

Newburyport Affordable Housing Trust
Meeting Minutes

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| <u>Meeting Date:</u> | Thursday, August 15, 2013 |
| <u>Meeting Location:</u> | 2 nd Floor Meeting Room, City Hall |
| <u>Members in Attendance:</u> | Judy Tymon, Chair, Karen Wiener, Susanne Cameron and Madeline Nash |
| <u>Members Absent:</u> | Mayor Holaday |
| <u>Staff Present:</u> | Kate Newhall-Smith, Planner |
| <u>Minutes Taker:</u> | Kate Newhall-Smith |

Tymon called the meeting to order at 6:30 p.m.

Approval of Minutes

Cameron made a motion to approve the minutes as presented, seconded by Nash. Motion carried 4-0.

Discussion: Brown School Draft RFI

Smith discusses the latest developments regarding the Brown School. The Mayor mentioned that the School Department has indicated that it would like to utilize some of the space for its offices. This will open up a wing at the middle school to be used for classroom/student space. If the School Department holds onto the Brown School, Youth Services could also potentially move into it. This information essentially puts the RFI on hold and could end up shifting the focus of the Trust onto the Kelley School.

Nash has seen this situation arise in many communities. Schools are hesitant to release a building and sometimes community pressure surrounding affordable housing impedes a project. She does not see the need to discuss the RFI if the building's future is in limbo. There is a chance that this situation could change again and the RFI could be used in the future.

The members agree that the Kelley School is not as attractive for housing; the number of units that could go into it is much lower than what was anticipated for the Brown School. Also, the physical condition of Kelley and the lack of parking make it much more difficult for residential reuse.

Cameron does not want to spend time discussing the draft RFI since the project is now on hold indefinitely.

Tymon asks about the terms "co-housing" and "congregate housing" and why these terms were included. Smith responded that she wanted to include a variety of housing scenarios to show developers that the Trust is interested in a range of proposals.

Nash states that if the RFI includes such terms, then the developers will focus on that and believe the Trust/City wants to see that certain type of housing. She suggests removing all references to housing types/structures. She also stated that most funding dictates that units

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must have kitchen and baths. An alternative to listing types of housing in the RFI, these things can be discussed at a site visit.

Nash stated that a site visit with developers can also function as the public meeting. This will ensure that the same information is going out to the community and the developers.

Wiener is very disappointed that the School Department is indicating that it needs the Brown School for office space. She is not ready to shelve the RFI. She suggests having a meeting with the appropriate school department representatives and with youth services so that the situation can be discussed opening and all parties can understand the needs of the others.

Nash states that a compromise may be possible. Youth Services and the gym can stay at the school and there can still be a housing component.

Cameron echoes this by stating that the Trust has discussed keeping the gym for community use and for potential gallery/performance space if artist live/work units are developed at Brown. She states that the building is large. There is the potential to even have school department office space with youth services and housing.

Smith can help coordinate a meeting with representatives from the school department and youth services so that all parties can discuss the future reuse of the school.

Discussion: Affordable Resales – Broker Commission, MLS Listing Services and Down Payment Assistance Program

Cameron states that she spoke with Kerri Perry regarding her fee for MLS listing and also about increasing the commission the Trust is willing to offer brokers. Kerri indicated that she is fine with reducing her fee and also believes that offering a higher commission would bring in more buyers and reduce the amount of time the units are sitting on the market.

Wiener states that there may be some confusion as to the MLS listing process. She believes that the units should be listed on the MLS as soon as they become available. Smith is happy to do this from now on. Wiener also believes that the commission should be included in the listing at 1 ½% of the sale price.

Tymon is in agreement with listing units as soon as they become available.

Nash's focus is on saving units and believes listing on the MLS is critical. She is also in favor of increasing the commission from \$1,000 to 1 ½% of purchase price.

Wiener states that she believes \$500 to list the unit on MLS is too high. She would like to decrease this amount to \$200 or \$300.

Cameron confirms that Kerri is willing to take a reduction in her fee.

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Tymon: Motion to reduce the MLS Listing fee from \$500 to \$250, seconded by Nash. Motion carried 4-0.

Tymon: Motion to increase the realtor's commission from \$1,000 to 1 ½% of the purchase price for a six-month trial period, seconded by Nash. Motion carried 4-0.

Smith discusses how she perceives the Trust's Down Payment Assistance functions. The Trust acknowledges that the process should be very clear and there should be some sort of formula that can be applied to each application that will dictate how much assistance the Trust will grant the applicant.

Wiener suggests following up with Jim Wilde in Lowell. She agrees that there needs to be clear criteria so that the Trust does not need to meet and review each application. Smith agrees to follow up with Jim.

Cameron states that once clear criteria is established, she can provide a second set of "eyes" on applications so that there is some oversight, but the entire Trust won't have to review the application. She stresses that the criteria has to be very transparent and comply with investor guidelines, especially for lenders. However, the application must not be complicated. She suggests choosing three communities to review and compare DPA programs and then see how these samples can be modified to meet Newburyport's needs.

Together, the Trust suggests Lowell, Salem and Newton.

Smith will begin researching this and will have a draft application packet for the Trust to review at the September meeting.

Update: Housing Production Plan

The plan will be before the Council at their September 9th agenda where it will likely be referred out to committee with no discussion.

Tymon asks who is sponsoring the plan and if it would be referred to the Planning Committee.

Cameron suggests meeting with the Chair of the committee to provide an educational background of the plan and its purpose prior to the committee meeting.

Nash states that, in relation to the plan, the Brown School RFI should refer to it directly; the document should seek proposals that are responsive to the findings and identified needs of the plan.

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Tymon asks about the 40R zoning project. Smith states that there may not be a new group working on this zoning, but rather the already-established Zoning Working Group would take the lead on this project.

Nash states that it would make sense to have the Trust involved in some part of this project.

Tymon states her concerns regarding the crafting of a developer's agreement so that the interests of the City are protected as the project moves forward.

Nash stated that on her small street, Arlington Street, four "affordable" units have been flipped and sold as condos.

Update on Fund Balance

Smith reviews changes in the fund.

Adjournment

Tymon makes a motion to adjourn, seconded by Nash. Motion carried 4-0.

Meeting adjourns at 7:30 p.m.