned by HUD, they need HUD’s approval to sub-divide the land. He has already been in touch with them and has the details about how to proceed. It requires Mr. Armstrong to do a lengthy technical proposal. As part of the process they are also required to hold a public meeting at Central Park.

Mr. Cucchiara further explained that the existing Central Park housing project was financed using HUD funds and the property is a HUD restricted lot. You cannot do anything without their approval. HUD does have a program for taking surplus property on existing projects and sub dividing them out, but only for affordable housing purposes. There is a very specific bureaucratic process that is involved to ensure that the land is used for affordable housing. HUD also has very high standards that the developers of these projects need to meet.

Ms. Curran asked the presenters to come up with a “succinct outline of the steps that we have to take to pass this.” It was agreed that Mr. Cucchiara will do an outline or paragraph explaining the process and next steps.

Mr. Armstrong informed the Board that, although he usually works pro bono, the HUD proposal for the sub division will take about two weeks to do and must be done professionally. He will submit a proposal to the SHA and, in the spirit of his pro bono assistance, will only charge 1/2 of the usual cost.

There was additional discussion on contingency plans if they face funding challenges, the income requirements for applicants, HUD’s policies, and the financing aspects of these types of projects.

Mr. Coulter *[who also is a member the CPC board]* said that the CPC FY17 Lawson Green Apartments application hearing will be on December 12th. At that time, the CPC Board will want to know how much the AHT is planning to contribute. Mr. Coulter explained that, when they submitted the application in October, they put in the full request for $2.5M from CPC. Once they have a commitment from AHT, they can adjust that amount.

Mr. Irish said that the Trust has approximately $750,000 and that they cannot deplete that amount due to other housing commitments. He also noted that they have plans to replenish the Trust, but that will take about six months.

Mr. Cucchiara said that they cannot submit an application to the State without the CPC and AHT funding commitments in place. Mr. Armstrong said that he has already received positive feedback from his State contacts regarding this proposal.

Mr. Cucchiara said that, all things considered, the ground breaking should occur in the spring of 2018.

There was additional discussion about construction cost contingencies in the proposal, potential parking or water issues, and scheduling meetings with Town departments (Planning, Conservation, Zoning, Council on Aging, etc.) and the abutters.

Mr. Irish asked that the Board be informed when these other Town meetings are scheduled.

Ms. Curran suggested that they prepare a Q&A to answer some of the questions discussed tonight. Mr. Armstrong suggested that the Board prepare the questions and they will provide the answers.

**Review DHCD approved regulatory agreement for 163 Stockbridge**

Mr. Irish said that the regulatory agreement for 163 Stockbridge Road, with the help of the consultant, was approved by DHCD and Town Counsel. They already have an existing regulatory agreement for 11 Nelson Road. The Trust’s plan was to get both agreements in place so that both properties can be marketed at the same time.

Next steps: The Trust, as the sponsoring entity, has to approve the agreement. He can sign it as Chair and then the document goes to the Board of Selectmen to be signed. After that, it goes back to the DHCD and they can begin to work on the marketing agreement.

The Board confirmed that the property is deed restricted to remain affordable in perpetuity.

Mr. Irish offered to go before the Board of Selectmen with updates on the properties after the marketing agreements are done. Ms. Curran said that will be a good place to publicly announce it. Ms. Cox added that, this time, they can do more than ads in the papers to publicize and will utilize social media to get the word out.

**VOTE:** Ms. Curran made a MOTION to accept the DHCD regulatory agreement as presented for 163 Stockbridge Road property; SECONDED by Ms. Cox; All in Favor.

**Property Preparation for 11 Nelson Road**

*Ms. Cox will put a lock box on both properties and give the Board members the code.*

Mr. Irish said that the insurance inspector was concerned about the roof at 11 Nelson Road. He had Paul Devlin come by who agreed that it needs to be replaced. Mr. Irish voiced concern that this may hold up selling the property in case it fails an inspection for a mortgage application. The Board agreed that they could always issue a credit with an accepted offer - if a sale was pending prior to the roof being fixed.

Mr. Irish continued that they need an estimate for the roof, the carpet and the refrigerator. He asked the Board if they want to sell the units with a washer and dryer, since it is affordable. There was additional discussion about trying to get the appliances donated.

The Board discussed the prices of the homes: they paid $230,000 for 11 Nelson Road but can only sell it for $170,000. Michael Solimando built 163 Stockbridge Road for $315,000 but it can only be sold for $215,000. The sale amount is dictated by DHCD.

Mr. Irish asked the Board if they would consider purchasing a home warranty for the properties to further assist the potential buyers, estimated to be about $200 each.

**Next Meeting**: It was agreed that the Board will try to meet prior to December 12th to vote on the AHT fund allocation for the Lawson Green Project and the estimates for 11 Nelson Road. Ms. Sprague will see if the WPA is available at 7pm on December 5th.

A MOTION was made to adjourn at 8:50 pm; All in Favor.

*Submitted by*

*Mary Sprague*

*Administrative Assistant*