



DANVERS AFFORDABLE HOUSING TRUST

TOWN HALL, DANVERS, MASSACHUSETTS 01923
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Minutes March 24, 2014

Attending: Gardner Trask, John Alden, Donald Gates, Tish Lentine and Carla King

Staff: Susan Fletcher and Francine Butler

Informational Meeting About the Town's Draft Housing Production Plan

Trask welcomed everyone to the presentation of the draft Housing Production Plan. He introduced members of the Danvers Affordable Housing Trust: Don Gates, John Alden, Tish Lentine and Carla King. He told the audience that the Danvers Affordable Housing Trust was created through a Town Meeting vote to encourage the creation of affordable housing opportunities within the community. As a result of the 2010 Federal census the Town fell below the 10% affordable housing required by the State. Through the efforts of the Trust we will be better able to maintain ten percent (10%) of our housing stock as affordable. The Trust had done a lot of good work such as helping to facilitate the transfer of a property on Coolidge Road from the Town to Habitat for Humanity. Habitat for Humanity razed the property, started construction and is expected to transfer ownership of the property to a qualified family next year. Trask stated that the Trust is very excited about the work being done so far. He stated that the Trust believes that the creation of a Housing Production Plan will assist the Trust with complying with the DHCD requirements and provide a blueprint for increasing our affordable housing within the the community.

Trask introduced Cindy Dunn from the Danvers Housing Authority. He told the audience that the Danvers Housing Authority was a State entity located in Danvers. He said that the Trust partnered well with the Danvers Housing Authority.

Trask told the audience that the Trust determined that there would be a benefit to having a Housing Production Plan to provide a plan for the future. The Trust issued a Request for Proposals for the housing study and selected LDS Consulting Group. Lynne Sweet and Susan Haber will describe the production plan that they helped the Trust develop. Trask said that they would like input from the audience. The Housing Production Plan will be taken to the Selectmen and the Planning Board for their endorsement after receiving the comments from those attending the Informational Meeting. Once it is endorsed by the Planning Board and the Board of Selectmen it will be filed with DHCD.

Sweet addressed the audience and said she appreciated the turnout. She said it was a wonderful process working with the Trust. She stated that she felt it was a good practice to go out and see if there is more information available that needed to be put in the plan, so they interviewed individual stakeholders at the beginning of the process. She stated that the next step is to go before the Planning Board and Selectmen for their approval. Once that is received it will be forwarded to DHCD for approval. The plan is good for a five (5) year period. Sweet stated that the Town is close to the ten percent (10%) affordable housing which is the State's requirement for affordable housing. Once at the ten percent (10%) threshold the Town is able to deny 40B applications that the Town believes to be inappropriate for the community.

Sweet said that right now the Town is at 9.15%. There were a lot of projects between 2000 and 2010 that were put on the SHI.

Sweet went over the presentation.

Susan Haber addressed the audience about zoning and wastewater management, and wanted to address the zoning and regulatory framework. She said that she looked at the zoning code to determine whether it promoted opportunities for affordable housing, or whether it may inhibit it. She felt there were places where things could be tweaked. The first thing she noticed was that a variance for affordable housing is used regularly. This is how Conifer Commons and 78 Holten Street were done, however, this is atypical for most communities. A conversation could be started to see how zoning could be altered to produce affordable housing. The Multi-Family Affordability Provision (Inclusionary Housing Provision) is a mandatory provision so that if you build five (5) units or more, 12.5% needs to be affordable. However this is only required for multi family developments.

Trask explained that the Trust and the Planning Board worked with the developer of the 58 Riverv Street project and the Town will add two three-bedroom units to our Subsidized Housing Inventory (SHI).

Haber felt incentive zoning could be used. A developer could apply to the Planning Board or Zoning Board of Appeals for voluntary relaxation of dimensional standards in zoning in exchange for a public good (affordable housing).

Haber also suggested allowing residential use in the downtown Commercial (C1) Zone. She felt the Town may want to look at an overlay district to allow a mixed-use provision in the downtown district. They could also consider a fee waiver or a fee reduction for affordable housing developments.

Haber said that Danvers provided water to Middleton. Middleton, however, is developing at a greater rate than Danvers. Even though Danvers is eighty percent (80%) outside the Ipswich Basin Watershed, the Town is subject to the Ipswich Basin Watershed regulations. Danvers is under legal obligation with the DEP for a water use municipal permit which regulates the amount of water that can be taken out of the

watershed. Every new development has an assessment on the water removed to satisfy the demand. The money collected helps replace old pipes that may be leaking and other improvements to the distribution system.

Trask said that they would welcome input from the audience. He said that this was a community forum to discuss the ideas presented.

Trask asked Hendrik Van Leester, from the North Shore CDC, about the housing production plan in Salem. Leester said that parking was an issue with mixed-use housing and development. Sweet said that Salem had a unique way of creating off-street parking. Parking is more expensive the closer you park, and less expensive the farther away you park. Down at the Pickering Wharf area, staff is encouraged to park farther away. If there is housing over retail, a shared parking plan will be needed.

Fletcher said that Danvers does not have parking meters. There are also two municipal parking lots that allow parking all day and overnight. Sweet said that the goal is to have people use these lots. Gates said that there is a lot of parking downtown. Trask agreed and said these lots allow overnight parking.

Corey Jackson, from Citizens for Adequate Housing, said that they have two to three-family type developments, as well as family shelters. They just finished developing two units on Elm Street in Peabody. Jackson said that Peabody does not have specific addresses in their housing plan, and he asked if the Trust had specific locations in mind. Sweet responded that there are some specific property addresses.

Jackson stated that fifty percent of households in Peabody are in households they cannot afford. Peabody has several hundred affordable units whose affordability restriction will end in the next couple of years. The City of Peabody is working with the owners of the property to have them renew their affordable housing restriction.

Cindy Dunn, from the Danvers Housing Authority, asked if there are any communities doing rental housing subsidies. She stated that if they have a certain vacancy rate in Danvers that can't be filled because of high rents, could the rents be supplemented, and would the State count these subsidies. Sweet and Trask agreed that the State would probably not count these. Sweet said that housing authorities use the same list for mobile vouchers, which go with the person. Once someone gets a voucher, they do not give them up. Dunn felt if you had a situation with a subsidy, a person could be elevated from the 60% threshold to the 80% threshold, or the 30% threshold to the 50% threshold. She felt it would be easier to elevate them instead of building another unit.

Deanna Fay, from Harborlight Community Partners, stated they have very low income rental units because this is where the need is with families. The idea of subsidies is not favored because it is not a long-term solution. Sweet noted that Harborlight focuses on the elderly.

Sally Kerans, a Board member of Citizens for Adequate Housing, stated that the project at 10 Elm Street in Peabody was a historic preservation as well as an affordable housing project. She stated that she heard repeatedly that there are off-line units in housing authorities because there are no monies to rehab them. Dunn responded that that is not the case in Danvers. They have had the money to keep units on-line, and they have no vacancies.

Trask stated that Danvers received HOME funds on a regular basis. He stated that they received seed money for affordable housing from the Avalon project, which was a condition of the sale of the former hospital to Avalon Bay. Fletcher stated that most of the funds that the Trust has are one-time funding opportunities.

Trask asked the audience if they were sitting on the Board of the Selectmen or Planning Board, what would their thoughts be. What questions would they want answered.

Kerans believes that the Town needs to have the conversation about CPA. She pointed out that many municipalities in the State had wonderful projects funded with CPA funds. She stated that Peabody has it, and the affordable housing project at 10 Elm Street was accomplished with these funds.

Trask responded that it was one of the recommendations by Sweet. He stated that they brought it up many years ago. The idea was kicked around, and the timing for recommending a new tax at the time of a 2.5% override did not sit well. It may be the opportunity to discuss this again.

Linda Flaherty, Town Meeting Member, said that she heard discussion about housing units, and she thought EFLAs was a way to provide housing. It is a unit within a unit. She asked if the numbers were silent on EFLAs. Sweet stated that they are not counted on the SHI. It is a successful program, and it is a way of providing affordable housing in an informal manner.

Trask stated that the problem with EFLAs being on the inventory with the DHCD is that they deed restrict the property for perpetuity. The property could not be sold higher than the affordable housing calculations. Trask said that Danvers has EFLAs and mobile homes which are not counted because they are not deed restricted, and as a result cannot be included on the Town's SHI. Trask stated that the Town's affordable opportunities are well above ten percent. Fletcher pointed out that someone could be living in an EFLA for care rather than for financial reasons.

Joe Younger, Town Meeting Member, asked for clarification of CPA, and the 2.5% override mentioned earlier in the meeting. Did it mean that one is dependent of the other. Younger felt the CPA should be done. Most other communities accepted the CPA. If money is the object, then when people sell their properties, this is an easy way to approach it. Sweet clarified that this is a tax on anyone that owns real estate. It is an additional real estate tax. Younger thought that it only affects people when they sold a property. She said that they can decide on the percentage, and go as high as three

percent. You could also negotiate to not count the first \$100,000 of the value of the property. Many things could be done. It is a steady revenue that can be budgeted year after year.

Linda Flaherty stated that she would like to see comparables of communities that have CPA. What is the percentage of the communities that have it, how much are they collecting and how successful are they? This way you have a cause and effect. Which communities have declined, and are they losers? She would like to see a statistical analysis on implementing the CPA if one is going to be imposed.

Trask stated that the recommendation was to establish an exploratory group to look at CPA. Sweet stated that the CPA committee would make recommendations at budget season for a vote as to how to use the money. Sweet stated that there was flexibility with the CPA. It can fund up to 100% of median income like Newton does. Sweet stated that there are three buckets: 10% to affordable housing; 10% to open space; and 10 % to preservation. The money did not need to be spent every year.

Trask stated that the Trust is going to have a joint meeting with the Selectmen and Planning Board. Trask asked if anyone saw impediments.

Kerans asked if there was any sense how the Planning Board and Zoning Board of Appeals felt about this. Trask stated that the Planning Board had helped draft the language for the inclusionary zoning. The Zoning Board of Appeals had been supportive, and they do reach out to us when people seek variances. They ask the opinion of the Trust. They understood the social need, and there is a cooperative working relationship between the Boards.

Trask told the audience that there is an opening on the Trust for a member.

The presentation ended, and a meeting of the Danvers Affordable Housing Trust began.

Fletcher asked the Board if they were willing to fund the amount of \$3,700 towards Francine's salary. The Trust voted unanimously to fund the monies for the salary.

Fletcher told the Board that she may not be at the next meeting scheduled for April 16th due to a conflict with the Finance Committee meeting. Trask would be available for that meeting.

Fletcher confirmed that May 20th would be the date for a joint meeting with the Board of Selectmen, Planning Board and Trust. Sweet said that if everyone could make it, she would make herself available for the meeting.

Fletcher advised engaging a staff person in Ipswich that has expertise in getting units on the SHI. Fletcher stated the person in Ipswich, Terry Anderson, submitted a proposal for \$1,700 to do a SHI submittal to DHCD . At a meeting she had with Wayne Marquis and Rich Maloney, it was determined that not putting units on the SHI was something that

they did not agree with. They stated that any unit that was going to be affordable needed to be included in the SHI.

Trask felt this was the cost of doing business. Any developer worth their salt knows the cost of business. If this is a State fee, and they have to pay for administration of it, he does not want to use any of the Trust money to pay for it.

Alden stated that the project at 78 Holten Street providing an affordable unit was a condition from the ZBA. This should have been realized when he started development. From a builder's perspective, he agreed to the terms. He felt bad it is a small unit and he was doing it for the good of the community. But it was a condition of the terms of the permit.

Gates felt had the developer fought the condition, he would have spent more money in legal fees.

Trask felt it had to be equitable. He felt the Venice Street property did not deserve any more breaks. The developer had gotten far more than what it would have cost him otherwise. Trask felt he used the law well to allow him to save hundreds of thousands of dollars. Whatever is done has to be equitable.

Trask wanted to make sure the affordable units get on the SHI as well. It is the cost of doing business. Trask felt they could provide the developer with names to help complete the paperwork to get the units on the SHI.

Alden asked if Habitat for Humanity had to do this as well. Sweet said that they have to pay a fee, but because they are a non-profit it is a reduced rate.

Trask felt it was a fee to do business. He liked Sweet's recommendation to waive fees that the Town had, but they should not pay the state fee.

Trask stated it was a condition of getting the variance that the developer sought.

Trask wanted confirmation that the Trust did not want to give their funds to get the units on the SHI. Alden felt if they opened the door, they would have a big problem.

Fletcher stated that the Trust had already provided funding for projects that had a wide range of criteria.

Trask stated that the Trust's support would be to point him in the direction of less costly ways of getting the units on the SHI. Everyone agreed.

Alden had a problem with the state's fee. Trask agreed that the issue was if he were building 25 units, the cost would still be \$4,000.

Sweet was looking for approval to have actual addresses in the Housing Production Plan. This was a requirement of the State. The language was amended to read, “....may become available to the Trust by Town administration action.”

A discussion ensued concerning the salary shown for a police officer on one of the slides of the presentation. This was removed from the Housing Production Plan. Trask recommended doing a slide showing purchase prices of homes. Sweet said that would be included.

A motion was made, seconded and unanimously voted to adjourn the meeting.

The meeting adjourned at 9:15 p.m.

Tish Lentine
Clerk