



DANVERS AFFORDABLE HOUSING TRUST

TOWN HALL, DANVERS, MASSACHUSETTS 01923
TELEPHONE (978) 777-0001 FAX (978) 762-0215

Minutes June 20, 2018

Danvers Affordable Housing Trust: Gardner Trask, John Alden, Sally Calhoun and Tish Lentine

Staff: Susan Fletcher and Francine Butler

Minutes of May 16, 2018

A motion was made, seconded and unanimously voted to approve the minutes of May 16, 2018.

HOME Funds Remaining for FY 2018

Fletcher said that they have a little over \$50,000 remaining in HOME funds that is administered by the Trust. The Trust does not have a first-time homebuyer program or a home rehabilitation program any more. Alden asked what the time frame was to spend this money. Fletcher said the funds needed to be committed by June 30th. For the past, few years the Trust has contracted with NSCAP to use the funds for rental assistance. It will provide a rental subsidy for up to a twelve-month period.

Alden asked if they had anything the Trust could allocate the money to. Fletcher said no. They already have HOME funds in the Habitat for Humanity project at 5 Laurine Road. That is the only project the Trust is involved with at the present time.

Calhoun asked about allocating part of the funds to the Community Council. Fletcher said that much of what the Community Council uses their funds for would not meet HUD's criteria for the use of the funds. In addition, the reporting that is required by HUD would greatly exceed what is now required by the Council.

Alden confirmed that the funds were transferred to NSCAP in previous years. Fletcher said they have and have serviced two Danvers clients.

A motion was made and seconded and unanimously voted to transfer the remaining HOME funds to NSCAP.

Alden asked if something could be done earlier in the year and if they could get a better understanding of what the funds could be used for.

Fletcher said that in the near future, they are going to be getting back about \$46,000. Alden asked what these funds were used for previously. Fletcher said the funds were used for the first-time homebuyer's program and the home rehabilitation program. Alden asked why they could not do that again. Fletcher said that Danvers is part of the HOME Consortium, and they govern what the funds can be used for. They need to serve the greatest need as determined in their five year plan and the First Time Homebuyer's program and the housing rehab program are not recognized in the five year plan. In addition, HUD has made the paperwork and criteria more complicated. Fletcher told the Board that Danvers was the last town doing a first-time homebuyer program before it was eliminated as an allowable program.

Trask said that they would put this on the agenda for the next meeting. Fletcher agreed that they should look to use it for something that directly affects Danvers. Fletcher told the Board that the Lees are vacating their building in September. Any future development of the site will require that 20% of the housing created would need to be affordable. Whoever decides to develop this site could ask for financial assistance from the Trust.

Trask asked Fletcher when the Department of Housing and Community Development adds the affordable units to the inventory. Could the proposed units be used to offset a 40B development?

Fletcher said that she has had some discussions with the housing consultant, Liz Rust. There are communities where the certificate of occupancy is not issued until you have done your submittal, and your units are on the Subsidized Housing Inventory (SHI). She needs to find out more from Rust. They need to know this information prior to a developer coming in for the Lee property. Rust thought the Trust was very generous letting things go forward.

Lentine felt that they were creating an opportunity for a project not to go through.

Trask asked if a unit needs to be built, sold and designated before it goes on the SHI. Fletcher said they could have a deed restriction and marketing plan that could be submitted for the SHI.

Lentine asked if funds could be used to help people with marketing plans. Fletcher said that Rust said that any housing consultant has a boilerplate form. She does not know a housing consultant that would use someone else's marketing plan. She said that Peabody had a list of qualified renters which helps having a list that is already pre-qualified.

Fletcher said that she and Bernson are going to sit down with Liz and sort this out.

SHI Submittals Update

Fletcher said the applications have been submitted, and there are a few questions. She has answered as much as she can, and Rust is out of town. They are asking for additional information.

Affordable Units at Kirkbride

Fletcher said that 20% of the units are affordable. Trask said that they got a complaint of a jump in rental prices that did not relate to income eligibility.

Fletcher said she spoke with the people at Kirkbride, and DHCD has approved the rental increase. During the recession, the rents did not go up. Rents have gone up since coming out of the recession. These units are still less than market rate but they are high.

Trask confirmed what Kirkbride did was in the guidelines and acceptable.

Lentine asked why they have to adhere to the Boston income guidelines. Fletcher said that decision is made by HUD. On the plus side, by using the Boston median income, it allows people to make more money and qualify. They allow higher incomes and with the allowance for higher incomes comes higher rental rates.

Housing Production Plan: New Projects

Fletcher said that this item is going to stay on the agenda. Alden asked about the land on Jalbert / Bradstreet. Fletcher said that Jalbert is the easier project.

Alden said he was talking about the strip of land between Jalbert and Bradstreet. Fletcher said that will be interesting to develop because it has wetlands and someone would have to build a road.

Alden asked what criteria would allow the Trust to put the number of lots for multiple single-family affordable houses. Fletcher said that they would just have to conform to the zoning. Alden asked if there were regulations or rules that you can't have multiple affordable homes side by side. Fletcher said there would be no problem.

Fletcher said that getting the project through Town Meeting would be interesting.

Alden confirmed that the Town owned the land. Trask said that this would have to go before Town Meeting. As a Trust member and Selectmen, he would be reluctant if they got all the land and reapportioned it to Habitat and other developers. He said that they just barely got Laurine Road through. If you showed a piece of property that had decent value, you would get a lot of pushback from the Board and Town Meeting. He would like to facilitate that transfer with the promise that a certain percent or number of the homes are affordable. If we found a developer and discounted the land, it would be worth their while to develop even offering a home or two that were affordable.

Alden said that they cannot build the homes, but they can find a builder who would do a project. Fletcher said if they are able to discount the land, the developer could potentially make as much money. Alden said that he understands that they would have challenges with this land. He wants to think about a strategy.

Trask felt they could go to Maloney to find opportunities, and then to Collins regarding how the land was taken. Fletcher said she could find out how the land was taken.

Trask wants to find out the growth of development and the present number of affordable units. He wants to know what their number is now. We also need to know what the date for the target number is. Fletcher said the date will be as of 2020. Fletcher said that the 2010 census was certified about a year and one-half later.

Fletcher said that they are hoping by 2020 something in the new zoning district has been developed. Trask said they were talking about three years away. If we are close to the number, there is less pressure.

Fletcher said she will ask Maloney the number of new development.

Calhoun asked if they could use the funds they are holding now. Fletcher said these units would not be added to the SHI. These types of funds were repaid to the Trust when the property was sold.

Alden said that they are helping a social cause, not just looking at the numbers.

Trask said that he does not mind crafting a support mechanism for people that fall into the affordability range. They could do a deed restriction.

Fletcher said that is tough because you cannot sell the property for market rate. Calhoun said it is also hard for financing.

Fletcher said that Rose Court had an affordability restriction for a number of years.

Alden said there are college graduates that are in a position to make a mortgage payment, but they do not have the savings to move out and make a down payment.

C1 and C1A Zoning Update

Fletcher handed out a flyer about the workshop that was looking for input of what people would like to see in this area. She told the Trust to drop in and say the word “affordable”.

40B Audits

Fletcher said that there was no progress regarding this item.

Financial Report

Trask went over the financial report.

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

New Business: Summer Schedule

Trask asked if there was anything new on Rand Circle. Fletcher said that they withdrew.

A motion was made, seconded and unanimously voted to skip the July meeting. The August meeting will be tentative. The August date was scheduled for August 22nd. Trask would like the elections on the agenda.

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

The meeting adjourned at 8:00 p.m.

Tish Lentine, Clerk