



# DANVERS AFFORDABLE HOUSING TRUST

TOWN HALL, DANVERS, MASSACHUSETTS 01923  
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## Minutes June 15, 2016

**Danvers Affordable Housing Trust:** Gardner Trask, Carla King, John Alden, Stacey Bernson, Don Gates, Sally Calhoun and Tish Lentine

**Staff:** Susan Fletcher and Francine Butler

### Minutes of May 18, 2016

A motion was made and seconded to approve the minutes of May 18, 2016. The motion passed by unanimous vote.

### 20 Locust Street: Harborlight

Fletcher told the Board that Mr. Carnevale received permission to build 21 residential units from the Zoning Board of Appeals (ZBA) along with five retail units and one commercial unit. Three of these units were going to be affordable units; one was going to be a three-bedroom unit and one was going to be a two-bedroom unit.

Fletcher said that she received a call from Andrew DeFranza from Harborlight who told her Carnevale was going to sell the property. DeFranza asked for financial support from the Trust. He told her that this project was large enough that he would be able to secure state funding for a majority of the project and would probably be requesting \$50,000 from the Trust to show the Town's commitment to the project. He was proposing 18 units, all of which would be affordable. The Department of Community Development requires seniors, as well as individuals or families in these types of developments, and Harborlight specializes in senior housing. They would have to go back to the ZBA to amend the plan but they are comfortable with the design of the building as approved by the ZBA. She asked if there would be support from the Trust in favor of this.

Trask confirmed that there were going to be 18 affordable units.

Fletcher confirmed this. She said that they were going to keep the retail space and one commercial space.

Alden felt that the Trust gains since all the units will qualify for the SHI instead of just three units. That would make up for a lot of units in the future.

King felt that if the project did not include Section 8 subsidies then this was not an affordable project in her mind.

Fletcher said that these units would come with rental subsidies. At this point DeFranza is looking for support from the Trust.

Fletcher felt that \$50,000 would show that there is some support from the Trust.

Alden felt a \$50,000 donation was a bargain if they could get 18 units with multiple bedrooms.

Calhoun said that Harborlight had a good reputation.

Bernson said that DeFranza knows what he needs to do in order to qualify a project. They have an excellent reputation for managing their projects.

Calhoun noted that Harborlight managed River House.

A motion was made and seconded that the Trust communicate to Harborlight that they were in support of their efforts as described. King did not agree. The Vote was 6-1.

Alden asked what the likelihood would be that DeFranza would run into friction from the ZBA. Fletcher said that they want residential downtown, but they may not want it to be low income.

Bernson said that they subsidize the construction with state funds to keep the rents lower.

Trask said that when he went to the ZBA meeting the first time, they were fine with the concept of mixed-use. He does not recall any pushback.

### **3 Laurine Road**

Calhoun told the Board that she saw a listing for the sale of 3 Laurine Road and felt that this is the time to take back the tomato patch. Fletcher felt they should inform the new buyer.

Trask said that the present owner hurt himself and could be the reason why they are selling. He felt it would be advantageous to have somebody, or Town Counsel, inform the realtors that the property belongs to the Town of Danvers.

Fletcher said she would inform Town Counsel and the Town Manager of what is happening.

Lentine thought it would be good to stake the property. She felt it should be clear from the beginning.

Trask felt people should be aware of what they are buying. He felt the Board should look at building a tiny house.

Alden felt the zoning for that lot did not mandate a tiny house. He felt they could build a home with 1,800 square feet of living space with a two-car garage.

Calhoun confirmed that the Town owned 5 Laurine Road. She asked how the Town came to own it, and Fletcher responded that it was taken by tax title.

Alden asked what the tax cost was, and Fletcher said she did not know. It was a long time ago. It may have been under \$500.

Fletcher felt it was a good idea to get a survey of the property. Trask felt that they would want to protect their own interest.

Alden felt that the Town Manager would want to make sure that as the property is changing hands, the Town lot stays the way it is.

Trask pointed out that you cannot claim adverse possession from the Town.

### **Partnering with Danvers Community Council: Update**

Fletcher said that she got a bill today for \$400 and another for \$600 for the months of May and June. She was asked if the Community Council did not use the \$1,000 allocated for the month, could the difference go over to another month. The Board supported that the contribution was \$12,000 for the year, so they did not have a problem with this request.

### **HOME Program**

Fletcher told the Board that they will have \$51,000 in HOME funds remaining in their account as of the end of June. They are still getting returns from the first-time homebuyer's program. Those funds will be reclaimed and used regionally. They will be part of the open grant program. The other alternative is that NSCAP is willing to take the funds for rental subsidies, and they would administer the programs. Fletcher said that it would not count on our SHI, but it would help people in the region. She said that she spoke with Kevin Hurley and Cindy Dunn. They said that even if they gave the funds to the Danvers Housing Authority, the funds would not be project based subsidies since people can move wherever they want. Hurley said that NSCAP runs similar programs if they want to go with them. Fletcher said that the funds would be taken from their account. They need to submit a letter to the Town Manager asking him for a letter indicating that the Trust wants NASCAP to run a rental subsidy program with these funds.

Fletcher said that these funds were administered through DHAT and the Trust. The Town Manager would have to be the one signing this letter.

Trask asked if this could be a funding source for Community Council.

Fletcher pointed out that these funds come with a lot of administrative reporting and regulations that would be difficult for the Community Council to navigate.

Trask said he would prefer using the funds in the Town of Danvers. Either way, it is going to help someone.

Fletcher said that Danvers is one of the communities that is served, but there is no guarantee that it will be Danvers. The funds could also be used in Peabody, Beverly or Salem.

Gates confirmed that Danvers was one of the four communities that NSCAP served. He felt it would make sense to give the money to NSCAP.

A motion was made, seconded and unanimously voted to have the Trust send a letter to the Town Manager to let the funds go to NSCAP and the four communities it serves.

### **Community Preservation Act: Update**

Fletcher said that there is a CPA Meeting this evening being held at Diane Langlais' house, and they are in the process of forming a PAC.

Fletcher said that Langlais is doing an opinion/editorial for the Boston Globe.

Trask wanted clarification from the legislation as to whether it was the Housing Authority or someone from the Trust that would be a member of the Community Preservation Committee (CPC). Fletcher said it was the Housing Authority. Fletcher explained that the CPC consists of a representative from the Conservation Committee, Planning Board, Preservation, Recreation Committee, Housing Authority and four other people. Trask asked if someone from the Trust could be on that committee.

Fletcher said that if it passed in November, someone from the housing trust could be on the committee.

Trask wanted to know if it had to be the Housing Authority, and Fletcher responded yes. Trask said he asked this specific question at the meeting and thought someone from the Trust could be on the CPA Committee. Fletcher said she did not remember that question. Trask would like to validate that it is specific to the Housing Authority.

Bernson said that someone from our Board could be part of the committee. Trask felt that they should be at the table.

### **40B Compliance**

Fletcher said that she was not able to get final details regarding this.

### **Financial Report**

Gates said that the only change on the financial report was the interest earned for the month.

## **New Business**

A discussion commenced regarding the home on Liberty Street owned by the Kaplan House. Trask asked for how long the demolition delay was. Fletcher said it was close to being over. Trask asked if the house could be moved to Laurine Road.

Fletcher said that she would have to check to see when the six month period was up. They have in the past saved some properties such as the Porter/Bradstreet home. The Donovan house on Elm Street is coming down. The house at 5 Water Street was going to be a three-unit brownstone. They are saving four rooms on the first floor. They have been successful in saving some properties, but the only authority they have is to delay the demolition for up to a 6 month period.

Calhoun asked what was significant about the house on Liberty Street. Trask said it was its age and architecture.

A discussion ensued regarding 153 Maple Street owned by Giovanni Capece and how the property had fallen into disrepair. Alden said if they could approach the owner of the home and see if their issue is financial resources, maybe the Trust can offer funds for them to do the repairs in return for a deed restriction to get a two to three-bedroom unit.

Alden felt the Trust could be the vehicle. There are plenty of properties like this. This is a good location, and people can walk to everything.

Alden presented a hypothetical to the Board. If the Trust went to Town Meeting and got the lot. They would then do an RFP and then try to get the Essex Tech to build a three-bedroom deed restricted house. The cost is materials and a 30% fee to cover management for the school. He felt a fully handicapped three-bedroom home with a two-car garage could be built between \$150,000 and \$175,000.

Alden asked how this could be financed. Does the Trust lump sum it to the school? Do we deal with a bank with a construction loan? A lot of ground work needs to be made to get the lot of land and get the Tech on Board. It would take two school years, 15-18 months to build the house. He asked the Board how they should deal with financing.

King felt they had the money, which they would get back when the house was sold.

Trask asked if they are now encumbered by prevailing wage.

Alden asked if they have to do an RFP that turned control over to the school.

Alden asked if it would be better to get a construction loan.

Trask said that they may be able to take this to Town Meeting. In the end, they will have an affordable house, and it will be closer to fair market value. We are not looking to make a profit for the Trust. We are looking to provide an affordable unit.

Alden said that the new superintendent of the Tech is pushing off-campus programs that puts the school in the limelight. He wants attention for the school. Alden is going to have a meeting within the next ten days. The school would love to take a house and have everyone work on it.

Alden said that through advance manufacturing (machine shop) at the school, they would have the ability to draw the plans. They would be involved with the CAD work. The construction division does not do CAD work yet. That will change since teachers are going through a quick sweep, and new teachers are familiar with CAD. He asked the Trust if he should throw it out to the superintendent.

Trask asked if CPA funds could be used to buy Town property to make an affordable project.

Alden said that they could use it for construction.

Trask asked if they could get a fair market value assessment.

Alden felt they could get the lot cheaper going through the Town Meeting process. He felt they need to look towards home ownership.

### **Summer Meeting Schedule**

It was decided by the Board that the next meeting of the Trust would be August 17<sup>th</sup>.

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

The meeting adjourned at 8:20 p.m.

Tish Lentine  
Clerk