



The Town of Barnstable
Affordable Housing Growth & Development
Trust Fund Board
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Mark S. Ells, Chairman

Friday, November 3, 2023
Affordable Housing Growth & Development Trust Fund
Fund Board Meeting Minutes
9:00 A.M.

Pursuant to the passage of legislation extending certain COVID-19 measures adopted during the state of emergency, this meeting was closed to the public.

Alternative public access to this meeting was provided by utilizing a Zoom link or telephone number, both provided in the posted meeting notice.

Board Member Attendees: Andy Clyburn, Acting Chairman, Mark Milne, Laura Shufelt and Wendy Northcross. Mark Ells (absent).

Other Attendees: Elizabeth Jenkins, Director, Planning & Development; Jillian Douglass, Trust Administrator, Planning & Development; and Ellen Swiniarski, Community Preservation Coordinator, Planning & Development. Stephen Payson, Tim Tellman and Attorney David Lawler for Standard Holdings.

Call to Order

With a quorum present, Acting Chairman Clyburn called the meeting to order at 9:00 a.m. and stated that today's meeting is recorded and in accordance with M.G.L. Chapter 30A, s 20 he must inquire whether anyone is recording this meeting and to notify the Chairman that a recording is being made. No one came forward.

Member Introduction

By roll call (present): Wendy Northcross, Laura Shufelt, Mark Milne, and Andy Clyburn. Mark Ells (absent).

Public Comment

None.

Topics for Discussion

1. Approval of minutes for the October 13, 2023, meeting.

The motion of Wendy Northcross was seconded by Laura Shufelt to approve the October 13, 2023, meeting minutes with a minor revision as noted.

Roll Call Vote: Laura Shufelt (yes), Wendy Northcross (yes), Mark Milne (yes), and Andy Clyburn (yes). Motion carried.

2. Standard Holdings – Tim Tellman & David Lawler

a. Request to Lender (Fall River Five) to defer loan principal payments on loan for the Residences at 850 Falmouth Road.

Attorney David Lawler explained that based on development costs, the bank would allow interest only payments for another six months. The assent of the Trust is required due to the succession of Trust documents on record ahead of the bank. Attorney Lawler explained that the request is simple and there would not be any ramifications to the town.

Laura Shufelt noted that the Trust has not received the required report or accounting of the affordable units that were rented and would be reluctant to vote until received. She noted that the report is to include eligibility of the tenants selected, results of the lottery and the reasons folks were not deemed eligible. Mr. Tim Tellman noted that Laura is correct that the final report is outstanding and indicated that there were 28 eligible applicants and as of six weeks ago, 9 of the 10 affordable units were occupied. The 10th unit had an approved tenant however they did not follow through noting that there are still a few eligible applicants left to fill that last unit. He said he was advised by Paula Stuart who ran the lottery, that she cannot complete the report until the 10th unit is occupied and was instructed to go back to the last three tenants qualified for the one-bedroom units to fill this 10th unit which is a two-bedroom unit. He said the unit will be occupied soon and the report provided.

Laura Shufelt explained that the two-bedroom unit must be rented to someone who is eligible and needs both bedrooms and said that the two-bedroom list of eligible tenants cannot be used to fill a one-bedroom unit. Jillian said she would inform Paula Stuart of this, which could be a complication for filling the 10th unit. Andy Clyburn asked the applicants how quickly a Trust approval is needed, and Attorney Lawler noted that with respect to the whole process the biggest concern was the protection of the mortgage during the critical period identified by Attorney McLaughlin as the construction period up until the applicants had complied with substantially everything that could jeopardize the Town's investment and noted that the Town is no longer at risk: construction is complete; there is only one vacancy; restrictions are recorded. He asked the Board to approve the request as it allows his clients flexibility and noted that the report would be submitted as soon as possible. He said this was a great investment and they are very appreciative of Trust monies and Jillian's guidance through this challenging process.

The motion of Wendy Northcross was seconded by Mark Milne to approve the request that interest-only payments be enabled for the developer. Roll call vote: Laura Shufelt (yes), Wendy Northcross (yes), Mark Milne (yes) and Andy Clyburn (yes). Motion carried.

Attorney Lawler thanked the Board and said that once the outstanding report is complete and reviewed by the Town and any questions raised in the report dealt with, they would like to return to request that the Trust mortgage be removed from the property.

b. Letter of Intent (199 Barnstable Road)- new development funding application.

Jillian referenced the Letter of Intent that she had included in the packet and explained that it is for a Housing Development Incentive Program (HDIP) Tax Increment Exemption (TIE) with a request for gap funding from the Trust. Mr. Tim Telman explained the proposed project is

located at 199 Barnstable Road, Hyannis, which is the site of Sprinkle Home Improvements. The development proposal is for 45 one-bedroom units spread across four buildings, three stories high, with the design appearance of row houses. He noted he received positive feedback from a recent meeting with Planning with only one small exception from the Town's newly adopted form-based zoning. He anticipated having the last round of construction numbers ready for an application likely to be submitted for the December Trust meeting for initial review. Mr. Telman said that it is his understanding that the first 5 units would be inclusionary at 65% AMI and the next 4 units would be 80% AMI for a total of 9 affordable units. A misprint was noted in the Letter of Intent that the number of affordable units will be between 10-20% of the total project. It was confirmed that the application will include requirements for the TIE also the Trust Board will be able to review the total request. Jillian Douglass confirmed that the date of the next Trust meeting is December 1, 2023, with a lead time of 10 days prior to the meeting for materials submission to allow for circulation.

3. Planning & Development Updates – Elizabeth Jenkins, Director of Planning & Development
Elizabeth Jenkins noted that she did not have any significant updates since the last Trust meeting. She said that the review committee met on the Town-owned property at 164 Route 149 and came up with a consensus recommendation on the award of that RFP. She shared that she spoke at the Housing to Protect Cape Cod Summit regarding the Town's new form-based zoning and made a number of great connections with other communities regionally interested in zoning solutions to their housing challenges.

Laura Shufelt noted seeing in the newspaper and other media that the old TD Bank building is proposing deed restrictions of 30–40-year periods which is less than perpetuity saying this would not meet the inclusionary requirements and inquired if there was an approval or a waiver from the ordinance. Elizabeth said from her conversations, the project is seeking to deed restrict units in excess of the Town's inclusionary ordinance and applicants are aware that the inclusionary units must be LIP eligible deed restricted units but will circle back to ensure these requirements are relayed to the developer. Laura also noted that it appears that all the affordable units are proposed to be located in one section of the building which also would not be in keeping with the policy of inclusionary units. Elizabeth noted that the applicants have not filed their LIP application yet, and these customary reviews will be conducted when the LIP application is filed.

4. Trust Administrator's Updates/Follow-Ups Jillian Douglass

a. Revisions to Notice of Funding Availability (NOFA) and/or standing policies or rules (primarily, flexibility for cost-basis maximums on per-unit funding caps)

Jillian Douglass noted that the meeting packet had a first draft of revisions to the NOFA to allow for programs to be included. Changes are in red, with yellow highlighting the discretionary pieces that the Trust may want to discuss. Eligible activities and amounts that the trust would be allocating as well as the caps that have been discussed.

Ms. Douglass reviewed the NOFA activity sections noting updates, additions, changes and suggestions and reasons. There was some input from the Trust Board, however it was determined this item will need to be brought back for full discussion. Research into how other Trust Boards rate their applications will be done. There was discussion regarding the required timeframe for amending the

NOFA which would need to occur after the allocation of \$2.5M in CPA funds to the Trust and likely January 2024. Ms. Douglass noted that the current NOFA is a rolling application and reminded that Mark Ells has previously expressed concerns that revisions to the Trust policy need to be made separate from review of a project application. There was also discussion that the NOFA program support section will need to be reviewed for eligibility. Additionally, it was discussed that consideration of the possibility of not limiting to a dollar amount by category or project may help in allowing the Trust to remain as flexible as possible.

b. Continued Discussion of Potential Program funding, including Rental Assistance

Jillian acknowledged that people have expressed interest in a rental assistance program and asked to have a speaker, Donna Kalinick, from the Town of Brewster come to the next Trust meeting to speak about the Town's rental assistance program. Trust members agreed and asked to also hear the limitations of the rental assistance programs and what happens to tenants at the end of the funding. Jillian confirmed that timing is a concern, and the 3-year maximum rental program may or may not be enough time to get people off the wait list.

c. Guidance on Fair Market and Monitoring Contracts

Ms. Douglass referenced the memorandum provided in the meeting packet saying these initial thoughts were discussed with Laura to provide future guidance for fair marketing and monitoring contracts in light of complications that came up at 850. She noted that private developers who have no experience with affordable housing need to be aware that although they are passing the contract to a professional, it does not relinquish them from their obligations. Laura Shufelt noted that in the LIP application, developers must certify that they are responsible however we have had problems and continue to have problems. Laura said she would review the memo and provide comments.

5. Topics for Future Meetings/Agendas

- A new Application for 199 Barnstable Road is anticipated for the next meeting.
- A presentation about a Rental Assistance Program the Brewster is running is anticipated.
- Laura said she would not be at the December 1, 2023, Trust meeting.

Chair Clyburn asked that the quorum be checked for the December 1, 2023, meeting and another date chosen if needed. Ms. Douglass said she would circulate the new application as soon as it is submitted and reviewed.

6. Matters Not Reasonably Anticipated by the Chair

Mark Milne asked what the next steps are for expanding the Trust Board membership, noting that Legal had advised this would require Town Council action. It was agreed this would be placed on a future agenda.

7. Next Meeting Dates – December 1, 2023, 9 a.m.

Adjournment

The motion of Mark Milne was seconded by Wendy Northcross to adjourn the meeting. Roll Call Vote: Laura Shufelt (yes), Wendy Northcross (yes), Mark Milne (yes), and Andy Clyburn (yes). Meeting adjourned.

List of documents/exhibits used by the Board at the meeting:

Exhibit 1 – Affordable Housing Growth and Development Trust Fund Board Agenda 11/3/2023.

Exhibit 2 – Draft Minutes from the October 13, 2023, Trust meeting.

Exhibit 3 – Letter of Intent – 199 Barnstable Road, Hyannis – Development Funding

Exhibit 4 – Memorandum to Housing Trust Members – Updating Trust NOFA - Jillian Douglass

Exhibit 5 – Memorandum to Housing Trust Members – Additional Guidance for Applicants on Marketing and Monitoring Contracts – Jillian Douglass