

**Joint meeting
Ipswich Housing Partnership
Ipswich Affordable Housing Trust Fund Board
Wednesday, April 25, 2018, 7:30 AM
Room 129, Planning Dept. Conference Room, Town Hall**

Members of IHP present: Jim Warner, Don Greenough, Jim Kroesser, Stacey Pedrick, Ed Dick, Binni Hackett, Judy Field, Rich Kallman

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

Staff present: Glenn Gibbs, Terry Anderson

MINUTES

1. Citizen queries

None

2. Approval of minutes of March 28, 2018

For the Partnership, Greenough moved to accept the minutes, with a second by Dick and a unanimous positive vote. For the Trust, Kroesser moved to accept and Mootafian seconded, with a unanimous positive vote.

3. Discussion: Ipswich Subsidized Housing Inventory (SHI)—potential inclusion of 500 Colonial Drive #109 (Rosann Brandano, owner)

Anderson said this question arose in response to the questions and pressure from the public about a greater insistence on including any and all restricted units on the inventory. He reminded the members that in various earlier discussions of this issue there was a substantial consensus in favor of keeping the option to not include a particular unit if there was reasonable justification for not imposing the sixty-day marketing period and the lottery.

Kroesser was in favor of asking Brandano if she would be willing to accept those mandates but he did not want to offer a subsidy as an incentive. Dick reported that his experience with potential income-qualified buyers has shown that they are almost always unclear about the process of qualifying—and that we should therefore do a better job of educating the public on income limits and the process of qualifying.

Greenough said that much of the motivation from the public to have restricted units included on the inventory is based on the wish to prevent 40B projects (and not simply to have more affordable units created in town). He is against the notion of providing a subsidy to owners or buyers as a means of supporting the inclusion of more units on the inventory. He would rather see the funds used to create or repair units. Warner agreed.

4. Discussion: additional funding for Rehab Specialist

Without discussion, Mootafian moved to approve \$5,000 to continue Marc Simon's work as our Rehab Specialist. Warner seconded and the affirmative vote was unanimous.

5. Discussion: addendum to Riverbend MOU

The proposed addendum would enable Riverbend to exclude financial support given by family members of prospective residents when determining whether a prospect qualifies according to income guidelines. This would make it more possible to accept prospects for the affordable units.

Dick raised the question of whether Riverbend in this case would be able to charge market rates for the rental portion of the total monthly cost instead of still being restricted to the reduced rent for the affordable units. There was general agreement that this should not be allowed—and that an accounting must be required on what is being charged for both rent and services.

For the Partnership, Dick moved and Kallman seconded making a recommendation to the Planning Board that this addendum be approved for submission to Riverbend management for their approval.

6. Discussion: Ed Dick's model of impact of affordable units on project feasibility

Dick explained his model that illustrates the effect of incorporating affordable units in a 32 unit condo development. Given assumptions regarding current market conditions, such a project would cost approximately \$11,000,000 to develop and would net the developer roughly \$1.4 million if affordable units are not included but only about \$466,000 if affordable units are included. Considering the low percentage of profit when the affordable units are included, he feels that most prudent developers would not take on the risk involved to do a project like this. He said the total cost to develop would probably have to be half the projected amount in order to make the project attractive enough to pursue. Such a project might also more feasible if it were considerably larger in order to realize economies of scale. Also, the pro forma for a rental project would probably be more realistic financially.

7. Discussion: Trust Fund Board's two vacancies—including Town Manager designee

Gibbs offered to talk to Tony Marino, the new Town Manager, to see if he wants to participate as a member of the Trust Fund. Greenough will talk to Mike Jones to see if he is interested in continuing.

8. Community input/ new business

Gibbs mentioned that the response to the proposed amendment to the zoning bylaw that will be considered at Town Meeting next month has been mostly positive. Expressed concerns focused mostly on the following: proposed provision allowing a 15% increase in building height by special permit (this provision has been removed); how the parking would be controlled if the Planning Board has discretion on approvals; and the additional allowable density, primarily as it relates to the GB District.

9. Next meeting date

The next meeting will be Wednesday, May 23 at 7:30 AM.

10. Adjournment

The meeting adjourned at 8:35 AM.

Respectfully submitted by
Terry Anderson, Housing Coordinator

Approved May 23, 2018