

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

Minutes of the January 11, 2017 SMAHT meeting

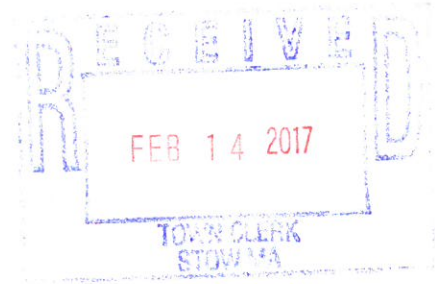
SMAHT members: Ingeborg Hegemann, Mike Kopczynski, Quince Papanastassiou, Cynthia Perkins, Laura Spear

Housing Consultant: Leonardi Aray

Others: Jesse Steadman, Town Planner; Krista Bracci, Community Preservation Committee Coordinator

Call to Order

The meeting was called to order at 7:09 PM.



1. Meeting Schedule (February 2017)

February 8

March 8

2. Minutes Review & Approval

Quince moved to accept the minutes of the December 14, 2016 meeting. Cynthia seconded, and the minutes were approved unanimously.

3. Correspondence, Bills and payments

a) MAGIC Housing Group: The Trust received an invoice from the Town of Hudson for regional housing services provided by Metro West Community Development for August through December 2016 for \$852.50. Laura moved to pay, and Quince seconded. The motion passed unanimously.

b) Other:

The Trust received invoice #160703 for \$880 from Leonardi Aray Architects for housing consulting services. Quince moved to pay, and Laura seconded. The motion passed unanimously.

The Trust received invoice #Stow184 for \$1200 from Huggins & Whitten for work on foreclosures. Laura moved to pay, and Quince seconded. The motion passed unanimously.

4. Trustee reports

Quince has not been able to reach the attorney who handled the foreclosure for the Orchard Drive unit at Villages of Stow. Quince could not find anything online either, but it may still be early. To date, there does not seem to be anything on record. The bank will need to do affirmative marketing for this unit.

Ingeborg arrived at this time.

Mike updated the Trust on the MAGIC contract for regional housing services. Jesse said that the request for proposal (RFP) for a new regional housing service provider will be sent out in March. The Town Manager thinks it appropriate for funding to come from town funding as a separate budget item/article on the warrant for the Annual Town Meeting, not to exceed \$20K.

SMAHT Minutes, January 11, 2017

Approved 2/8/17

Jesse said he would be happy to write a letter of support to send to the Finance Committee. The Annual Town Meeting is May 1, 2017.

5. Community Preservation Committee deadlines & process

The Community Preservation Committee (CPC) has received a request from Habitat for Humanity for funding for the Pine Point parcel.

SMAHT may ask for additional funds for the Affordable Safeguard Program. We currently have \$225K in the program, enough for one unit, and have two units at risk at the same time: Elm Ridge Road and Villages at Stow.

The appraisal for the Elm Ridge Road unit was ~\$174K. The affordability price is a discount off of the market value (a percentage of the market rate). The deed rider expires in the mid-2020s.

A third unit on Elm Ridge Road may be at risk as well. The Department of Housing and Community Development (DHCD) is the monitoring agent for the Elm Ridge Road units.

If we requested additional funding to cover additional units, we may need a different Community Preservation Act (CPA) account number. However, if the related warrant articles do not specify restrictions, we should be able to use funds from both accounts. Mike proposed that we ask for \$175K to be added to the funds we already have for the Affordable Safeguard Program, especially in light of the large requests for CPA funding this round (>\$1 million). The estimated turnaround time if we buy a unit would be about 6 months. This should give us enough funds to handle two units at a time, based on scheduling. About \$178K would be the maximum cost for the unit, but we could also subsidize the cost if we wanted to sell a unit more quickly. Perhaps we should ask for a little more in case the CPC wants to reduce the amount. The program also includes potential rehabilitation for the unit and closing costs. When we would sell an Elm Ridge Road unit, we would issue the latest deed rider, identifying SMAHT as the monitoring agent. We would get the 2.5% marketing fee for follow-on sales.

Cynthia moved that we request \$200K in CPA funds to extend the Affordable Safeguard Program: \$175K for acquisition costs and \$25K for rehabilitation, closing costs, and other related fees. Quince seconded, and the motion passed unanimously.

Mike will complete the CPC request form and submit it as soon as possible.

6. Updates on Affordable Home Sales

a. Elm Ridge

This was addressed previously. #33 Elm Ridge Road had the value set as part of the divorce proceedings, but there is no sale or foreclosure date. #24 Elm Ridge Road is also at risk of foreclosure. Both units were refinanced for more than the affordable value of the unit.

7. Pine Point/Habitat update

Leonardi created a draft tasks/milestone document for the Trust to review. He also contacted Kathleen O'Donnell as a potential lawyer, and she submitted her resume with a cover letter of interest and a proposed scope of work with estimated cost. She also drafted a disposition agreement. She was involved in the Kunelius property law case in Stow. We'll look into her involvement in town with the Town Administrator and Stow Conservation Trust. Leonardi will also contact her directly about the Kunelius case.

Leonardi reviewed his draft tasks/milestones document. Key milestones include a contract with legal counsel by the end of January, purchase & sale agreement drafted by mid-February and executed before final CPC recommendations, land development agreement drafted by March, project funding through closing (targeting August for closing), community meetings, site security by February if needed, and project design including the Comprehensive Permit application process from February through July.

SMAHT will need to draft the Purchas & Sales Agreement and the Land Disposition Agreement. Once the agreements are signed, Habitat has responsibility for the rest with support from SMAHT. It would be helpful for SMAHT to support the Comprehensive Permit application.

The Trust supports the drafted timeline but is okay if the timeframes may slip. Leonardi will share the timeline with the Executive Director of Habitat. Jesse said we should be aware that a lakefront property across the road may need to provide access to the lake for the Pine Point parcel. Habitat will need to look into this as part of its due diligence.

The Trust reviewed the proposal from Kathleen O'Donnell and found the scope and rate to be reasonable. We'll follow up on her involvement on Town. The Trust recommended that Leonardi be the primary contact. We also don't need her to manage the Comprehensive Permit progress, which is in her proposal. We would want her to review the Comprehensive Permit once it is granted, though. We should be judicious about how much time she spends on this.

Ingeborg moved to retain Kathleen O'Donnell as our legal counsel for the Pine Point parcel, contingent upon our review of her past involvement in Stow, with Leonardi serving as her primary contact and providing oversight of the budget. The Chair will determine whether we should proceed based on the input about her involvement in Stow. Quince seconded, and the motion passed unanimously.

8. Adjourn

Cynthia moved to adjourn, and Quince seconded. The motion was approved unanimously. The meeting adjourned at 8:34 PM.

Respectfully submitted,
Laura Spear, SMAHT member

*Submitted 2/8/17
Laura Spear*