BARNSTABLE COUNTY HOME CONSORTIUM ADVISORY COUNCIL
THURSDAY, NOVEMBER 15, 2012
CAPE COD COMMISSION OFFICE
MEETING MINUTES

Members Present: Richard Carroll, Jillian Douglass, Lorri Finton, Vicki Goldsmith, Jon Holt, Michelle Jarusiewicz, Bernie Kaplan, Gerry Loftus, Mary McDermott, Elaine McIlroy, Sandee Perry

Members Not Present: Lee Berger, Vicki Goldsmith , Art Hultin, Marlene McCollem.

Staff Present: Paul Ruchinskas, Michelle Springer

MINUTES-

Gerry made a motion to approve the minutes of October 18, 2012. Bernie seconded the motion, 4 members in favor, 0 opposed, 4 abstained.

HOME Program-

The Development Review Sub- Committee met on November 5th to review the funding requests.

There is $925,000 available in funding to commit to activities between the DPCC program and rental housing projects. Their recommendation is to fund all four projects.

Funding Request-Village Green- Barnstable-Dakota Partners-

The request is for $125,000 for the project with 60 total units, 11 of them HOME units, located at Independence Drive in Hyannis. Paul presented an overview of the project.

Village Green is a new construction affordable apartment complex located off Independence Drive in Hyannis. The project was permitted under Chapter 40B. The project will be completed in two phases and will eventually total 120 units. Phase I of the project consists of 60 units: 14 one bdrm; 42 two bdrm; and 4 three bdrm. Fifty four (54) units will be leased to families earning less than 60% AMI and six (6) will be leased to families earning less than 30% AMI for Barnstable County. The six 30% AMI units will be assisted with project based Section 8's, which are being requested as part of the DHCD application. Phase I will involve two apartment buildings of three stories each, a community building and approximately 70% of the total infrastructure. Phase 2 will be completed at a later date and will consist of 60 units within two three story buildings.

The project received a prior commitment of Consortium HOME funds in May 2011, and other than a 1.5% increase in TDC primarily because of an increased construction estimate, there are fundamentally no changes to the project from the submission one year ago. The main concern associated with the project is its location in Independence Park. Absent the public financing, it is ready to proceed as it is permitted and has design plans 90% complete. This is Dakota's 5th submission to DHCD for tax credit funding.

Concerns-

- Mary commented that it's close to power lines (they conducted a market study that showed that they shouldn't have any issues renting the units)
- Sandee voiced concern over proper grounding of the electrical system due to the power lines
- Not located near public transportation (the RTA has agreed to extend service to the area with a bus shelter)
- The location is not ideal
- The per unit cost will be $260,000, which is inexpensive compared to other recent projects
- The developer has minimal equity in the project
- Bernie expressed his concern over the one-bedroom units and the limit in flexibility

Positive Aspects-

- 100% affordable family housing
- LEED certified building
- Has been permitted
- Community Building

Gerry made a motion to fund Village Green in the amount of $125,000 with standard with our standard conditions along with conditions for additional tenant storage and RTA service being extended, Richard seconded the motion, 10 in favor, 0 opposed, 0 abstained.

Funding Request-Route 134 Community Housing-Housing Assistance Corp.-

The request is for $175,000 for the project with 27 total units, 11 of the HOME units, located at 812 East-West Dennis Road in Dennis. Paul presented an overview of the project.

Route 134 Community Housing is a new construction, 100% affordable family rental project located at the former Melpet Farm site on Route 134 in Dennis. The project has been permitted under the Town's affordable housing bylaw. The project consists of 27 units: 6 one bdrm; 17 two bdrm; and 4 three bdrm. Twenty (20) units will be leased to families earning less than 60% AMI and seven (7) will be leased to families earning less than 30% AMI for Barnstable County. The seven 30% AMI units will be assisted with project based Section 8's, which are being requested as part of the DHCD application. As HAC has applied for funding from DHCD's Housing

Innovation Fund (HIF), those units will be targeted to homeless, formerly homeless, or at risk households with HAC providing the case management and supportive services. There will be eight residential buildings of 3-4 units each and a separate community building to house the property management office, a shared laundry, and a community room.

This is a 100% affordable, Town-supported project that has been on the drawing boards for over a decade. After an RFP process, HAC was chosen as the designated developer in January 2011 and secured its permitting in June 2011. The program design (# of units and bdrms, wastewater treatment, etc.) was specified in the RFP and has impacted the total project cost- which is the main challenge for this project. HAC has secured Dennis CPC funding of $470,000 and has letters of interest from construction and permanent lenders and from tax credit investors. This is HAC's first submission to DHCD for tax credit and other state funding.

Concerns-

- The general contractor hasn't been hired
- Jon (as well as other Consortium members) expressed concern over the cost per unit which seems high at $317,000 per unit
- Jill commented that the project includes a playground, yet it's located across the street from an elementary school
- Concern over taxpayer's money going towards a community building, playground, gazebo, underground irrigation system, etc.

Positive Aspects-

- 100% affordable family housing
- Town supported project

Paul is going to send a letter to HAC expressing the concern over the cost of the project.

Jill made a motion to fund 134 Community Housing in the amount of $175,000 with our standard conditions, Mary seconded the motion, 9 in favor, 0 opposed, 1 abstained.

Funding Request-Notantico Woods-Falmouth Housing Corp.-

The request is for $175,000 for the project with 11 total units, 11 of them HOME units, located at 5 Oshman Way/292 Woods Hole Road in Falmouth. Paul presented an overview of the project.

Notantico Woods involves the redevelopment of an existing 6,000 square foot house along with the new construction of a four-plex building to create a 100% affordable family rental project located at 5 Oshman Way in the village of Woods Hole in Falmouth. The project received its comprehensive permit in December 2011 and would represent the first affordable housing in the village of Woods Hole. The project consists of 11 units: 4 one bdrm and 7 two bdrm. Seven (7) units will be leased to families earning less than 60% AMI; one unit for households at/below 50% AMI; and three (3) will be leased to families earning less than 30% AMI for Barnstable

County. The three 30% AMI units will be assisted with project based Section 8's, which are being requested as part of the DHCD application. The existing house will be enlarged and converted into seven apartments and the newly constructed building will house four units.

This is a 100% affordable project that absent the public financing is ready to go as it has been permitted, has received substantial local support ($540,000 from CPC and $580,000 of FHC equity), and would represent the first affordable housing in the village of Woods Hole. The primary challenges are the construction risk as FHC has loaned the project all but $25,000 of its developer's overhead and fee and the tight debt service coverage. This is FHC's first submission to DHCD for state funding.

Concerns-

- FHC is loaning all but $25,000 of their developer fee which provides a very small cushion
- The project has lower debt service coverage then lenders usually allow (1.2%)
- Property management expenses are high
- High construction risk

Positive Aspects-

- 100% affordable
- The existing structure will be incorporated into the project
- Supported by the community of Woods Hole (first affordable housing project in Woods Hole)
- Local contractors

Jill made a motion to fund Notantico Woods in the amount of $175,000 with our standard conditions, Richard seconded the motion, 10 in favor, 0 opposed, 0 abstained.

Additional Funding Request-Stage Coach Residences-Barnstable Housing Authority-

The request is for additional $50,000 in funding with 12 total units, 6 of them HOME units, located at Stage Coach Road in Centerville. Paul presented an overview of the project.

The $517,415 gap resulted entirely from higher than anticipated construction cost. Barnstable Housing Authority had to publically procure a construction contractor and pay prevailing wages. Six bids were received under the public procurement/prevailing wage program and they were all way over budget with the lowest coming in at $453,000 over budget.

Sandee commented that the some of the increase in cost was due to the economy starting to come back, which increased the cost of building supplies, gas, oil, etc. The plumbing and heating estimates came in higher and prevailing wages have changed. The project was also delayed due to a legal challenge from the neighbors (which resulted in higher legal costs), they had to have

an archeological dig performed because the Wampanoag Indians indicated it could be a possible settlement or burial ground, and mitigation had to be done due to the Eastern Box Turtle.

Richard made a motion to additionally fund Stage Coach Residences in the amount of $50,000, Bernie seconded the motion, 8 in favor, 0 opposed, 2 abstained.

Meeting adjourned at 10:15

Meeting Enclosures:

1. Minutes of October 18, 2012
2. Funding Request for Village Green
3. Funding Request for Route 134 Community Housing
4. Funding Request for Notantico Woods
5. Additional Funding Request for Stage Coach Residences