**AFFORDABLE HOUSING TRUST**

Meeting Minutes

January 20, 2016, 7 pm

GAR Hall

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

**Others Present:** Michael Solimando, Attorney Walter Sullivan, Jr.

Meeting was called to order at 6 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 Meeting Minutes**: Ms. Cox made a MOTION to accept the minutes as emailed; SECONDED by Ms. Wagner; ALL IN FAVOR

* August 19, 2015
* September 28, 2015
* October 6, 2015
* October, 14, 2015

**Approve and Sign Purchase Order Approval Letter**: A MOTION was made to accept the letter pending one signature; SECONDED by Ms. Curran; ALL IN FAVOR.

**MEETING DISCUSSIONS:**

**2015 Recap:**

Mr. Irish informed the Board that the Board of Selectmen has asked for a 2015 recap for the Annual Town Meeting.

**Community Opportunities Group Contract:**

Mr. Irish said that he had received the contract from the Community Opportunities Group (COG) which will allow the Trust to move forward with the process of getting the properties at 11 Nelson Road and 163 Stockbridge Road on the market.

Ms. Curran asked if this was a State requirement. Mr. Irish explained that you do not have to use a consulting firm. They had used this firm to sell Carey Litchfield, which sold, and 11 Nelson Road, which did not sell. Ms. Cox said that these agreements “move through the State and if there is a period or a comma missing, the State will send it back.” The COG will get all of the necessary State approvals; offer advice to the Board on the listing price and where the properties need to be posted, and all within the guidelines.

Mr. Irish discussed the highlights of the contract: COG will draft new regulatory agreements for each property and submit them to the AHT Board for review, followed by the Board of Selectmen and the Town Counsel. After the Town approvals, COG will submit the agreements to the Department of Housing Community Development (DHCD). If there are any changes, COG will re-submit them to the AHT, BOS and the Town counsel for final review.

Ms. Cox said that COG will also walk applicants through the process and will qualify potential buyers.

The total cost will not exceed $6,000 and will be billed on an hourly basis at a rate of $130 an hour. The Town will also reimburse them for direct out of pocket expenses (postage, printing, travel). They will charge a flat rate per house of 3%, which is in addition to the professional services fees. Fifty percent will be due at the completion of the Affordable Housing Lottery, and the other 50 percent will be due at the closing.

Everyone agreed that these professional services are well worth the cost. Mr. Irish said that they have already drawn up the regulatory agreements, but need the contract signed to move ahead.

In response to Ms. Curran’s inquiry about the Trust fund balance, Mr. Irish said that there is “north of $1 million”.

**VOTE**: Ms. Wagner made a MOTION that the Board vote to allow Mr. Irish to sign the COG contract and begin the process, subject to Board review of an added “out” clause; SECONDED by Ms. Cox; ALL IN FAVOR.

Ms. Cox said that she would look at previous contracts for the “out clause” language that was used before.

Mr. Sullivan asked about the timetable to sell the houses. Mr. Irish responded that, based on his conversation with the COG, he is hopeful that the Regulatory Agreements will be done by the end of 1st quarter or the beginning of 2nd quarter – late March or the beginning of April.

* Ms. Cox added that, since they have done this before, they have most of the information on Nelson Road; they just need to add Stockbridge Road.

Mr. Irish added that, after the Lottery is approved, they need to advertise for 60 days and then find qualified applicants. Once an applicant is found, they need about 30 days for the closing. In summary, it could take four to six months.

Mr. Solimando expressed his concerns that this has taken so long and he has spent $325,000 in cash since 2011 on the Stockbridge Road house. Ms. Curran explained that they are hampered by the regulations and apologized that this has taken so long.

Mr. Irish said that the DCHD determined the selling price for the Stockbridge Road house to be $213,000. This is based on a three bedroom, four-person single-family home. Mr. Irish told Mr. Sullivan and Mr. Solimondo that they would receive a copy of this report so that they could see where the number is coming from.

Mr. Irish read the following statement from the DHCD report: “I have attached the spreadsheet as I calculated the maximum sale price at $213,500 based on current mortgage interest rates and Scituate’s current tax rate taken from the Assessor’s webpage. I have also given you the spreadsheet so you can play with it just to make sure I have an accurate number. The bottom section calculates what a household of the appropriate size can afford to pay for housing costs. One calculation for those: 80% of median income and one for households – that’s 70% of area median income.”

Mr. Irish suggested that, given our Town and income, if the Trust could do it on the higher end of the median income they would have a better chance of getting the maximum price allowed as long as it qualifies as an affordable housing unit. It was noted that it may be easier to find qualified applicants at that level.

There was additional discussion on what 80 percent of area median income is, and it was determined to be $59,250.

It was noted that Nelson Road was originally priced at $169,000.

Ms. Curran expressed interest in seeing the house at 163 Stockbridge Road and Mr. Solimando said he would be happy to show the house to the Board.

**Noted For Further Discussion**:

Mr. Irish will speak to Town counsel to determine if the Trust can pay Mr. Solimando for building the Stockbridge Road house prior to the sale, as it was agreed that he should not have to wait another 6 months. After the sale, the Trust would be reimbursed.

**Update on Scituate Housing Authority Central Park Project:**

Mr. Irish read a statement from Stephen Coulter, from the HA: “We are at the Request For Qualification stage looking for interested, qualified professional developers who have a track record in low income, tax credit affordable deals. Once we narrow the field, we will post an RFP to get particulars and concepts. We are at the very early stages but inching ahead slowly. “

There was additional discussion on the development on 3A, and reaching the Town goal for affordable housing.

A MOTION to adjourn was made at 6:40 p.m.; ALL IN FAVOR.

*Submitted by*

*Mary Sprague*

*Administrative Assistant*