



DANVERS AFFORDABLE HOUSING TRUST

TOWN HALL, DANVERS, MASSACHUSETTS 01923
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Minutes April 20, 2016

Danvers Affordable Housing Trust: Gardner Trask, Carla King, John Alden, Sally Calhoun, Stacey Bernson and Tish Lentine

Staff: Susan Fletcher and Francine Butler

Present at the start of the meeting were Trask, King, Alden, Calhoun and Bernson

Minutes of March 23, 2016

Calhoun recused herself from voting since she was not present at the last meeting.

A motion was made and seconded to approve the minutes of March 23, 2016. The motion passed by a vote of 4-0.

ZBA Public Hearing: Castagna Real Estate Development LLC & Conifer Hill Executive Condominium Office Park Trust

Fletcher informed the Board that Attorney Nancy McCann would not be attending this meeting. This property to be discussed is the office park between Stop & Shop and Conifer Commons. She said that a letter was sent to the Zoning Board of Appeals (ZBA) for this apartment complex.

Trask said that Attorney McCann and the applicant presented the project to the ZBA. The number of apartments has been reduced to seven. They are only going to develop one of the buildings. The bylaw triggers a free unit at the eighth unit. Trask requested the Board ask Lentine what the average price was for a one-bedroom condominium at this time. He felt they should get some funds out of this project. Trask said their message was resonating relative to affordable housing.

Lentine entered the meeting at 7:10 p.m.

Election of Officers

A motion was made, seconded and unanimously voted to elect: Trask as Chair, King as Vice-Chair, Gates as Treasurer and Lentine as Secretary.

Trask told the Board that the Town Report has been prepared by Fletcher and would be handed out at Town Meeting.

Trask left the meeting at 7:15 p.m. King assumed the position of chair of the meeting.

Partnering with Danvers Community Council

Fletcher told the Board that the Danvers Community Council received a check for \$1,000 from the Trust. The funds were used to assist a person with rent at the former Avalon complex, now Halstead. Fletcher said that this should be relatively simple process from now on.

Calhoun asked if this would be on-going. Fletcher said this was a trial of donating \$1,000 per month for a year to the Community Council.

78 Liberty Street (Assessors Map 52, Lot 25)

Fletcher told the Board that the Preservation Commission received an application from Care Dimensions to tear down the house that they own in front of their hospice facility. The Preservation Commission wants the building saved. Care Dimensions would prefer not to have any people in that home, especially children.

A question was raised whether the home could be used for affordable housing.

Alden asked if the desire was to demolish the home and leave it clear land. This was confirmed.

Calhoun felt that they may not want the expense and headache of maintaining this property. Calhoun thought if they offered to buy the property for affordable housing, Care Dimensions may find that more attractive.

Fletcher said that Care Dimensions will be before the Preservation Commission next Tuesday. She said that they could forward a letter expressing the Trust's interest.

Calhoun felt they should let Care Dimensions know that they were interested in this property as an alternative for affordable housing. They might like the concept of selling the property and not being responsible for it.

Fletcher said that this might make them move nervous because then they would not have any control over the property. It does not mean that they cannot bring up the discussion.

Bernson asked if Care Dimensions needed the house for frontage. This was confirmed by Fletcher.

Calhoun confirmed that the map and lot number on the agenda referred to the whole parcel.

Alden said that they have the responsibility as a Trust to make inquiries about this property to show they are interested.

Bernson asked if the Preservation Committee could put funds towards saving this property. Fletcher said that they did not have any funds available. From the \$500,000 that was received from the sale of the State Hospital, \$400,000 was spent on rehabbing Town Hall. The remaining \$100,000 is to be used for rehabbing homes and preservation restrictions.

Calhoun asked if Care Dimensions could use that house for people to stay while family members are in hospice. Fletcher thought this was a good idea, and she would ask them at the meeting.

Community Preservation Act: Discussion/Update

Fletcher said this was moving along. The Selectmen have said that they want this to go to Town Meeting. Hopefully, this will pass at Town Meeting and will be on the ballot. The thought is that this should be decided by the community as a whole.

Fletcher said that since this may go to the ballot after Town Meeting, there are a whole new group of laws. If people want to advocate for the CPA, a political action committee will need to be formed. Fletcher said that since she is a public employee, she cannot be on this committee. Forms will need to be filed with the state if they want to raise money. Sally Kearns has expressed an interest of being involved with this, and Jason Tingle has offered to do a web page. If this has a positive vote at Town Meeting, all future information about the CPA will not come from Town Hall. Interested citizens will have to find their own leadership. There will be a group against the CPA.

Calhoun confirmed that the Trust cannot have a role in this.

Fletcher said that she will send along copies of the legislation for informational purposes.

Fletcher said that the CPA Committee will be sending out a new Question and Answer to Town Meeting Members. The CPA Coalition also has more information that is easily understandable on their website.

Fletcher said that the Coalition noted that the wording needs to be clear not to have any misinterpretation. The CPA Committee is recommending a surcharge of 1.5%. If your home was valued at \$700,000, the first \$100,000 would be exempt. Your payment would be \$127. On the Questions and Answers are examples of three different home values along with the formula to figure out what the cost would be for your home. The Committee agrees that this is a tax. The funds can only be used for three specific items: historic preservation; open space and recreation; and community housing.

Bernson pointed out that there are matching funds.

Fletcher said that if the Town had CPA this year, they would have received a match of 19% from registry fees. The governor also included \$10,000,000 from surplus revenue to augment the match for CPA funds. If that passes, the Town would have received a 27% match this year.

Calhoun asked Bernson what Peabody used as a percentage. Bernson replied they used 1%, but they do not have a \$100,000 exemption. She said they were receiving close to a 100% match in the beginning. Bernson said it was a great pool of funds, and they have been able to do a lot of things.

Calhoun asked who administered it, and Bernson responded that they have a committee.

Fletcher said that projects have to go back to Town Meeting for approval. She said that funds could come directly to DAHT since they are a Trust.

53 North Belgium Road (Susan Cunningham): Loan Repayment

Fletcher said that Cunningham still wanted to pay off her mortgage. The appraisal that was done came in \$2,000 less than what was paid for the property, so that there will not be an equity share added to the amount owed by Cunningham. She will be given a copy of the appraisal.

40B Compliance

Fletcher told the Board that the Town's 40B projects are required to have an annual compliance to be sure the units are affordable. This is also to be sure that people are doing the yearly checks. She has not had a lot of time to study this information.

Regarding the Avalon project, the Town of Danvers is responsible for compliance every year. Avalon will pay for the consultant to report to the Town.

Fletcher said that regarding the project at 9 Summer Street, the Department of Housing and Community Development (DHCD) told her that the recorded documents will reveal who did the financing. This project was done with the Mass Housing Financing Agency.

The project at 240 Conant Street was done with the DHCD. She needs to contact them to see if they have been checking to see if these are in compliance.

Fletcher said that she has an audit that was done for the Swing-Away project. As far as she knows, the Town is not receiving reports on it.

Fletcher said that Trask thought if a project was not in compliance, the Town would get money. She had not heard of this.

Bernson confirmed that Avalon was a 40B as well. She confirmed that the Trust was paid money.

Fletcher told her that this had been State land. They got a lot of money that was used for historic preservation, affordable housing, recreation, ball fields and new fire equipment.

Fletcher said that rents have gone way up because Avalon did not do a rent increase for two years.

Bernson asked who Avalon had to write to for approval to increase the rents. Fletcher said DHCD. Bernson asked if they just determine the rents, and Fletcher confirmed this.

Financial Report

A motion was made, seconded and unanimously voted to accept the financial report.

New Business

Lentine said that she spoke with Rich Maloney and Dave Saunders about building tiny houses on tiny lots. Saunders reminded her of a property located on Seaview Avenue where there was once a tiny house in deplorable condition. It was rehabbed and is adorable. This is a perfect example how smaller lots can be utilized.

Fletcher confirmed that these were 300 to 500 square-foot houses.

Lentine felt there was no reason that you can't put a house on a small lot and keep the aesthetics of the neighborhood. She felt this was another way to put in an affordable unit.

Calhoun asked if Maloney thought this was something that could be done. Lentine said yes, as long as the house met the setback requirements.

Fletcher said that they would have to obtain a finding since they are pre-existing, non-conforming homes. This is not a variance. At one time these homes were in compliance, and then the zoning changed in the area. She thought the lots were easy to develop, but they may have some trouble politically. Abutters who have been using these properties will not want this to happen.

Bernson asked what the cost would be to build a house on one of these lots.

Alden said it was dependent on site conditions. They would have to tie into city water and sewer. It would not take much to go over \$300,000 if it was done as a fair-trade project. If Habitat for Humanity did the project with the Essex Tech, costs could be kept under \$200,000.

Fletcher said that it makes a big difference if you get the land for free.

Alden said that the findings go to the owner of the lot. If you change ownership, you have to start over again. He felt they need to work with the other Boards.

Fletcher said that the Town is exempt from zoning, but not prevailing wages.

Alden said that they could not build a single-family home in a non-conforming situation without a finding. It may be allowed for municipal purposes. Alden asked if they got Town Meeting to allow the Trust to buy the lot, obtain the finding and then sell the home to Habitat to Humanity, would the finding go to the new owner. He felt they needed to work out that detail.

Fletcher said that she would talk to Town Counsel. She said that Coolidge Road did not conform. Most of the lots are non-conforming.

Alden thought they changed the house to conform to setback requirements? Fletcher said that she meant the area of the lot.

Calhoun felt there must be a way to solve that problem. Alden said he wanted to be sure.

Calhoun said that the Town would not need a finding, but the buyer would.

Fletcher said she would check with Town Counsel.

Fletcher said that they can look at these lots and see if there is an appetite of the Town to give the lots to the Trust.

Calhoun said that they could ask Don Preston which lot would be the best one to start with.

HOME Program

Fletcher said the Trust currently receives \$32,000 a year for HOME funds. They have only used these funds for the first-time homebuyer program and Conifer Commons. She said that as of right now, they are the only community in the HOME consortium that is using the funds for first-time homebuyers. When the Home Consortium did the five year plan and investigated what was the highest need, they found it was for rental housing. They want to get people housed. There is more pressure from HUD not to have the first-time homebuyer program. The first-time homebuyer program use to be simple, but regulations and requirements have changed that. They are now requiring items such as environmental reports and lead paint inspections.

Fletcher said that other communities are running their first-time home buying program through other funds to have a simpler program. One thing that they could do is to contract with NASCAP to run a rental assistance program to give rental assistance for a year to 18 months. Fletcher said that she spoke with Laura McNeil, the Executive Director of NSCAP, and there is funding for case management for people living outside to find them housing and services. The goal is to get them living inside and work on other needs.

Fletcher said that this could dovetail with their funds. She believed it would be a better use of funds. If you want to continue the first-time homebuyer program, they could do it with other funding they have and not use HOME money. They have until June to make this decision.

Fletcher said that they could interview other non-profits to see to see how they would use the money for rental assistance. They would be contracting with agencies that do this work, have the administration to do compliance and still be helping people in Danvers and the region. Fletcher said that this would be on the agenda for the next meeting. She felt they should be getting out of the first-time homebuyer's program with these funds. They can decide if they want to do this with other funding mechanisms.

Fletcher said that they have other money. The first-time homebuyer's program is a loan that gets paid back when the home is sold. It does not provide long-term affordability.

A discussion ensued regarding the Curtis loans that the Town once provided.

Bernson said that they could help subsidize the construction of the apartments on Locust Street.

Fletcher agreed that the funds could be used for a lot of different things.

Bernson told the Board that Peabody allocated their HOME funds to NSCAP.

A May Meeting Date and Agenda items

A motion was made, seconded and unanimously voted to schedule the next meeting on May 18, 2016 at 7:00 p.m.

A motion was made, seconded and unanimously voted to adjourn the meeting.

The meeting adjourned at 8:25 p.m.

Tish Lentine
Clerk