

Minutes of the meeting of the Affordable Housing Trust
February 23, 2010, 4:00 p.m.
3rd floor, City Hall, Gloucester MA

Committee members present:

George Sibley (chair)
Ruth Pino
Mary John Boylan
Sarah Garcia

The minutes of the prior meeting were reviewed and accepted.

Andrew DeFranza of the Harborlight House, Beverly, addressed the committee regarding his intention to pursue the development of assisted living at Gloucester Crossing. Mr. DeFranza talked generally about his work with Harborlight House and providing housing for the elderly.

The parcel has been permitted for 66 assisted living units. According to the terms of the permit, at least 20% of the units must be affordable. (In fact, approximately 80% of the units will be affordable, according to Mr. DeFranza's projections.) At present, there is no market-rate developer for the parcel, so Mr. DeFranza was approached by Senior Housing Options (SHOP.)

There are four tiers of affordability according to HUD:

Lowest tier: family income 30% of the median
Next tier: 50% of the medium
Next tier: 80% of the medium
Highest (market rate): family income at or above 100% of the median

The entire building will be rented (units will not be individually owned.) The lowest-income 10% of the units will go to Section 8 voucher holders.

A service subsidy will be needed for the lower income residents, which is provided via funds from PACE funneled through Elder Services of the North Shore. Funds from PACE are needed for the low-income residents, to fill in the "service gap."

Mr. DeFranza requests \$50,000 for a feasibility study, and stressed that the project was "very risky." There is no way of knowing at this time if it will go forward.

George Sibley and Sarah Garcia asked about studies that have already been done for assisted living on the parcel. Sarah said that Mr. DeFranza should talk to Sam Park (developer) to see what he has for market studies, and she also encouraged him to talk to Gregg Cademartor, the city planner, and the Trust will re-convene after they've done that.

George stated that he didn't think it was advisable for this fund to be the first to contribute to such an uncertain project.

Bill Dugan and David Houlden of Gloucester Housing Authority, along with developer Carl Gardner, presented a proposal for the rebuilding of 10 Taylor Street to be made into 3 affordable units for ownership by first-time home buyers. Mr. Gardner is from Ipswich and was the only person/entity who responded to GHA's RFP. He specializes in developing small-scale low-income projects. The Taylor Street property has been owned by the GHA for some years, and managed as a 5-unit rental, but recently has been razed due to its instability and the prohibitive cost of the continual repairs needed to keep it up to Code.

Mr. Dugan stated that \$300,000 had been committed by Bank Gloucester, and the value of the property (the Housing Authority's contribution) is \$90,000. They are looking to close an approximately \$140,000 gap to get the property constructed and sold. The committee reviewed the budget; Ruth Pino asked if matching funds were available, and Mr. Dugan stated that they were hoping to obtain CDBG funds from the city.

Committee members agreed to reconvene and vote when more members could be present.

A motion to do so was made and seconded and voted upon.

Meeting will reconvene Tuesday, March 2, 2010 at 3 Pond Rd.

Submitted by:

Mary John Boylan
Acting Secretary