

HAMILTON DEVELOPMENT CORPORATION

MINUTES OF MEETING

June 7, 2017

Members Present: Bill Gisness, Rick Mitchell, Anthony Nickas, and President, Brian Stein

Coordinator: Dorr Fox

This meeting was called to order by Brian Stein at 7:32 am with a quorum established.

Warrant

Motion to approve the Warrant 17-25 for \$3,229.99 made by Bill Gisness.

Rick Mitchell seconded.

Vote: Unanimous to approve.

Minutes

Brian Stein made motion to approve the minutes of May 17, 2017 and May 24, 2017.

Bill Gisness seconded

Vote: Unanimous to approve

59/63 Willow St.

Rick Mitchell and Brian Stein reported that they went to the Affordable Housing Trust (AHT) meeting to talk about the RFP and requirement for a second site. Harborlight also needed \$300,000 for each site. The AHT talked about the senior center, which was not received well. Some members of the Trust wanted to pursue the site at some point but thought it was a better idea to develop small, 2 plus bedroom, family units on the Willow St. site along with senior housing. Andrew DeFranza was reportedly working on something to try to make this concept work.

Rick Mitchell noted that having contingencies made it difficult to make a decision because there were many moving parts, which the Corporation had no control over. Brian Stein added that the contingencies made the project much further drawn out. Mr. DeFranza could develop the Willow St. parcel on its own, but would need to rework the proposal as it would have a different funding mechanism. Mr. DeFranza would likely need an increased contribution over \$300,000 from the AHT. Mr. Stein described the difference between a 40B and By right development and recalled that most residents wanted a 40B as it would be a smaller building with no commercial use on the first floor. Mr. DeFranza preferred no commercial use as well. There was a greater risk of an appeal with a 40B and less chance of appeal with Site Plan Approval. Mr. DeFranza had preferred to have a mix of demographics.

There would be a joint meeting between Harborlight, the AHT, and the HDC on June 15, 2017. Sketches would show building massing after the changes were made. The front property would be left to the HDC. Bill Gisness recalled that there was a State program for 20 or under units.

Brian Stein said it would not be as much money as a tax credit program. The decision deadline was June 30, 2017. The self imposed deadline could be delayed by the Corporation. Tax credits would be applied for twice, according to Anthony Nickas, due to the backlog of projects. The project would be submitted in December, then rejected in June, so the timeline would be 1.5 years with development occurring in about three years, according to Mr. Nickas. The project would be permitted in 2018 then go to the State in December 2018.

It was noted that some towns gave \$70,000 per unit, so Harborlight asking for more money, which would be about \$15,000 per unit, was not unusual. Hamilton had previously donated \$250,000 for two units. A couple of members of the AHT wanted to look at the COA site. Traffic could be an issue. Rick Mitchell thought it would be a good site for eight to ten units incorporating the Senior Center. The Director was adamantly opposed to it. As a senior, Mr. Mitchell said he was not threatened by a development. The Trust was to develop a new template of acceptable housing sites. Brian Stein thought smaller projects would be better but the economics of a 20 acre site with 20 units was not economically feasible.

Anthony Nickas said the HDC had financial obligations and didn't want to get caught up in something that stalled the development. Brian Stein responded that Harborlight was the only proposal. Mr. Stein would ask Andrew DeFranza to send over his proposal before the Joint Meeting. The timeline of the single project would be beneficial for the HDC. The contract with a real deposit would be signed and received with a contingency upon getting the permit. A reasonable deposit might be \$25,000 to hold the project, then perhaps another \$100,000 would be submitted after permitting. Other benchmarks would be rounds of State funding. If he was not allocated tax credits, Harborlight would have an out of the contract.

Rick Mitchell suggested thinking of a Plan B in case the proposal was not fulfilled. The loan was amortizing and the bank would be contacted after June 15, 2017. Depending on what happened on the 15th, Andrew DeFranza would come back with a modification of the proposal and the terms and conditions that would be imposed would be decided, according to Rick Mitchell. Mr. DeFranza would be invited for June 21, 2017 to discuss timeline and proposal amendments. Kathleen O'Donnell would do the contract. Dorr Fox would open up an escrow account for the deposit. Plan B might include the HDC being the developer.

In response to a question from Elaine Whipple regarding the demolition of the existing house, the Corporation responded that there had been no discussion regarding demolition of the house and no discussion regarding the tenant leaving. Brian Stein would speak with the tenant to determine his future tenancy.

HDC Budget for 2018

The first schedule had last year's Budget actuals through 2017 with \$37,000 left to spend. Anthony Nickas noted that there would be savings from previous year, which could be rolled into FY18. Mr. Nickas presented the 2017 Budget and 2018 Budget. Rental income was the

same. The \$65,000 meals tax revenue could go up due to the bakery and the new café in the shopping center. Utilities increased while repairs and maintenance (\$5,400) as well as legal retainer (\$5,500) were kept the same. Advertising and printing (\$750), postage, building supplies, taxes and insurance were all the same budget. Contributions were budgeted the same (\$10,000). Principal and interest (\$15,324) were increased, however, Mr. Nickas thought the budget would balance due to the savings rollover and audit. Flower pots needed to be part of the 2017 Budget.

There was a slot for a non-resident member of the HDC available and Bill Gisness' term was about to expire. Mr. Gisness wanted to continue as a member. Anthony Nickas wanted to keep the continuity of the group. Mr. Gisness wanted to consider market rate with commercial on the first floor for Willow St. and wanted to consider a local developer who might want to become a partner.

New Old Business

Motion made Rick Mitchell by to adjourn.
Seconded by Bill Gisness.
Vote Unanimous to adjourn at 8:33 am.

Prepared by:

Marcie Ricker

Attest

Date