

Housing Committee Town of Pelham, MA

Meeting Minutes: November 5, 2019

Committee Members in Attendance:

Tilman Lukas
Jim Lumley
Ruth Elcan
Barbara Cooper
Amy Spalding-Fecher
Gail Kenny

APPROVED:

Absent:

Guests in Attendance:

None.

Action Items

- Meeting was called to order at 4:43 p.m.

Votes Taken

Minutes of September 3, 2019 reviewed. Motion to approve: Ruth, seconded by Barbara, all approved.

Committee Discussion Topics

18-22 Amherst Road-Petersen property & HRD Press

Tilman outlined the financing structure of the Amethyst Brook Apartments. The owner will be a for-profit entity, either a Limited Partnership (LP) or Limited Liability Corporation (LLC). The General Partner (LP) or Managing Member (LLC) will be the non-profit. Project will be taxed as a for-profit. The reason for this structure is because non-profits cannot take advantage of tax credits since they don't pay taxes.

All apartments will have rent restrictions and be affordable in perpetuity. The Mass. Department of Housing and Community Development prefers perpetuity restrictions.

HCDC is requesting \$500,000 in CPA funds. They will need a Conditional Commitment in order to submit a competitive application for funds to DHCD. This will need to be approved at the next Town Meeting. Funds will not be needed until all financing closing takes place and construction starts. Could be minimum 18 months from Town meeting or up to 2-3 years.

The Housing Committee agreed to send a letter of support to the CPC for the requested funding. Committee discussed a draft letter. Motion made by Jim Lumley, seconded by Gail. All in favor.

Committee discussed project milestones and timetables. Projects usually do not get state funding in the first application. The ZBA needs to approve and issue a 40B permit; CPA funds need to be committed; Full plans and specs need to be complete and developer needs to have firm bids from general contractor. These are all "Readiness to Proceed" requirements.

The Town collects approximately \$130,000 in CPA funds annually. Half of this comes from local real estate taxes and the state matches those funds. Approx. 1/5 is for housing. Open Space and Historic preservation may also be used to some extent. It is estimated that between \$200,000 and \$300,000 needs to be borrowed.

Gail asked why the Housing Committee has not seen schematics for the design of the apartments. Tilman mentioned that preliminary plans will be submitted as part of the 40B application.

18 Daniel Shays Highway

Committee discussed status of the property. Habitat expressed interest but nothing definitive at this time. Habitat would not want to incur the cost for demolition. Should the HC request acquisition and demolition funds from CPC as we did for 8 Amherst Road. Committee decided to let this rest and focus on the more immediate projects.

8 Amherst Road:

The sellers (Sarah and Bart Rankin) would like to move this forward more quickly because they continue to pay real estate taxes on the property. A number of things need to happen:

Easement: Habitat for Humanity only interested in building site, don't want an easement but open to dividing the property.

Survey: Need a surveyor to prepare Deed document. Kristen De Boer interested in having Kestrel own the property. Is Kestrel open to paying for surveyor etc. to split property? Kristen will talk to her people. Make sure surveyor knows about zoning for new Village Center when doing the subdivision of lot. Possible surveyors-Randy Izer (?) or Berkshire Design.

Attorneys: Habitat will be using Michael Pill to represent them. We are still waiting for the Rankins to identify their attorney. Tilman suggests using Ellen Freyman (Shatz, Schwartz and Fentin, PC) for the loan documents since they have a lot of experience with these types of financing. Alternatives might be David Bloomberg or Felicity Hardee. Town Counsel will probably need to approve the documents. This will be paid for by CPA funds.

Environmental cleanup and testing: There are some oil cans in the garage. Committee decided to volunteer to remove and dispose of at the Amherst Transfer Station rather than hire a cleanup firm in order to save costs. SWCA has been to the site and reviewed conditions. Do not feel that a full 21E will be necessary. Oil cans need to be removed before they can do the testing. Estimated costs will be between \$1,000 and \$1,300 unless they find significant contamination.

Other matters:

Ralph Faulkingham, Abby Jenks, and Carrie Close (on Zoning Board) were identified as possible Housing Committee members.

Committee discussed the Alice Partridge property that is scheduled for public auction on November 13. This is not a project that the Housing Committee will be able to deal with. Habitat is not interested in rehabs.

Tilman briefed the Committee on the meeting he had with John Trickey (Finance Committee Chair) and Dana McDonald (CPC Chair) regarding the HCDC request for CPA funds. John wanted to know currently available funds, projected future CPA funds, and development timetable. John felt the town could bridge any gap with short term borrowing rather than have the town bond for the funds.

Tilman presented an invoice from Leon Jenks for \$300. This was for brush cutting at 8 Amherst Road to gain access to the site and foundation. Motion made by Barbara, seconded by Amy, all in favor. Tilman will submit to Town Treasurer to be paid from CPA funds.

Tom Hartman (abutter) provided a site plan of his property that shows an existing right of way across his property along Amethyst Brook. This documents an important link of the hiking trail along Amethyst Brook.

Motion to adjourn by Amy, seconded by Tilman, all in favor.
Meeting adjourned at 6:06 p.m.

Agenda Proposed for December 3, 2019 Housing Committee Meeting:

- Review and approval of minutes of September 6, 2019
- Update 8 Amherst Road
- Update on 18-20 Amherst Road
- Continue discussion of proposed zoning change recommendations
- Discuss potential future affordable housing building sites

Respectfully Submitted,
Tilman Lukas

References:

DHCD	Massachusetts Department of Housing and Community Development
HCDC	Home City Development, Inc.
CPA	Community Preservation Act
CPC	Community Preservation Committee
ZBA	Zoning Board of Appeals