



BARNSTABLE COUNTY HOME CONSORTIUM

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MEETING MINUTES

BARNSTABLE COUNTY HOME CONSORTIUM ADVISORY COUNCIL

THURSDAY, JANUARY 31, 2018

INNOVATION ROOM, BARNSTABLE COUNTY COMPLEX

MEETING MINUTES

Members Present: Charleen Greenhalgh, James Kyrimes, Arden Cadrin, Donna Kalinick, Katherine Wibby, Richard Carroll, Carla Feroni, Michelle Jarusiewicz, Carl Brotman

Members Not Present: Victoria Goldsmith, Laura Shufelt, Paul Lagg, Elaine McIlroy, Aly Sabatino, Jill Wertz-Scalise, Nanette Perkins

Barnstable County Staff Present: Michelle Springer, Beth Albert, Paul Ruchinskas Kathie Callahan

Public Present:

Michelle Springer facilitated the meeting. She welcomed Carla Feroni, New Falmouth Housing Coordinator to the Consortium.

- **Vote to Approve Minutes September 7, 2017:** Motion by Charleen Greenhalgh, second by Richard Carroll to accept September 17, 2017 minutes. Approved with Carl Brotman, Katie Wibby and Carla Feroni abstaining.

- **Barnstable County HOME Housing Production & DPCC Funding:** Michelle Springer reviewed the Barnstable County HOME Program Production & DPCC funding availability as of 1/30/18. Balance of 2016 Allocation: \$74,668.49 to be committed by 9/30/18; Balance of 2017 Allocation: \$284,874.75 to be committed by 9/30/19. This is just the housing rental production and down payment programs. Does not include admin or CHDO. Balance of 2017 DPCC Allocation - \$15, 986.76. Total available to commit from 2016 & 2017 = \$343,556.48. This funding does not include any program income from loans to be paid back. The funding availability was reviewed as there are two requests for funding at this time – Cape Cod Village and First Time Homebuyer DPCC program at HAC in additional funding (see below). There is still a balance in the 2016 and 2017 allocation entitlements left because we did

well in program income i.e. old DPCC loan or rehab loan paid back and this money is used first toward the DPCC program before the allocated funding.

- **Discussion/Vote on Cape Cod Village located in Orleans, MA HOME funding request in the amount of \$250,000:** All related documents were emailed to members of the Consortium for review. Paul Ruchinskas, HOME Program consultant, reviewed the Cape Cod Village project documents. Cape Cod Village (CCV) is a new construction development with 2 duplex buildings to be used as group homes and includes a Community Resource Center with office space. One building has two 4 bedroom units and the other has a 4 bedroom unit and a 3 bedroom unit. Homes are for adults age 22+ with autism and related developmental disabilities, all of whom will need 24/7 care for their daily living needs and who are clients of the Department of Developmental Services (DDS). All the residents will be receiving Social Security Disability Income of about \$800/month thus serving individuals earning less than 30% of the area median income. For HOME purposes, as this is new construction and the bedrooms do not contain either cooking or bathroom facilities, these will be considered group homes and thus will be counted as 4 HOME assisted units. The site is 3.8 acres, owned by CCV, located at 15 Main Street in downtown Orleans and is permitted for the project. The project has received significant public funding commitments to date: \$950,000 in Community Preservation Act funding and 6 other lower Cape communities, \$3 million first mortgage from USDA, and \$2 million in soft debt from DHCD.

The development will also include a Community Resource Center (CRC) that will offer educational and social activities for both the residents and their families and will provide space for support groups, workshops and speaker programs in addition to recreational activities for the residents and the community at large. As a non-residential component of the development, no HOME funds can be spent on this portion of the development. The social services and property management of the homes will be provided by NEEDS (North East Educational and Developmental Support Center) and property management for the CRC will be done by CCV.

Paul reviewed the challenges/opportunities, affordability, and risk factors for this project. The residential part of the project shows a healthy cash flow and debt service coverage. CCV, however, will need to raise about \$103,000 per year through office rentals of the resource center, special events, and fundraising to support its organizational expenses and those related to the CRC. Total cost of the project is estimated at \$7 million, \$5.2 million of which is the residence construction costs. Paul noted that the risk factors of this project are in the moderate range. The USDA has performed its environmental review and found no issues; however, should the project be conditionally awarded HOME funds, the Consortium will need to perform its own environmental review and make a finding of no significant environmental impact.

Michelle noted that there are 3 projects going in for this round of DHCD funding. Of the three, Little Pond Place in Falmouth has already gone through once and this is their second round. This project is a mix of 1, 2 and 3 bedrooms, 30-80% AMI. Affordable Investments and Falmouth Housing Corp are doing this project. Michelle sent a Letter of Support with no commitment of funding at this time for this project. Second project possibly interested in applying for HOME funds is Sandwich Housing Authority, George Manders Way, 30 affordable family and individual units, 1, 2 and 3 bedroom, being

developed by the Women’s Institute for Housing and Economic Development in Boston. Third project that requested a Letter of Support for this round of DHCD funding is Yarmouth Gardens, 40-unit project. Little Pond Place will possibly be the only project eligible for funding this round.

Cape Cod Village is requesting \$250,000 in HOME funding for this project. After careful review of all related documentation, Paul is recommending approval of funding to CCV. He noted that staff has requested CCV’s 12/31/17 internal financials in order to document the \$699,500 in private equity that CCV is showing as a source on the One Stop. After extensive group discussion of risk factors, Richard Carroll motioned to approve \$250,000 in conditional funding to Cape Cod Village for their project located in Orleans with the following conditions-

- Subject to verification of cash or equivalence of \$700,000 being held in a financial institution commitment to the project development by Cape Cod Village
- An accepted business plan for annual rental income of the Community Resource Center of \$150,000/year
- Construction bids submitted to this office no later than July 1, 2018 and must provide this office with the results of the bidding process with a summary of a plan and time frame for resolution if all bids came in over budget .

Charleen Greenhalgh seconded for discussion. Changes to motion: \$150,000/year rental income changed to \$103,000; add language re: “The Consortium has the discretion to award a higher amount than the \$200,000 maximum award should the project demonstrate that a higher award is needed because the project’s costs appear reasonable and the amount requested is necessary for the successful completion of this project”. Richard Carroll motioned, seconded by Charleen Greenhalgh to accept motion with changes. All in favor, no opposed, no abstentions – passed unanimously.

- **Discussion/Vote on additional HOME funding to HAC for the First Time Homebuyer Down Payment and Closing Cost Program in the amount of \$50,000:** After discussion, Michelle Jarusiewicz motioned, seconded by Katherine Wibby to approve \$50,000 to HAC in additional HOME funding for the First Time Homebuyer Down Payment and Closing Cost Program. Unanimously approved, no opposed, no abstentions. Noted: no recipients of the DPCC funds on the lower/outer Cape due to HUD \$315,000 purchase price cap.
- **HOME Program Staff Update – Michelle Springer:**
 - Letters of Support sent for Little Pond Place and Yarmouth Gardens
 - Working on five deed restricted resales: two on Oyster Lane in Wellfleet, two at Opa’s Way in Orleans, one in Sandwich on Nottingham Drive. 60 Oyster Lane: owner wanted son to be able to inherit her deed restricted home after her passing. He had lived in the home for most of his life. Michelle worked with attorneys – as long as heir was income eligible, town did not have any issues with this, HOME found no issues as long as heir was income eligible. Heir submitted documents regarding mother passing away in summer of 2017. Michelle working

with DHCD to put a new deed restriction together and attorney also. Second property in Orleans: daughter submitted documents regarding mother's passing and requesting son be allowed to purchase the home. If son is income eligible, town did not find issues. If son is not income eligible will need to go through process of lottery etc. Paul noted that older deeds did not include this option. Around year 2005-6 attorney changed the language in the deed rider to allow transfer of deed to an heir if they are income eligible. Michelle noted that final decision to allow transfer is given to town where property is located.

- Working on financial information and HUD information for audits. Barnstable County HOME Consortium was chosen for preliminary random sampling HUD audit. Working with Laura to complete forms and return to HUD.
- County audit is underway
- Have not heard back on HUD issue with Village Green

➤ **Town Reports:**

- Richard Carroll – Yarmouth: Dakota Partners completed demolition on Cavalier Motel on Rt. 28. Yarmouth Gardens in pre-development phase. Private developer working on another site on Rt. 28 that includes 4 or 6 affordable rental units.
- Michelle Jarusiewicz – Provincetown: Harbor Hill – town was successful bidder in an auction for 26 time share condominium resort complex that went bankrupt. This is still working through the court system. Started last week with architect on design work. Released RFP for management company and received 0 proposals. Outer Cape companies maxed out, lower Cape companies not interested, too small and too far. Will continue with conversations seeking management company. Housing Authority a possibility – will have a conversation with new director once they are in place.
- Carla Feroni – Falmouth: Revising the Falmouth Housing Trust documents and reconfiguring the program. Habitat is working on 12 units – received \$362,000 in funding from CPC, looking for an additional \$600,000. Other projects in the pipeline.
- Donna Kalinick – Harwich: Finished writing a by-law for the Municipal Trust, bring to Town Meeting in May. Jill Scalise, Housing Coordinator, working on re-writing buy-down program and updating marketing plan. Jill is planning a Housing Educational Forum in late February for residents of Brewster, open to other towns to attend. Received a small planning grant to hire a consultant to work on the ADU by-law. About to go out for qualifications for that – half delivered by June 30 and second half in next fiscal year. Will plan on bringing second half to the Fall town meeting. 40B that POAH and HAC are working on is almost through permitting. Going well, not a lot of resistance from the abutters. Moving forward, probably not get permitting in time for this years funding. Habitat project is going well.
- Katie Wibby – Orleans: Revising current Municipal Affordable Housing Trust. Housing Committee meeting to review it and submit to Town Council to hear at February 7th meeting. Working to brainstorm ideas on how to fund it. Will try to do two separate articles, one for the Housing Trust and a second for an override. Funded rehab of a 1 bedroom unit that will go to lottery in Orleans for \$115,000. Homeless Prevention Council will manage the property.

- James Kyrimes – Dennis: Received \$350,000 from CPC to purchase rental housing. Working with DHCD in terms of using the Ready Renter list to lease it out. Should have some resolution by end of February. Working on a management agreement with Dennis Housing Authority to manage the property and will replicate that business model for any future acquisitions. Also received another round of funding from CPC for part-time Housing Consultant, Susan Bennet-Witte.
- Arden Cadrin: Reporting for Barnstable: the Town of Barnstable has received a Mass Housing Partnership technical assistance grant to evaluate a vacant elementary school in Marstons Mills for suitability for housing. HAC is underlaying with a project of 8 total units, 2 units voluntarily affordable. Permitting through a regulatory agreement. Went through first stage of CPC funding for \$100,000 per unit for the two affordable units. Three market rate projects will have associated inclusionary housing requirements with some affordable units. First time in 8-10 years new projects that have reached over the threshold of 10 units to kick in the inclusionary units. Homebuyer program on-going with \$150,000 in CDBG funds to provide a soft second type of funding up to \$75,000 per homebuyer but unit needs to be in the village of Hyannis.
- Charleen Greenhalgh – At-large: Harwich: CPC is supporting funding of the Habitat project on Rt. 28. They also supported \$500,000 for the Housing Trust of which about \$40,000 would be for a housing coordinator. Also in discussion with Orleans and Chatham to have a joint housing coordinator for the 3 communities. One of the requests they did not support was from the Housing Authority for a buy down program. Habitat owns property in West Harwich, groundbreaking late 2018 – early 2019, 6 units. Early discussions with a project developer for a 60 unit housing project with some or possibly all affordable. Existing Housing Trust overseen by the Selectman whereby the money from the telecommunication tower on the corner of Rt. 137 and Rt. 139 goes to the Housing Trust. Looking to have that money moved into the new Housing Trust being created which will have oversight by the Housing Trust Committee authority.
- Carl Brotman – Truro: Two Habitat projects in progress, one of which is still in the courts. One is a three-home project being built on Rt. 6. Last Fall got 4 acres of land from the State for \$1 beside Rt. 6 which will be a rental development. Engineering studies underway now. If water can be routed from North Truro Center which will change the possibility to develop up to 20 units on the 4 acres.

Meeting adjourned at 9:45 AM

Next meeting TBD

Meeting materials distributed:

1. Agenda
2. Minutes of September 7, 2017
3. Cape Cod Village One Stop Affordable Housing Finance Application and supporting documents, Barnstable County HOME Consortium Underwriting Analysis of Funding Request
4. Projects Cost Analysis – September 2017