



# DANVERS AFFORDABLE HOUSING TRUST

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## **Minutes November 18, 2015**

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

**Staff:** Susan Fletcher and Francine Butler

**Also attending:** Don Preston, Habitat for Humanity

### **Minutes of September 16, 2015**

A motion was made, seconded and unanimously voted to approve the minutes of September 16, 2015. The vote was 5-0. Lentine entered the meeting at 7:15 p.m.

### **State Disposition of Property on Maple Street: Don Preston**

Preston told the Board that that the dedication for Coolidge Road would be on December 6<sup>th</sup>.

Trask asked about the handicapped accessibility to the property.

Preston responded that the building was handicapped ready. A ramp could be put on the house if needed. Trask thought that the property was going to be completely accessible including access to the house. He pointed out that with the steep elevation changes the ramp would need to be quite long and have more than one landing. Preston agreed.

Preston thought handicapped ready was an important part of consideration for access into the building. Trask is disappointed that someone would need to put up a ramp in the future if it is required.

Trask said that he was excited about the dedication. He asked if the new resident would be at the award ceremony. Preston responded that the family will be unable to attend.

Alden felt that the Trust needs to tighten up their language in the future concerning handicapped accessibility to a property. The house is handicapped ready, but not handicapped accessible.

Preston said they consider the house barrier free. The house is accessible. The doors and hallways are all wide enough.

Calhoun asked Preston if they were pleased with how the house came out. Preston said definitely. He felt the kids were going to have a great time. All the children are under 8. Fletcher said the house was lovely inside.

Preston said they won an award for their energy star rating. Alden told the Board that this is very difficult to attain without spending a lot of money. The Board asked what this entailed. Preston said this requires more work from plumbers and electricians. They need to pay a lot more attention and there is more work involved. Every cavity needs to be filled and blocked.

Lentine said that she thought a house was supposed to breath. Preston said that there is a fan that runs 24/7. He said that when they did a blow test, there was a bad smell because they were drawing fumes from the sewer pipes since they had not yet been filled with water. It was quite impressive how tight the house was.

Lentine asked if there were any comments from the neighbors. Preston said that now that the house was finished the neighbors were more accepting.

Preston said that one of his board members saw the notice for the auction of the land by the entrance to the former state hospital. He said it is a 15,000 square foot lot. Trask asked the zoning of the property. It was determined that it was in a Residential III zone.

Alden confirmed that they would need a variance to do anything since it was an existing non-conforming lot.

Fletcher told the Board that a use variance is not allowed. The only thing allowed would be a single-family home, and a variance would be needed for density.

Preston said that they need a \$10,000 check to enter the auction in order to make a bid. They would have to go to the ZBA for permits. If the property was not buildable, they would convey the property either to the Town of Danvers or the Danvers Affordable Housing Trust.

Trask asked Preston if he was looking for \$10,000 from the Trust for the deposit. Preston said that the bid price would be in the vicinity of \$22,000. If the price went over, then the \$10,000 would come back. Trask confirmed that if Habitat won the bid, they would try to get the variances. If they did not win the bid, the land would go to the Trust. This was confirmed.

Alden asked what they were proposing to build. Preston said a typical three-bedroom, 1,200 square foot home.

Trask asked Preston how he would obtain financing should the Trust offer the \$10,000 for the deposit.

Preston said they would tap the usual suspects. They would also seek funds from the North Shore Home Consortium.

Calhoun felt that if the zoning was not able to be obtained, she thought it would be best that the property be given to the Town rather than the Trust. Maybe the Town could do something with the land.

King said she was concerned with wasting \$22,000.

Calhoun felt there were not a lot of residential homes in this area. She asked Preston if he felt it would be a good area to have a home. Preston responded that it was close to everything.

King felt this area was not walkable. Trask felt it was an island location. Calhoun said there was a group home across the street. Preston said that he looks at this as a possible home. It has trees on both sides of the street.

Calhoun said concerning the Trust being out \$22,000, if the permitting did not go through, the land would revert to the Town. The Trust could press the Town to provide housing. Maybe it could be developed.

Trask said that if this was developed by the Town, fair wage practices would make these prices sky high.

Alden felt if this did not come to fruition, the gamble would look horrible. There would be too much damage control. It is not the Trust's goal to own property. He would be willing to contribute if Preston already owned the land.

Alden said if a good price is not received at the auction block, a non-profit could apply to get the property for free. He suggested Preston go to the Dept. of Capital Asset Management (DCAM) office. Habitat might be able to get this property for nothing.

Bernson questioned who else would buy this land. If it isn't sold, maybe it can be gifted.

Alden pointed out that whoever buys it is going to have to obtain zoning relief.

Calhoun felt if zoning relief was not possible, the property could not be used for anything. Fletcher confirmed. Fletcher said the only other argument is that the state created the non-conformity with the roads.

Trask said that the ZBA and the Planning Board are aware of our mission and work hard to help them. His concern is the risk of Preston winning the bid and losing the zoning fight. He is not opposed to providing funding for other properties. This property has risks. Trask felt it was not the best location for a one-family, and the risk bothers him.

Lentine said that with her experience with a builder purchasing land is that the offer to purchase is subject to the permits being obtained. Preston said that the auction is being advertised "as is". The state would not agree to that.

King pointed out that he may be able to get this land for free.

A motion was made and seconded not to fund money to Habitat for Humanity for the auction of this property.

Preston said that he had another opportunity for a property located at 14 Center Street. The house is at the intersection of Center and Prince Street. The house is falling apart. They would like to rehab it. He felt a contractor would come and in knock it down.

Fletcher said that this property is in the historic district. The Historic Commission can require that the property not be torn down.

Trask asked if the property would be able to be rehabbed. Preston said he was doing a walk-through tomorrow. There are offers to purchase the property in the \$150,000 range.

Fletcher said that this property is in the Historic District. Since the establishment of the Historic District the only building that has been allowed to be demolished was a small concrete industrial building. Fletcher felt that the Historic District Commission would not allow it to be torn down.

Alden asked Preston what his goal was. Preston responded that it would remain a three-bedroom single-family home. Preston said that this property came to his attention this afternoon. They would restore this property historically, which is not an issue for Habitat. It does not prevent them from bringing it up to energy star standards.

Bernson asked if Preston thought about talking to the bank. Preston said it would probably go for around \$200,000.

Fletcher said that banks and mortgage companies do not understand historic districts. They don't take into account that the historic district is a very different animal.

Alden said that he would be interested in seeing what could be done with the property with the proximity to the school system and close to highways. Preston said that they would need to act fast on this property.

Trask wanted to find out what the constraints were, but maybe it was something that could be rehabbed. Fletcher said that there is nothing that can't be rehabbed. The property at 52 Center Street was in terrible shape.

Preston said that they gut the house to the studs. They go down to the sheathing. Then they would rebuild the house. Trask asked if there were any constraints with ripping down to the studs and rebuilding.

Fletcher said that you can replace like with like. If they have vinyl windows, you can replace with a vinyl window. If you want to replace three small windows with one, you can ask permission. Fletcher thought Preston should talk with the archivist, Richard Trask. She would be happy to sit with him.

Preston said that they would do the walkthrough. He asked what was the Trust was willing to do?

Trask said he felt it was a viable project from a Habitat from Humanity perspective. Preston said he is not worried by anything terrible going on inside. He said that there may be a small window of time.

Calhoun asked Alden what the standard would be for this type of project.

Lentine asked what the contribution was for Coolidge Road.

Preston said that this type of property (short sales) is what is happening out there. Contractors are sucking properties up and flipping them. It makes it difficult for Habitat to compete in that marketplace to bring it in and make it affordable.

Trask said that they spent \$77,000 on Coolidge which had three bedrooms. Alden said that you could say that it cost \$25,000 per bedroom.

Preston said that this is an opportunity before them. Bernson asked if Habitat had money for acquisition. Preston said no, they have the money to rehab.

Calhoun said that they do not have control of the acquisition cost for this property.

Trask said he had no problem with the Trust offering funds. He was willing to support \$50,000 for the acquisition. He asked Preston would come up with the remainder of the amount. Alden felt there would be minimal speed bumps. He agreed that the \$50,000 contribution would be safe. It gives them room when Habitat decides to come back for more money.

Bernson suggested doing an environmental review of this property. This way, should Habitat go for HOME funds, this will already be done.

Calhoun asked what does an environmental review have to do with a Historic District home. Bernson said that with all federal funds, they need to be sure there is no toxic waste, not on wetlands, etc. Bernson said if they want to add funds down the road, it would help to have this done. She said she does environmental reviews before committing funds.

A motion was made, seconded and unanimously voted that the Trust pledge \$50,000 towards the purchase of 14 Centre Street. All in favor.

Trask said that should this project come to fruition, they have previously looked for local preference. He informed the Board that Coolidge would not be on the SHI inventory because you can't do local preference for a single-family home. Bernson said that the DHCD must have approved Habitat's marketing plan.

Trask asked what was holding up the Mill Street project from being counted on the SHI. Preston said he was not sure. Fletcher said she would look into this.

Bernson asked if this was a requirement for new construction. Is there a different form for rehab? She felt someone should question the fact that they had an approved marketing plan.

Preston said they follow different marketing plans on different projects.

Preston said they need the funding. He said if the Trust puts more money in, they would not have to go for HOME funds.

Preston said that you end up with a local preference in Danvers. A lot of people want to be where they have family or work.

Discussion ensued regarding the marketing plan.

Fletcher said that if you are going to do a larger project that would allow for a local preference, you would have to prove why you need local preference. There is a formula that needs to be approved by DHCD in order for it to be counted on the SHI.

Preston said he would keep the Trust informed. He told the Trust that 55 Coolidge Road appraised at \$423,700.00

### **Potential Rental Assistance Program/Partnering with Danvers Community Council**

A motion was made, seconded and unanimously voted to not discuss items 3 and 4 on the agenda.

### **Rental Rate Increase Request: Halstead Properties on Kirkbride Road**

Fletcher said that she does not have the details on Item 5. They are looking for an increase of rent on the Avalon properties. She said that there was a process. Trask asked if the rents were tied to the state formula.

Alden asked Fletcher to find out exactly what they were looking for.

Fletcher said this could be different since this was state surplus property that was sold.

Trask felt when they compelled the units to be affordable, we would have used the DHCD standards for affordability.

### **Updates: Coolidge Road, Venice Street**

Fletcher said that they were still trying to sell the other unit on Venice Street. They were chastised because these units were already affordable units without a restriction. Units are not counted on the SHI unless there is a deed restriction.

## **Financial Report**

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

## **New Business**

Trask pointed out that the owner of 78 Holten Street was given the wrong form when trying to put his unit on the SHI. The unit sat empty for some time. The consultant did not advise him properly.

Alden asked if McCann or Carnevale use the appropriate form, there will not be a fee involved. This was confirmed. He pointed out that at the discussion about the project, they offered to take care of these fees. He wants to be sure how that money is offered.

Fletcher said that they were not specific. She felt McCann may put her hand out for some assistance with the consultant for monitoring fees.

Trask said that the Trust did not commit any funds.

Fletcher will be in Sweden for the next meeting in December.

Trask said that they will be discussing Community Council and would prefer Fletcher be present.

A motion was made, seconded and unanimously voted to forgo December's meeting.

January 20, 2016 will be the next meeting.

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

The meeting adjourned at 8:50 p.m.

Tish Lentine  
Clerk