**AFFORDABLE HOUSING TRUST**

Meeting Minutes

March 31, 2016, 7 pm

GAR Hall

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

**Others Present:** Stephen Coulter (Chair), Jody McDonough, Scituate Housing Authority Commission

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 January 20, 2016 Meeting Minutes**: Ms. Cox made a MOTION to accept the minutes as emailed; SECONDED by Ms. Wagner; ALL IN FAVOR

**Discuss/Vote to disburse Trust funds to pay builder Mike Solimando prior to selling 163 Stockbridge Road** – Mr. Irish said that they finally got information back from Community Opportunities Group (COG) as far as what they have to do regarding pricing and regulatory agreements, which need to be reviewed by Town Counsel.

Mr. Irish reviewed the history of the property with the members. He said that back in August they tried to deed the property to Mr. Solimando of The Milton Group, LLC, to build an affordable housing unit, which he was required to do as part the Zoning Board of Appeals application to build a development in another part of Scituate. However, when they were putting together the purchase and sale agreement, it turned out that they did not own the land at that time. When they found out, Mr. Solimando had already built the structure for the house. Rather than start again, he went ahead and finished the house and the Trust members decided to retain ownership.

Mr. Irish said that now they have to agree on a sale price and then get the regulatory agreement reviewed by Town Counsel with the sale price included. Once that is done it goes back to COG and then to the DHCD. In the August 19th meeting minutes, they had agreed to reimburse Mr. Solimando the net proceeds from the sale of the property, but no $ figure was agreed to at that time. He added that they did discuss a potential sale price in the range of $225,000 to $230,000, but did not know if that was the real number. Paula Stuart, the consultant, has said they can go as high as $230,000 and cautioned them to go to the maximum price due to people not being able to qualify for the home.

The board discussed that the house was probably a $400,000 home with three bedrooms, 2 1/2 baths, full basement, new appliances, etc. Mr. Irish confirmed for Ms. Curran that there would be deed restriction on the property to ensure that it would remain an affordable property forever. Mr. Irish explained that COG calculates the price of the house based on the number of bedrooms and the number of potential occupants plus one.

Although the Board cannot expedite the sale of the property, it was discussed in previous meetings the possibility of “cashing Mr. Solimando out” now, prior to the sal, since so much time has already elasped. Mr. Irish shared a ledger of accounts showing what Mr. Solimando spent on the house, which was approximately $317,000, and read an excerpt from the August 19, 2015 minutes: *“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. Irish read an email that he sent to Town Counsel, Jim Toomey, on March 7, 2016: *“I think Mike Solimando, the builder for trust owned property at  163 Stockbridge, or his Attorney Walter Sullivan Jr may have reached out to you also. I suggested Walter draw up a proposal to request  have the Affordable Housing Trust pay him prior to the sale as that process is going to take months. Our intent was to pay him once it sold, but that process is taking much longer than anticipated. Our consultant Communities Opportunities Group has advised that maximum price we can charge for the property is $213,500. I can forward that info if you need to review. I assume we (AHT) would need to meet and vote on this, but I do not know if board of Selectman or other town offices must approve disbursement of that large an amount from the trust. Let me know your thoughts and best way to expedite.”*

Mr. Irish read Attorney Toomey’s response dated March 7, 2016: *“Steve, your plan sounds fine. Where the trust owns the property (including the house) I see no reason why payment cannot be made now. I was under the impression that the price for the house had been agreed upon, and that some form of process had been done to establish the price. We may have to discuss this in more detail as generally the municipal procurement process applies to the purchase of goods and services by the trust. Have the consultants weighed in on the price to be paid to Solimando? Once that issue is clarified, then the Trustees would vote to approve payment at a posted meeting. There is no approval from any other body required.”*

Mr. Irish shared COG’s update with the Board. The Board discussed the sale price of the property, with consideration to first time buyers being able to afford it, and then what they could pay Mr. Solimando. There was additional discussion on the lottery process and applicant qualifications, including the Area Medium Income (AMI) for Plymouth County.

A **MOTION** was made by Ms. Curran to sell 163 Stockbridge Road for $215,000; seconded by Ms. Cox; All in Favor.

A **MOTION** was made by Ms. Curran to reimburse Mr. Solimando $215,000 for the construction of 163 Stockbridge Road from the Affordable Housing Trust funds; seconded by Ms. Cox; All in Favor.

Ms. Sprague was asked to determine from the Town Finance Director what documentation will be needed to process this payment.

Ms. Curran asked about the estimated turn-around time. Mr. Irish and Ms. Cox said it will likely be in the fall, due to the lengthy regulatory reviews, the lottery process, etc.

She suggested that someone be available at the April Annual Town Meeting to give an update on what the Trust is working on, just in case it comes up. Mr. Coulter said that he will have an update available on Affordable Housing projects at the Town meeting also.

**Discuss potential price change of 11 Nelson Road property** – The Board discussed the overall condition of the house and what needs to be fixed before it is put on the market.

A **MOTION** was made by Ms. Cox to sell 11 Nelson Road for $170,000; seconded by Ms. Curran; All in Favor.

**Update from Stephen Coulter, Affordable Housing Commission, on the Senior Housing project** - Mr. Coulter said they have been working on senior affordable rentals for many years now. They have made progress on the Central Park moderate income senior housing and an RFP is going out very soon. They have several acres of land there that can be subdivided to accommodate at least 25 units. The RFP will ask developers to come up with three scenarios with different percentages of affordability; this will give them an idea about how much they will need from the AHT to make up the difference; a range of $25,000 or $30,000 per unit was discussed during the AHT meeting on June 29, 2015. He explained that the Housing Authority will not be managing the units; the developer they choose will not only build the units, they will manage it and take care of future upkeep.

Ms. McDonough explained that, in order for the HA Commission to vote on a developer, they need to know what funding they can expect per unit from the AHT, noting that the amount per unit has changed and the range is now closer to $50,000 - $70,000. Ms. Curran said that the Trust will need to determine what they can pay, because the funds come from the Community Preservation Commission and agreed to look into it.

There was a discussion about whether or not the abutters have been notified about this project. Ms. Curran cautioned that it may become a problem if the public feels that they have not been informed about the senior housing project. Mr. Coulter said that he would look into it and discuss it with Joe Armstrong and Jim Toomey, Town Counsel.

Ms. McDonough discussed the housing needs of seniors and that there are many groups that are underserved by affordable housing in Town. Mr. Coulter added that there is a year-long wait for housing.

**New Business**

Ms. Curran said that she emailed the Board a guide called “Municipal Affordable Housing Trusts” published in November that she found very useful. She pointed to the Introduction which cites pending legislation to “clean up affordable housing trusts”, because each town does something different.

She asked for an action item for the members to commit to read this before the next meeting and then come back and think about how they want to move forward as a Trust and to set some goals and objectives going forward.

She also suggested that they invite other Town departments to come to speak to them. For example, someone from the Planning Board could talk about the Housing Production Plan so that they have a clear understanding of the Town’s overall objectives as well as the Housing Authority’s. They need to take the next step to form other partnerships.

The Board discussed the need for a mission statement as well as objectives and goals.

Mr. Irish said that UMASS Amherst also has information on how to set up affordable housing trusts.

**Old Business** – there was no old business.

A **MOTION** was made to adjourn at 8:45 p.m.; All in Favor.

*Submitted by*

*Mary Sprague*

*Administrative Assistant*