

**Joint meeting
Ipswich Housing Partnership
Ipswich Affordable Housing Trust Fund Board
Wednesday, May 25, 2016, 7:30 AM
Room 129, Planning Dept. Conference Room, Town Hall**

Members of IHP present: Jim Kroesser, Ed Dick, Don Greenough, Ingrid Miles, Mike Jones, Jim Warner
Members of AHTFB present: Nishan Mootafian, Jim Kroesser, Ethan Parsons, Mike Jones, Jim Warner
Staff present: Ethan Parsons, Terry Anderson, Glenn Gibbs

MINUTES

1. Citizen queries

None.

2. Approval of minutes of March 23 by IHP and minutes of April 27 by IHP and AHTFB

Greenough pointed out that because we lacked a quorum of the IHP on March 23, a vote by the IHP on the minutes of that meeting is unnecessary. For the Trust, Kroesser moved and Mootafian seconded a motion to accept the minutes of the April 27 meeting. For the Partnership, Warner moved and Dick seconded a motion to accept the minutes of the April 27 meeting. Both motions received unanimous approval.

3. Discussion: policy on over-income tenants

Greenough said this policy should be made subject to the provisions of the lease and that the lease should be limited to one year; and he mentioned that the MassHousing policy is that when a tenant's income exceeds the limit, the tenant must pay market rent. Kroesser suggested having all leases run from January in order to ease the administrative burden of monitoring compliance with the policy. Dick wants the compliance review to be coordinated with the lease. Mootafian suggested including language in the lease that would allow the lease to be terminated early in order to enable compliance with the policy. Warner warned that it might be possible for a landlord to approve a tenant whom he knows will exceed the income limit soon and thereby he would be able to be assured of higher rent when that happens.

I was asked to submit a list of all the affordable apartments, preferably with notes on which tenants are non-compliant with income limits; to get a copy of the lease as a part of the monitoring process; and to check with other towns on how they are monitoring their income-restricted tenants. Kroesser suggested possibly conducting random audits occasionally.

4. Discussion: 400 Colonial Drive #42—revised loan amount

After several fact-finding questions about Ursula Fudge's revised request, Jones moved and Kroesser seconded a motion for the Trust to approve \$4,300 in additional Coburn funding for her project.

5. Discussion: re-capitalization of Trust

A discussion was held on how the use of Trust funds for the Frontierro loan (see below) would impact the general financial status of the Trust. Points of clarification included:

The balance of the Trust is now approximately \$51,000

If Trust money is used for the Frontierro loan, the projected balance available by mid-summer would be about \$14,500

Parsons mentioned that the expected fee of \$15,000 from the 48 Market Street project is not yet certain due to the fact that the developers have not yet received approval of their application.

6. Goals for FY 2017

No discussion.

7. Community input/new business

I announced that yesterday I received an application for a first-time buyer's loan from Bethany Frontierro for assistance in the purchase of 2 Locust Street. I explained that, contrary to my original intention to use HOME money for this loan, the HOME Consortium has just recently disallowed the use of HOME money for first-time buyer loans (but funding rehab loans is still allowed). Therefore, funding this loan would mean using Trust money.

Kroesser expressed concern that the price of the property and her limited financial circumstances—i.e. no savings beyond her down payment—represent a potential difficult burden for her. Mootafian agreed that having nothing left after the purchase means high risk. Jones felt that the fact that she has been pre-approved for a mortgage indicates she could do the transaction without our help. Gibbs cautioned making any commitments now that are not essential because of the very limited funds available in the Trust. Parsons and Miles recommended deferring a decision due to a lack of complete information, including the nature of the necessary repairs and how much of her funds will be used for down payment, repairs, closing costs, etc. I was asked to amend the text of the brochure to say our loans would be made 'depending on the availability of funding.' Members want Ms. Frontierro to attend our next meeting in June and to supply a copy of her home inspection report.

For the Trust, Parsons moved and Warner seconded a motion to defer the decision until more complete information is obtained. For the Partnership, Dick moved and Miles seconded the same. Both motions received unanimous approval.

Gibbs presented a brief overview of the recommended bylaw changes he is working on regarding housing for the fall Town Meeting. The changes will a) enable more housing to be developed on lots in the center of town (the in-fill provision). The target audience for these projects will be buyers with incomes in the range of 100-120% AMI. B) More specific language will be proposed for the conversion of accessory buildings to dwellings. C) Footnote 11 will be clarified so developers have a more defined idea of fees and other requirements. D) The mandate to build affordable units in projects of more than 10 units will be broadened to allow for PIL's instead of building.

Members finished the meeting by visiting 6-8 First Street to behold the construction progress. Everyone seemed impressed and pleased with the progress and the quality of the work.

8. Next meeting date

The next meeting will be held at 7:30 AM on Wednesday, June 22.

9. Adjournment

The meeting adjourned at 8:45 AM.

Respectfully submitted by
Terry Anderson
Housing Coordinator

May 25, 2016