

Minutes of AHT/C meeting on 7/30/20

Attending: MMitts, MMorin, FKeator, JDiGrigli, OWeiss, JMcNinch, GMiller

Voted to **approve Meeting Minutes of June 15, 2020** - MMorin moved; FKeator 2nd; motion passed 3 ayes (MMorin, FKeator, JDiGrigoli), 3 abstentions (MMitts, OWeiss, JMcNinch)

Voted to **approve meeting minutes of July 16, 2020** - FKeator moved; JMcNinch 2nd; motion passed 4 ayes (FKeator, JMcNinch, MMitts, MMorin), 2 abstentions (JDiGrigli, OWeiss)

Voted to **approve meeting minutes of July 22, 2020** - JMcNinch moved; MMorin 2nd; motion passed 4 ayes (JMcNinch, MMorin, FKeator, MMitts) and 2 abstentions (JDiGrigloi, OWeiss)

Discussion of Affordable Housing Ownership Opportunity Program in cooperation with local developers Linda Shafiroff, et al.

The value cap according to DHCD is determined by number of bedrooms:

2020 value: 1 BD: \$203,700
 2 BD: \$229,200
 3 BD: \$254,400

These units, the be included on Lenox Subsidized Housing Inventory, shall be sold to households at or below 80% of area median income (AMI).

Town Counsel (KP Law) will draft a purchase & sale agreement for Linda Shafiroff, et al., that will be a 60-90 day agreement. A uniqueness determination can be incorporated into the agreement so that the property for sale is the property Linda et al. have rehabilitated and made available for sale to a local eligible household. The Lenox Affordable Housing Trust will purchase the property and resell once owned by the Trust through a state approved affordable housing ownership program that meets procurement requirements, affirmative marketing guidelines and will go to an eligible household selected by lottery from a waiting list to be compiled and maintained by a qualified nonprofit housing organization contracted by the Trust to run the Lenox affordable housing ownership opportunity program.

The Lenox Affordable Housing Trust needs to apply to DHCD for a local action unit status so these units can be included on the Town of Lenox's subsidized housing inventory.

Gwen Miller has provided sample deed riders from the Towns of Yarmouth and Easton, MA as examples of approved deed restrictions for long term affordability.

There is an inspection contingency: DHCD needs to get back to us regarding the LAU/SHI determination.

There was a question regarding the Planning Board/ZBA and whether the local action would be special zoning relief.

The subsidy from the Trust is what will secure the deed restriction on each dwelling unit.

The Housing Trust will buy each home and if the Trust can't find a qualified buyer then the Trust will sell the unit on the open market.

An appraisal should be obtained for each dwelling unit.

The Building Commissioner could conduct the inspection that is used for DHCD to determine whether the unit may be determined to be a "local action unit" by the state.

It's likely the Building Commissioner has already seen this unit during the rehabilitation process.

MMorin moved to purchase the first unit rehabilitated by L Shafiroff, et al. and move this program forward.

MMorin moved, OWeiss 2nd the motion; the motion passed unanimously (MMorin - aye, OWeiss -aye, JMcNinch - aye, JDiGrigoli - Aye, MMitts - aye).

The Trust discussed that documents to get the program up and running and applications for households were needed. Then discussion ensued regarding how we would get these applications approved as a program that would be sure to garner DHCD approval for getting these ownership units on our town's affordable/subsidized housing inventory. We decided we needed to get our town counsel to look at our documents which would be essentially documents approved for use in the MA towns of Yarmouth and Easton, modified for income levels related to the Town of Lenox and for all income and qualifying characteristics assigned to the Town of Lenox so that we could begin to market this affordable homeownership program.

OWeiss moved that the Trust authorize town staff (GMiller, et al.) to work with town counsel to pursue program design and document approval, including a purchase and sale agreement with the developer that included a uniqueness determination and a deed restriction for any affordable homeowner wishing to purchase a dwelling unit under the affordable ownership opportunity program, as well as marketing materials, eligible household application and income verification worksheets. MMorin 2nd the motion. The motion passed unanimously, (OWeiss - aye, MMorin - aye, JDiGrigoli - aye, JMcNinch - aye, MMitts - aye).

More discussion ensued regarding who would run this program. Would the town market, collect applications, make income determinations, etc.? Did the Town of Lenox have the staff capacity to administer the program? Through discussion, people suggested that Berkshire Housing Development Corporation or Construct or other entities were known to have the administrative expertise to market and administer a program of this type.

JMcNinch made a motion to develop and issue an RFP to find a contractor to market and administer the Lenox Housing Trust's Affordable Housing Ownership Opportunity Program. OWeiss 2nd the motion. The motion passes unanimously (JMcNinch - aye, OWeiss - aye, JDiGrigoli - aye, MMorin - aye, MMitts - aye).

Discussion continued regarding the variance that would be needed from the ZBA regarding measurement/property line delineation for these non-conforming units in order that each dwelling unit could be sold and would have clear title to the unit, a place for car parking, and other necessary property delineations. Perhaps filing with the ZBA in August and filing with the Planning Board in late August could occur simultaneously as the town worked to get a contractor online to market and manage the application process; setting up the waiting list and the lottery.

FKeator asked about what would happen if there was someone who would sell their home after 15 years. MMitts said that the contractor administering the program would be explaining the deed restriction and any equity coming back to the eligible household and how that equity would be determined would be clearly explained verbally and in writing within the deed restriction/closing documents. There would be some small amount of equity that the homeowner would accumulate but that the long term goal was to maintain affordable units for households at 80% or less of area median income within the town and these units would be maintained in perpetuity or for as long as determined by the approved program design which would be available for discussion at the next meeting when town counsel had worked with town staff to develop and provide approvable marketing and program documents.

There was discussion about marketing on community TV, through the Chamber of Commerce's mailing list. We discussed informing the local realtors, banks/lenders and the Lenox Housing Authority that this program would be coming in Lenox. The Trust would ensure marketing and program information reached the Berkshire Eagle, Clarence Fanto, Berkshire Edge, Berkshire Trade & Commerce.

MMorin left the meeting at 5:15 pm.

OWeiss moved to end the meeting at 5:21pm. FKeator 2nd the motion. The meeting was adjourned at 5:21pm (OWeiss - aye, FKeator - aye, JDiGrigoli - aye, JMcNinch - aye, MMitts - aye).

Draft minutes submitted by MMitts
8/6/20