

MUNICIPAL AFFORDABLE HOUSING TRUST MINUTES
June 16, 2014

Members present: Rick Reed, Town Manager;
Selectmen: Mike Rosenberg, Mark Siegenthaler
Irma Carter, Lisa Mustapich, Christina Wilgren; Alice Sun
Other: Jessica Porter, Assistant Town Manager;

The meeting was called to order at 7:05 pm

Minutes - May 22, 2014

Mustapich moved (Siegenthaler seconded) to approve the minutes of May 22, 2014 as written with one typo corrected. VOTE: Unanimous in favor.

Review of Town By-law and State Statute

Members reviewed the authority and powers of the trust as published in the documents in light of a potential involvement of the Town in the disposition of the Pine Hill Road/Coast Guard housing. It was a long discussion which raised as many questions as it answered.

First, could the MAHT buy the property? It was confirmed/affirmed that the MAHT can act independently of Town Meeting but still has to conform to the provisions of CH30B – e.g. over \$25K requires sealed bids. Perhaps the property could be designated as “unique” to bypass some of the language. Would the potential Pine Hill development (“Bedford affordable”) qualify as affordable? Use of the CPA funds requires Town Meeting action. In past they have been used to bring down the cost to create affordable housing in Patriot Place, Habitat for Humanity. There is a precedent. Should the town take ownership of the land? Should the town find a developer partner that we could work with to buy the property?

Do we need to start drafting language for fall town meeting to use CPC funds ?

We could use the MAHT funds to offset the cost of building the town’s “vision.” We’ve had mixed developments in the past – affordable-market. One possibility - The Trust can purchase the property. Do we have the ability to bid beyond our resources? We have MAHT and CPC funds. The MAHT’s by-laws allow it to borrow. Sun stressed the need for a professional appraisal. If we think we want to bid, we should not pay more than it is worth- what is our maximum bid? Once the property is sold, it is no longer federal property and is subject to town zoning. What could a developer do by right? The zoning on that parcel is one acre – so five house lots. Someone could make a case for tearing down the existing 16 houses and reconstructing 16 houses on the existing footprint. They could make taller structures. The ZBA would have to decide. The balance in the trust is \$471K – we have committed \$26K for the small grant program – plus \$1.1 million in CP funds – combined about \$1.5 million. CP funds require TM action to use. Group also discussed possibility of a bridge type loan. It was agreed that the land could be easy to buy but would be difficult to sell. Is this the best use of Trust’s funds? Is having the Town bid the most practical way to do this? Are there bidders we could work with? Once we bought it, could we subsidize construction to lower cost of units? The fallback position could always be a version of 5 BIG houses. Do we advertise for developers?

No date set yet for the auction of the property. We expect the auction period to be around the end of July – who would endorse this in the name of the town?

Agreed:

We need to run this past Town Counsel. We would ask to be on the agenda of the Selectmen for June 30.

Ashby Place

Town Meeting supported the updating of kitchens and baths in the spring using CPC funds. Meanwhile, the state changed the ground rules stating that CPC funds can't be used for maintenance unless the units were constructed with CPC funds. One proposal is for CPC to give the funds to the MAHT then have the trust pass them along to the Bedford Housing Authority. Although actual construction is a year away, the BHA needs \$216K for the design phase of the project. DHCD needs to assurance in writing that the BHA has funds for the project but will not allow BHA to use CPC funds voted by the town. In this same time period, the MAHT may need full access to its funds to “do a deal” for the Pine Hill Road property. The BHA design stage will be 10% of the total – maybe \$20K – at most, the MAHT could advance the start up dollars. We need to run this past Town Counsel. If Town Counsel says, the most the MAHT would be risking is \$21K.

Next meeting of the Bedford Housing Partnership is July 16 –
The next meeting of the MAHT will be Wednesday, July 2 at 7pm.

Meeting adjourned at 8:40.

Recorded: Irma Carter

Approved July 2, 2014