

**Joint meeting
Ipswich Housing Partnership
Ipswich Affordable Housing Trust Fund Board
Wednesday, February 24, 2016, 7:30 AM
Room 129, Planning Dept. Conference Room, Town Hall**

Members of IHP present: Jim Kroesser, Jim Warner, Ingrid Miles

Members of AHTFB present: Nishan Mootafian, Jim Kroesser, Jim Warner, Ethan Parsons

Staff present: Ethan Parsons, Terry Anderson

MINUTES

The meeting opened at 7:40 AM.

1. Citizen inquiries

None.

2. Approval of minutes of December 16 meeting by AHTFB and January 27 meeting by IHP and AHTFB

For the Trust, Kroesser moved acceptance of the December 16 minutes, with a second from Warner and a unanimous positive vote. For the Trust, Warner moved acceptance of the January 27 minutes, with a second from Kroesser and a unanimous vote in the affirmative. We lacked a quorum of the IHP.

3. Discussion: new language on re-payment in the Trust's Affordable Housing Restriction

Kroesser mentioned that the purpose of the new language is to clarify that the Restriction lapses when the re-payment of the loan is made. For the Trust, Kroesser moved to adopt the language he had proposed to this effect for the Mortgage Rider and the Restriction. Mootafian seconded the motion and the positive vote was unanimous. The consensus was that the Partnership should also vote on this point.

4. Discussion: re-capitalization of Trust; Gibbs presentation on future PIL sources

Gibbs discussed these possible sources of future funding for the Trust:

Willowdale sub-division—eight unit cluster sub-division now under construction; density bonus resulted in twice the number of units allowed by right; PIL's of \$10,000 each should start at the end of 2016; sale prices are in the \$500,000-600,000 range.

15 Market Street (above Dollar Tree store)—modest payment expected, not yet determined

Old Town Hall—modest payment expected, not yet determined

44 Brownville Avenue—conversion of accessory building to dwelling; not yet approved

5. Discussion: policy on Riverbend Payment-in-Lieu

On the question of when a fraction of a unit should be rounded up—and therefore another payment is triggered—Warner suggested that Riverbend has made an earnest effort to fill the affordable units, and has been successful, and therefore we should wait until they've filled 74 units total before asking for payment for the eighth affordable unit (if it remains empty or is occupied by a market-rate tenant). Parsons asked that we check the Special Permit on this point. Gibbs then pointed out that the MOU's Exhibit B states that the round-up occurs at .5.

On the question of when the clock starts ticking for the calculation of the amount due, the consensus was that it starts when 10% of the total number of units rented triggers another PIL being due—and not earlier—in combination with the semi-annual benchmark dates (January 6 and July 6). In other words, if on January 6, 10% of the market-rate units are occupied, a payment becomes due and continues to be assessed going forward for each month that unit(s) remains unoccupied or occupied by a market-rate tenant.

Gibbs suggested that Riverbend set up a direct deposit arrangement for these payments.

6. Discussion: 8 County Street (boat club property) as potential site for development

Since Greenough volunteered to determine who we should talk to about this at our last meeting, and he was not present today, this subject was deferred until our next meeting.

7. Turner Hill update: 6 of 6 apartments are rented

I reported that all the affordable units have been rented. The tenants' incomes are all below the mandated 60% AMI. The rents are all well below the HUD limits as well.

8. Goals for FY 2017

Gibbs presented his ideas for some changes to the bylaws that he expects to propose at the fall Town Meeting. At present, the requirement for a project of more than ten units is that 10% of the total must be built as affordable. He noted that, in the case of single-family homes when the developer chooses to make a PIL, because the difference between the market value and the affordable unit cost is so great, this becomes a disincentive to the developer for moving ahead with the project. He thinks this requirement should be changed so the PIL is more economically feasible. He also mentioned that the Green Space Preservation Development section should be revised to allow attached single-family townhouses.

Gibbs also seeks support for simplifying the Infill provision in the IR zone by eliminating the requirement that the applicant prove that his/her property was originally part of a sub-division of 5,000 square foot lots. This would yield approximately 30 properties that would be eligible to sub-divide and add a house that would either be restricted as affordable or carry a requirement of a PIL of \$50,000. Gibbs feels this would be an effective method of making mid-range properties available to buyers. His research suggests that the buyers of the houses created earlier under this provision had incomes generally in the range of 100-120% AMI. However, Warner pointed out that the market value of a single-family in this zone is now about \$500,000-600,000. Miles concurred with this estimate.

9. Discussion: affordable Assisted Living facilities on the north shore

No discussion occurred on this subject.

10. Community input/new business

I asked for advice on whether to pursue a grant from the Coburn Charitable Society in support of our rehab loan program. Gibbs felt that it would not be worthwhile since they usually make grants only if we are able to match their

support (and we lack the funds to do so). I mentioned that we're expecting approximately \$20,000 in HOME funds in the fall and perhaps another \$10,000-20,000 from the Willowdale project toward the end of the year. Warner and others said we should submit a request because a match is not a Coburn requirement; and that we should include photos and testimonials in our application and recruit a client to attend the meeting with us when we meet with the Coburn people.

11. Next meeting date

Our next meeting will be Wednesday, March 23 at 7:30 AM.

12. Adjournment

The meeting adjourned at 9:05 AM.

Respectfully submitted by
Terry Anderson
Housing Coordinator
February 24, 2016