

Devens Economic Analysis Team ("DEAT")

Minutes of September 14, 2011 Meeting

7:00 pm – 8:30pm

Hildreth House, Living Room

Orville Dodson, Clerk

Members Present: Victor Normand, Paul Green, Steve Colwell, Duncan Chapman, Pat Wenger

Also present: School Board Member Keith Cheveralls.

Victor Normand called the meeting to order at 7:15pm.

Victor opened the meeting by reminding the members of the Board of Selectmen meeting next Tuesday, 9/20 at 7pm. Please try to attend.

Keith Cheveralls then reported upon his requests to get more information from Trinity about schools and school-age children at Vicksburg. Keith would like to work with the BOS and DEAT to get this further information. So far, Keith has received no further info from Trinity.

The members then reviewed the draft of the DEAT's report to the selectmen on Vicksburg Square.

Victor noted that the tax credits at the project are worth 90% of the development costs. These credits sell for 75% of the value of the credits and the buyers of the credits become partners.

Paul noted that we should recalculate the children/unit numbers without the 1-bedroom units. Keith Cheveralls said it might be better to go with a range of school-age children expected and to let that spark a discussion. Victor said he has been reaching out to everyone he can think of to find data on LIHTC projects (like Vicksburg) but so far with no luck. Keith suggested showing a range for Trinity/Vicksburg education costs, Victor agreed.

Victor remarked that he had Google'ed "Distribution of Incomes" and found a 2005 census study that indicated that for 80% of the units planned at Trinity, only 28% of the county (Worcester) could qualify as they are "affordable" units.

Pat left at about 8:10pm.

Victor related the rule of thumb that a project with 25% (or less) affordable units is considered a market-rate project and that a project with 80% (or more) affordable units is considered as an all affordable project. \$32,000 is the average income in affordable units and \$45,000 is the average income in market-rate units.

Keith addressed Trinity's \$8,000,000 disposable income number at Vicksburg. This includes rents paid to Trinity. The discretionary disposable income component is far less.

Steve Colwell arrived at 8:20.

Keith noted that the user fees schedule at the schools will be impacted by Vicksburg.

Victor noted that “demolition by neglect” would be a violation of law in the case of Vicksburg. The owner of the property is the only entity that can claim the tax credits. Thus, Trinity must syndicate the property. Tax credits are granted over 10 years.

Victor suggested including or reprinting in our report the Devens Reuse Plan's language setting the affordable units at 25% of dwellings at Devens. The language in the Reuse Plan offers a good explanation. Keith noted that there is a good paragraph in the Town Master Plan regarding concentrations of affordability.

Keith discussed some impacts of Vicksburg upon Harvard schools. First, he does not think that people have begun yet to focus upon these impacts. He just bought a NESDAC report on enrollment. The demographics from Vicksburg do not fit with what Harvard schools are geared up to teach. A public hearing or an STM may help to generate a discussion on this point. There are currently 59 students in 12 grades from Devens in the Harvard schools. If Vicksburg children were added, Harvard would have to reduce or eliminate choice students to make room for Vicksburg children. The 59 children currently from Devens represent between 10% and 15% of Harvard schools' students. Adding the Vicksburg children would raise this number significantly and create a concentration of students coming from Devens. Finally, Keith noted that George Ramirez of Mass Dev would like to meet with Keith and the Harvard School Superintendent after the towns vote on Vicksburg in order to discuss dollars.

Duncan Chapman moved to accept and submit to the Board of Selectmen the current draft of the DEAT Vicksburg report. This was seconded and the vote was unanimous in the affirmative.

The meeting adjourned at 9pm.