

MEETING OF THE AFFORDABLE HOUSING TRUST
GLOUCESTER MA
FEBRUARY 24, 2011
City Hall Annex, Pond Rd., Gloucester MA

Members present: George Sibley (Chair), Betsy Works, Sarah Garcia, Ruth Pino, Mary John Boylan

Also present: Sandra Shea (Gloucester CDO), Peggy Heggarty-Steck, Maggie Howard (Action, Inc.)

At 5:10, the Chair called the meeting to order.

Item 1: Motion by Ms. Garcia, seconded by Ms. Boylan, to accept the minutes of previous meeting. After discussion of minor corrections, approved unanimously.

Item 2: Ms Heggarty-Steck submitted an application for \$40,000 by Action, Inc. in funding for the Marsh St. property development. She reviewed for the Trust members the purchase of the property on Marsh St., on which Action, Inc intends to construct 4 units of affordable rental housing.

Action has full site control and the site is fully permitted. They have an initial design which addresses how the building and the site should function. The design is "family friendly" with each unit having a discreet yard space.

Eligible families will be "extremely low-income" (HUD guidelines) and all of the planned units will be 2BR. The unit size was decided after consultation with the Gloucester Housing Authority, and a determination that that is the most sought-after apartment size among the targeted demographic. The site is located near the hospital and public transportation.

Gloucester Housing Authority will issue project-based vouchers. If after full compliance with Section 8 program requirements for one year the family wishes to re-locate, the Housing Authority will issue the family a mobile housing voucher, and the project will retain the site-specific voucher, enabling another extremely low-income family to move into the Marsh St. development.

Tenants will be chosen by lottery (among – presumably – eligible applicants). Action intends to provide "wraparound services," to assist the tenant families who will be adjusting to a new life after having been homeless. At present, there are 76 persons in Gloucester who have been identified as being members of a "homeless family."

Ms. Boylan inquired about services for the families after the initial year's tenancy and compliance with Section 8 requirements.

Ms. Works asked whether the property would pay taxes; Ms. Heggarty-Steck did not know.

Mr. Sibley asked about the rent rates. They will be 30% of the tenant-family's income. The remainder of the rent will be paid through the voucher by the Gloucester Housing Authority.

Ms. Garcia asked when Action would actually want the funds, what the funds would be specifically for, and at what stage of the project. Ms. Heggarty-Steck said that Action intends to get the full commitment of necessary funds in advance of starting construction.

Ms. Heggarty-Steck then continued a narrative which explained that the project fits with DHCD priorities (relocating homeless people out of hotels). The project is small. DHCD has a lot of requirements, which drives up the cost. The scale of this project makes it easier to move it ahead. They are looking for a model for working with families, making them self-sufficient, and integrating them into the neighborhood.

Mr. Sibley asked about the sources of funds for the project. Ms. Heggarty-Steck said they would be getting funds from the HOME Consortium, the Community Preservation Act, and DHCD. AHT funds would be used for engineering studies.

Ms. Works pointed out that the AHT doesn't like to pay for soft costs. Ms. Heggarty-Steck said that all of the other necessary funds would have to be committed and in place before the AHT funds would go in.

They anticipate breaking ground June, 2012.

Ms. Pino asked when Action would need a commitment from AHT.

Item 3: Review of Harborlight Development's emails regarding the Cleveland Street property. Ms. Pino said that the Heights at Cape Ann 2BRs (with waterview) are now going for \$95,000, which makes the Cleveland St. project non-competitive. Ms. Garcia said she would inform Andy deFranza of AHT's position.

Ms. Boylan moved to adjoin. Ms. Garcia seconded. Vote to adjourn passed.

Documents considered at the meeting:

- Application for funding submitted by Action, Inc. (available online)
- Copies of email correspondence with Andrew deFranza (attached to agenda of meeting)
- Parcel summary, 35 Cleveland St. (attached to minutes of 2/24/2011 meeting.)

Respectfully submitted,

Mary John Boylan, member