**Affordable Housing Trust (AHT)**

**Meeting Minutes**

**Wednesday, August 19, 2015 7 pm**

**Maritime Center**

**IN ATTENDANCE:** Barbara Cox, Stephen Irish, Christine Tarantino

**Also in Attendance**: Selectman John Danehey, Esq., Walter Sullivan, Esq, Michael Solimando

The meeting was called to order at 7 p.m.

**Acceptance of Agenda and Minutes from Prior Meeting:** A MOTION was made by Mr. Irish to accept the agenda and the minutes from the prior meeting; seconded by Ms. Cox; All in Favor.

**Approval of Bills:**

1. An invoice from 2013 from the Community Opportunities Group for $1,200. The bill includes work for the lottery and the background work for the Affordable Housing unit at 11 Nelson Road and Carey Litchfield, and for the regulatory agreement for the previous plan at 163 Stockbridge Road.
2. An invoice for $1,204.10 for ½ of the cost to replace the burst main water line at the two unit home on 11 Nelson Road. Mr. Irish explained that the tenant paid the bill and is asking the AHT to pay for half.

A MOTION was made by Mr. Irish to authorize payment of the two bills; seconded by Ms. Cox; All in Favor.

**Hiring of Administrative Position (Mary Sprague)**: Mr. Irish informed the Committee that he has been in touch with Nancy Holt to determine the procedure for hiring an assistant. Mr. Danehey confirmed that a job for a public committee needs to be posted at Town Hall prior to approval.

Mr. Danehey asked Ms. Sprague if the Community Preservation Committee has a system for approving bills. Ms. Sprague confirmed that the CPC Board signs a letter authorizing the Chair or Vice Chair to approve bills on behalf of the nine member Board. Ms. Sprague also confirmed that she does the purchase orders.

Mr. Danehey asked if there was a mailbox for the AHT and Ms. Sprague confirmed that there was one in the lunch room at Town Hall.

As the Board could not vote to hire Ms. Sprague during this meeting, a MOTION was made by Mr. Irish to hire Ms. Sprague to be the recording secretary/administrative assistant of the AHT pending the job posting at Town Hall and the filing of the Trustee Certificate retroactive to today; Ms. Cox seconded; All in Favor.

**Address the Trustee Documentation**: Mr. Irish said that at the last meeting it was pointed out by Ms. Cox and Mr. Sullivan that there were some items that had been left undone, including updating the Trustee Certificate and recording the document so that the Trustees could legally act on behalf of the Trust.

Mr. Danehey showed Mr. Irish the previous Trustee Certificate that was filed in 2013, and pointed out that the new one has the identical language with some minor additions. He referred to the language in Article 3 regarding the appointment of trustees and explained the protocol for appointing and filing the Trustee Certificate. He confirmed that as soon as the new members sign the document, it can be filed with the Registry of Deeds. They will need a check from the Town for the recording fee.

**Discussion on 11 Nelson Road**: At the previous meetings, it was discussed that they needed to get the property ready and marketable as an Affordable Unit. Mr. Irish said that he had spoken with Paula, their liaison at the Community Opportunities Group (COG), about what it will cost for them to come back and help with the lottery and qualifying it and any regulatory agreements that need to be done. She will speak to the director and get back to him.

Ms. Cox asked if the property could be sold as a moderate income property as opposed to a low income property. She added that they may have a better opportunity to sell it as a moderate income property. Mr. Irish said that he didn’t see why they couldn’t but that the COG would be able to tell them. He pointed out that the COG did the Affordable Housing Study for the Town, so they will be able to tell them what they need to do with this property to get credit with the Department of Housing.

Mr. Irish said that he will keep them up to date and present COG’s proposal so that the Committee can decide if they want to spend the money. He noted that last two bills have been sizable totalling $12,000.

Ms. Cox added that they have a new vehicle to publicize these properties via Social Media. Mr. Irish added that, when the time comes, they can also reach out to the banks that have hundreds of pre-approved people for Mass Housing and the Freddy and Fannie programs for moderate income.

Mr. Danehey reminded the committee that the regulatory agreement needs to be approved by the Department of Housing before the property can be put on the market. Mr. Irish added that the addendum to the deed that makes it affordable needs to be a minimum of 15 years or whatever is common and customary in the Town of Scituate.

**Discussion on 163 Stockbridge**: Mr. Irish began by apologizing to Mr. Solimando that this property has been help up and the deed for Stockbridge Road was not transferred. He turned the discussion over to Mr. Danehey, who cited several issues with the property.

1. Property History - Mr. Danehey showed the Members plans from the 1970’s that shows the parcels for Stockbridge Road. The lot they are talking about is marked by a check. Five years ago a plan was submitted by Ross Engineering for three units on two lots at 163 Stockbridge that fell through for various reasons. Subsequent plans for a duplex on Lot Two never came to fruition due to the costs of bringing the utilities down the long driveway, etc.

Having gone forward, Mr. Solimando with Mr. Sullivan had a project that they completed in Humarock for 14 units on the South River, which was to include one affordable unit. But, rather than build the unit in Humarock, a Purchase and Sale agreement was signed in May 2014 that allowed Mr. Solimando to maximize the units in Humarock if he built the affordable housing unit at the Stockbridge Road vacant lot and bring in the utilities.

1. Property Deed – Mr. Danehey explained that Mr. Solimando has built the house and now the Town can maximize the other lot. He added that Mr. Solimando has run into some complications. Technically, despite the signed P&O, nothing has been deeded over to Solimando LLC. He has been working off of a good faith agreement.

The Town did deed this property to the AFT around 2009. However the deed has never been recorded, so the Town still owns the property. Mr. Danehey spoke to Jim Toomey, Town Counsel, who confirmed that the deed has been drafted. But in order to draft a deed, you need to be able to identify one of the lots through the Registry of Deeds. The Ross Engineering plan was brought to the Registry of Deeds and recorded on 7/25/15. Now they have a deed going from the Town the AHT.

1. Property Ownership – Mr. Danehey said that in order to get the utilities the property has to be in someone’s name, either the Trust or the LLC. Mr. Sullivan gave Mr. Irish an application so that the Committee can figure that out.

According to Mr. Danehey, the question now is does the AHT take the property and sell it or should the AHT convey the property to the LLC and then they take on that obligation.

1. Reimbursement – Mr. Danehey pointed out that Mr. Solimando has built the house and now he needs to be reimbursed. He suggested to the Committee that there needs to be an agreement on how to reimburse Mr. Solimando and find a balance between the cost of the build out and what it can sell for. He reminded the Committee that Mr. Solimando built the house in good faith.

Mr. Irish asked Mr. Solimando and Mr. Sullivan their opinion on the most expeditious way to get this moving. Mr. Sullivan responded that he thought the Trust should take on the responsibility for the filing and going through the transfer, which should take about 3 or 4 months. Mr. Irish confirmed that it would take that long to get the regulatory agreement for that property. Ms. Cox said the deed rider has been done and added that once a property has been sold and before it is conveyed the rider is done.

Mr. Sullivan explained that when Mr. Solimando agreed to use his own borrowed money to build the property, he understood that previous AHT members were going to do something (regarding the deed) in the meantime. Mr. Solimando proceeded with his work and then realized that nothing had been done with the deed when he tried to get access to electric and gas.

Mr. Irish asked if Mr. Solimando recalled his conversation with Mr. Allen when he discussed the price and was told that there is a formula based on a certain percentage of what the average house takes in and each town has a different formula. The formula goes up and down depending on the interest rate. Ms. Cox explained that the formula can depend on the home design too and discussed some of the variables. There was additional discussion on various types of home configurations and property types and how much they sell for.

Ms. Cox suggested that the house on 163 Stockbridge could be sold for $225,000 – 230,000. Mr. Solimando said he thinks it might be more. Mr. Irish asked Mr. Solimando if he knew how much the house had cost to build. He replied it is difficult to know the exact amount and listed several fees and costs and details that are tough to track, especially related to the utilities. He guesses the house will be in the $300,000+ range when he gets through. Everyone agreed he built a fabulous house.

Mr. Irish recapped that the proposal by Mr. Sullivan and Mr. Solimando is that the AHT will maintain ownership of the property and do the leg work for the regulatory agreement. The AHT will apply for the electric and gas utilities.

Mr. Solimando said he would pay the utilities until they sell the house. There was additional discussion on the pros and cons of that. The heat needs to be on so that he can do some finish work in the house. He cannot finish the road until the utilities are done and he would like to make it a little wider. His window is closing to get that work done.

Mr. Irish confirmed that once the Town deeds the property over to AHT and its recorded, then AHT can complete the application for National Grid. There was additional discussion on the status of the deed and how to expedite the process to get things moving.

In conclusion, Mr. Irish said that AHT would maintain ownership, have COG do the regulatory agreement, AHT will market it, and the net proceeds will get reimbursed back to Solimando LLC. He suggested the house be sold as a moderate income home, due to the size of the property and maintenance needs.

Mr. Solimando asked if the AHT had assistance with pricing houses. Ms. Cox said that the COG works with them to establish the price based on several factors.

Mr. Irish made a MOTION that the AHT take care of the deed transfer from the Town to the Trust on 163 Stockbridge Road, maintain ownership, use the Community Opportunities Group for the regulatory agreement and compliance with the Department of Housing. AHT will also work expeditiously to take care of the utility applications and, as agreed, Mr. Solimando will pay the utilities once they are hooked up and the property is sold; Ms. Cox seconded; All in Favor.

Mr. Irish promised to proceed quickly to move things along and thanked Mr. Solimando for his patience. Mr. Danehey said he would explain the property issues to the Zoning Board. Mr. Danehey will follow up with Mr. Toomey regarding the deed.

Mr. Sullivan and Mr. Solimando thanked the AHT and left the meeting.

Property Easement - Mr. Danehey said that one of the things he expressly wanted recorded, and it wasn’t, was access across Lot Two via an easement so that residents on Stockbridge Road could have access to the Golf Course (near Hole 2) off season. He has made efforts before. At some point there will be sidewalks completed on Stockbridge to the train station. Residents on Stockbridge feel that they get the bad end of the stick sometimes with the dump, etc. He thought that it might be nice to have access through that property for residents to access Widow’s Walk. He leaves it up to the Committee to decide if this is something they want to pursue.

**New Business**

Barn on Country Way - Mr. Danehey told the Committee that he was approached by the Historical Society regarding the barn at the end of Country Way next to Morning Glories. (According to Ms. Cox, the house is for sale for $15,000 and the barn is supposed to be torn down.) The Historical Society wondered if the barn and perhaps the house could be moved. Mr. Irish asked if the house could be restored for affordable units. Mr. Danehey said sometimes a developer may be encouraged to move something and to preserve it. This concept would make the house applicable for both AHT and CPC funds.

There was further discussion about the Colonial house in that area that is being turned into apartments. Mr. Danehey said that if everything gets built as it is currently proposed, in five years the Town could be very close to the 10% Affordable Housing goal.

There was discussion about the proposed Affordable Housing projects in Town.

**Old Business** – Mr. Irish spoke to Stephen Coulter at Affording Housing regarding the Central Park property project who said that he was waiting for the title report and the engineering report. Joe Armstrong will do the RFP.

Ms. Cox said she had Joe Armstrong’s conversation with AHT in a drop box file if anyone wanted to listen to it. It was too long to transcribe. She said he is very interesting to listen to.

A motion was made to adjourn at 8 p.m.; All in Favor.

*Submitted by*

*Mary Sprague*