



## AFFORDABLE HOUSING TRUST

### Town of Medway

#### Affordable Housing Trust Fund

#### Affordable Housing Committee

### JOINT MEETING MINUTES

July 18, 2017

45 Holliston Street

Medway, MA 02053

#### Board Members:

Ann Sherry, Chair

Judi LaPan

John Maguire

Present

✓

Absent

✓

Glenn Trindade

John Parlee

Present

✓

Absent

✓

#### Committee Members

Bob Ferrari, Chair

Michael Leone

Judi LaPan

✓

✓

✓

John Parlee

Sue Rorke

Alison Slack

✓

✓

✓

#### Also Present:

Douglas Havens, Community Housing Coordinator

Amy Sutherland, Recording Clerk

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#### Review of Minutes:

##### June 15, 2017:

##### Affordable Housing Trust:

On a motion made by Glen Trindade and seconded by John Parlee, the Affordable Housing Trust voted unanimously to approve the minutes from June 15, 2017.

##### Affordable Housing Committee:

On a motion made by Alison Slack and seconded by Sue Rorke, the minutes from June 15, 2017 were accepted.

## **Reports:**

### **Glenbrook Project Status:**

The Trust and Committee are in receipt of a grant agreement between the Medway Affordable Housing Trust and Metro West Collaborative Development Inc. This is for the application for a 48 unit rental apartment project known as “Glen Brook Way. The trust will grant the sum of \$25,000 to be used exclusively for the development of rental apartments.

This document has been reviewed by town counsel. Two originals will need to be executed.

**On a motion made by Glenn Trindade and seconded by John Parlee, the Trust voted unanimously to accept and sign the original agreement with Metro West Collaborative Development as presented.**

The status of this project is in front of the Zoning Board of Appeals. The public hearing was closed and the decision is expected at the beginning of August 2017.

### **2-6 Kingson:**

Member Leone made a motion to table discussion any discussion on 4-6 Kingston until Town manager and town attorney review all notes and are apprised of all the information, Bob Ferreira seconded the motion for discussion purposes.

Doug Havens responded that there is no pending action in relation to Chapa. The town attorney has been copied on the emails this but has not been asked to provide opinion. The attorney is aware of the complaints. Member Leone indicated that there will probably be more information disclosed on this in the next few weeks.

Doug provided to get an update indicating that there were numerous complaints about the recent unit’s marketing. The unit was sold by the foreclosing bank after being released from assets frozen in bankruptcy. The new owner recently sold her prior residence for over \$300,000 potentially disqualifying her as first time buyer. The issue is financial qualifications. Doug wrote a statement of complaints to Chapa noted in an email sent July 10, 2017. It was recommended by Glenn that town counsel and town administrator look at this to see if we can go forward with pursuing this. We need to make sure the process is fair. Doug noted the process for which person was chosen was not with the deed restriction. This was not considered fair or open allocation of the unit. This was done as first come and first come basis this needs to be pursued also.

### **4-5 Kingson:**

The Trust and Committee were informed that the lottery was done and first qualified family did not take this unit, so it went to the second qualified family who is seeking a waiver. Chapa will need to issue an extension. If the waiver is not approved, then the process will need to be reopened. Doug asked the Committee and Trust if they want to have a time limit on this. There

should be an answer about the second family in two weeks. The applicant should know by the end of the end month. The trust has no issue extending the date.

**On a motion made by Glenn Trindade and seconded by John Parlee, the Trust voted unanimously to wait until the end of the month before moving on this unit.**

### **6 Cutler Street:**

The Trust and Committee are in receipt of the Glenbrook and Cutler Street allocation of sources and uses for the project profiles. There is a significant increase in development cost and what the trust would need to invest in the project. The Cutler Street project costs would be \$1.8 and the developer fee would be \$115,000. The difference in cost per unit is significant. The cost of Glenbrook is \$342,888 and Cutler is \$212,479. The state tax number for Glenbrook will only be \$1,551,250 and Cutler \$1,003,750 being a total being \$2,555,000. The developer put this in as the maximum. If a separate developer came in, they would not be able to get the most tax credits. The maximum federal tax credit is \$9,500,000. It was suggested to have Jennifer come in to explain the numbers.

### **Resident, 3 Phillips Street:**

Eric Alexander at the last meeting mentioned that there may be other forms of funding. He did indicate that if the projects are separate Cutler may qualify for soft source funding.

Doug Havens will make arrangements for Metrowest to attend the next meeting.

Dennis Crowley would like to know the financial numbers before an article is written for town meeting especially if the projects are to be separate or together. This needs to be figured out.

Doug will check with town counsel on the following:

- If the units change from 12 to 8 would a new RFP be needed?

### **Millstone Village Pricing:**

The Trust and Committee are in receipt of the following:

- Memo from Doug Havens dated July 18, 2017 regarding pricing at Millstone.
- Letter from Bob Ferrari dated June 25, 2015 to the Board of Selectmen.
- Letter from John Foresto, Chair of Board of Selectmen dated July 6, 2017 to Division of Housing and Community Development.

Mr. Venincasa was present along with his contractor. It is his understanding that he has the right to increase the price of the affordable units. He is asking to increase the units from \$174,700 to \$198,000. The explained that he takes pride in the product and homes he build and there has been an increase in the market prices.

The Trust and Committee were made aware that this was approved in 2014 with the condition that eight units be built for inclusion under Massachusetts Department of Housing and

Community Developments local Area unit program. The 2014 price indicated was \$170,000. In 2015 the developer requested and increase in sale price to \$174,700. This was when the Board of Selectmen entered into agreement. It was recorded on August 11, 2015 at the Norfolk Registry of Deeds. There was a lottery held for three units for the listing price of \$174,700.00 there are currently 5 units left to be marketed. It was communicated by the local agent that the developer's intent is to seek DHCD approval for the increase. Doug Havens attended the PEDB meeting to explain that this change cannot happen without involving the Board of Selectmen since they are the regulatory entity who signs agreements. Under the ARCUP permit, the developer's profit taking is not constrained as it would be under a comprehensive permit (15%) providing ample room to offset any affordable housing subsidy. While the prices may have increases, many seniors' incomes have not and will remain fixed. The Trust wants to stay true with the agreement among parties. Mr. Venincasa does not feel like the Trust/Committee is giving this any consideration. He would like the trust and committee to visit the site and units to see the quality of the project. This is ultimately the decision of the Board of Selectmen.

**On a motion made by John Parlee and seconded by Bob Ferreira, the Committee voted unanimously to proceed with the agreed upon number of \$174,000 unless there is warranted justification presented by Steve Venincasa.**

Mr. Venincasa would like the trust and committee to visit the project.

It was recommended that it be placed on next month agenda.

Member Trindade left meeting at 7:40 pm.

### **Finances:**

#### **Kopelman & Paige:**

**On a motion made by John Parlee and seconded by John Macquire, the Trust voted unanimously to pay the bill for Kopelman and Paige for 916.50.**

#### **Columbia Gas:**

**On a motion made by John Parlee and seconded by John Macquire, the Trust voted unanimously to pay the bill for Columbia Gas bill of \$48.53.**

### **Future Meeting:**

- To be determined

### **Adjourn:**

#### **Trust:**

**On a motion made by John Parlee and seconded by John Macquire, the Trust voted unanimously to adjourn the meeting at 8:30 pm.**

**Committee:**

**On a motion made by Bob Ferrari and seconded by Sue Rorke, the Committee voted unanimously to adjourn the meeting at 8:30 pm.**

Respectfully Submitted,

Amy Sutherland  
Recording Secretary

Initially Edited,  
Doug Havens  
Housing Coordinator  
Approved August 23, 2017