

Minutes of September 15, 2011 Affordable Housing Trust Meeting

In attendance:

Trust: George Sibley, Ruth Pino, Mary E. Works, Mary John Boylan, Mike Luster, Sarah Garcia

Also: Sandy Shea, City Project Manager

Minutes

The Minutes of July 28, 2011 were approved as amended.

A discussion of whether the August 25th minutes should explicitly state wording stricken from the previous minutes should be stated, as this would put the "stricken" language back into the permanent record. The discussion was unresolved.

Motion to have Sarah Garcia inquire to the city's legal counsel the appropriate handling of language stricken from minutes. Garcia/Boylan, 6-0 in favor.

The motion to approve of the minutes of August 25, 2011 will be held until Sarah Garcia speaks with the City Solicitor and reports back to the Board.

Carl Gardner - 10 Taylor Street Project

Correspondence from Carl Gardner dated, 9/12/11 & 9/13/11 regarding his concerns of the "profit limitation" and defining the limitation of the final 20% (\$6,000) payment were reviewed. The Board stands by its original vote to hold back \$6,000, which will be paid only after the \$300,000 Bank Gloucester funds have been fully expended, the GHA examines the financial statement, and all three units are sold at which time a determination of profit will be made. The AHT has awarded its grant subject to the representations of management fees and profit expectation. If the representations turn out to be inaccurate, the AHT will reconsider its retainage (the \$6000) and determine whether to award such funds.

It was voted at the August 25, 2011 meeting for George Sibley to draft letter to Mr. Gardner regarding Mr. Gardner's concerns from his email of August 22, 2011. Mr. Sibley presented the draft to the Board, after the discussion of the recent correspondence from Mr. Gardner (9/12 & 9/13), the Board stands by its original approach.

Motion to send letter as drafted, Sibley/Pino, 6-0 in favor.

Action Inc. - Home Together Project - Marsh Street

Ms. Shea presented requested changes from Action, Inc. to the draft Agreement.

Action requested the following changes:

Paragraph #3 - remove "permanently affordable" add "will carry a State Affordable Housing Restriction for fifty (50) years.

Paragraph #4 – change to read "The development shall be constructed consistent with City of Gloucester building requirements and permits, approved in the usual course by the City of Gloucester Building Department"

Section 7- Insurance Requirements – Add "The City of Gloucester shall be added as an additional insured to Recipient's property insurance policy together with and other Project lenders, as their respective interests may appear"

Section 8 – Permanent Reporting requirements – Remove "characteristics"

The Board requested the following change:

Paragraph #3 – Add the official definition of "homeless" to be provided by Action.

Section #18 – Affordable Housing Trust Awareness – Add signage language and at "no" cost to the AHT.

Motion to approve amendments as stated, Garcia/Boylan, 6-0 in favor.

Mary John Boylan asked who the Compliance Officer for the AHT will be, Sandy Shea serving as the Project Manager for the City will also serve the Compliance Officer for the AHT projects.

Request to Mayor for City Council Appropriation Approval of both Action Inc Project & Carl Gardner Project

The Request for Appropriation from City Council will be sent to the Mayor to be added to the agenda for the September 27, 2011 City Council meeting.

AHT Policies

The establishment of AHT policies was discussed. The first policies to be established will be:

- a) Signage – Sandy Shea will draft policy
- b) Leveraging funds (skin in the game) – Mary John Boylan will draft policy

Other Business

Sarah Garcia read a letter from Andy DeFranza regarding purchase of multi-family housing in East Gloucester to renovate and provide affordable housing. The Trust felt that this project would not be increasing the affordable housing stock as these units already have been available to low and moderate income residents. The AHT expressed its preference to support the creation of new affordable housing.

The next meeting will be held 10/27/11 at 5:00 p.m.

Motion to adjourn, Garcia/Pino, 6-0 in favor.
The meeting was adjourned at 6:15

Respectfully Submitted – Sarah Garcia