



DANVERS AFFORDABLE HOUSING TRUST

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Minutes September 16, 2015

Danvers Affordable Housing Trust: Gardner Trask, Stacey Bernson, John Alden, Carla King and Tish Lentine

Staff: Susan Fletcher and Francine Butler

Also attending: Nancy McCann and Thomas Carnevale

Minutes of August 13, 2015

A motion was made, seconded and unanimously voted to approve the minutes of August 13, 2015.

Potential Rental Assistance Program/Partnering with Danvers Community Council

The consensus of the Board was to wait until Don Gates was present to discuss these two agenda items.

Updates: Coolidge Road, Venice Street

Coolidge Road

Fletcher informed the Board that Coolidge Road has obtained many of their final inspections. They may have their occupancy permit next week.

Fletcher informed the Board that she received an email from Don Preston stating that the Town of Danvers is being honored by Habitat for Humanity for the Cornerstone Award at their auction fundraiser in October. Fletcher said she would speak with Preston and inform the Town Manager. It was noted that it would be good if members of the Trust could attend the function. Trask said he would entertain a motion for the Board to buy a table of ten seats.

A motion was made, seconded and unanimously voted to purchase tickets to Habitat for Humanity's auction fundraiser.

Alden said that the Selectmen and Manager should be made aware of the award.

Trask said that he drove by Coolidge Road, and he noticed the entrance to the house had a series of staggered steps. He thought this property had to be ADA accessible. Fletcher said that there is a handicapped accessible bathroom. Trask asked Fletcher to find out about the handicapped ramp for access to the home. Fletcher said she would look into this.

Venice Street

Fletcher informed the Board that one unit was almost ready to go under agreement. The other two people that qualified dropped out. Trask asked if they would need to go through the lottery process again, and it was confirmed that if the next qualified person to submit an application did not have competition, they would be considered the applicant.

Fletcher said that she would send an email regarding income limits and qualifications. Trask asked Fletcher to send it to Cindy Dunn as well to forward to people that may be on a waiting list. Fletcher said that she would call the Danvers Herald and Salem News to see if they might do a small story.

Alden felt the development would be precedent setting. Fletcher felt this project would provide a visual aide to Town Meeting when they deliberate on the future mixed use zoning proposals.

Financial Report

A motion was made, seconded and unanimously voted to accept the financial report.

20 Locust Street: Nancy McCann

Regarding 20 Locust Street, Trask said that the Planning Board had sent a letter to the ZBA prior to the meeting regarding affordable housing for that site. He was pleased that the ZBA immediately asked about the affordable housing component. Trask said that he was pleased that the ZBA and Planning Board had embraced this, along with McCann, leading the development to this choice instead of having it forced upon them. Trask said that they ended up with three units, of which one must be a two-bedroom unit.

McCann said she was before the Board to get direction as well as finding out what assistance can be provided. She said she has been involved in a lot of 40B projects, but this is a more streamlined process to do local initiative types of units. These are affordable units that are not by comprehensive permit. The Planning Board, ZBA and the Trust have met to discuss this in the past and came to the conclusion that with smaller developments the process with DHCD to get it on our SHI can be an onerous. The applicant loses rental income, and the fee can be up to \$10,000 to get the unit on the SHI. The consensus from those meetings was that the Trust could provide financial assistance for the smaller developments to lower the impact of these costs.

Fletcher asked McCann if the project was going to be rental or ownership. McCann stated that hadn't been decided and would depend on the market. She said that a consultant needed to be hired. The DHCD has a list of approved consultants. If the project was completed today, the units would be condos.

Fletcher pointed out that if the units are rentals, in order to stay on the SHI, there has to be yearly monitoring. She said that the Town does not have the capacity to do this. This monitoring would be ongoing for the owner of the property. If the development is ownership than yearly monitoring would not be necessary. They would hire a consultant and a lottery would be held among qualified applicants. The applicants need to meet HUD income guidelines. There is a cost for advertising in many publications. They select the qualified people.

Alden pointed out that there is a fee paid to the consultant which is \$4,000.

McCann said there is the application process at the front end, and there are legal costs to that. There are the consulting costs, as well as the \$4,000 fee.

Fletcher said that the application process should start six to seven months before the end of construction. A smaller project waited until the unit was ready for occupancy before they started the process.

Bernson pointed out that they did not need to do a lottery for a rental unit. A lottery is for home ownership. However a marketing plan does need to be developed.

Alden asked if the fee was the same for sale or rental. McCann said yes.

McCann asked the Board if the Trust had looked at these applications recently. She said there is the standard LIP where the project fee comes in. She said that the DHCD now has local action units. McCann asked if this was for units created by other than a 40B, and Fletcher confirmed this. She said that there is no fee associated with this type of application.

Bernson said that local action units have been done through the City of Peabody, and there is no fee.

Trask asked if the local action units end up on the SHI, and Bernson confirmed this.

McCann said that a subsidy can be interpreted as approvals are received. The use variance would qualify for the subsidy towards the project.

McCann said she would contact DHCD to see if they could use the streamline application. They will have costs at the end of their project. She asked what assistance they could count on from the Trust.

Fletcher said that they need more information, such as whether the units are rental or home ownership. Trask recommended McCann provide two different scenarios, rental and purchase.

McCann asked if the Trust can assist them with getting all the signatures needed. Fletcher said that they can provide technical assistance.

Fletcher said that the Trust will consider being a partner in this project and sees this as a voluntary thing. We need more of a scope of what is being discussed, rental or ownership. Fletcher said that some things will be evolving as they get closer. She said that previous projects took longer because they did not start the application process until they were finished. We urge people to start early.

Trask told Carnevale that he was pleased that he presented the project with affordable housing.

Alden said that there is no hesitation from the Board that we want to find avenues to help these situations work. They are willing to support a project in one way or another.

McCann thanked the Board for their time. She said that they need to button up their timing. They need to go to the Planning Board for site plan approval. They also need to get a handle on the construction timeline.

Trask told McCann that a special meeting can be held for them if timing does not fall with the Trust's monthly meeting schedule.

McCann said she will communicate with Fletcher. Fletcher said the Board communicates between monthly meetings.

Trask felt the success of this project will help the zoning get passed at Town Meeting.

Bernson said that they could commit to pay for administrative costs but suggested that they do not commit to do this until the units are actually added to the SHI.

Alden said that he wants to be careful not to set a precedent. In the past, they have spent up to \$24,000 per bedroom. They are getting four bedrooms with this project, and he wants to be cautious about paying all the fees.

Trask felt that when the time comes, they could set forth a specific dollar amount per bedroom.

Lentine pointed out that there is value to be placed on the technical assistance they would provide.

Alden said that the Trust is a willing participant and are willing to help.

Fletcher pointed out that there could be a number of these units associated with the new downtown zoning amendments being developed.

Trask felt that they need to create a sample marketing plan. The fact that it goes into the DHCD makes it a public document. Bernson said that if the Trust pays for a project's marketing plan, they could use it for a template. They do not have to pay for the whole cost. They could pay for a percentage of it.

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

The meeting adjourned at 8:15 p.m.

Tish Lentine
Clerk