

Hamilton Affordable Housing Trust
June 11, 2018 – 6 p.m.
Memorial Room, Hamilton Town Hall

HAHT Members Present: Chair Russ Tanzer, William Olson, and Marc Johnson
HAHT Members Absent: William Massos
Interim Town Manager: Robin Crosbie
Town Staff Present: Hamilton Community Projects Coordinator Dorr Fox

Chair Russ Tanzer opened the Hamilton Affordable Housing Trust (HAHT) meeting at 6:04 p.m. with a quorum present. About 22 people attended the meeting.

MINUTES—MAY 8, 2018

Marc Johnson made a motion to approve the May 8 minutes. William Olson seconded the motion. The Trust voted unanimously among those present (3-0) to approve the minutes.

Interim Town Manager Robin Crosbie hadn't attended the May 8 meeting so did not vote.

DISCUSSION OF LONGMEADOW PROJECT (LONGMEADOW WAY AND BAY ROAD)

Mr. Tanzer recused himself because he is a direct abutter, but first he detailed where they were with the project. He said there was discussion at the last meeting that Andrew DeFranza of Harborlight Community Partners would come back and give them a pitch.

Mr. DeFranza, who said he had sent an email via Dorr Fox, said it was "less pitch/more description." He said they only have a couple of alternatives. The first is to try to do a small project on the front parcel. That was the project they were close to voting on the last time (involving 40 units). They can't do that project unless they find some use for the rear parcel and they haven't found any. Marc Johnson confirmed municipal uses (schools, sports fields, etc.) weren't found. Mr. Olson asked what it would be to monetize the property if they were to invest in the back parcel. He was told the variance was about \$1.5M. So if the Town were to buy the property basically just to conserve it that would be the number, which included selling off the houses there. [Without sale of the homes it would be about \$3M.]

Mr. DeFranza said they couldn't pursue the purchase of the property independently, but were willing to consider doing a larger project of about 100 units, which is basically where they were in the discussion about a year ago. That was the second option. Mr. Johnson said

the HAHT would only be willing to look at that if it were something the community wanted, but it would be hard for them to put it on their agenda since 40 units was the maximum scope they were going for. The HAHT discussed that if they were to vote to just do the 7 units at Willow Street for \$800K, it would be spending too much per unit. Also, they would need Town Meeting approval for coming up with the remainder of the money (\$200K), so that was a decision that would have to be made in October. They discussed the reason the project was expensive was because Harborlight can't use tax credits for financing a project that small and would have to go with another funding mechanism. Mr. Johnson said because the HAHT had concluded in its negotiations that 40 units was about the maximum number of units desired by the Town, which wants smaller projects spread out over Town, the HAHT would not want to do a project of more than about 40 units. Looking at that idea is not where they are.

Mr. DeFranza said the third alternative is to say neither Longmeadow parcel is viable and walk away. However, he said Harborlight was still willing to do a 7-unit project at Willow Street. Another possible variation would be to mitigate one of the legal risks. Exploring this third alternative was where Harborlight stood at the moment, he said.

When asked a timeline for the project, Mr. DeFranza said he can no longer provide a date, as they "aren't in that space anymore." Mr. Olson noted the options to purchase have a deadline. Mr. DeFranza said yes, they need time to evaluate a strategy. The research they were doing was due at the end of June.

Mr. Olson noted the neighbors had been on board with the Willow Street project of 20 units for seniors and asked what the neighbors thought of the new 7-unit project for family housing. Mr. DeFranza said based on his conversations, he thought the neighbors are still OK with the project provided the height of the building didn't go beyond two stories and that there wasn't commercial on the first floor.

Mr. Johnson suggested if they were done with the Longmeadow discussion, they bring Mr. Tanzer back into the conversation.

Bill Shields, 721 Bay Road, said Mr. DeFranza has said in the paper publicly in three separate publications that he has three options and doesn't want to do any of them. The first option he won't do because he would incur litigation. The second is to have a big project there and spend a large amount of money. The third option is to walk away. Now the Town is asking for another option, he said, but he pointed out Mr. DeFranza lacked site control of the roadway. Without that, there can be no project.

DISCUSSION OF 59 WILLOW STREET PROJECT

Mr. Tanzer explained developing the 20 senior units at Willow Street was predicated on doing another larger project in Town. So now the Willow Street project has been revised to 7 units. Mr. DeFranza said the footprint would be no larger than previously discussed and said the conversations with the neighbors had gone well. He said doing the smaller 40B project means tax credits can't be used. The only funding source available required a

significant local investment. Previously discussed was the Accord Food Pantry moving into the building, but he said neighbors had discussed that they preferred Accord not relocate there and that there be no commercial on the first floor. Harborlight is willing to do the project either way.

Rick Mitchell of the Hamilton Development Corporation (HDC) said it was the intent of the HDC, who owns the property, to sell it. When asked the price they had purchased the property for, he said it was \$600K, so they would be breaking even.

Mr. Tanzer said the HAHT had \$600K, which they had set aside for the project for 20 units. They are due to receive another \$100K in Community Preservation Committee (CPC) funding in July.

Jean Wolcott Borsetti, 746 Bay Road, asked why they can't do 20 one-bedroom units. Mr. Johnson said they wouldn't qualify for funding unless it was for family housing. Mr. DeFranza said family units have two or three bedrooms. For septic reasons, they need a total of 20 bedrooms or less.

Mr. Fox explained the CPC began putting deadlines on the projects commencing by a certain date because grant recipients weren't using their grant money within a reasonable period of time. \$250K in grant money for the Willow Street project from the CPC must be spent by June 30 or it will go back to the CPC. \$50K of it was already spent, so \$200 remains to be spent.

Mr. Johnson explained there's a restriction that the \$250K couldn't be spent on Longmeadow. The requirement that the money be spent by June 30 was part of Town Meeting vote and is not something the CPC can change. Ms. Crosbie said they could submit an article at the next Town Meeting on it.

Mr. Tanzer asked if the check had to be cashed by then or just issued. Mr. Fox said that wasn't specified. He suggested asking Legal Counsel Donna Brewer this question. Perhaps signing the agreement with Harborlight might satisfy the deadline.

Council on Aging Director Mary Beth Lawton said she wanted to remind the Trust this started with a discussion of senior rental units. There's currently a total of only 44 rental units available for seniors in a Town of 2,000 seniors. She said the COA does support developing 100 units at Longmeadow. She did not think 104 was a huge number. But, she noted when you leave it to the public domain, you have no control over the project.

Mr. Johnson pointed out the HAHT "was not at 104" in the context of its two-year process. Ms. Lawton countered the HAHT had arbitrarily decided 104 wasn't going to work, and only then did they go through that process. She wanted to open a discussion of 104 units at Longmeadow back up. Mr. Johnson said they didn't have the capacity to come up with the extra \$3M to make that happen. Ms. Lawton said they do have the ability.

Kate Walker, 82 Ortins Road, said she wanted to remind the HAHT that over the past couple of years there have been several discussions about having affordable housing units at the COA site, and the COA director was opposed. She said perhaps they should revisit that. Discussion followed about how the HAHT would feel if a non-friendly developer built 150 or more units at Longmeadow. They discussed that about 25 percent of those would be affordable. Mr. Olson reminded them they don't have site control there.

Ms. Crosbie related the topic to her experience as town manager in Ipswich. She said her sense is that the discussion about senior housing is not off the table. She said it would be nice to get a small "win" out of what might be the smaller project at Willow Street. While that was happening they could also look at other options for development of senior housing.

Mr. DeFranza was asked if the family units at Willow Street would preclude seniors from living there. He said no, but they'd have to have enough people to warrant the number of bedrooms. Perhaps a senior could live with a caretaker, for example.

Mr. Johnson said an idea that they've abandoned seniors isn't fair. He said he and Scott Maddern went with Department of Planning & Inspections Patrick Reffett to meet with the Deputy Director of Affordable Housing for the HCD [Housing and Community Development]. They spent an hour and a half convincing her that senior housing had a role in Hamilton given the demographics. She had that the Town can do senior housing, as long as they have a commitment to also get to family housing. A discussion ensued that a project downtown made sense for seniors, who would have access to the train, Crosby's, etc., although Ms. Lawton pointed out the COA offers excellent and economical transportation to its seniors. She added the COA needs to stay as it is; its plans is to increase the footprint of the senior center.

Ms. Crosbie suggested the Trust move forward with the project at Willow Street while continuing to address housing for the elderly

Mr. Johnson said \$800K means a higher price per unit than they've looked at for a long time, although the two Habitat for Humanity homes were also expensive. He said they were going to have to represent to the community that it is an appropriate and fair price, and he asked Mr. DeFranza to provide some numbers for them to review at the next meeting. Harborlight is currently working on a project in Beverly. Mr. DeFranza said they are "into it for \$900K and change."

The Trust discussed safe harbor and their goal of developing 14 affordable housing units per year to satisfy 40B requirements.

Anna Siedzik, 227 Highland St., said the Town has a willing partner in Mr. DeFranza and they have property owners willing to give him site control. She said Governor Baker signed a bill two weeks ago in support of affordable housing and the national conference for affordable housing is going to be in Boston this year. Longmeadow is a chance for a big win.

Mr. Johnson said the “willing partner” isn’t willing with the prospect of multiple lawsuits... If they provide support to allow him to take a swing at it... There are a couple of handfuls of people who oppose it, but many who support it.

Mr. DeFranza said they have site control of the rear parcel, not the front; but he thinks they could get it on the front.

Ms. Walker said she doesn’t want a huge development in this town at all. There have been many people who have said “no large projects.” She commented that they had had a great 24-unit proposal for a project in Mr. Johnson’s backyard.

Mr. Tanzer brought the conversation back to the Willow Street property and said they had to look at whether the dollars allocated could still be used toward the project although its makeup had changed. It was a bird in the hand. Mr. Johnson agreed they needed to look at whether it was a prudent use of money. The price per unit for 8 units would be about \$100K per unit.

Mr. Tanzer said they needed Town Counsel Donna Brewer to look at the agreement they had voted on. They had voted to fund 20 units, not 8. Also they need to know what happens with the money on June 30. Ms. Crosbie said she would check with Ms. Brewer tomorrow.

They looked at some history of the property. The Hamilton Development Corporation had put it out to bid and Harborlight was the only bidder. The land was in the HDC’s control so it didn’t have to go to Town Meeting. Mr. Fox said the HDC had gone through the process required. The HDC had extended the deadline for closing on the property at Willow Street from June 30 to September.

Conway Felton, 719 Bay Road, asked if it would be helpful if Mr. DeFranza showed the numbers pertaining to the similar project he is doing in Beverly. It was agreed it would be helpful and Mr. DeFranza said he would provide the comps.

The Trust went over their current funds and discussed the means of paying for the project. Borrowing needs a 2/3 vote at Town Meeting. Ms. Crosbie said there’s a provision under the CPC that says you can use money raised each year to pay off the note. Mr. Fox said there will be \$500K in CPC reserves as of July 1. He is working with Finance Director Marissa Batista to see how much they can bond. The CPC can only bond on money it collects from the Town; it can’t bond on the state match. There are projects competing for CPC funds, including the Town Hall restoration. Also Meadowbrook Farm is being talked about as a potential site for affordable housing.

Robert Borsetti, 746 Bay Road, said he thought the HDC should be dissolved and replaced by a Chamber of Commerce, and the money generated by the meal tax should be applied to affordable housing.

DISCUSSION OF GORDON-CONWELL THEOLOGICAL SEMINARY SITE

Mr. Fox said that there might be a possibility of an ad hoc committee to look at potential for affordable housing there; they are reporting back to the Board of Selectmen (BOS) with a charge. If there is land available it is something for discussion.

Mr. Johnson said that it was a parcel the Town looked at previously. Mr. DeFranza identified it as expensive because of the slope. Ms. Crosbie suggested the HAHT discuss the matter with the ad hoc group.

Ms. Walker shared her idea of a ground lease concept at Gordon-Conwell to provide payment in lieu of taxes to the Town. She noted the Trust was told that Gordon-Conwell was in negotiations with an affordable housing developer about 19 acres, but hadn't followed up on it and wanted to know why. Mr. Olson said it was the ad hoc committee's agenda to have the discussion. Mr. Mitchell pointed out it wasn't an officially sanctioned committee. Mr. Olson said the BOS had endorsed two of its members: Allison Jenkins and Jeff Hubbard. The ad hoc committee was formed outside of the Selectmen's meeting.

Mr. Borsetti went over history of the "baskets" they'd looked at as sites for affordable housing and how it had been whittled down to five or six locations, many of them were eliminated. He said people in Town had stepped up to the plate.

The conversation ended. It was left that Mr. DeFranza would return with further details as they continued to look at the economics on the \$800K proposal.

NEW/OTHER BUSINESS

Mr. Fox said the BOS was going to be making reappointments and wanted to make sure Mr. Tanzer and Mr. Johnson were onboard with being reappointed. They both said yes.

Mr. Fox said the Housing Authority wanted to take the CPC on a tour of some of their properties so they might understand what some of the needs are. They also invited the HAHT for a tour and wanted some potential dates. Mr. Tanzer said he is out of the country in July so June was good. Mr. Olson suggested the first two weeks of August.

They talked about restrictions on how CPC funds can be used in relation to repairs of the Housing Authority buildings and if there were potential for adding units to them.

The HAHT set June 26 at 6 p.m. for its next meeting date.

PAYMENT OF BILLS

Mr. Olson made a motion to pay a \$246 invoice from Legal Counsel Donna Brewer for work on drafting the Longmeadow property grant agreement. Mr. Johnson seconded the motion. The Trust voted unanimously among those present (4-0) to pay the invoice.

ADJOURNMENT

Ms. Crosbie made a motion to adjourn the meeting at approximately 7:41 p.m. Mr. Johnson seconded the motion. The Trust voted unanimously (4-0) to adjourn the meeting.