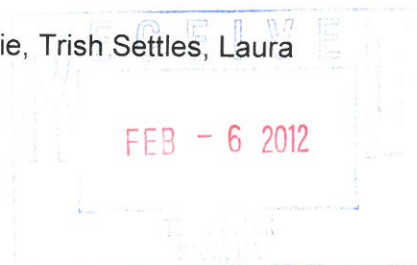


**TOWN OF STOW
STOW MUNICIPAL AFFORDABLE HOUSING TRUST (SMAHT)**

Minutes of the January 9, 2012 SMAHT meeting.

SMAHT members: Mike Kopczynski, Cynthia Perkins, Jim Salvie, Trish Settles, Laura Spear

The meeting was called to order at 7:04 P.M.



1. MEETING SCHEDULE

January 25
February 15
March 7

2. MINUTES REVIEW

Trish moved to approve the minutes of December 12, 2011, Jim seconded, and the vote was unanimous in favor.

3. REVIEW MAIL

No action.

4. MEMBERS REPORTS & NEWS

Laura - the Board of Selectmen received a letter certifying that the Stow SHI was now at 5.80% with the addition of two units. The January meeting of local housing coordinators and planners is this week; Laura will forward the email to SMAHT members, who are welcome to attend.

Jim – met with David Levy of Arlington to understand more about their affordable housing programs.

Cynthia – spoke with Habitat, Nancy Tavernier, and Oaktree Development.

Trish – sent a notice out about an affordable housing meeting on January 26.

Further updates will be provided after discussion with SCHC.

5. STOW COMMUNITY HOUSING CORPORATION UPDATE

Greg Jones, Ellen Cataldo, and Steve Dungan from Stow Community Housing Corporation (SCHC) attended.

Pilot Grove 2: SCHC applied for funding twice now and were turned down both times. The next round is expected to be around February 2. They received feedback that they were ready to go with financing lined up and CEDAC pre-development funds. They received \$100K already but won't be authorized to receive more until fully funded. SCHC development partners will not be paid until funded. Water was an issue when the Assabet Water went out of business. However, Pilot Grove 1 has a well on top of the hill. SCHC can drill a second well for Pilot Grove 2 and potentially a third well for Plantation 2 if needed.

Plantation 2: Litigation from an abutter who is challenging the ZPA permit is in district court, and SCHC has asked for a dismissal. They received a \$15K pre-development CEDAC loan. An earlier federal 202 grant application was denied. (Plantation 1 was funded under a federal 202 grant.) There is no funding for new construction under federal 202 grants right now. SCHC is looking at other options.

SCHC linked both projects in their applications to DHCD. SCHC is still paying ongoing costs for the Plantation 2 parcel; they renewed the P&S in June 2011 for one year. If SCHC buys the property, they will need to rent the existing house for cash income. It costs them \$15,000 each year to maintain the P&S; this funding does not go towards the purchase of the property, it only keeps the P&S open. The purchase price is \$389,000, and the banks are only willing to loan under the commercial rate up to 80% of the purchase price. (On the other hand, payments for Pilot Grove 2 go towards the purchase price.)

Discussion about possibly assigning the P&S, whether SMAHT would be willing to purchase the property, and project constraints. SCHC is also meeting with CPC and the Board of Selectmen to provide an update.

SMAHT asked SCHC if they had capacity for more projects. Right now, SCHC has a full plate, including focusing on refinancing Pilot Grove and overseeing improvements. They work with consultants to manage their projects. The Board is expanding and now consists of Marge Allesio, Jeff Smith, Bruce Fletcher, Steve Dungan, Ellen Cataldo, Greg Jones, Deb Woods, and Jack Clayton.

SCHC also discussed the Parsonage at First Parish Church. Laura Spear recused herself from the conversation, as she is a member of the church and Co-Chair of the Buildings & Grounds Committee. SCHC has had preliminary discussions with the current tenant about moving the Parsonage house onto his abutting property. The tenant's parcel could also be used for 40B development. The church may be interested in partnering with the town to develop affordable housing. Options include carving off part of the church property for town purchase and building 1-2 units of affordable housing versus moving the Parsonage. The church wants to expand its parking, and the town needs more parking in that area. The discussion ended, and Laura Spear rejoined the meeting.

4. MEMBERS REPORTS & NEWS (CONTINUED)

Cynthia – went into more detail about her conversations with housing consultants and developers.

Nancy Tavernier (Acton)

- Acton needs 42 units/year
- Have a number of projects
- Have town water and sewer
- Most effective projects were single units with a few more affordable units added
- Examples: Willow Street, by Erikson's (across from Blanchard), Habitat houses
- She is willing to talk with us.

Director of Habitat for Humanity

- They would want to look at the land – Cynthia and Mike are willing to take them for a site walk
- The construction and site selection manager goes out to assess the land
- Selling price is within the \$125K-150K range

Kevin Maguire, Oxbow Partners

- Asked for a list of parcels and would do a look around
- Can act as a consultant
- Looking for small town projects
- Would like to see our HPP (we need to get the final version approved by DHCD from Donna)

Phil Giffie

- Based in East Boston but may be willing to get involved in Stow

6. RE-EVALUATE WORK PROGRAM PRIORITIES

Members reviewed the priorities agreed upon at the last meeting.

Discussion about a roundtable forum for housing consultants and developers. Laura proposed leveraging the regional planners/consultants forum that has been recently kicked off as providing more clout and potentially obtaining better participation. She will send Elizabeth Barnett (Carlisle) a note.

7. OTHER BUSINESS – SMAHT ELECTIONS

No action.

8. ADJOURN

Cynthia moved to adjourn, Jim seconded, and the vote was unanimous in favor. The SMAHT meeting adjourned at 9:14 P.M.

Respectfully submitted,

 1/26/2012

Laura Spear
SMAHT member

Status of Affordable Housing Projects
Stow Community Housing Corp & Stow Elderly Housing Corp

Pilot Grove II

We applied for DHCD Funding February, 2010 & April, 2011. Our application was denied both times. It is typical to apply in multiple rounds before being funded. We will be reapplying in the upcoming round (Jan/Feb 2012). 1/6/2012 feedback on our application:

- a. The reviewing architect had a number of comments regarding the layout of living and dining areas in the apartments. Our architect will make appropriate adjustments to the plans.
- b. A new market study or update is required.
- c. In our new application, we will reflect the more favorable recent prices for tax credits; this makes our proposal able to make better use of the Tax Credits once awarded.
- d. Last round 12 projects were funded out of 67 applicants. This next round is repeat applicants only, so there will be at most 55 applicants. Money is tight, and the number funded depends in part upon the size of the projects at the top of the list.
- e. We are ready to go and have financing lined up. That is a good thing. [Our consultants tell us only half of the projects applying are ready-to-go, so our chances may be as high as 50%.]

We received a pre-development loan from CEDAC December, 2010. The maximum amount of the loan is \$400,000 and we currently have the authority to use \$100,000 to continue the application process.

Authorized \$300K

Approved \$100K, and won't approve any more until funding awarded.

Our major development partners [Consultants, Architect, Lawyers] are financing some of the activity by deferring payment until we receive permanent financing.

Originally we planned on using water from Assabet Water, as their pipes would have come right by the property. We have since had our engineers determine that additional wells at the top of Pilot Grove Hill could service both Pilot Grove II and Plantation II.

Plantation II

ZBA Decision appealed by abutter

Goulston & Storrs is defending us at a reduced rate.

We reached out to abutter to offer major changes in proposed development. He was unwilling to talk.

The lawsuit is moving ahead. Discovery and depositions have been completed. Lawsuit could take years.

We received a 15K pre-development loan from CEDAC December, 2011. Again, CEDAC will not provide additional seed money until funding picture becomes clearer.

We applied for Federal 202 funds February, 2010. Denied. We did not apply April 2011, as we could not utilize funds if awarded due to lawsuit. In that round 5 Massachusetts projects were approved, 3 of which were supportive housing projects.

The next 202 funding round will not include new construction funds, so we will explore alternative financing schemes.

We are contemplating purchasing the Clausen property. Purchase and Sale extensions are proving to be difficult, and ongoing payments do not count against the eventual purchase price.