

Newburyport Affordable Housing Trust
Meeting Minutes

<u>Meeting Date:</u>	Thursday, September 26, 2013
<u>Meeting Location:</u>	2 nd Floor Meeting Room, City Hall
<u>Members in Attendance:</u>	Judy Tymon, Chair, Karen Wiener, and Madeline Nash
<u>Members Absent:</u>	Mayor Holaday, Susanne Cameron
<u>Staff Present:</u>	Kate Newhall-Smith, Planner, Andrew Port, Director
<u>Minutes Taker:</u>	Kate Newhall-Smith

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

Office of Planning and Development, Updates

Housing Production Plan: Port discusses the timing and status of the Housing Production Plan. Nash offers to contact Councilor Tom Jones to discuss the plan and the scheduling of the Planning and Development Committee meeting.

Proposed 40R Project at Train Station: Port discusses importance of having the Trust play a role in the development of the 40R district. Tymon has already expressed interest in joining the working group for this purpose. The other Trust members agree that Tymon, with her experience, will be an asset to this effort.

Port states that MINCO is still in the “due diligence” phase and have expressed interest in meeting with the City. Port would like to have an internal meeting prior to bringing MINCO to the table. Port confirms that MINCO would prefer a by-right 40R project, not a 40B.

Nash would like to consider advocating for deeper affordability with some units at 60% AMI. Tymon states that the affordability details can be included in the Developer’s Agreement between MINCO and the City. Weiner states that the units need to be similar to the market rate ones. If the market units have covered parking, then the affordables need it as well; she wants to be careful that they are not creating a development that has a “class system.”

Brown School Reuse: Port confirms that City facility needs take priority over affordable housing needs, which is why the project is off the table, at least temporarily.

Nash believes that buildings should be declared surplus before any discussion of potential re-use begins. She also questions if any of the school could be used for tenant space in addition to meeting the facility needs of the School Department and Youth Services.

Affordable Housing Resales: Wiener states that she has spoken with Kerri Perry regarding taking over the City’s role in the resale process. In her CHAPA experience, Wiener believes that when realtors handle the resale, there is a higher likelihood of the City retaining the affordable unit and it not going to the open market. The City will lose the resale fee, which will be used to pay the contracted realtor.

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Wiener states that an MOU between CHAPA and the realtor will be drafted. Port asked that a meeting with CHAPA, Kerri and Planning be set up to discuss the MOU and the expectations of all of the involved parties. Both Port and Wiener agree that the program should be on a pilot basis and the MOU will contain an "out clause."

Port discusses the increased efficiency by using a third party to handle all resales. If this MOU between CHAPA and Kerri is successful, the City may consider contracting with her to handle all of the affordable resales.

Approval of Minutes

Wiener made a motion to approve the minutes as presented, seconded by Nash. Motion carried 3-0.

Down Payment Assistance Program

Smith provided a draft Down Payment Assistance Program application packet that included an information sheet, an application form and an application checklist. She explains her process and the changes she suggested.

Wiener had the following comments: lowering the maximum amount of assistance to \$15k is ok so long as the Trust can make an exception for situations that have extenuating circumstances such as if the unit's affordability is at risk or if the unit has been on the market for a long time. She also believes that matching the buyer's down payment may not be enough. She suggests talking to Jim Wilde to see how he makes funding decisions. She would like to leave the 3% down requirement in the regulations as well as the First Time Home Buyer requirement, especially since both of these are often requirements of the funding sources.

Nash would like the word "consecutive" put into the checklist as it pertains to the provision of employment documents.

Nash asks if the City steers people toward lending programs from MassHousing and CHAPA. Wiener states that the City can provide information about where to find these programs, but needs to be careful about "steering" people toward them. Nash would like to encourage buyers to utilize these programs so that their mortgage payments are lowered and also so that there is less stress on the Trust's funds for down payment assistance.

Smith will contact MHP to ask for a list of local banks that utilize their financing programs. Wiener offered to introduce Smith to Peter Mouluski at MHP via email.

Nash asks Smith to also investigate Newburyport's HOME funds allocation. The Trust could potentially access this funding to use for down payment assistance as well.

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Update: Mechanics Court

Craig Pessina, the owner/developer, is moving forward with his project. Construction has begun and Mr. Pessina has stated that the units will be ready for occupancy in February/March. The Trust's financial commitment will not come into play until a qualified buyer has purchased the affordable unit. The MOA states that within 20 business days of the closing on the unit, the Trust will issue payment (\$50,000). Mr. Pessina was informed of the need to begin the paperwork/application to DHCD to get the unit listed on the SHI.

Update: Fund Balance: Smith reviews the changes to the fund, which include:

- \$75,000 from FY 2014 CPA funds; and
- \$13,000 from a VI-C Special Permit at 1-3 Parker Street.

October Meeting Agenda Items:

Nash suggests looking at the Housing Production Plan and begin thinking about the next feasible project for the Trust. She believes that the FY15 CPA application should be a request for funding to carry out a specific task from the Plan. She also asks Smith to look into the Water Street parcel and get some statistics on the site. Tymon states that this information may be in the Plan since the consultant used it as an example in presentations.

Smith confirms that she will make the necessary changes to the DPA draft so that the Trust can vote to finalize the changes. She also confirms that a discussion regarding the re-use of the Brown and Kelley Schools will also be on the agenda.

Adjournment

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

Meeting adjourns at 7:30 p.m.