

# Community Housing Council

Caucus Hall

**August 27, 2007**

4:00 p.m.

**Members Present:** A.J. Alon, Elaine Anderson, Catherine Reno Brouillet, Joe Carleo, William Dougal, and Molly Perdue.

**Members absent:** none

**Staff:** Matt Mulvey and Maxine Notaro

**Others:** David Krohn and his business partner, Jim

The meeting was called to order at 4:06 p.m.

## Meeting Agenda

### Minutes

**Motion: Approve the minutes of the August 20<sup>th</sup> meeting as written.**

**Motion: Bill Dougal      Seconded: Elaine Anderson      Vote: 5-0-0.**

### **Presentation/Update on Herring Cove Village, 21 Bradford St. Ext. (Bissell's)**

David Krohn introduced his business partner, Jim, and then asked the Council if they have had a chance to look through the packets. The group said that they had and then an architectural rendering of the proposed finished project was shown and they were told that it had a definite Cape Cod feel. Each tall building had a cupola on the top.

Molly Perdue asked what the significance of the red, blue, and green dots were on the plan? Answer: the green is wetlands, the red dot line is 50 ft buffer from the wetland. and the blue line denotes a 50 ft buffer from the coastal bank. If there were a 100 year flood coming through then the blue line would define the buffer from the coastal bank. Elaine Anderson said that the coastal bank has been degraded and would be improved through mitigation. Elaine A. said she had noticed the green section before and she was curious why the changes have been made from the bed and breakfast and she was offered an explanation about how their bankers felt bed and breakfast would make for easier, more ready financing. David K. said he cannot go through all the costs of the project because the builder said not to tell anyone! David continued by saying that we didn't do 40B – new construction because we are building high end – and maybe to some degree we're new at it. “We've never been developers before.” Jim, his partner agreed saying, “Yes, this has been a real challenge and it's been a lot of work. The architecture was a big deal – what with spacing – wetland issues, etc. that's one of the reasons why this piece of land has not been developed because of all the issues.”

Matt Mulvey, the Building Commissioner, said, “This plan refers to a bed and breakfast – are you going to amend this?”

A.J. Alon asked, “Have you moved the affordable units?” David explaining the changes said that the fire chief said he needed this turn around and we had to put the turn around at the end. The first eight

units are ours by right – now we’re complying with the 33% of the new 9 units but we’re not putting all the affordables at the end.

The plan is to put one affordable unit in phase 1 and two affordable units in phase 2.

Bill Dougal then came in with an easel to better illustrate the plan:

8 – 17 units (9) dwelling units		9-26 (17) bedrooms	
9	9	17	17
<u>X 20%</u>	<u>X 33%</u>	<u>X 20%</u>	<u>X 33%</u>
1.8	2.97	3.4	5.6

to illustrate in concrete numbers what the changes might mean.

Matt Mulvey, joining in the discussion again, said that this “phase 1 and phase 2” reference was the first he ever heard about phases. Matt asked when this had come about? He also said that the Council had to have a breakdown of the cost of the project, i.e., how much for the road, how much for the septic, how much cost per sq ft, how much for landscaping, etc.

Bill Dougal, harkening back to his easel demonstration, said that we have to have a policy consideration. It’s clear that we have a bylaw for new and a bylaw for conversion and now we’re entering a new area where there is no bylaw. This would be within the realm of legal counsel. Matt said he wrote to the town counsel and we don’t have anything back from the town counsel but via phone the town counsel said that the 33% should be based on the bedroom count – not on number of units.

Joe Carleo said the town bylaw can apply to the number of bedrooms or the number of units. A.J. Alon asked, “So the sq ft of the units is not a consideration?” Bill D. said that as a matter of policy, it’s incumbent on the council to vote on the policy.

Bill D. said that every project is going to be different and they should be decided on a case by case basis. David Krohn said that everything up to now has been based on units. Molly P. said that we have to deal with this now. She understands the financial constraints – but if in the future – might all we have are one bedroom units? “We do need this interpretation.”

David K. said – “Just help us to keep this project going.” Matt M. feels that we will have to wait for a written response from the town counsel before any decision is reached. Bill D. cautioned that if this counsel is going to push for 6 bedrooms, we’re entering a zone that will get into all their financial projections and what their profit margin is. We’ll have to go into a meeting with the developer, so we’re going to have to create some sort of reasonableness – and that will be a philosophical one related to lots of different factors. There will be a whole lot of questions, i.e., all factors of market conditions, etc. We’re getting into an area at a level that will be taking us beyond our level of expertise.

Bill then asked, “What are we going to do when the developer comes in for the Shankpainter project?” Joe Carleo said that in the purest sense – if the developer can’t do it – he won’t be able to fulfill the request for proposal (RFP). Our legal counsel said the CHC is allowed to look at all the financial information and then decide if it’s feasible. It’s all about the profit. Joe C. also said that we

have to maximize affordable housing and that will be our standard - go on 33%.

Jim said that you have to build in a higher profit margin to mitigate the risk the developer will have, i.e., hurricanes, law suits, builder quitting, etc.

Elaine Anderson said that this is related to construction costs; we have to have proforma information in order to see if you can afford to build it. David K. complained that they could get clobbered if prices drop.

A.J. Alon said that he doesn't see why we're focusing on the market rate of this project. Addressing the developers, he said, "You can't expect to put your risk on the CHC.

Matt Mulvey asked what it would cost a sq ft to build it? Ans: \$160K per unit.

Joe C. said that the big difference between Shankpainter and Herring Cove is that Shankpainter will have a lot of public money and there's the difference in negotiating with a developer that has it's own money.

Jim said that Dave K. started over a year ago and the town cared about dwelling units; that was the message. "We've spent about \$40K for all our re-dos and now it's not fair that all your policy changes are affecting us adversely – again repeating the statement made at the last meeting, "If we have to do another redesign it will be without the affordable piece!"

Maxine Notaro said that if they pull out the affordable piece, they can only do the eight.

A.J. said that they can't get their building permit if they remove the affordable component. Matt M. said the entry card to get the permit was the affordable units. Jim said that they've been at this for at least 8 months; this would be a success story and the Town needs a success story.

A.J. Alon in defense of the Local Housing Partnership (LHP) which he chaired before it folded into the CHC said that at the beginning of the Herring Cove presentation, they didn't have a bedroom count.

Joe C. said that one of our goals is to establish clear guidelines and he doesn't think we can necessarily say no to this project. There isn't a whole lot happening right now and we now have to establish clear standards.

**Motion: Move this project forward pending proforma information that we will eventually need.**

**Motion: Elaine Anderson (no second) Motion doesn't carry.....**

Bill Dougal said that we should seek legal counsel advice to see how we should proceed due to confidentiality.

Elaine withdrew her motion.

Matt Mulvey advised that the board needs a meeting to go over policy procedures. The next meeting is scheduled for Tuesday morning, September 4<sup>th</sup> at 8:00 a.m.

A.J. Alon asked if everyone was comfortable with the affordable units being built in phase 2? The developer – when asked about phase 2 timing, said that - depending on the market then he would start phase 2 - so there was no timeframe.

## **Discussion on 5 key goals of the PCHC and the new Housing Office**

Bill D. said that there is so much good stuff in all of this that we need to spend four or five hours on all of this. Joe C. said that our goal should be to maximize all of the affordable housing units.

Bill D. said that there are 3 key areas..... 1) by-laws regarding critical resources in the community i.e., smart growth and funding, 2) need for community housing, and 3) the income levels and we will have to put all of these together and come up with policy procedures. “As we tackle Sandy Hill Lane and Herring Cove – we need a plan and criteria, etc.”

After a bit more discussion on readiness, the following motion was made:

**Motion: Postpone the September 10<sup>th</sup> meeting with the BoS.**

**Motion: Cathy Reno Brouillet      Seconded: Elaine Anderson      Vote: 5-0-0.**

Regarding the local preference: the affordable condos can't be deed restricted because once the person decided to sell they shouldn't be forced to sell to only people living in town – but the affordable piece would remain in place. Ask if we can get this to the town counsel and see if it can be a by-law change for fall town meeting.

Adjournment happened at 6:21 p.m.

Respectfully submitted,  
E. Rogers Gaudiano

Approved by \_\_\_\_\_ on \_\_\_\_\_, 2007.  
Joe Carleo, Chair