

APR - 4 2012

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

Minutes of the March 12, 2012 SMAHT meeting.

SMAHT members: Donna Jacobs, Mike Kopczynski, Quince Papanastassiou, Cynthia Perkins, Jim Salvie, Trish Settles, Laura Spear

Guest: Peter Smith, Oxbow Associates

The meeting was called to order at 7:03 P.M.

The meeting agenda began out of order, beginning with Trustee Updates, as Cynthia was able to arrange for Peter's participation as part of her update. Mike left the meeting to present at the Community Preservation Committee (CPC) meeting and rejoined when Trustee Updates resumed.

Trustee Reports

Cynthia took Peter on a tour of potential affordable housing sites in Stow. Peter is a small-scale developer of affordable housing and updated the Board on his projects, including Oxbow in Wayland, and associated economics. For Oxbow, each unit cost about \$320K each for 1200 square feet. State and local (primarily CPA) funding makes up the difference in what a buyer who qualifies for affordable housing can pay and the actual cost of an affordable unit. Federal funding may also be available. A project needs a minimum of 12 units to qualify for state funds, and the process is very competitive. State funding has been stable, but federal funding has decreased significantly. The development project must be exceptional to qualify, addressing historic preservation, brownfields, affordable housing, etc. Significant local support is also important for funding.

The more work we do to create an image, a path for how to get there, and financing for development, the better the success of the project. Developers want to feel comfortable with the politics as well. The better partner we are, the better the final product.

Construction costs in Wayland are \$160-200/square foot. The actual cost for a project varies, depending on the site. Site costs are the big question. Septic is key. Lendors also look at CPA funding favorably; it is viewed as equity.

Oxbow set up a partnership in which the Town of Wayland set up the debt instrumentation, and Oxbow got the loan. The banks rank people on the readiness to proceed. They push on commitments to make sure a project is real. The Wayland CPA will only finance projects that are underwritten by a bank. The Town reviews all materials submitted to the state. The process is an open book, and the developer works with the Town to see financing and numbers. Wayland has a volunteer committee that oversees the work and is comprised of people who do real estate and/or affordable housing for a living.

For Stow, small sites won't work for Oxbow development. They are more ideal for Habitat for Humanity. Oxbow needs a minimum of 4 units. We need to consider both the cost to build and to manage after being built – either hire someone or use the Housing Authority.

Peter viewed the Gleasondale Mill as an opportunity. He's not sure about the Kane land: it has 6 acres with 2 buildable acres, but the question is access. Any desirable parcel needs to be "very special" and have Town involvement. The Pompo land has close neighbors, is landlocked, may affect conservation land, and has "Ladyslippers and turtles." There may be an opportunity there for open space preservation and housing.

SMAHT needs to promote to developers that it is open for business and that developers should bring their proposals. We could issue an RFQ.

Private land can be an option: invite developers in, express an interest in affordable housing, and have them bring in the opportunities. One major rule: don't own the land until you have all approvals and financing.

Promote the approved Housing Production Plan. Developers look at the table of projects and goals. We need to be prepared to address issues related to getting permits and solve the water and septic problem. Wayland used a mounted sand filter system that could apply to Stow sites.

The Lower Village could work, such as the sites of the former Beef and Ale and SteppingStones.

The Board discussed Peter's input and resumed the regular agenda when he departed.

Meeting Schedule

March 28: Jim will be late, and Cynthia cannot make it

April 18

Minutes Review

Trish moved to approve the minutes from the 1/25/12 meeting, Quince seconded, and approval was unanimous.

Trish moved to approve the minutes from the 2/15/12 meeting, Jim seconded, and approval was unanimous.

Review Mail

No action.

Trustee Reports (continued)

Laura announced that the next regional housing planners/coordinators meeting is March 22 in Westford at 8:30 AM. She will send out the meeting notice to the Board.

Jim and Mike talked with Town Counsel about Stow Community Housing Corporation (SCHC). Town Counsel strongly recommended that either SCHC or SMAHT hold title versus joint partnership. It's more complex when we considering taking out loans. It is

questionable whether a bank will give a mortgage that would be more than the value of the house. However, legally, the Town could take a mortgage. If the Town took out a mortgage on the property, this would not affect the current litigation with the abutter. If the Town purchased the property, Town Counsel advises this would be subject to Town Meeting and would trigger the MGL 30B RFP procurement process. This would probably not be a big deal, as it is a unique parcel.

Mike said that Bob Larkin from the Housing Authority was at tonight's CPC meeting. He commented on seeing how to fund SMAHT for Elm Ridge Road LIP (Local Initiative Program) units whose deed restrictions may expire.

We have \$211K in the Trust and need to decide how to proceed. CPA funds have \$50K restricted for affordable housing projects but no projects identified for that funding.

Mike updated the Board on discussion with the CPC about co-funding a Housing Coordinator position. Although we may get this resource through other means in the future (MAPC DLTA funding, for example), we need a stop-gap solution in FY13. He told the CPC that the Trust respects the Stow CPC's preference to specific projects rather than moving the 10% affordable housing funds into the Trust. The CPC expressed concerns about the rate: Based on input that we received from area Housing Coordinators, the going rate is \$50-65/hour. The proposal uses \$60. Mike will rewrite the proposal so that it is clear that the position is for a consultant, not an administrator. He will also include oversight of RFPs and RFQs as a responsibility and a specific, one-year term.

Jim moved to authorize the submission of a formal CPA proposal with a cost of \$7200, not to exceed 10 hours per month. Cynthia seconded, and the motion was unanimously approved.

We need to draft a potential article. The CPC will discuss whether they want to support the article, and if so, whether it should be funded from the CPA affordable housing reserves or CPA administration funds.

Comprehensive Permit Draft Re-Write

Donna sent everyone a proposed draft of an updated comprehensive permit policy. Suggestions included identifying what is being proposed as new content versus the current policy and to add a checklist for applying it to an application.

The Board also discussed the process for getting approval with recommendations to involve the Planning Board and the ZBA.

Next steps are to:

- Take the current policy and identify what's different in the proposed
- Create a checklist of value and how criteria supports them (take from the first two proposed pages)
- Get review and agreement from SMAHT
- Share with the Planning Board and the ZBA, using specific representatives, and get agreement

- Once there is agreement across the three organizations, take a final version to the Board of Selectmen for approval

Jim took the action item to find a representative from the ZBA to participate in this process.

Laura will also send Donna sample spreadsheets to Donna to show how she tried to apply the current policy to recent comprehensive permit applications.

2012 Work Program Priorities

The Board reviewed the list of priorities from the December meeting. In addition to the progress made at tonight's meeting, the Board will invite Phil Giffey (developer) in to share his experience in affordable housing. Cynthia will also set up a walk-through with Habitat for Humanity.

At our next meeting, Mike will share the updated Housing Consultant description and a draft Town Meeting warrant article.

Adjourn

Trish moved to adjourn, Jim seconded, and the vote was unanimous in favor. The SMAHT meeting adjourned at 9:07 P.M.

Respectfully submitted,

Laura Spear
SMAHT member

Handwritten signature of Laura Spear and the date 3/30/12.