

# Lenox Affordable Housing Trust

June 23, 2014

Meeting Minutes of 6/23

Quorum of Members of Trust present: Debbie Burke (DB), Ellen Jacobson (EJ), Jackie McNinch (JM), Kate McNulty-Vaughan (KMV); no quorum for Affordable Housing Committee

Absent with notification: Jo Anne Magee (JAM), Olga Weiss (OW) *W/WO notification?*  
Also in attendance: Channing Gibson (BOS Chairman)

Meeting originally scheduled for Monday, June 16 was cancelled for lack of quorum. The June 16 Agenda was modified to include discussion of Special Town Meeting Articles 1, 2, and 3 and re-posted.

**Ellen Jacobson (EJ) acted as Chair for the Trust meeting.**

**Minutes:** March 31 (already approved at May 19, 2014 meeting)

**Minutes:** May 19, 2014 (postponed at June 2 meeting)

**Minutes:** June 2, 2014 (to be submitted by DB)

**Minutes** from May 19 and June 2 postponed for lack of time at this meeting.

## **Mortgage Program update:**

JM announced that another homebuyer had successfully applied for the Lenox Homebuyer Grant program for the full amount (\$10,000) with a Federal Home Loan Bank match of \$15,000. EJ asked how the buyer had heard about the program, and JM indicated that a relative who worked at the bank had informed the buyer of the program. BOS Chair Gibson asked for details about the program which JM explained: income qualifications, local funds (Trust grant) match with FHLB requirements and vetting, no "flipping" recoverable provision, etc.

## **Discussion of Special Town Meeting Articles:**

Article 1: KM-V gave a brief explanation of the article which follows up the Designated Developer Agreement by authorizing the town to convey the property to the CDC of So. Berkshire for the purpose of developing a mix of affordable and market rate housing on the Bartoni property at the corner of Housatonic St. and the Bypass (7/20). DB added details about the role of Trinity Church in supporting the initiative from the beginning and for the upcoming required 2/3 vote.

JM noted that she has talked to folks with questions about this whole project, including when the \$600,000 would be repaid to the town, and whether there would be a pre-sale of the affordable and market-rate units, and whether the deed-restricted units would sell. Members of the Trust responded with information about the role of DHCD and their feasibility and oversight of the project development, determining some of these issues. Payment of the \$600,000 would be returned to the CPC account, not to the town's general fund, and the positive sales of units at Kennedy Park had offered assurances that the market rate would sell. Demand for the affordable ownership units already exists: the number of "cost-burdened" renters and owners identified by current and past census information. DHCD requires the deed restriction to insure the availability of sustainable affordable housing in communities across the state, and requires the town to create a Fair Housing Marketing Plan to assure the opportunity to own one of the affordable units is broadcast far and wide – and fairly among those who might qualify by income.

BOS Chair Gibson observed that this article flows from a previous town meeting vote (2011), and that the purpose of the meeting was not to rehash the project, but a legal responsibility to honor the contract with the CDC. Town Mgr. Chris Ketchens would offer a summary and relevant detail in his explanation of the Article.

Gibson noted that Scott Langenour (sp?) had asked about putting a deed restriction on the entire property and the BOS would consult with Town Counsel Janet Pumphrey on that question.

JM raised concerns about the deed restrictions on these affordable units which she considers problematic, further wondering why other low-cost housing options in Lenox (Dickie Piretti's apartments, the Trailer Park, etc.) which are not deed-restricted are not counted. KM-V noted that affordable units built with subsidies (money invested by the state or federal government) are deed-restricted to protect that investment of funds and to ensure their affordability into the future: they aren't subject to market forces affecting their affordability. DB pointed out the efforts made by the Committee and Trust to get private sector owners of units interested and other low cost units that could be counted on the SHI (Subsidized Housing Inventory) – without success (Morgan Manor, Community Center apartment).

JM lamented that only 2 of the grants had been taken by buyers in the past 2 years, which might signal a lack of interest among buyers. Gibson noted that this development would offer 22 new affordable homes. EJ reiterated that the grant program is ongoing – without a deed restriction, although an income qualification also applies. JM wanted to know at what price the affordable units would be marketed, a question she had heard from folks. She was informed that the future price would be determined by the size of the units and affordable income levels when the development is completed.

The other 2 Articles were briefly summarized:

- Article 2 would allow the BOS to accept 2 parcels of land with Conservation Easements, the “CR’s” resulting from the development of Stoneledge Road;
- Article 3 would appropriate \$10,000 to the BOS for work and improvements to the Baker’s Pond site, subject to the availability of a state grant (\$125,000) for this work.

All other business was deferred to another meeting. KM-V volunteered to (Doodle) survey members of the Committee and Trust to figure out the next best meeting date.

KM-V moved to adjourn the meeting since members had other commitments.

DB seconded the motion, and the Trust members voted 4-0 in favor of adjourning at 5:02pm.

Respectfully submitted,

Kate McNulty-Vaughan, scribe for the day...