



The Town of Barnstable
Affordable Housing Growth & Development
Trust Fund Board
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Mark S. Ells, Chairman

Friday, December 2, 2022
Affordable Housing Growth & Development Trust Fund
Fund Board Meeting APPROVED Minutes
9:00 A.M.

Pursuant to the passage of legislation extending certain COVID-19 measures adopted during the state of emergency, this meeting was closed to the public.

Alternative public access to this meeting was provided by utilizing a Zoom link or telephone number, both provided in the posted meeting notice.

Board Member Attendees: Chairman Mark Ells, Andy Clyburn, Mark Milne, Laura Shufelt and Wendy Northcross.

Other Attendees: Elizabeth Jenkins, Director, Planning & Development; Charles McLaughlin, Sr. Town Attorney; David Anthony, Director of Asset Management; Jillian Douglass, Trust Administrator, Planning & Development; and Ellen Swiniarski, Community Preservation Coordinator, Planning & Development.

Call to Order

With a quorum present, Chairman Ells called the meeting to order at 9:00 a.m. and stated that today's meeting is recorded and in accordance with M.G.L. Chapter 30A, s 20 he must inquire whether anyone is recording this meeting and to notify the Chairman that a recording is being made. No one came forward.

Member Introduction

By roll call (present): Wendy Northcross, Laura Shufelt, Andy Clyburn, Mark Milne, and Mark Ells.

Public Comment

None.

Topics for Discussion

1. Approval of minutes for the October 14, 2022, meeting.

Motion was made by Wendy Northcross and seconded by Laura Shufelt to approve the October 14, 2022, meeting minutes as submitted. Roll call vote: Wendy Northcross (yes), Laura Shufelt (yes), Andy Clyburn (yes), Mark Milne (yes) and Mark Ells (yes). Motion carries.

2. Trust Administrator's Updates/Follow-Ups.

Jillian Douglass, Trust Administrator, reported that the Trust is still not receiving any responses to the Notice of Funding Available (NOFA) advertising. She reported that she has been working with Marketing Manager, Amy Harwood to come up with alternative ideas, noting that feedback from contractors has indicated the process is too difficult for the benefit received. She asked the board to consider targeting support service providers in addition to construction, to see if there are other entities that Funds consistent with the Trust purposes, and which could put them into use more quickly. Wendy Northcross noted that this would only be a short-term solution and Laura Shufelt said that if CPA funds are used, it would not meet the eligibility requirement. Chairman Ells concluded that this is not an area that the board would pursue with the funds that are available.

Jillian reported that the semi-annual report to the Community Preservation Committee was nearly finalized and is waiting for an update from Cape & Islands Veterans for the report. She noted that the monitoring agreement for the 850 Falmouth Road project has been completed and the draft lease format is nearly final. Laura Shufelt reminded of the 90-day minimum process that is required prior to lease up. Jillian said that the applicant has been waiting for the completed leasing component before advertising unit availability and noted that she will remind him of the requirements.

3. Application Presentation – Massachusetts Military Support Foundation

Mr. Don Cox and Mr. Mickey Wiernasz, applicants from Massachusetts Military Support Foundation were present and provided background for their application for pre-development funds for 379, 451 and 459 South Street, Hyannis properties for their affordable housing project. Mr. Wiernasz noted that during the period beginning February 2022, Don Cox has been able to increase the program's reach from 14 affordable units to 16 affordable units. He provided the breakdown of units: 10 one-bedroom units and 6 three-bedroom units. He said he is most concerned that the original predevelopment funding projection has been affected by the pressures of COVID, the supply chain, and suppliers. He explained that they are interested in getting the board's approval for the predevelopment funds to obtain the updated information and cost projections from all the professionals that will be needed for the trust board to consider the full application for funding that they also intend to submit.

Chair Ells asked staff if the application for predevelopment funds in the amount of \$50,000 was complete for the Trust Board to consider today. Jillian Douglass explained that the application was as complete as it could be without the exact costs of construction details that would be provided by the engineer and architect in the predevelopment review process. Board members and Attorney McLaughlin discussed how to collateralize the advancement of CPA funds with only a purchase and sales agreement in place, noting also that certification of title should not wait until closing. Mr. Cox noted that there has been a live purchase and sales agreement since March 2022 and all the financial mechanisms are in place with commitments from the Commonwealth and Cape Cod 5, explaining that the predevelopment funds are needed to be able to move forward. It was decided that the applicant would meet with Attorney McLaughlin and Jillian to discuss options to secure the funds for predevelopment noting that if feasible a trust board meeting could be scheduled ahead of the next regularly scheduled meeting the first Friday of January. Laura Shufelt noted some inconsistencies in the plans and information that will need

to be clarified and said specifically that the 10 units that are existing are already affordable and listed on the SHI and would not qualify for CPA funds to rehabilitate; only new units are eligible. She said that the \$50,000 request is in line, however the list of how the funds are being used should be rearranged to obtain enough information to then apply for the other funds they are going to use. She shared that the usual first step is to hire a development consultant noting that the affordable housing process can be daunting and that a determination that the project is financially feasible is usually first. After a brief discussion, it was decided by Chairman Ells that the eligibility criteria for the trust's CPA funds will be use as guidance for the application and the use of the trust's non-CPA funds would not be considered at this time. Applicant will meet with Attorney McLaughlin and Jillian Douglass to discuss the security mechanism for funding.

4. Housing Coordinator's Report

Elizabeth Jenkins explained that Ryan Bennett has resigned her position as housing coordinator at the town of Barnstable and found a position closer to home in Chatham and that the position is currently being advertised. In Ryan's absence, Elizabeth provided an update on the progress for the Housing Production Plan sharing that this last Wednesday there was a housing forum held to review the draft goals and strategies that were in the plan. She noted a list of 33 goals and strategies that were reviewed with the public in person and via zoom who gave reactions to those strategies as well as comments and other needs. The next step is to review those forum results with the Housing Committee at their meeting scheduled for December 14, 2022. Elizabeth said either she or the consultant would be available to bring a presentation to the board for their comments on the goals and strategies saying that public comment is open until January 18, 2023 and that the goal is to have a final plan for Town Council approval on March 23, 2023.

From the housing production plan process, Elizabeth noted a shifting of focus to include, in addition to supporting development, potential programs which had previously been brought to the trust board as a buy down or 1st time home buyer program which would be an eligible use of CPA funds. She noted also that rental assistance is the strong recommendation coming from the housing production plan process. There was discussion regarding the housing forums that have been held and the demographic of attendees not providing an accurate representation of Barnstable. However, it was also noted that the goals and strategies in the draft housing production plan were recommended based on the needs assessment that had reached over 300 people and the attendance of entities who provide services to the underrepresented population.

5. Update on Town Properties for Affordable Housing

David Anthony reported that a change of use for the Marstons Mills parcel that was dedicated to affordable housing was approved at the last Town Council meeting. He said they are working on a draft RFP for internal staff circulation with the goal of early 2023 for it to be publicized. He said that DPW is actively working on two issues needed for the RFP: the parcel boundary drawn to accommodate the sidewalk with an easement; and, revision of the driveway entrance.

David noted that community outreach is continued for the VFW property which will eventually also go to Town Council in January for a change of use vote like the Marstons Mills property. He noted that the existing license with CC Construction to use this parcel as a staging area expires the end of December, however DPW estimates the project could take til May 2023 to complete so a new license will be required. The associated security fencing project that the police department asked for to address some of the pass-through issues is close to completion.

Laura Shufelt noted a “sweet spot” for timing of the public release of the RFP from February to June when developers are not applying for other funding. Mark Milne inquired regarding the type of community outreach that is being done and Elizabeth Jenkins said that they have worked with the Precinct Councilors when they presented the possibility of the conversion of the “House on the Hill” at a Marstons Mills Village Civic Association meeting. For the Phinneys Lane parcel, similarly, there will be discussion with Precinct Councilors regarding community outreach to ensure there is public involvement early in the process.

6. Topics for Future Meetings/Agendas

Chair Ells noted the Town Council’s vote last night to change zoning in the area surrounding Cape Cod Mall and asked if there should be trust discussion at a future meeting how this may impact opportunity for housing and affordable housing. He said that as a board, they may want to talk a little bit more about what real market subsidy means for affordable housing and noted that they should be anticipating upcoming inventory at a dollar amount that is real in the market and make sure funds are available when the opportunity arises. Elizabeth Jenkins referred to the Town Council vote for a zoning change applicable to the Cape Cod Mall area that would support additional mixed use including housing and multifamily housing at a significant density and noted that the trust NOFA is actively promoted with all developers that they speak with. She explained that hopefully with more market rate housing coming online, companies will use the trust funds to buy down the units. She said they have been talking with small and mid-scale developers who could benefit greatly from the subsidies and gap filling power that the trust NOFA has. There has also been discussion about taking advantage of underutilized parcels in this area that could potentially provide housing supply close to the job centers. Laura Shufelt said that she is working on a project that is reviewing areas of the state to determine the appropriate amount to buy down market units to make them affordable. She also offered that Mass Housing Partnership has \$50,000,000 for transit-oriented development which contains legislation allowing the buying down of market units. She said she hoped by the next meeting to have an idea what the Cape developers are indicating would be the amount to buy down units. Laura noted that if a developer already has inclusionary units which requires a lottery, the addition of another unit should not be a big deal for them. Andy Clyburn shared he is aware of the developer’s use of “tie” agreements to avoid coming to the trust because of all the strings attached to affordable housing. He referenced a write up by Ryan Bennett that indicates that project feasibility is difficult once you get below a certain number of units. Elizabeth explained that the requirements of affordable housing are a lot for small developers to take on for a \$100,000 grant. As a solution, she said that the Town has been advocating for a regional housing service office here on the Cape and said that some progress has been made towards that with ARPA funds through Barnstable County who will pilot this for a couple of years.

7. Matters Not Reasonably Anticipated by the Chair

Laura Shufelt shared that the Economic Development Bill has new reconfigured starter home legislation however there are no regulations yet as it was just approved by the District Attorney. She explained that it is a new authority like Chapter 40R that allows for an overlay district for single family homes of a minimum of four per acre and noted that if the project contains 12 units or less, there are no affordability requirements but there are design standards for example maximum s.f. of a home is 1850 s.f. Similar to Chapter 40R, if you pass zoning, there is a

payment for how many of these houses that could be built and then each time a house is built, \$3000 is received.

Laura shared that the Mass Dreams program which is a down payment assistance program for 1st time home buyers Mass Housing Partnership still has money. Mass Housing has been advertising they are out of money, but Mass Housing Partnership has about a year and one half of money. If the 1st time home buyer program One Mortgage is used, buyers can get up to \$50K of down payment assistance for up to 150% AMI

There was discussion regarding the future position of a regional housing coordinator and the timeline for this. Elizabeth said that she was not sure what the scope of services would be monitoring or lottery, however everything is needed. She said that it will be municipalities and developers who will ultimately be supported so it is important to be a part of that process. Laura noted that she is the Barnstable representative to the HOME Consortium and the consortium has been helping to put this through the county. She said that she has the proposed scope of services and job description that she could share and although very optimistic, it is not definite that funding has been provided. Wendy Northcross noted that she has spoken in support of the regional housing coordinator in her position on the County's task force to help decide how to spend their \$41M in ARPA funding. She said that housing needs has risen to the top and this is definitely underway.

8. Next Meeting Dates – First Friday of each month at 9:00 a.m. (January 6, 2023)

Chair Ells noted that the next trust meeting is scheduled for the first Friday in January, which would be January 6, 2023. He noted that if there is a situation that merits consideration of a meeting before that to let Jillian know.

Adjournment

Motion to adjourn was made by Andy Clyburn and seconded by Laura Shufelt. Roll call vote: Laura Shufelt (yes), Wendy Northcross (yes), Mark Milne (yes), Andy Clyburn (yes) and Mark Ells (yes). Meeting adjourned.

List of documents/exhibits used by the Board at the meeting:

Exhibit 1 – Affordable Housing Growth and Development Trust Fund Board Agenda 12/2/2022.

Exhibit 2 – Draft minutes for the 10/14/2022 Affordable Housing Growth and Development Trust Fund Board meeting.

Exhibit 3 - Application and Supporting Documents – Massachusetts Military Support Foundation

Exhibit 4 – Barnstable Housing Production Plan Draft Outline of Preliminary Goals and Strategies