

Hamilton Affordable Housing Trust
February 27, 2018 – 6 p.m.
Hamilton Senior Center

HAHT Members Present: Chair Russ Tanzer, Bill Wilson, Marc Johnson, William Massos,
Michael Lombardo

Town Staff Present: Dorr Fox, Hamilton Community Projects Coordinator

At 6:04 p.m. Chair Russ Tanzer opened the Hamilton Affordable Housing Trust (HAHT) meeting with a quorum present. Approximately 42 people attended.

MINUTES—JAN. 18, 2017

Michel Lombardo made a motion to approve the minutes as presented. Marc Johnson seconded the motion. The Trust voted unanimously (5-0) to approve the minutes.

DISCUSSION OF THE SECOND GRANT AGREEMENT WITH ANDREW DE FRANZA OF HARBORLIGHT COMMUNITY PARTNERS

Mr. Tanzer recused himself because he lives in the neighborhood of the project.

William Massos gave his interpretation of Mr. DeFranza’s letter to the Trust dated Jan. 29. (Mr. DeFranza had not yet arrived.) The letter lists five options. Mr. Massos said it is obvious Harborlight’s first choice is Option 1—to permit the Willow Street project at 20 units and Longmeadow (or some other readily available site) at 40 units. Harborlight is willing to do that if the Trust supports it and approves the second \$300K grant, which they can use during permitting, due diligence, and potentially, an appeal. They are also willing to extend their site control to the School District for an agreed-upon period of time while the schools decide if they want to use the back portion (or front portion) of the property.

Bill Wilson detailed where things stand with the Longmeadow Study Group. The Schools are starting a process to review the land, but nothing has been set. They probably cannot use all the land, but may have an interest in pieces of it.

Mr. DeFranza arrived. He confirmed Mr. Massos’ assessment, that Harborlight’s choice is Option 1 and agreed with him that not many of the other options are viable. Mr. Johnson said the other options might be helpful if they wanted to “chase a non-Andrew [DeFranza] solution.” Mr. Johnson noted they now have a plan with schematics, which had been missing up to now. (Copies of the plan were passed out to those in attendance.)

Mr. Lombardo raised the issue of the grant money potentially going to pay litigation fees, saying he didn't think the Trust's articles of incorporation allowed for that. His understanding is that Trust money should be for site acquisition and construction. Mr. DeFranza replied he didn't want to "take a pounding" on the risk. He said the Schools haven't responded to him formally or informally. He is willing to maintain site control to buy the Schools time to decide. He will make the cost for holding the land, when costs come into play, as low as it can go.

Bill Shields, 721 Bay Road, said he had a point of order. A letter was sent to the Board of Selectmen (BOS) asking that Mr. Johnson recuse himself. Mr. Johnson said he would not. The matter is with the BOS.

Mr. Massos said he liked the schematics. Mr. DeFranza said they could make the units "fit and look good" and could also make the project smaller. Mr. Lombardo mentioned one of the options was to permit Willow Street alone, but to make it seven units (instead of 20) because they'd have to change the financing mechanism if they went that route.

Mr. Wilson said he's struggling with respect to the Schools' lack of response to the Longmeadow Study Group, the BOS, and Mr. DeFranza. He said the Schools sent a response letter that lacked "teeth." Mr. Johnson said he thought the MOU was clear and not very prescriptive, and was disappointed the Schools chose not to move it forward.

Mr. Wilson, who is also the BOS chair, didn't want to speak for the Selectmen about whether they would support the project. He said it would go on the agenda sometime around March 19 after input is received from the Longmeadow Study Group and will be part of the Town Meeting report. Mr. Johnson noted approving Longmeadow would help satisfy 40B requirements and buy the Town safe harbor. Mr. DeFranza said safe harbor would go back if the project were appealed.

Mr. Johnson said the Trust's goal was to keep projects on a smaller scale and not have them all located downtown, which is why this proposal is good. Mr. Wilson agreed smaller projects throughout the Town, absent a citizen's petition, is what was asked for. However, he noted the Schools are probably about a year and a half away from any use plan. Mr. DeFranza was asked what the carry was for the back parcel. He said less than \$100K and more than \$50K.

Dorr Fox reported Town Counsel Ms. Brewer said the grant can be for any use unless the Trust restricts its use, so it may be used for appeal costs. Mr. Wilson said he had a hard time with that. Mr. Massos explained it's what they call a predevelopment cost.

Mr. Lombardo said the Trust had agreed not to act as developers. If someone had a project, they were to put it forward and let the Trust vote it up or down. Mr. Johnson said that's what they're doing now in looking at Option 1.

Robert Borsetti, 746 Bay Rd., said the Trust had changed its agenda for the evening and asked why they were linking Longmeadow (to Willow Street) without reviewing the

Library site. Mr. Massos explained they put this project ahead in the agenda because a couple of Trust members said they needed to leave the meeting early.

Mr. Shields said while Mr. DeFranza is a good man, he cannot assure the Town about what will happen on the back parcel. Mr. Shields said Harborlight doesn't have an option on the Farnham property [1 Longmeadow Way], as it says it does. He said the decision about using the \$300K for acquisition costs has to go to the BOS. He speculated there was no way Harborlight would pay \$3 million for the back parcel, unless it can do its originally proposed project of 108 units.

Rick Mitchell, Planning Board and Hamilton Development Corporation member, 36 Rock Maple Ave., said the property cannot be further subdivided. He said the idea is to buy safe harbor, continue to look at other sites for affordable housing, and prevent future unwanted largescale projects coming to Town. He discouraged worrying about all the things that could happen and doing nothing so that the future would be determined for them.

Anna Siedzik, 227 Highland St., agreed inaction leads to paralysis and said this move would set a good example that "this community is bigger than this parcel."

Kate Walker, 82 Ortins Rd., said she thought Option #2 was viable and the Willow Street project alone would provide the Town safe harbor. Trust members and others said that was not the case. Mr. Johnson explained senior units aren't valued by the State the same way family housing units are.

An emotion-laden discussion ensued about some of the history of the property, including Harborlight's formerly proposed project involving 108 units; Mr. Johnson's history with the Trust; and the potential for property owner Curt Miller to initiate a development much larger than this one at Longmeadow. Ms. Walker asserted while people have asked for smaller projects, this land doesn't lend itself to small development, and she predicted they would end up with big development there.

Mr. Lombardo said if the Trust was inclined to move forward on Longmeadow it needed to draft a grant agreement. He suggested limiting the 300K grant to site acquisition and excluding litigation fees from acceptable uses.

Mr. DeFranza admitted he did not have site control of the Farnham portion (as Mr. Shields had asserted), but he thought he could get it within 35 days. Harborlight has the ability to hold the rear property past April 2019, but would have to start paying for it then. He said he will provide Mr. Wilson with information about the cost.

Julia Maycock, 62 Willow St., noted they were putting 20 units on less than acre (at Willow Street) and 40 units on four acres (at Longmeadow). She noted Mr. DeFranza had the patience of a saint and was a "stand-up guy." She asked when the Town was going to make its decision because people need to know what's going to happen in their neighborhood and with their futures.

Mr. Massos said given what they had in front of them, the project was a good fit for the Trust's mission. The issue was what might happen down the road on the back parcel. If there were a good idea about how to control the destiny on the back parcel, they'd like to hear it. Ms. Walker and Mr. Wilson again noted the lack of response from the Schools.

Mr. Johnson said they ought to move toward a motion. Mr. Wilson asked about next steps and Mr. Johnson said, after a motion is made, it would go to the BOS for a vote. Mr. Johnson said all the Trust can do is recommend it to the BOS, who would want to see the finished grant document.

More was discussed on the history to date, about how the Longmeadow Study Group had completed its mission to run the issue "to the ground," and speculation about what the future might hold at the property, as well as neighbor worries about traffic and potential flooding there. The Trust discussed making a motion with the restriction on the funds and then getting Town Counsel's input in writing up the grant agreement. Mr. Wilson said he would once again reach out to the Schools.

Mr. Shields asked if the Trust had done a site walk. When some members said they had not, he questioned that. Mr. Johnson responded he was familiar with the nuances of the property.

Decision:

Mr. Wilson made a motion authorizing Mr. Fox to move forward and have Legal Counsel draft the Longmeadow grant agreement between the Trust and Harborlight Community Partners and bring it to the next meeting. Mr. Johnson seconded the motion. The Trust voted unanimously (4-0) in favor of the motion. (*Note: Mr. Tanzer had recused himself.)

The Trust set March 8 as its next meeting date with Longmeadow as the only agenda item. In the meantime, Mr. Fox will contact Ms. Brewer.

Mr. Tanzer returned to the meeting. Mr. Lombardo needed to leave the meeting. It was noted that there would still be a quorum.

REVIEW OF FIELDS NEXT TO THE HAMILTON-WENHAM LIBRARY FOR USE AS AFFORDABLE HOUSING, LOCATED AT LINDEN STREET NEAR UNION STREET

Dave Thompson, 103 Essex St., had been charged with reporting back to the Trust regarding the Library site's septic issue. He noted the property is in Zone 2, which contributes to the Town's drinking water supply. He explained while there are no restrictions on residential development within Zone 2, one can't put a junkyard there or dump salt-laden snow. He explained Title 5 regulations identify Zone 2 as a nitrogen-sensitive area and limit the amount of nitrogen that can be put into the ground. There are limits on the discharge in terms of the amount of gallons per day per acre. If you treat the wastewater and remove some of the nitrogen before it's put into the ground, you can increase the rate to a larger amount of gallons per day per acre. The processes used are the

variable. He had design charts for Zone 2, specifying how many units one can get on a site and how many acres are needed for the number of units, which he felt might be useful to the Trust.

The glitch with the Library site, he said, is that there is already a huge septic system there. The Library and Rec Center take up some of the capacity. The existing system meets Title 5 standards and is not maxing out the site. However, it is not an engineered system (treatment plant); it is a trickling filter. The code, as he's calculated it, would allow for 10 to 15 units of two-bedroom senior housing or 4 to 7 three-bedroom family dwellings. His point was that this project would be doable according to the code numbers and that there would be no barriers to considering the project further.

The type of septic system they use and how it correlates to the number of units they could potentially develop and whether the units are senior or family housing units and other issues like this would need to be studied. Someone would have to lay out the project and review the many considerations, such as roadways, parking, infrastructure, etc. The Trust asked Mr. Fox to check with Health Agent Leslie Whalen on the Town's Board of Health and make sure she concurred with Mr. Thompson's findings.

The Trust turned the conversation to the deed restriction on the use of the property. The entire site, including the library, is 4.7 acres.

Annette Janes, 86 Union St., a former librarian and Library Trustee noted the deed restriction said the land could only be used for education. The use was then changed to recreation. Mr. Fox said that was correct. The use would again need to be changed, this time to housing, which would involve a process to see if it could be done.

Mr. Johnson said he didn't think this site could serve as an alternative to Longmeadow, but wondered if the site might lend itself to senior housing, which the Town needs. Mr. DeFranza said it was unlikely Harborlight would move on this project as a stand-alone project. If the septic could handle family units, he could do it, but wouldn't do it as a single deal by itself. Mr. Massos said it might be a good adjunct to the other projects, and they could perhaps package all three together.

A Wenham resident on Juniper Street said there's a playing field crisis in the two towns, and she didn't think this project would make it across the Town Meeting floor because the parents of the great number of kids who use the Library playing fields would move to stop it. Mr. Wilson said other fields would need to be made available; he mentioned the Town has a \$500K fund to put toward playing fields. Mr. Johnson mentioned the Trust will be out of money after the \$300K is spent on Longmeadow. He didn't think they should tackle this project now. Elaine Swensen, 6 Linden St., Wenham, noted the traffic already there due to the Library and fields currently there.

Mr. Wilson said he thought the Trust should close the loop and move down a path of understanding the deed restriction, which would come with a cost. Mr. Fox said that action

would have to happen after July 1 when the Trust receives more funding, such as a CPC 100K grant. At that time, they could vet it through the usual process.

Mr. Tanzer said with the park, playing fields, and Library, the property was a good location for family housing. In light of septic considerations, he asked Mr. DeFranza whether family housing could be done as two-bedroom units. Mr. DeFranza said yes, it could be done.

Mr. Fox will reach out to the various Town entities to solicit their input and see if there is support for the project. After checking in with Mr. Lombardo's office, he will notify the Library Trustees, the Recreation Department, and the Wenham Town Administrator. Mr. Tanzer suggested a phone call and follow-up email to each.

TOWN MEETING PRESENTATION

Trust members had received a draft of the report. Dorr Fox will check on what's needed and if something will be read at Town Meeting. Mr. Wilson suggested consulting the moderator. Mr. Johnson said he thought their report would be welcomed and deserved a few minutes of the Town Meeting audience's attention.

10% DOWN FUNDING PROGRAM

Mr. Massos said the Trust was looking for a resource that might help them manage this program. He talked with the housing consortium in Peabody [North Shore Home Consortium], of which the Town is a member. The group, which receives block grant funding from the State, previously gave the Town money for the Habitat for Humanity houses. He was told there was not a lot of money that could come from them, but was pointed to MassHousing for financing. The program is doable, according to Mr. Massos. If they could provide for three affordable houses per year, offering \$10K each for the down payment in exchange for the residents signing a deed restriction to keep the houses in the affordable range, that would add up quickly to count toward the Town's 40B requirement. The residents would have the ability to buy themselves out of the restriction if they so choose.

Mr. Fox noted during the CPC presentation at Town Meeting, they open up the floor to questions and thought someone from the Trust could speak at that time about the 10% Down Program. Mr. Fox and Mr. Massos discussed some language to incorporate: The HAHT is evaluating a 10% Down Program for affordable housing in Town to help people buy affordable houses leveraging MassHousing finance and MassHousing lending partners. In return there would be a deed restriction placed on a mortgage securing the Town's investment in the property.

OUTSTANDING INVOICE

Mr. Tanzer said he received an invoice for \$369 in legal fees from Ms. Brewer for work on the Willow Street grant agreement.

Mr. Johnson made a motion to pay the \$369 bill. Mr. Wilson seconded the motion. The Trust voted unanimously (4-0) to pay the bill.

NEW TOPICS FOR FUTURE MEETINGS

Ms. Walker said a hot topic at the BOS meetings has been P.I.L.O.T (payment in lieu of taxes) as it relates to Gordon-Conwell Theological Seminary. She asked if the BOS had discussed with the Trust the possibility of putting affordable housing at the campus. She was told the BOS hadn't discussed it yet with the Trust, but was working on the issue along with the Finance Advisory Committee. Mr. Massos suggested Gordon-Conwell could put aside 10 percent of its new housing toward affordable housing. The other Trust members said this is within the Town's inclusionary bylaws already. Mr. Johnson said if a developer was doing affordable housing there, it would be good to know. Mr. Fox said he didn't think the developers (who are not Harborlight) were ready to make it public.

Deborah Rosser, 10 Postgate Rd., thanked the Trust for their deliberations and for bringing quality affordable housing to Town. She said Harborlight properties are in meticulous shape and they provide services for their residents. She is a retired senior lender of Mass Development and a Project Review Committee member for Harborlight.

ADJOURNMENT

Mr. Tanzer made a motion to adjourn the meeting at 8:29. Mr. Johnson seconded the motion. The Trust voted unanimously (4-0) to adjourn the meeting.