

BARNSTABLE COUNTY HOME CONSORTIUM ADVISORY COUNCIL
THURSDAY, MAY 19, 2011
CAPE COD COMMISSION OFFICE
MEETING MINUTES

Members Present: Don Dickinson, Jillian Douglass, Lorri Finton, Vicki Goldsmith, Jon Holt, Elaine LaChapelle, Gerry Loftus, Sandee Perry, Judith Riordan

Members Not Present: Lee Berger, Nancy Davison, Valerie Foster, Art Hultin, Marlene McCollem

Staff Present: Paul Ruchinskas, Michelle Springer

Public Present: Bernie Kaplan

MINUTES

Lorri made a motion to approve the minutes of April 21, 2011. Jon seconded the motion, 8 members in favor, 0 opposed, 0 abstained. (Jill was not present for vote)

Correction to April Minutes- Bernie Kaplan was listed as both public present and members not present. He should have been part of public present. The other correction is we had a member of the public at the meeting named Dick Andres.

Project Funding Requests

Paul explained the reason for our having our funding round so quickly is that DHCD requires that any applicants looking to receive funding from DHCD have a committed local funding match as part of their application. Often times it is our HOME funding that they will be receiving as the local match unless they have CPA or other local funding. Four of the five projects in this funding round had been before the Project Review Committee in the past. The Project Review Committee met to review the projects this past Monday. Paul referred to the Development Project Funding Request Analysis that he put together for the Project Review Committee and the Consortium. The chart included information about the five projects and the recommendation of funding from the Project Review Committee. Paul did note that he added bedroom mix to the chart. He also added six more points to the scoring of the Community Green project because he received information that four out of the ten units were going to be visit able on the first floor. Paul explained that there is about \$950,000 in funding available to commit which includes this year's funding and \$200,000 of last year's funding. We need to commit at least the \$200,000 from last year by July 31, 2011 or we lose the funding. HOME requires the funds be committed within two years. The \$950,000 would also include any DPCC loans that we make. Paul recommends setting aside \$50,000 for any DPCC loans that we

need to make between now and when we receive the new funding. There is enough funding to make awards to all five projects if we choose. The project scores includes points for reaching the Energy Star Tier 2 status, which is not required. Three of the projects, Community Green, Sally's Way, and Simpkins School, committed to achieving the Energy Star Tier Two standard, but they did not provide the documentation so they did not receive the extra 10 points. Breezy Acres was able to meet the standard because the Town of Mashpee adopted the stretch energy code, which will achieve the Energy Star Tier Two requirements. All the projects have been permitted and have a medium for readiness to proceed. They all need our funding and the State's funding in order to proceed.

Breezy Acres-HAC-Mashpee-\$175,000

The project is located off 151 in Mashpee. The site currently has six family rental units owned and managed by the Mashpee Housing Authority. The plan is to add ten more family rental units with a mix of eight two-bedroom and two three-bedroom units all available to households at 50% of area median income or below. The one major change from this application to the prior one is to hook the project up to the wastewater treatment facility at the Mashpee High School at a cost of \$550,000. This is part of the reason that per unit costs is \$330,000, which is a hefty amount per unit. The project is in a nitrogen sensitive area in the town and this was the best solution. DHCD's Public Housing Division committed over \$300,000 towards the cost of making that connection to the high school. The original plan with the first application was the ten new units were going to have to bear the costs of sewerage all sixteen units over time. With this new solution, the ten units will pay their share, and the six units that are there will pay for their portion. Part of the agreement that the housing authority and HAC has with the town is they will both pay a fixed amount every year toward the operation and maintenance of the sewer facility but they will not be liable if the treatment plant needs any major upgrades. The Town of Mashpee will be responsible for any major upgrades to the wastewater treatment facility. This is a high scoring project and the Project Review Committee voted to approve the \$175,000 in funding.

Sandee asked if their getting our HOME funding is contingent on their getting the State funding as well?

Paul responded that yes, it will be contingent on their getting the State funding as well. Paul recommends that any projects that we fund that we commit the funds, send out the letter, and set it up in IDIS with HUD. The rules for setting up a project with HUD, is that we have a reasonable expectation that the project will start within twelve months. Paul does not feel that this is an unreasonable expectation with any of the five projects.

Jon asked Paul what the rents were going to be for the two and three bedroom units.

Paul responded that they were trying to get eight project-based vouchers, which means the unit rent will be at Section Eight rent amount. The other two-bedroom unit rent would be \$844 the three-bedroom unit would be \$975. They are looking to receive funding from the Community Based Housing Fund for the handicap accessible unit.

Gerry made a motion to approve the \$175,000 in funding, Sandee seconded the motion, 9 members in favor, 0 opposed, 0 abstained.

Community Green-HAC-Sandwich-\$175,000

The site for this project was formally know as Dana's Fields which received McKinney funding back in 1999. This project will be ten single-person occupancy units for homeless individuals with job training as part of the plan.

Currently on the land is a house called "Curio House" and was built by college students from Boston as part of an architectual design completion. The home was built as a super energy efficient home and is currently rented. HAC hopes to receive CPA funds, Federal Home Loan Bank award funding, MassHousing funding, along with our funding and \$1 million from the State to make this project happen and feasible. The have requested eight project-based vouchers and the two non-voucher units will have a rent of \$386 a month. All of the units have full bath, and a microwave but they also will have a common room with a full kitchen that they can use. There will be four first floor units and six second-floor units with storage in the basement for nine of the units. The handicap accessible unit has its own storage next to the unit. This is a phase with a plan to have additional 55 units. The second phase will be a family rental development that will probably need tax credit funding.

Sandee asked if they have received a commitment from the other funding sources? She noted that the CPA request had gone to town meeting on May 2nd.

Paul responded that town meeting approved the CPA funds. They also have a commitment for the Federal Home Loan.

Lorri asked Paul about the difference between the total per unit cost between Breezy Acres and Community Green. Why is the total unit cost higher in Sandwich for less square footage?

Paul explained that Sandwich would have additional services including an on-site manager, etc.

Jill made a motion to approve the \$175,000 in funding, Vicki seconded the motion, 9 members in favor, 0 opposed, 0 abstained.

Sally's Way-CHR-Truro-\$125,000

CHR applied for State funding in the last round but did not receive it so CHR has had to make some changes to their proposal. Truro received State Block Grant funds to do the infrastructure work. The town has put the proposed work out to bid and had thirty builders respond. They should be awarding that shortly and starting the work. This is not a tax credit project so they will be looking for various funding sources including the

State, HOME, and the Affordable Housing Trust Fund. This project will more than double the Town of Truro's affordable housing inventory.

Jon asked Paul what the rent amounts would be?

Paul responded that they are looking to get four project-based vouchers. On the non-voucher units (below 60% of median income) the one-bedroom \$805 and two-bedrooms would be \$965 and three-bedroom would be \$1116 including utilities. Three of the units (one of each size) are going to be for households at 80% median income or below. The one-bedroom will be \$1117, two-bedroom \$1220 and the three-bedroom will be \$1410 a month. They will all be affordable.

Sandee asked if the project-based vouchers would be coming from DHCD?

Paul responded that yes, they would be coming from DHCD.

Vicki asked if there was going to be any issue getting the non-voucher units rented?

Paul responded that CHR had a market study done and it showed that the project rents are feasible.

Gerry made a motion to approve the \$125,000 in funding, Don seconded the motion, 9 members in favor, 0 opposed, 0 abstained.

Simpkins School-Stratford Capital Group-Yarmouth-\$150,000

Bernie made the comment that elderly housing should not always be one-bedroom units. If you had a couple living in a unit with two-bedrooms, and one should become less independent and needs homecare the chances of that person having to move to a nursing home is greater rather than being able to stay living with their mate. If there were an additional bedroom in which to live in then the other person would have a comfortable place to live. The other example was an elderly parent could have their elderly child live with them if they get to a point of needing or wanting that if there was an additional bedroom.

Paul responded that this was an important point that will require changes in State and Federal policy; however this is the highest percentage of two-bedroom units he has seen in senior housing. The project will consist of four studio units, thirty-seven one-bedroom units and twenty-four two-bedroom units. Originally, all 65 units were going to be affordable to households at 60% but now 58 of the 65 will be affordable. This happened because when the applicants went to get their town permit, the local housing committee made the request that there be seven market rate units included in the proposal. There is no income limit for the seven market rate units. This is a tax credit project.

Vicki made a motion to approve the \$150,000 in funding, Lorri seconded the motion, 9 members in favor, 0 opposed, 0 abstained.

Village Green-Dakota Partners-\$150,000-Barnstable

This project has been permitted for 120 units, and is a tax credit project located at the corner of Independence Drive and Mary Dunn Road in Hyannis. Paul gave the development team a medium-high rating on the scoring sheet based on it being two separate development companies that merged into one in 2006. Both of the companies had experience with single-family, condominium, homeownership, market rate projects. They have completed one tax credit project. They have hired someone that has low income tax credit experience. This funding would be for phase one of the project which will be four buildings which will consist of sixty units, with fifty-two being affordable to households at 60% of median income or below, and eight will be affordable to households at 30% of median income or below and all eight will have project based vouchers. A different entity received the comp permit from the town and the Dakota Group will be purchasing the permit from them. There is no storage, but they are willing to accommodate that request and we can make it a part of our commitment of funds. There will be a community building, which will house the property manager and room for the tenants to use.

Jill asked about the transit component.

Paul responded that no, the bus does not run that far. The Dakota group may try to have a discussion with transportation company about that. Paul also noted that the Cape Cod Commission has recently approved a four-hundred-unit continuing care community in that same area.

Jill noted that there are many jobs in the area of the proposed project, which is good.

They will be looking to get \$2.5 million in State funds for the project.

Sandee asked if we approve the funding for these 60 units, then they cannot come back for additional funding for the second phase, correct?

Paul responded that they could come back and ask for funding for the second phase because they are viewed as two different projects. We have done that in the past with other rental projects, but how or whether we fund all phases of a project is our call.

Sandee commented that they went in front of the housing committee, and they approved it because of the need for affordable rentals. Sandee did say she has some concerns about the size of the project and that she was unsure whether she could support funding for Phase 2.

The Consortium members continued the discussion about the concerns of the project.

Paul noted that he could communicate those concerns in a separate letter to the applicant should we decide to support Phase I.

Jill made a motion to approve the \$125,000 in funding for phase one, subject to storage space being provided, Gerry seconded the motion, 9 members in favor, 0 opposed, 0 abstained.

Meeting adjourned at 9:57am