

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

Minutes of the February 8, 2017 SMAHT meeting

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

Housing Coordinator: Leonardi Aray

Call to Order

The meeting was called to order at 7:10 PM.

1. Meeting Schedule (March 8)

March 8

April 5

2. Minutes Review & Approval

Quince moved to accept the minutes of the January 11, 2017 meeting. Cynthia seconded, and the minutes were approved unanimously.

3. Correspondence, Bills and payments

Nothing to report.

4. Trustee reports

a) MetroWest Collaborative Development Mtg. With Legislators

MetroWest Collaborative Development (MWCD) sponsored a Donuts with the Delegates gathering last week. Mike and Laura joined Jesse, the Town Planner, and Valerie, Assistant Planner, and joined other housing representatives from the neighboring towns in our regional housing consortium--with the addition of Devens--to meet with Kate Hogan and Jamie Eldridge. Jamie shared possible legislation that could affect affordable housing.

b) CPC application update

Mike went to a Community Preservation Committee (CPC) meeting, the same one that Habitat attended with its request for funds to develop the Pine Point parcel. CPC received seven different proposals for funding. Mike presented our proposal to increase the Affordability Safeguard Program. CPC wanted to hear all requests before making any decision as to which proposals should go to Annual Town Meeting.

c) Gleasondale Mill

Jesse had indicated he wanted to focus on the mill at the beginning of this calendar year. He is now also investigating the potential use of the Kane land for a well. Mike spoke with someone who does brownfield reclamations, and that person thought the Town may be able to get funding (not state funds) to help clean up the mill's brownfield. We also still have a grant application for this project on hold.

Massachusetts Housing Partnership is conducting a two-part training on fair housing marketing and lotteries on March 21 and 22.

Mike convened a Stow Housing Authority meeting with him, Cynthia, Bob Larkin, and Jack Kendra. The members agreed that Stow did not need a Housing Authority. The Housing Authority has \$39,000: Some of the funds will be used for Town Counsel to determine what

SMAHT Minutes, February 8, 2017

Approved 3/8/17

needs to be done to disband the Housing Authority. The remaining funds could go towards Villages at Stow deeds.

Mike and Laura were asked about asset levels for affordable housing. MWCD said that asset limitations for middle income levels, 80% -150% of the Average Median Income (AMI), is \$98K for non-seniors. For less than 80% AMI, it is \$75K. For household members who are over 65 and earn less than 80% AMI, the asset limit is \$275K. MWCD is looking into legal limits for assets of middle income seniors. If there is no legal limit, the Trust discussed what a policy should be with no agreement.

5. MetroWest Collaborative Development

a) Interim agreement

The Town of Hudson's agreement with MWCD, representing the regional housing consortium, expired on December 31. A new Request for Proposal has been published, but it is for work that would begin on July 1, 2017 to reflect the fiscal year. From January 1 through June 30, it was decided that each town would have individual contracts with MWCD. Mike asked MWCD for a proposal that included an hourly rate with a maximum cap and a billing schedule. We received a memo with this information.

Laura moved to accept the proposal from MetroWest Collaborative Development at a rate of \$55 for a maximum of \$3000. Cynthia seconded, and the motion was approved unanimously.

Leonardi suggested that we have a contract that uses the proposal and adds language that we may exceed the hours originally proposed. The Trust did not think we needed a contract unless the Town Administrator, the Town's procurement officer, requires one.

a) Warrant Article

Mike spoke with the Town Administrator about funding for the regional housing consortium contract that starts in July. We will need a Town warrant article to provide funding for the contract from the general Town budget with SMAHT administering those funds. The contract will include prioritized activities and require ongoing monitoring and maintenance of each town's affordable housing stock, the creation of a database of prospective, eligible buyers, and cross-consortium projects. Individual projects for each town would be funded incrementally. The amount to be requested is being discussed. The sense of the Trust is that we would need about \$10-\$13K for the next fiscal year.

Cynthia moved to allow the Chair to draft a warrant article, not to exceed \$13K, Quince seconded, and the motion was approved unanimously.

6. Foreclosure updates

a) Villages at Stow

45 Orchard Drive went through foreclosure, had an auction, no one bid, and the bank owns it now. In 2014, Mass Housing, the subsidizing agency, made MWCD the monitoring agent for this unit. It was coincidental that we had a contract with MWCD for the regional housing consortium at the same time. MWCD notified all residents that it was the monitoring agent, but it did not record this with the deeds. Housing Authority funds could pay to attach an addendum to all of the deeds for the affordable units, identifying MWCD as the monitoring agent. MWCD is supposed to get 2.5% as the monitoring agent and has been contacting the bank to collect the funds.

a) Stow Farms

Mike had a conversation with MWCD today about 33 Elm Ridge Road. The bank may need to have a sale price at the full affordability price: the Trust could get a seller contribution so the cost to SMAHT would be less but the transfer price on the books would be at the full price, and the bank would get the house off its hands. Town Counsel said the proposal seemed fine but wondered if the Town would have any liability. This may be a possible solution if needed. The amount still owed is estimated to be significantly less than the affordable sales price.

24 Elm Ridge Road is also at risk.

Mike also informally spoke with a local bank lender about the possibility of a loan if the CPA funds are not approved. We have about \$155K in Trust funds in addition to the CPA funds that were already approved.

7. Pine Point update

a) Agreements

Leonardi spoke with Habitat's Executive Director, Carolyn Read, about the timeline. She was fine with the timeline and was going to follow up with the Department of Housing and Community Development (DHCD) regarding the Local Initiative Program (LIP) application.

Leonardi got a draft Purchase and Sales agreement last night from the Trust's attorney, Kathleen O'Donnell. Kathleen brought up that there is no Declaration of Trust, granting ownership of the parcel to SMAHT, recorded with the deed. The Trust discussed that when the Trust was created, its bylaws slightly deviated from the standard bylaws for Trusts: It included a section that identified Trust members as municipal employees. Additionally, the approved Town Meeting article transferred the "care, custody, and control" of the parcel to SMAHT. These actions may or may not affect ownership and the transfer of the parcel. Mike contacted the Town Administrator and then Town Counsel and Kathleen for clarification on what needs to be done to transfer the property ownership to Habitat.

Mike asked that Leonardi contact Kathleen to highlight issues in the agreement that she drafted. We may also need to send her the actual bylaws and certificate of trust.

b) CPC application

Habitat applied for \$150K to support the development of two units.

SMAHT applied for \$200K to increase the Affordability Safeguard Program.

CPC has about \$1.8 million unreserved funds. The total requests for this Annual Town Meeting would be about \$1 million.

8. SMAHT Annual report

Mike drafted an annual report for 2016. He will send out an electronic copy for Trust members to review as needed.

9. Adjourn

Cynthia moved to adjourn, and Quince seconded. The motion was approved unanimously. The meeting adjourned at 8:57 PM.

Respectfully submitted,
Laura Spear, SMAHT member

Laura Spear
3/8/17