

TOWN OF STOW
STOW MUNICIPAL AFFORDABLE HOUSING TRUST (SMAHT)

Minutes of the November 23, 2009, SMAHT meeting.

SMAHT members: Michael Kopczynski, Quince Papanasstassiou, Trish Settles, Laura Spear

The meeting was called to order at 7:10 P.M.

MEETING SCHEDULE

December 7 (Trish cannot attend)

January 4, 25

MINUTES REVIEW

None to review

HOUSING PRODUCTION PLAN REVIEW

Karen Sunnarborg had updated the Housing Production Plan (HPP), based on the meeting with the Planning Board. Members commented that the HPP did not reflect the consensus of the meeting to focus on a few items rather than on a long list of possibilities.

Members reviewed the priority list from the meeting with the Planning Board:

- Clustered housing affordable housing density bonuses: investigate opportunity
- Mixed use in Lower Village: more limited version than previously proposed
- Affordable “assisted living” overlay district
- Single-family conversions to multiple units
- Cottage zoning: explore
- Duplexes by right – or in exchange for affordable units

Mike will follow up with Karen regarding the conversion of single-family homes to multiple units. He will also ask that the plan reflect the priorities the group had discussed with the Planning Board.

Changes need to be added before the HPP goes back to the Planning Board. After the Planning Board reviews it, SMAHT will send it to the Master Plan Committee and then review it with the Board of Selectmen.

We need the HPP to get DHCD certification for affordable housing units.

STOW COMMUNITY HOUSING CORPORATION PRE-DEVELOPMENT PROPOSAL

Stow Community Housing Corporation (SCHC) sent Quince a high-level, “bank” statement for the umbrella organization to meet the request for a financial summary. The “for profit” arm of SCHC, created for tax credits, was not shown.

SCHC is asking SMAHT for unsecured funding. If it were for a secured loan, SMAHT would not need more detailed financial data. SMAHT also needs to set the standard for future opportunities.



There was discussion about how to protect potentially sensitive financial data in light of the Open Meeting Law, which SMAHT must adhere to. Even if SMAHT reviewed the data in Executive Session, the minutes and data would eventually need to be made public. Mike will check with Town Counsel, Jon Witten, for guidance. The objective would be to make SMAHT and other Town boards (including Finance Committee and the Board of Selectmen) comfortable that SMAHT will be repaid for the loan. Mike may also contact the consultant for SCHC, Peter Munkenbeck, to understand what the concerns are.

SMAHT has some of the requested information not a fully documented proposal. SCHC is requesting \$150K in start-up funding as a loan. The loan agreement that was provided to SMAHT is based on a CEDAC loan agreement. SMAHT needs SCHC to put in writing a formal proposal that includes:

- The exact amount of funding requested in total and broken out by project
- Terms and conditions
- Key milestones with the end state being the acquisition of construction financing
- Who the development team is and legal counsel for SCHC
- What the requested funding will pay for: all pre-development costs? (Currently the loan agreement specific architect, surveyor, development consultant, environmental engineer, and legal counsel.)

The current understanding is that the \$150K requested breaks down as: \$78K for Plantation Apartments II, \$72K for Pilot Grove II. The proposed interest rate is 5% -- assumed to be compounded annually.

SMAHT would like the financial data for all of the entities for the past two years, which requires an understanding of the complete corporate structure. This would also include documents filed with the IRS for the umbrella organization as well as each entity.

SMAHT will consult with Town Counsel if there are concerns. The documents could possibly be held in escrow and reviewed if there are privacy concerns.

Action Items:

- Mike will follow up with Greg Jones of SCHC about what SMAHT is looking for and whether SCHC has concerns about releasing financial data.
- Mike will contact Town Counsel for guidance and have him review the current loan agreement to see if any information is missing.

NEW BUSINESS

- Email was sent to SMAHT about the Board of Selectmen's new Standard Operating Procedure on Committee Management. Laura reviewed it with the committee. SMAHT needs to define specific goals and priorities; examples include:
 - Define an approved governance model
 - Define an official RFP process
 - Complete the HPP and submit it to DHCD

- Make a decision about the SCHC request for a loan for start-up funding
- Develop a form and/or formal process for requests
- Investigate or take a position on joining a regional housing trust
- Get a seventh member so that SMAHT has a full committee (a position has been advertised for quite while)

Goals and priorities will be added to the next agenda.

ADJOURN

Quince moved to adjourn, and Trish seconded. The vote was unanimous. The SMAHT meeting adjourned at 8:32 P.M.

Respectfully submitted,

Laura Spear
SMAHT member

 12/10/09