

Affordable Housing Trust (AHT)
Minutes
Meeting of May 8, 2014

In Attendance:

Members Present: George Sibley, Chair, Michael Luster, Mary John Boylan and Ruth Pino

Absent: Betsy Works

Staff: Tom Daniel, CD Director, Deborah Laurie, Sr. Project Manager and Emily Freedman, Sr. Project Manager

Guests: Kirk Noyes, developer and Donald Preston, President, Habitat for Humanity – North Shore

The Meeting was called to order at 4:10 pm.

First item on the agenda was the minutes from the March 27, 2014 meeting. Minutes were reviewed by members; Mary John Boylan motion to accept minutes as is and seconded by Michael Luster. All in favor, yes; motion passed to accept minutes of March 27, 2014.

Tom Daniel introduced our new staff person Emily Freedman; Emily was working in the State of Maine for Cumberland County and has extensive knowledge and experience with the Community Development Block Grant program. Her main duties will be the housing rehab program, public facilities and economic development.

Kirk Noyes gave a brief update of the Maplewood Avenue School project. The neighborhood requested that the housing be restricted to elders, 52 years or older. They will be market rate, one bedroom units, approximately 2600 square feet. They plan on signing a construction contract soon. 12 units are allowed to be developed. All required permits are in place; the last step in the process is to go before the Zoning Board of Appeals. They hope that there will be no neighborhood opposition given that they have already met with them and met their requests. (attached proposed site plan)

Units will be sold for approximately \$300,000 which is market rate. There will be at least one affordable unit, may be two. The affordable unit(s) would be offered at approximately, \$161,600.

Air conditioning will be concealed in attic; parking will be available on Maplewood Avenue and Acacia Street. All trash, mechanical units etc. will not be seen; all will be incorporated in side of building. All utilities will be underground and there will be 22 parking spaces for the building which will include 2 handicap spaces. They hope to start construction in August or September and should take about six months to complete.

Kirk answered questions regarding the affordable units and funding options, restrictions etc. Discussion continued regarding barriers to building affordable housing. In order to make it work financially, you need a big project, but sites are limited. One option could be utilizing existing stores and build affordable units above, like over the Shaw's market on Railroad Avenue for example. It is located to downtown and public transportation is next door. Building over a neighborhood school could be another option. Scandinavian Countries are using this model already.

Another option could be utilizing Fuller School; there could be potentially 100 units built and there could possibly be a train stop near the Linsky property which is adjacent to the school property.

Ruth Pino mentioned the need for Assisting Living facilities. Elders need affordable housing options. Gloucester Crossing is a potential site still and is permitted for 90 units. David Houlden added that housing works best with mix use. Market is urban not suburban and this site may appeal to a variety of residents or newcomers. Other possible sites and options were discussed.

George Sibley introduces Mr. Don Preston, President of Habitat for Humanity – North Shore.

Mr. Preston gave an overview of what their organization does and how. Their organization is a blend of Cape Ann Habitat and the North Shore. They building affordable housing and 50% are homeownership. They have built 28 homes on the North Shore alone and develop housing all over the world.

Mr. Preston then gave a power point presentation (see attached).

Mr. Preston talked about the affordability restrictions. They use the DHCD model, but changes can be made.

Family sweat equity is a large part of the process. Families have to have at least 400 hours of sweat equity invested in property.

Habitat needs properties; single families, duplexes or larger properties. They want to develop on Cape Ann. They work with other groups and channel funding from CPA, Housing Trusts, HOME funding etc. Tax titles may be a possibility; no fear in what the property looks like – they need sites.

George Sibley added that this type of affordable housing would work for many working families in the Community.

Kirk Noyes asked Mr. Preston if they have ever thought of using module housing. Mr. Preston said that they have not, but could be a possibility. With their volunteer labor and donated materials, land etc., they can build a new 2 – 3 bedroom home for approximately \$120K.

The Committee discussed some possible sites for affordable housing throughout Gloucester; suggestion was made to look at the vacant building list that the city has and tax title properties may be an option, although they have to go to public auction.

Mr. Preston expressed that distressed properties were a viable option for them to develop. The neighborhood supports these types of projects.

Next meeting will be June 26, 2014, at 5:00 p.m.

Motion to adjourn: George Sibley and seconded by Mary John Boylon

The meeting adjourned at 5:20 p.m.

Respectfully submitted,
Deborah Laurie, Senior Project Manager for CDBG and CPA