

Devens Economic Analysis Team ("DEAT")

Minutes of June 17, 2011 Meeting

7:30am - 9:00am

Fireplace Meeting Room, Old Library

Orville Dodson, Clerk

Members Present: Victor Normand, Paul Green, Orville Dodson, Steve Finnegan, Steve Colwell.
Also in attendance: Ron Ricci.

Victor Normand called the meeting to order at 7:30am.

We first deferred the approval of the prior meeting's minutes (3/23/11) to our next meeting
It was announced that Jean Russell has resigned from the DEAT.

Next came the main topic of the meeting. It was a review of the "Vicksburg Square Site Concept" document from Trinity Financial dated May 7, 2011 which is informally called the "Vicksburg Square Presentation #2" or "Pres #2". This document was Trinity's second presentation of their plans and concepts for Vicksburg Square at Devens. The members had already read the document and the main part of the meeting was devoted to the members' observations and questions about the document and the plans presented in it.

Ron Ricci spoke first and remarked that someday we may want to move the jurisdictional lines to put Vicksburg Square ("VS") into one town, partly because Devens residents and the current consensus point that way. Ron thinks we should come to Trinity with ideas of our own already prepared, rather than just reacting to Trinity's proposals. Ron wanted to know Trinity's breakdown of the affordable units by number of bedrooms. Ron suggested studying the incomes of people working at Devens and of our own town employees and see how many would either qualify for affordable VS units or be able to purchase market-rate units. Ron thinks we (the DEAT) can probably get a meeting with Trinity. He suggests directly contacting Abby Goldenfarb (project manager), Dan Drazen (asst. p.m.), or Jim Keefe (President) at Trinity for a meeting.

Victor then made some observations: We should stay on the numbers side on our VS work, as opposed to policy. All members should review further the "Pres #2" and come back at our next meeting with additional questions and thoughts. Next Tuesday (6/21/11) Trinity will be making a presentation in Ayer. In it they'll be revealing the changes they'll be asking for on zoning and in the master Reuse Plan. Victor also noted that Trinity did try to market VS as an incubator facility and repeatedly found little interest. Victor then presented several questions:

1. Trinity is planning upon 74 elderly unit tax credits. Will they be able to get that many?
2. Trinity's plans call for the demolition of the current police building. Who pays for a new one?
In general, what are the capital expenses that accompany Trinity's VS project.

Paul Green suggested that we could study the total income of residents in the surrounding towns to serve as background for analyzing Trinity's market potential numbers. Paul also suggested studying currently prevailing rental rates in this region and compare them with the rental numbers that Trinity is proposing.

Steve Finnegan had some suggestions and questions:

1. We should study the operating costs for VS.
2. Developing VS eliminates the current parking area for the adjacent athletic fields which are in constant use. Is it ok to lose that parking? If not, how and where will replacement parking be provided?
3. What is Trinity's schedule? Build all at once or phased? Obtaining tax credits is a competitive and queued process – will that slow Trinity's down?
4. What is Trinity paying Mass Development to buy the land and buildings for VS? Will Mass Development get enough to build replacement parking for the athletic fields? Enough for a new police station?

Victor spoke next and presented several more questions:

1. Maverick Landing (an earlier Trinity project) has condos. Why none at VS?
2. The construction costs per unit were ~\$250K at Maverick Square and ~\$106K at Mattapan Heights. Why the difference?
3. Carruth was ~\$430K per unit and VS looks like about \$340K per unit. Do all of these per unit construction costs make sense?
4. Is Trinity setting up the right affordability unit numbers and qualification ranges to qualify for tax credits?
5. Victor did a quick computation on allowed income ranges for VS affordables and got approximately \$25K/yr as the salary of a typical VS resident. How can that support the estimated \$6-8 million economic contribution of residents to the local economy?
6. Who will pay to operate the Devens Museum.
7. There are limits on the number preferences (veteran, aged, etc.). Does Trinity stay within these limits in their proposal?
8. There are 78 senior units which look like assisted-living. Is Trinity planning upon running an assisted-living facility?
9. For the affordable units, are there any other state monies provided beyond the tax credits?
10. For the affordables, why are there income ranges and not single number income limits?
11. On the senior affordables, are there asset limits?
12. Do the children numbers in the VS proposal congrue with other Trinity projects? Other projects in general?
13. Does the anticipated \$6-8 million spent by VS residents in the area include their rent to Trinity or is it just their disposable income?

As the VS proposal anticipates many veteran and some military residents, Ron suggested that we obtain current military pay scales and current veteran monthly payment numbers. How do these incomes line up with VS rental rates?

Victor raised several additional questions:

1. Why isn't Harvard included in the “primary market” described in the “VS Pres #2”? How did Trinity come up with their “primary market”?
2. Did Trinity assign any economic or income factors in defining their “primary market”?
3. On the “Market Findings” page of the Pres #2, how did Trinity get all the various “3% of current demand” etc. numbers (the Capture Ratios)? Do they make sense? The 7.9% capture

ratio for Senior Affordables implies an unmet demand of 1600 units. Is that correct?

The members then decided upon some tasks to be done. We will look at the wage ranges of the town employees (fire, police, teachers, etc.) Victor will look for projects similar to VS. Ron will ask Lou Russo if he has any market analysis information he can share with us. The now defunct Harvard Housing Authority did an elderly market study. Bonnie Studart may have that information. Victor will assemble the questions brought up by members during this meeting into a single document and distribute before the next meeting. Members should read this assemblage and add any additional questions which they have and bring them to the next meeting. Someone asked if Ayer is doing a Vicksburg study similar to ours. We might want to check whether they are.

It was then moved and seconded that the meeting adjourn and it did so at 9:20am.