

Affordable Housing Trust (AHT)
Minutes
February 16, 2017

In Attendance:

Members Present: George Sibley, Chair, Michael Luster, Vice Chair & Treasurer, Ruth Pino and Rick Doucette

Absent: Mary John Boylan

Staff: Dan Smith, CD Director, Deborah Laurie, Sr. Project Manager

George Sibley, Chair, called the meeting to order at 5:10 p.m.

Item #1 Approval of Minutes

The Board took a few minutes to review the minutes. November 5, 2015, minutes were tabled until next meeting as input from Mary John B. was needed. Mike Luster made a motion to accept the minutes of November 9th with corrections, and was seconded by Ruth Pino. All in favor, yes. Rick D. abstains. Motion by Ruth P. to accept the minutes of December 3, 2015, seconded by Mike L. All in favor, yes. Rick D. and Dan S. abstains. A motion by Mike L. to accept the minutes of October 27, 2016, seconded by Ruth P. All in favor, yes. Rick D. abstains.

Ruth P. asked about the Harbor Village project. Dan S. explained that the project was recently awarded \$125K from CPA. Ruth P. explained that she was referring to the update on the Gloucester Housing Authority (GHA) site on Main Street, but would like an update regarding Harbor Village. Dan S. explained that the GHA does have plans, but doesn't think anything is moving right now. First level would be retail with senior housing on the upper levels. It's still pretty conceptual at this point and he does know that they don't plan on connecting it to the Armory Building.

George S. asked about Cameron's project (Harbor Village). Dan S. states that they are quite a bit away from construction. They are probably going to have to go through a couple of tax credit cycles with the State to get approved for funding. They have their application in, but are probably a year and a half away from breaking ground. Again, they just received \$125K from the CPA for the brick façade, so the building will blend in with the surrounding neighborhood. So the project is a couple of years out from starting anything.

Item #2 – Applying for CPA funds

George asks if the Trust wants to consider to applying for CPA funding. George S. states that the Trust has approximately \$250K in funds. Ruth P. asks how much CPA housing money is set aside at this point. Deb L. states that there is approximately, \$200K since they just approved funding for Harbor Village. Deb L. will double check that figure. Dan S. states that out of all the CPA applications, housing is the one they get the least applications for.

Rick D. asked if the CPA award of \$125K; was it the \$125K that was reduced by the Trust. No, it's the same project, but it is two different funding sources. Deb L. states that they always intended to apply for both. George S. asked the Board if they want to apply for CPA funds. Mike L. asks, for what? They tried that a few years ago and the CPA Committee didn't want to fund the Trust because they already had funds that weren't being utilized.

Ruth P. said if they had an idea of their own and wanted to market and publicize it, then it might be different, if we had \$200K and we needed their \$200K. Mike L. states they don't want to just shift it to one bank account to another. Deb L. suggests that maybe since the Committee has new members, it might be a good time to have another round table discussion. The CPC is meeting next week and she can bring it up to the Committee to arrange a meeting.

Ruth P. regarding the Fuller School project would like to be prepared if that funding comes through. The Trust discussed the project details of Fuller School. The project would, in lieu of building affordable housing on-site; the developer has opted to give the City \$1.5M to build affordable housing elsewhere. The City Council has final say on the subject and actually the amount given. Dan S. states that there is a formula that would dictate the amount of funds that the developer would have to give for the affordable housing component of the development. Rick D. explains the purchase price included the affordable housing payment. Whether or not the city wants to put \$1.5M towards that or not is up to them. They feel that the \$1.5M would leverage more units somewhere else, than the 15 units at Fuller. Rick D. states that they are actually giving a presentation tonight for the Planning Board. Dan S. states that there is a joint meeting with the Planning and Development Committee and the Planning Board to present the zoning overlay proposed for that site.

Ruth P. adds that it's a difficult conversation, because Wellspring House proved that it's expensive to build affordable housing. There is no such thing. In order for it to happen, you need these subsidies. In Ruth's opinion the intent of the original percentage was that affordable housing wouldn't be segregated. Dan S. states that the inclusionary zoning that there is three ways for the developer to satisfy the affordability of a development; build it on site, make a contribution based on the calculation or they could propose a third site.

Discussion continued regarding affordable housing. Rick D. asked if they would seek 1 -2 bedroom units or is 3 and 4 more needed. 1 - 2 bedrooms are more likely; the GHA can't give away their 3 bedroom units. However, Deb L. mentions that even though Gloucester has a need for 1 and 2 bedroom units, the State is looking for "family" housing State wide.

Wrapping up, George S. gets the sense that the Trust would not want to apply for CPA funding. The Trust agrees. Dan S. states that at least 10% of the CPA funds will be reserved for housing, so if something were to present itself, there is a reserve there. Ruth P. adds that she kind of likes that the applicant has to apply to two boards. Mike states however with CPA funds that if you have a project in October, you can't apply because the cycle is in Jan – April. Deb L. states that you can apply off-cycle if funds allow.

Ruth P. asked Deb L. if the First Time Homebuyer Program (FTHB) was from CDBG funds originally. Deb L. states that it was not. The FTHB was always funded with HOME funds; however, it was so popular that they ran out of money a few years in a row, so it was supplemented with CDBG funds to get through the year.

George S. asked if there was another business to discuss. Ruth P. noticed on the October 2, 2016, that Bob Gillis was not here representing the Cape Ann Savings Bank, but his is the President of the Board of Directors for Harborlight Communities Inc. Deb L. will make that correction.

Rick D. asked about CDBG funding; could the Trust apply for that. Deb L. said they could, but not really until there is a project. Block Grant funds can't be used for "new" construction, however. We could to rehab.

Discussion continued about housing. Ideas of what types, where it can go, etc.

They discussed when they should meet again and it would be good to meet at least every quarter or so, even if there are no applications, they can brain storm and get updates of projects. The next meeting is scheduled for April 27th.

Motion to adjourn by Ruth P. and seconded by Mike L., all in favor. The meeting adjourned at 5:49 p.m.

Respectfully submitted,

Deborah Laurie
Senior Project Manager