



# DANVERS AFFORDABLE HOUSING TRUST

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## Minutes October 18, 2013

**Attending:** Gardner Trask, Sally Calhoun, John Alden, Tish Lentine and Carla King

**Also Attending:** Dan Martignetti

**Staff:** Susan Fletcher and Francine Butler

Trask opened the meeting. He stated they were there to discuss the plan relating to the alternatives offered for the Venice Street unit. He attended the last two Planning Board meetings and indicated the Trust's direction relating to options. The same sentiment was reflected in a letter to the Planning Board stating that the Venice Street proposal was not commensurate with the units on-site. He informed the Board that at the last Planning Board meeting options were discussed, and he offered recommendations that the Trust made. The developer was asked to go back and assess the impact to this option. He told the Board that they needed to have this meeting prior to the Planning Board meeting on Tuesday because he wants a letter of recommendation presented at that meeting.

Calhoun addressed Martignetti and told him that they wanted to assist with this process. She told him it was unusual for them to come out of their work days to attend a meeting, and that they were glad to do so in order to move the project along.

Trask thanked the Board members for taking time out of their day.

Calhoun stated that Option 1 was to add a third bedroom to the unit, along with upgrades. Option 2 was to have upgrades done to the unit and donate funds to the Trust.

Fletcher had a question concerning a cost that changed on two line items on the different options, and Martignetti replied that it was a typographical error. He indicated the cost of the decking changed since some of the decking will be eliminated if option one is selected. This is under the addition which would cut down the amount of decking needed.

Fletcher inquired about the repair to soffits and ridge ventilation.

Martignetti indicated this was presented by the inspector and was needed to prevent ice dams and molding. He stated he would take care of this problem.

Alden asked the Board about the content of the initial rejection letter, other than the lack of bedrooms.

Trask noted it was due to the reduction of bathrooms and the square footage of the unit was half of what the on-site units had. The electric heating was a concern as was the roof. The aluminum siding was showing wear, and there was a lack of reserve funds. He indicated these were discussed at the Planning Board meeting.

Alden asked if the developer had the ability to reverse the decision, opt out and give a unit on the complex.

Trask responded that the Planning Board would have to allow this.

Alden stated if the decision goes in a poor direction, he has the ability to go to the Board and go the other direction. He wanted to confirm that the developer did not have to stay with an off-site unit.

Martignetti responded that it was a condition of the Planning Board that he could provide an off-site unit. He stated if he had been required to have an on-site affordable unit he would have changed his plans and built a lower-end development.

Alden stated that he understood a lower-income family would have a hard time sustaining that type of unit. He inquired about the condominium fees, and Calhoun stated that by statute, the condominium fee is not calculated by square footage. She stated that condominium fees are set by the condominium association. The water use and insurance are the biggest factors.

Alden stated the taxes will probably go up. He pointed out that none of the betterments to the property would affect the affordability factor.

Lentine asked Calhoun how this would affect the association, and Martignetti responded that the condominium documents would have to change. He stated that they have agreed to fund the reserves of the condominium. He pointed out that in Option 2, the Trust could take the money that would be spent on the additional bedroom. Martignetti stated that he felt that this amount was more than what it would actually cost.

Alden responded that if this was built according to the energy code, he felt that it could not be built for under \$40,000. He believed the number was \$10,000 shy with the energy code because it has electric heat.

Calhoun confirmed that the additional bedroom would be on the first floor. She stated that from a philosophical point of view, they appreciated the offer, but she would rather have a unit rather than money in the Trust. She would like to improve the property to resolve the issues for comparability.

Martignetti stated that the house would still count as affordable housing. One of the differences is the pricing for a two bedroom is \$165,400 and a three bedroom is \$186,300. You still have an affordable house at a low sales price. He stated that even if Alden is right, if the price goes up by \$10,000, he could then sell the house for \$20,000 more if he did add the bedroom. It is a better deal for him to add the addition and sell the unit.

Martignetti told the Board that Aaron Henry told them they needed to get approval from the DHCD. They contacted them, and they were provided information.

Trask told Martignetti that they were capped at selling the unit for \$186,300.

Lentine asked Martignetti if he had checked to see if there was a requirement for flood insurance for this unit, and he responded that he did not believe the unit currently had flood insurance.

Fletcher stated that the greatest need for affordable housing is three-bedroom units. Trask asked the Board's preference.

Alden stated he would prefer the three-bedroom unit rather than the money. He said that if Martignetti had addressed the things that we did not like about the original deal, then we have to consider this heavily. Alden stated that his biggest concern is that the unit has an aesthetic good look. He does not want the new unit looking like a mansion next to a tar paper smaller home.

Lentine said she wants the addition to look good and match the neighborhood. She would like the addition to be obtuse with a consistent look. She felt they needed a three-bedroom unit, and it can happen with what is being proposed. She stated that most people want to be on the same level as their kids.

Calhoun responded that their task is affordable, not aesthetics. That is not within their purview.

Trask stated we can either accept the two-bedroom and take money, or have a three-bedroom unit.

Calhoun stated that that was not the question. They were required to advise the Planning Board on the question on an option allowed under the bylaw for an off-site unit. Does this fit the bylaw?

Trask responded that this came up at the Planning Board, and we as the Trust's Board need to add clarity to the inclusionary zoning bylaw. Comparable is not mentioned in the zoning bylaw, but there was enough discussion about this. Town Counsel said that by inference the off-site needs to be comparable in size, and he indicated that he would back that up. We are going to make accommodations in zoning for clarity later. Trask stated

that the developer has offered an option, and we are here to say whether one of these options is something that we would consider comparable and give a letter of support.

Martignetti stated that they were back-tracking. The Planning Board agrees the law is very vague, and an opinion was offered by Town Counsel. We went on our experience that a two-bedroom, two-bath unit was acceptable. He will do whatever it takes to get the deal through. They need a resolution for financing issues since he has been self-funding the project.

Trask stated that this Board is not an authority. We are either going to render a letter of recommendation or not. We need to render a decision.

Calhoun responded that the language of the bylaw stands with the Planning Board. We are not giving the task of interpreting the law. We are giving advice to the Planning Board. From that perspective, they are not in the position to start talking about the legal issues with the bylaw. She knows there is a potential issue, but would like to think it can be resolved.

Martignetti stated that he would like to put this all behind him.

Calhoun stated if there was a way to utilize this opportunity to increase the affordable housing in Town, she would prefer to have a three-bedroom unit and would choose the three-bedroom option. It would be nice if it could be aesthetically pleasing.

Fletcher stated that they could recommend that architectural drawings be submitted to the Planning Board so that what is being proposed fits into the neighborhood and site. The Planning Board can have one last look. Fletcher stated that she agrees with Calhoun because the Trust does not want to get involved with aesthetics, but felt they owe it to the people that live there and the neighborhood.

Trask stated he too agrees with the three-bedroom unit.

Calhoun asked if there was a chance that a half- bath could be added since the units at Riverview had two and one-half baths.

Alden stated that you would not put the second bathroom upstairs with the bedroom. Also, with the house slab, plumbing would be a major cost issue. He stated that maybe when the addition was added they could have a second full bathroom on the first floor by converting the half- bath to a full bath.

King stated they could add a shower, a three-quarter bath.

Alden pointed out that this would require less square footage taken from the living area.

King stated that plenty of people get by with three-bedroom and one bathroom.

Martignetti felt this would be a major renovation. The plan was to make the unit a three-bedroom, not to add a bathroom. There are a lot of other issues that they were planning on dealing with. Architectural plans run into a lot of money. He stated that a member of the Planning Board had mentioned that she had been to an open house and seven checks were received with offers. He needs to know what this Board wants. He does not want to lose a deposit.

Fletcher asked whether he was willing to do the architectural drawings, and Martignetti responded that this would add to cost.

Trask said that Martignetti would not be able to get this by next Tuesday to get approval and move forward based on an acceptable solution to the zoning bylaw. The Planning Board is looking to us, and we are accepting of this offer, which is 80% of the way to their vote. The architectural design will come later. This is not part of our recommendation for the Planning Board to make a decision.

Fletcher stated it could be a condition for the approval.

Alden stated to inform the Planning Board that we approve the unit, but we do not want to approve the architectural design. The Trust wants three bedrooms. Alden pointed out that architectural blueprints need to be provided to obtain a building permit, but they do not have to be aesthetically pleasing.

Calhoun said it is possible to make a two-bedroom unit into a three-bedroom unit by slapping up a lean two that meets safety requirements, but looks bad. She would like to see a three-bedroom and if possible, make it look aesthetically pleasing.

Martignetti pointed out that he needs to sell this house. He would make sure it looked nice because he does not want to hold an empty house and have carrying costs associated with it.

Calhoun made a motion to communicate to the Planning Board that this Trust is satisfied with the option of building a third bedroom, and suggest to the Planning Board that they include some control over the design.

King seconded the motion.

Trask wanted to discuss certain points such as the age of the roof and asked if the reserve fund of \$2,000 was satisfactory.

Calhoun stated that the reason to beef up the reserve fund was to satisfy financing requirements. She felt the reserve for the roof is a problem for the homeowners.

Trask pointed out that the Trust had previously asked for \$6,000 to be in the reserve account.

Alden responded that if they had set forth a higher number, they should stand by it.

Martignetti pointed out that only one-half of the roof belongs to this unit.

King stated that both units pay into the reserves.

Lentine confirmed that ten percent of the operating budget needs to be in the reserve account. She asked if the condominium does not currently have reserves, and Martignetti confirmed this. She stated that she would like to accept his offer to boost the reserves to \$3,000.

Trask stated that the Trust would give a favorable recommendation for Option 1 with the list of improvements, \$3,000 in reserves and Martignetti to absorb the cost of changing the condominium documents. He stated that this does not affect the payment-in-lieu of additional units.

Trask stated that there was a motion on the floor to accept Option 1 with the list of improvements along with \$3,000 for the reserve fund, control over design and have the property become a three-bedroom unit.

It was unanimously voted that all were in favor of Option 1.

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

The meeting adjourned at 2:10 p.m.

Tish Lentine  
Clerk