

Affordable Housing Trust (AHT)
Minutes
September 12, 2019

In Attendance:

Members Present: George Sibley, Chair, Michael Luster, Vice Chair & Treasurer, Ruth Pino, Mary John Boylan, and Joe Bertolino.

Absent: None.

Staff: Jill Cahill, Community Development Director; Jaimie Corliss, Grants Administrator.

Guests: Andrew DeFranza, Executive Director, Harborlight Community Partners; Lisa Day Copeland, Cape Ann Local Action. City Councillor Jen Holmgren. Several members of the public were also in attendance.

George S. called the meeting to order at 5:06 p.m. with introductions of those in attendance.

Item #1 Approval of Minutes

MOTION: Mary John B. moved to approve minutes of April 12, 2018 as written. Seconded by Michael L. No discussion. 5 in favor; 0 opposed; 0 abstained. Motion passes.

Item #2 Harborlight Community Partners

Andrew DeFranza gave a brief presentation on Harborlight Community Partners' (HCP) application for Affordable Housing Trust (AHT) funding. The request was for \$35,000 to repair and rehabilitate 10 Haven Terrace. The unit was going into foreclosure, in order to protect the affordability restriction, HCP purchased the note with the intention of making necessary repairs and selling unit via lottery. It is an ownership unit and will remain affordable. HCP owns the land via a land trust, but the unit would be owned by purchaser. Renovations will exceed \$100,000 and contribution from AHT will help keep the sale price affordable. Unit can include a local preference in the lottery, if required by grant award. Mary John B. asked how the unit was acquired by HCP. Andrew D. responded that the land trust impacted the title and gave HCP an opportunity to negotiate with the bank. He added that this is the only failure at Haven Terrace since it was established. Michael L. asked for the status of the renovations. Andrew D. clarified that it is empty, but work has not begun. This will be first project with Nikki Bach of Bach Construction. Sale price of the unit is budgeted to be \$175,000, assuming the AHT grants \$35,000. Michael L. asked if the water/sewer/tax fees are exact or estimated. Andrew D. is confident they are accurate, as HCP has already paid the fees previously. He added that the unit is 3 beds, 1 bath, and the square footage is approximately 1100. George S. asked for clarification on what is included in the HCP overhead amount. Andrew D. stated the overhead pays for HCP staff working on the property and the acquisition. He added that the broker fee is estimated, but the acquisition cost it what has already been paid to purchase the unit. There was further discussion regarding the estimated construction costs.

Ruth P. stated that this is one of the largest units on Haven Terrace. Andrew D. added getting and keeping a family unit is rare. He offered a site visit to the Trustees. Michael L. asked what the timeframe is for getting in the lottery. Andrew D. stated it will take at least 4 or 5 months and are likely have occupancy in the spring. Jill stated the City administration would want local preference. Andrew D. expects construction to start soon.

MOTION: George S. moved to award Harborlight Community Partners \$35,000 for the renovations at 10 Haven Terrace, contingent upon a maximum local preference as allowed by law. Seconded by Ruth P. No discussion. 5 in favor; 0 opposed; 0 abstained. Motion passes.

Michael L. and Jill C. expressed interest in a site visit. Jaimie C. and Andrew D. will coordinate visit.

The Trustees asked Andrew D. if he had any information on downtown units at the current YMCA site. Andrew D. stated he expects information on the HCP's collaboration with the Y on downtown housing units to be available soon. HCP will be partners with Y, not driving the site.

Item #4 Governor's Housing Initiative

Ruth P. asked Andrew D. what he knows about the Governors' Housing Choice Initiative. Andrew D. gave an overview of the Initiative to the Trustees, highlighting the following:

- Zoning is an exceptionally important issue across the state. The initiative reduces the vote needed to enact zoning changes from 2/3 to simple majority.
- CHAPA has asked for amendments including: multifamily by right near transit and abutter appeal reform. These are supported by HCP.
- There is a division between those who do not see the initiative going far enough to prevent displacement and gentrification and those who will not allow for deeper changes.
- Not confident this will pass, but will exhaust political energy around housing.
- Does not believe they will take the vote.

Ruth P. stated she is on the EDIC and has been educating folks around how this would impact lots of other economic areas. She will distribute the Governor's Initiative information to the Trustees.

Item #3 Housing Production Plan Task Force

Jill C. stated the City has been working with consultant Judi Barrett on housing production plan implementation as part of a grant received by the City. What has been done so far: multi-family by right in all lots; accessory dwelling units – removing requirement that unit be attached; inclusionary ordinance. These are all in front of Planning Board for review. Ruth P. provided two examples of units that would be impacted by accessory unit changes. Jaimie and Jill will forward zoning language to members. Jill C. added that after Planning Board the next step is presenting to the City Council and making sure it will be successful. There was further discussion related to the definition of an accessory unit. Jill C. stated that downtown zoning for mixed use is the next zoning area to be tackled by HPP Task Force. Planning Board has created a subcommittee to address these zoning changes. Jill C. reviewed membership of HPP task force and suggested inviting Judi Barrett to a meeting of the AHT. Ruth P. is hoping the AHT will come out in support of these zoning changes. Jill C. is hoping the Trustees will start meeting more regularly, as opposed to only meeting in response to proposals, and to consider advocating on behalf of projects. She continued by stating a Community Impact Fee will be imposed on short term rentals, a portion of that fee will be given to the AHT. Trustees should be meeting to be more proactive and begin strategic efforts to increase housing. George S. asked what is happening with Cameron's. Jill – have received their funding from DHCD and will be breaking ground in the near future. Mike – have had several conversations with CPC about being with the stewards of their AH funds. Would like to schedule joint meeting. There was discussion related to the failure of the East Main Street project. Ruth P. said that zoning reform needs to happen in order for housing reform to happen.

Jill asked the Trustees for their thoughts on next steps. Ruth P. asked if they could try to meet with the Community Preservation Committee. Jaimie C. will work to coordinate presence of CPC at next meeting.

George S. expressed his belief that it is not the AHTs job to advertise the availability of their funding. Jill C. would like to schedule a meeting with Judi Barrett and encouraged the Trustees to consider their role in Affordable Housing initiatives going forward. City Councilor Jen Holmgren stated that the City is working on increasing all housing stock. If the development on East Main Street had 8 affordable units as opposed to just 1, would it have changed the conversation? Mary John B. believes it would have changed the conversation. Jen H. stated she is preparing to be ambassador for affordable housing when the time comes. Ruth P. commented that neighborhoods are hesitant about housing projects in their area. There was discussion regarding the need for community voices to add support to affordable housing.

Ruth P. added that the beauty of Judi Barrett is that she brings the picture from the whole state and ideas that had not been considered previously. Jill C. stated the Community Development Department is working on updating subsidized housing inventory in order to have a current picture of available units. Based on the number of units and the difficulty accessing variances, the message this community is sending about housing means more developers utilizing 40B variances. The Mayor is allowing her team to be bold when it comes to Affordable Housing. Mary John B. stated there is not a coherent conversation about housing in the community. If there was more of a conversation maybe these projects would not be so volatile. Lisa Copeland – Local Action Committee, has had a housing group for three years now. Sunny Robinson stated there is a real opportunity for the AHT to be an advocacy group, especially with the additional funding that may become available.

MOTION: Michael L. moved to adjourn. Seconded by Ruth P. No discussion. 4 in favor; 0 opposed; 0 abstained. Motion passes. Mary John B. left the meeting at 6:00PM. Meeting adjourned at 6:04PM.

Respectfully submitted,

Jaimie Corliss