

**BARNSTABLE COUNTY HOME CONSORTIUM ADVISORY COUNCIL
THURSDAY, MARCH 10, 2016
MEETING MINUTES**

Members Present: Carl Brotman, Arden Cadrin, Richard Carroll, Jillian Douglass, Charleen Greenhalgh, Michelle Jarusiewicz, Nanette Perkins

Members Not Present: Neva Flaherty, Vicki Goldsmith, James Kyrimes, Paul Lagg, Elaine McIlroy, Laura Shufelt

Staff Present: Paul Ruchinskas, HOME Consultant

Barnstable County Staff Present- Michelle Springer

Public Hearing for the HOME 2016 Annual Plan-

Michelle Springer opened the Public Hearing on the 2016 Annual Plan and read the Public Hearing Notice.

Paul Ruchinskas gave the presentation on the 2016 Annual Plan with the following being highlighted areas-

- 15% of the HOME program annual allocation is reserved for CHDO developments. Over the last 20 years about 26% of our HOME awards have gone into funding Non-profits/CHDO's. It's been a challenge to use these funds over the last couple years due to the additional requirements for being designated a CHDO.
- Currently we administer a Homebuyer Assistance Program and we invest HOME funds into Rental Development/Creation/Preservation. The other 3 uses of HOME funds include, Homebuyer Rehab Program, Rental Voucher Program, and Administration (automatically 10% of the annual allocation is set aside for Admin).
- Barnstable County has been receiving HOME funding since 1994 and the allocation dropped dramatically in 2012 from \$664,528 in 2011 to \$379,285 in 2013. The drop in allocation is due in part to a Washington Post article in 2010 that spoke about issues with HOME program.
- Since 1994 \$8.45 million in HOME funds has been committed and/or expended regionally.
- There have been 77 projects completed resulting in 1,372 affordable units (24% of region's SHI). 57 were rental projects-\$6.04 million-1,246 units. 20 ownership projects-\$1.47 million-126 units.
- \$3.57 million-627 households have been assisted with our Down Payment and Closing Cost program.
- \$1.47 million-201 households assisted with the Homeowner Rehab Program
- Priorities outlined in our 2015-2019 Consolidated Plan were developed and maintain affordable rental housing, preserve and maintain existing affordable housing stock,

reduce homelessness, expand homeownership, and County residents with long-term support needs have access to accessible, community housing options.

- DHCD has their funding rounds every 8-9 months. DHCD has focused mainly on Family Rental Development over the last couple years have been conversations with them on the need for senior housing and funding for homeless households here on the Cape.
- DHCD gets more funding requests than they have available in any one funding round, so it can take two to three rounds before a development gets DHCD funds.
- Canal Bluffs III is the only development here on the Cape that we know is going for DHCD funding in the next round, which should be sometime end of 2016 early 2017.
- The Town of Falmouth has an RFP out for the Spring Bars Road sit, Brewster Housing Authority has an RFP out, The Town of Eastham will be putting an RFP out, and there is a group in Dennis/Orleans that is working on a project for special needs, which will consist of 2 buildings.
- Housing costs on the Cape are typically 10% higher than the rest of the State and the average wage is 30% lower. The population projection, especially for the Lower Cape is frightening. The Town of Eastham just finished their draft plan and they currently have 5,000 year round residents with a projection by 2030 to lose 30%-40% of them.
- Our goals are 20 units of rental housing, 5 units of CHDO housing, and 5 down payment & closing cost households assisted.
- There was a Public Comment submitted by Karin Bar of Housing Assistance Corp. who would like to see an increase in the amount of down payment & closing cost funds that we allow per household and additional funding for needed health/safety repairs for the homes being purchased.
- Arden Cadrin commented that due to the fact there aren't any rental developments in the pipeline we should think about shifting HOME funds from the rental housing development to other activities such as funding for accessible units and/or a Rehab program.

Michelle Springer closed the Public Hearing of the 2016 Annual Plan

2016 HOME Allocation-

Michelle Springer began by explaining that 10% of the total 2016 HOME allocation in the amount of \$392,396 is set aside for Administration in the amount of \$39,239 and 15% is set aside for CHDO projects in the amount of \$58,859. The recommended Rental Development allocation is \$229,298 and the Down Payment and Closing Cost recommendation is \$65,000.

Richard Carroll made a motion to except the allocation recommendation as read by Michelle Springer, Carl Brotman seconded the motion, 5 in favor, 0 opposed, 2 abstentions.

Nanette Perkins asked if funds set aside for the DPCC program can be used on home inspections? And could Rental Development funds set aside be used for rehab of exiting units or to rehab units into accessible units?

Paul Ruchinkas responded that no, we cannot use HOME funds to pay for home inspections or the rehab of existing rental units into accessory units or the rehab of current accessible units.

We currently have a three unit minimum on all rental development projects funded with BC HOME funds.

Arden Cadrin asked about the flexibility of moving the HOME funds from one activity to another?

Paul Ruchinkas explained that yes we can move funds within the funded HOME activities categories. We have done this in the past with the DPCC program when more funding was needed.

Minutes-

Upon a motion by Jillian Douglass, second by Nanette Perkins, approval of the minutes of February 18, 2016 with the edits below, were approved with 7 in favor, 0 opposed, 0 abstentions.

Correction to Minutes of February 18, 2016

Page 5, under the Habitat for Humanity report, 3rd sentence, it says “statics” should be “statistics”.

Page 1, Carl Brotman was marked as “Not Present” but he was present at the February 18, 2016 HOME meeting.

Page 1, 8th line from the bottom repeat “to increase”

Page 3, 2nd bullet “form” should be “from”

Discussion/Vote on Coady School Development HOME Funding Request Increase of \$250,000-

Michelle Springer explained that BC HOME awarded Coady School \$175,000 on 9/16/13 and additional award of \$75,000 on 5/27/14, for a total award of \$250,000. The additional funding request is due to an increase of almost \$2 million dollars in the construction budget. The Project Review Committee met to discuss the additional HOME funding request of \$250,000 and after reviewing the information the subcommittee recommended the funding of the Coady School project with an additional \$250,000.

Nanette Perkins asked if we historically had funded any projects in the amount of \$500,000 and Paul Ruchinkas answered no we had not. The biggest award that BC HOME has made in the past was for \$275,000 and that was for Notantico Woods located in Woods Hole.

Paul explained that he spoke to staff at the State level and they are seeing construction costs start to increase in eastern Mass. The developer did go out to bid again and got a couple other bids, all the bids came in around the same amount. They have also increased their tax credit allowance, which left their gap at a little over \$1 million. They have shaved their operating cost a bit from \$8,200 (per unit annually) and their current amount is \$7,900 (per unit annually) and after review the committee found that amount to be comparable and reasonable considering the current market. Another factor the Committee took into consideration is that we still have

\$275,000 in 2015 Rental Housing Development funds that are uncommitted. DHCD wanted to be sure that the Town of Bourne and Barnstable County HOME Consortium viewed this as a priority before they would consider putting more of their HOME funding into the development. Stratford has said that if after receiving the additional funding from BC HOME & DHCD they still have a gap, they will increase the deferred developer fee.

Nanette Perkins asked about the ADA compliance and will they be doing just the required amount of accessible/sensory units and do we have any leverage to get more than the minimum. Can there be a local preference priority?

Paul Ruchinkas responded that they are doing the minimum of 5 units, 3 mobility and 2 sensory units, but we can strongly suggest increasing the amount of units if possible. The local preference would have had to be requested in the beginning of the process and needs to be asked for by the Town within their permitting process.

Nanette Perkins requested that a discussion on Accessible units in regards to our HOME development Underwriting Policy be a future agenda item.

Jillian Douglass made a motion to approve the additional \$250,000 in Barnstable County HOME funding to Coady School for a total of \$500,000 with a strong suggestion to increase handicap accessibility units by at least one, Richard Carroll seconded the motion, 7 in favor, 0 opposed, 0 abstained.

Discussion/Vote to allow HOME staff to make edits/revisions to the current Barnstable County HOME Policies

Michelle Springer explained that she has two items within our BC HOME policies that have come up that need to be addressed. There was a recent DPCC application that had noted minor repairs that needed to be done within the home inspection report. Our policy says that HOME DPCC funds can be used for minor health & safety repairs cited in the HQS inspection and she would like to include home inspections cited health & safety repairs. Another example is to make changes to the process for Public Participation Plan. The newspaper ads are very costly so she is working with HUD staff on the requirements for Public Outreach for the program and will follow up with HOME Advisory Council on any suggested revisions to the PPP.

Richard Carroll made a motion to allow HOME staff to make edits/revisions to the current HOME policies with the agreement that staff will provide the HOME Advisory Council with red lined versions for their review, Nanette Perkins seconded the motion, 7 in favor, 0 opposed, 0 abstained.

HOME Program Staff Update-

Michelle Springer asked for volunteers for the Project Review Committee. Nanette Perkins volunteered to be on the PRC.

Town Reports-

Provincetown-

Michelle Jarusiewicz reported that Town meeting is next month with the following being included-

- Last year the Town tried to buy the Winslow Farms property for \$1.7 million, which had a majority vote, but not the 2/3rds vote it needed to pass. This year there is a proposed swap with the former Community Center building that is currently empty. The Community Center would be in exchange for the Winslow Farm property, which includes a three-bedroom home as well as potential for a total of six buildings on the property. This would also give access to another Town owned property on the back side, which would give egress.
- A condo conversion bylaw being proposed and this is the 2nd one being proposed.
- An Inclusionary Zoning bylaw being proposed
- Tweaks to the Growth Management definitions
- A request for \$500,000 for the Year Round Affordable Trust

Truro-

Carl Brotman reported that the Towns of Truro and Wellfleet are looking to fund a Housing Specialist position with funds from each Towns CPC, which is on the Truro warrant. There will also be an article for the Town to accept a little over 4.5 acres at no cost to the Housing Authority for a future rental development.

Harwich-

Charleen Greenhalgh reported that Habitat for Humanity is trying to purchase land from HECH (Harwich Ecumenical Council for Housing) to develop into seven homeownership units. There is a home currently on the property that is historic that will be incorporated into the development for rental units, which will be managed by HECH and Habitat for Humanity would have their 7 homes in the back part of the parcel.

Yarmouth-

Richard Carroll reported that the Town has four funding articles for affordable housing. April 5th will be a meeting with the Towns Selectman to go over the Housing Production Plan. One of the big issues in Town is wastewater treatment. There has been push back on the available funds the Town has going towards affordable housing as any available funds will be going to wastewater treatment. There are some interesting affordable housing projects in the pipeline including the possible motel redevelopment project. The Town put out an RFP for the motel redevelopment and received two proposals that are being reviewed.

Brewster-

Jillian Douglass spoke about the potential CPC funding of \$100,000 to Cape Villages which is a congregate home based in Orleans that will also include contribution from the Town of Wellfleet. It will be 16 units for adults with autism.

The Town will also be funding \$118,000 in CPA funds to HECH's H.E.L.P Program, which is an emergency loan program for needed home repairs. The Town of Orleans also helps to fund the H.E.L.P program.

Sandwich-

Nanette Perkins reported that there is some rehab work being done on the development located off of Quaker Meetinghouse on George Fernandez Way.

Other Business-

Paul Ruchinkas reported on the status of the Village Green II development in Hyannis. There will be 15 units will be reserved for homeless households with eight Section 8 project based units and seven MRVP voucher units. The financing summary showed 13 being two-bedroom units and 2 will be three bedroom units. Paul sent DHCD the Point in Time Count for the Cape to show the need for one-bedroom units is greater than 2-3 bedroom units. The Affordable Housing Trust fund put a requirement in their award letter that the project based units had to be 2-3 bedroom units. DHCD recognized the need for the one-bedroom units and asked the developer to take a look at their budget and see if it was possible to make some of the unit's one-bedroom. The developer suggested they could switch two of the MRVP voucher units to one-bedroom units. The members continued to discuss the topic and decided to ask for four of the units be one-bedroom. Staff will follow up with the developers and make the request.

Meeting Adjourned at 9:55am

Meeting materials distributed:

1. Minutes of February 18, 2016
2. Notice of Public Hearing for the 2016 Draft Annual Plan
3. Draft 2016 Annual Plan Public Hearing Power Point Presentation