

Newburyport Affordable Housing Trust
Meeting Minutes

<u>Meeting Date:</u>	Thursday, May 30, 2013
<u>Meeting Location:</u>	Small Conference Room, 2 nd Floor, City Hall
<u>Members in Attendance:</u>	Judy Tymon, Chair, Karen Wiener, and Madeline Nash
<u>Members Absent:</u>	Mayor Holaday and Susanne Cameron
<u>Staff Present:</u>	Kate Newhall-Smith, Planner
<u>Others Present:</u>	
<u>Minutes Taker:</u>	Kate Newhall-Smith

Tymon called the meeting to order at 6:30.

Approval of Minutes

The draft minutes for April 25th were presented. Wiener: motion to approve as presented, seconded by Nash, carried 3-0.

Update: ROOF Agreement

The land on which the Trust's deferred loan to ROOF is registered land. Kerri Perry ran into an issue at the Registry of Deeds when she went to record the document. Kate has reached out to Andy to request help from the City solicitor as to the proper way to record the loan.

Nash suggests calling the registry to find out exactly what format is necessary. Tymon suggests asking Rich Jones for advice. Wiener suggests that Kerri Perry may have some insight since she is a real estate lawyer. Smith adds that she can ask Dan Bowie since he is an attorney as well.

Smith will follow up on these suggestions so that this issue can be resolved.

Update: VI-C Special Permit Zoning Amendment

Kate has presented a formula to determine the "opt-out" waiver for large housing projects the request a VI-C Special Permit.

Nash suggests having the Planning Board and its chair Dan Bowie to look at the proposed language from both the legal and political perspectives.

Nash suggests having the Trust review the waterfront zoning overlay and its affordable housing component at the next meeting since this proposed language may have an impact on waterfront development.

Wiener appreciates having the per-unit cost illustrated, which show that the suggested "fee-in-lieu-of" providing affordable units is not unreasonable.

Nash suggests adding statement as to why the language is appropriate and as a justification for the fee structure so that it is not viewed as an impact fee or as extortion. She suggests using the HPP for language and data that can illustrate why there is a community benefit to this.

May 30, 2013

Wiener states that, in her experience, developers want to know what a community wants. They do not appreciate vagueness in the permitting process. While a developer may not be happy with the fee structure, at least it clarifies the process.

Nash believes that the VI-C language, including the text reviewed at the April meeting, is ready for Planning Board review. Smith responds that she will ask the Dan Bowie and Andy to add this topic to the upcoming Planning Board meeting on June 19th.

Discussion: Brown School Feasibility Study Information Session

At April's meeting, Trust members suggested looking into the process Salisbury used to determine feasibility of a building they were about to surplus. While the building will be in use for the next school year, Andy and the Mayor both want to get moving on this feasibility study.

Tymon spoke with the woman in Salisbury about her RFI. They got four responses, all re-use, no demo. Most included constructing additions and/or additional buildings on the site with a mix of rentals and condos. Salisbury did not choose a finalist and they aren't sure about their next steps; but they did believe the RFI was a great vehicle to gather information about future re-use from developers.

Nash states that the Newburyport RFI/RFP should provide some direction and guidance as to what the City is looking for at the school. It should award points or preference for certain things (e.g. re-use over demo, rental over condo, etc). She likes the Salisbury process, with the RFI, as a tool to get information to help the City figure out what it wants.

Tymon likes the "goals" listed in the Salisbury document.

In regard to the Brown School, Nash wants to suggest rental, especially if the City wants senior housing at this site. She has hesitations about limiting the housing to only seniors, especially since funding this type of housing is difficult. Nash states that senior housing is difficult to fund; if a project is solely for seniors, then the City needs to prove that it has permitted a family housing project within the last three years.

Nash suggests a housing mix of 50% affordable, 50% market for the Brown School, if it is not 100% affordable.

Smith mentions the Mayor's wish to create an endowment for the schools with the sale of the Brown School. Nash states that the desire for an endowment should not be mentioned in the RFI.

Wiener suggests setting up a meeting with the Mayor to find out her goals for the school and the sale of it. She wants to know if the Mayor has an idea of how much the school is worth; how much she would like to sell it for; and what type of endowment is she looking to establish? does she want to get for it.

May 30, 2013

Nash and Wiener state that the building probably isn't worth much in an open market and, coupled with the high costs of development, establishing a large endowment will be difficult.

Nash discusses having an appraisal conducted for the school. In her experience, developers usually prefer to know a minimum bid and the appraised value for a property. While an appraisal could cost around \$3,500, it could be worth it. The appraisal would need to assume residential reuse. Nash suggests not rushing into the appraisal right now because, by the time the school is declared surplus by the Council, the appraisal may be out of date.

Nash states that the state-level housing departments and funders believe municipalities should be donating the space for affordable housing development; not selling it for profit. The real goal of this project needs to be established: Is it about raising money for schools or creating affordable units? The sale of the Brown School may not be able to accomplish both.

Nash suggests conducting research about schools that have sold, how much they have sold for and what they were used for after the sale. Tymon suggests starting with the Yellow School in Byfield, which was for sale for \$125k.

Nash mentions the use of historic preservation tax credits and how changing the interior of the building may impact the use of these. A historic preservation consultant may be able to tell us if the building is eligible for credits.

Smith will coordinate dates with the Mayor's administrative assistant and set up a meeting to discuss the project.

Discussion: Emma Andrews Rental Unit

Kate was asked by the Mayor to look into the possibility of listing the three-bedroom unit above the Emma Andrews library on the City's SHI. She goes through her research regarding listing the unit on the SHI as well as looking into getting a project-based voucher for the property.

Nash states that asking the Housing Authority to do a project-based voucher will be difficult due to the long, tough process associated with project-based vouchers. Nash suggests looking into a subsidy provided through HOME funds; there is an RFP due June 29th for tenant-based rental assistance. This would be one way to make it the unit affordable.

Wiener believes that including the one unit on the inventory is not necessarily worth the work it would take to get it listed. There is a cost and a time investment associated with this process. She thinks that following HUD guidelines and using the Housing Authority's utilities chart is sufficient for ensuring that the rent is "affordable."

Wiener states that the City can place a deed restriction on the property, even if not listed on the inventory.

May 30, 2013

Nash suggests asking other housing institute attendees for advice regarding this issue as well as asking around about school re-use/sale experiences in other communities.

Discussion: MOU with CHAPA

CHAPA has reached out, requesting that the Trust sign an MOU for one year regarding both CHAPA's and the City's responsibilities when affordable units at Maritime Landing are up for sale. The City's responsibilities are the same as they were in years past, but the fee in return for doing these tasks has been cut in half.

Smith states her concerns regarding the review of applications and paperwork and the reimbursement process for the newspaper ads.

Wiener suggests speaking to Elizabeth at CHAPA about possibly modifying the document.

MHP Housing Institute and Kate's Salary

Andy Port has asked the Trust to consider authorizing the use of Trust funds to send Kate and him to the Housing Institute, run by MHP, on June 12 and 13 in Devens. To send Andy for two days and Kate for one day, it will cost \$200.

The Trust discusses the need to vote to authorize Trust funds for Kate's salary. Nash requests a copy of Kate's job description.

Wiener moves to allocate funds to send Andy to the Housing Institute for two days and to send Kate to the Housing Institute for one day and to authorize the expenditure of funds to use for Kate's salary in Fiscal Year 2014, seconded by Nash. Motion carried 3-0.

Update on Fund Balance

As soon as Kerri Perry records the ROOF grant, Kate will ask that Dianne issues payment to the organization and will update the account spreadsheet accordingly. The only change to the balance is \$500 deduction to Kerri Perry for listing unit #4 at the Foundry on the MLS.

Nash asks about the status of the Housing Production Plan, how much the contract for the consultant services is, if there is any outstanding invoices to be paid, etc.

Adjournment

Prior to adjourning, Nash suggests circulating the waterfront development zoning overlay and adding this to the agenda for next month.

Wiener makes a motion to adjourn, seconded by Nash. Motion carried 3-0.

Meeting adjourns at 8pm.