# The Town of Barnstable

**Affordable Housing Growth & Development**
**Trust Fund Board**
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**Mark S. Ells, Chairman**


## Monday, June 3, 2024
## Affordable Housing Growth & Development Trust Fund
## Fund Board Meeting Minutes
## 2:00 P.M.

Alternative public access to this meeting was provided by utilizing a Zoom link or telephone number, both provided in the posted meeting notice.

**Board Member Attendees:** Mark Ells, Chairman, Mark Milne, Laura Shufelt, Wendy Northcross. Andy Clyburn was absent.

**Other Attendees:** Elizabeth Jenkins, Director, Planning & Development; Jillian Douglass, Trust Administrator, Planning & Development; Corey Pacheco, Senior Planner, Planning & Development; Tom LaRosa, Assistant Town Attorney; Robert Galvin, Special Council; Ellen Swiniarski, Community Preservation Coordinator, Planning & Development. Robert Brennan and Adam Stein, Applicants for Winn Development.

**Call to Order**

With a quorum present, Chairman Ells called the meeting to order at 9:03 a.m. and stated that today's meeting will be recorded and rebroadcast via Xfinity Channel 8 or high-definition Channel 1072. It may also be accessed via the Video on Demand section on the Town of Barnstable's website. In accordance with MGL Chapter 30A, s. 20, the Chair will inquire whether anyone else is recording the meeting and, if so, please make your presence known. No one came forward.

**Member Introduction**

By roll call (present): Laura Shufelt, Mark Milne, Wendy Northcross and Mark Ells.
Andy Clyburn (absent)

**Public Comment**

Mr. Chuck Villa, a local businessman in the service industry and 50-year resident of Barnstable, spoke in favor of the Winn Companies' proposal. He said his daughter and husband own the West End restaurant and the demand and need for housing locally is critical to stay in business. He explained that some staff must commute from as far away as Plymouth, limiting the number of days and times they can open for business, saying that staff are available but there is nowhere for them to live locally. He noted that some restaurants have the luxury of buying local housing for their staff, however they are unable to do that. He said he is excited about the Winn Companies' proposal that provides a high percentage of units at affordable and work force rates

that are desperately needed. He expressed support for this type of development and companies like Winn who are willing to invest in Hyannis.

Jillian Douglass referenced receipt of a letter from Mr. Chris Khun that had been circulated to Trust Board members.

Mr. Schwabb asked what Winn Development will do to prevent the harm that tenants will create by tying up parking spaces meant for customers of local businesses because sufficient parking is not being provided on site. He noted that since the building is largely being funded with public funds, it should be designed in a way that satisfies the public interests.

Elizabeth Wurfbain, Executive Director of the Hyannis Main Street Business Improvement District supported the development and concurred with Mr. Villa's assessment that the design is a great model for downtown development where there is a mixture of incomes within a development. She noted the expense of developing affordable housing and the need for subsidies. She invited residents to talk with the board and others concerned with downtown retail and parking as the actual business owners and business leaders know best what is important to their survival.

Chair Ells noted that the Trust provides for the preservation and creation of affordable housing in the Town of Barnstable for the benefit of low- and moderate-income households and that the Trust focuses on that aspect of any proposal that come before the Trust.

## Topics for Discussion

1. **Continued Review – Winn Companies' Development Activity Application – Harbor Vue, 307 Main Street, Hyannis –** Response to Board requests for further information – Adam Stein, Winn Companies.

Jillian Douglass reported that the total number of electronic public comments from members of the public was 20. She noted that all electronic comments had been shared with the Board.

Mr. Rob Brennan said he attended an event at the Cape Cod Community College saying that the $4B Housing Bond Bill Affordable Homes Act advanced to the House and is moving forward toward approval. He noted a comment by Secretary Augustus who said that it takes folks to show up and step up to move forward to address the housing crisis in the Commonwealth and specifically Cape Cod. He spoke as a Barnstable resident saying that Winn Companies stepped up when the form-based codes were put into place and zoning changes were made to facilitate and attract this type of development.

Mr. Adam Stein of Winn Company referenced a letter of requests and questions from the Trust Board to which he responded on May 24, 2024. He focused on the number of units held as affordable in perpetuity that would be leveraged using $2M in Trust funds, and the desire expressed by the Board to see a higher percentage of the total units as Affordable. This revised proposal does that. He provided the breakdown of the 30 affordable units as follows: 12 units at 60% AMI or lower, which is consistent with inclusionary zoning and not included in the fund request, and 18 units at 80% AMI or lower. The per-unit supplement for the 18 units that are not mandated is roughly $110,000 in Trust funds.

There was discussion regarding the affordability of units and project-based vouchers and the tiers of restrictions that are separate from the affordable housing and Trust restrictions. He noted that by providing 25% of the total units at 80% AMI or lower all 120 units will count toward the SHI and will never drop off. Laura Shufelt said that she is more concerned with the truly affordable units, not what counts on the SHI. There was discussion regarding the developer's equity in the project. Mr. Stein said there is risk in this project because a significant amount of predevelopment capital has been incurred and financing has not been secured, noting opportunity costs that Winn is committing the project, a level of risk other developers would not do. Mr. Stein referenced the $5M land cost, saying that the developer fee must last a 30–40-year compliance period associated with the property, noting there are not future opportunities to raise more capital for this type of development should something not covered by insurance happen to the property. He said that the fee is commensurate with that risk and the long-term affordability period, noting that everything presented is permitted by HLC in terms of their developer fee calculations and what is required. He said that any housing at this level is going to be done in a similar fashion.

**Continued Public Comment**:
David Columbo, President of the Hyannis Main Street Business Improvement District and property owner for 43 years said he was excited to see Winn come to Hyannis and develop work force housing. He said the project checked all the boxes so far as affordability and work force housing that is much needed in the area. He noted that he had to purchase housing for his staff in order to stay in business and that that he fully supports the project on behalf of the BID and as a business owner.

Mark Milne said he appreciated that Winn addressed the Trust Board's questions and concerns from the initial proposal. Increasing the number of units to 18 at 80% AMI or less addresses the concerns in the Trust's purview, which is creating low to moderate income housing for the Town. He noted that the concerns regarding design and parking are not in the purview of the Trust. He said that the fact that this project offers a total of 30 affordable units including the inclusionary units, presents the Trust Board with an opportunity that has not been seen before. He expressed his support for the project.

Laura Shufelt expressed her support for the project saying that Winn responded to the needs of the community. She noted that the per unit request is a little above what is included as a cap in the Trust guidance, however, she felt the increase in the number of affordable units is worthy of going over the per unit cap of $100K.

Wendy Northcross expressed her support for the project and satisfaction with the answers provided by the developer and the detailed development budget they submitted. She said a cushion is needed for unforeseen circumstances and price increases in the marketplace.

Attorney Robert Galvin confirmed that the revised project as outlined is consistent with and falls within the parameters the Trust has established.

**The motion of Wendy Northcross was seconded by Laura Shufelt to approve the request of Winn Companies for $2M in Affordable Housing Trust funds in support of the revised proposal presented.**
**Roll Call Vote: Wendy Northcross (yes), Laura Shufelt (yes), Mark Milne (yes), and Mark Ells (yes). Motion carried.**

2. **New Development Activity Application – Initial Presentation: Bratt LLC – The Flats, 199 Barnstable Road, Hyannis**

Mr. Tim Tellman & Mr. Brad Sprinkle represented Bratt LLC Barnstable Flats proposing 45 one-bedroom units off the airport rotary. Mr. Tellman explained the site is four parcels that make up a unique and odd shaped site that totals 1.21 acres. The proposal is for 45 units, 5 inclusionary units are required to be affordable at 65% AMI and 2 additional units at 100% AMI. The project would include four freestanding structures, three of which would have 12 units and the fourth building would have 9 units; this is predicated on the unique shape of the lot. The project received approval from Site Plan Review and is permitted under the new zoning. A building permit will be applied for, once finalized construction plans are complete. Mr. Tellman outlined the four funding sources: bank financing, HDIP tax credit, owner's equity, and the request of $1,050,000 from the Trust. Mr. Tellman noted that the $7.8M of financing is at its maximum and the HDIP tax credit that they will seek is $2M. The property is valued at $1,575,000 representing the owner's equity.

Laura Shufelt noted that Bratt LLC is requesting funds for the inclusionary units which do not comply with the Trust guidelines. If funding the two 100% AMI units at $1,050,000, this would be over the per unit cap established by the Trust. There was discussion regarding percentages of tax credits and Mr. Tellman said that it will be the same as his last project at 850 Falmouth Road: 80 cents on the dollar. He said they would be using a different fair marketing lottery agent than 850 Falmouth Road. Mr. Tellman noted that he understood the perspective regarding the inclusionary units, however, these projects do not work without sufficient income generating from all units to support and offset lower income and potentially higher costs associated with the affordable units. Chair Ells pointed out that under the Trust guidelines, a subsidy of $525K per unit for two units is being requested. Mr. Tellman said his goal is to provide 7 units to the Town as rent-restricted in perpetuity.

Mark Milne noted that this is a good example of how difficult it is for developers to create Affordable housing. He said he is struggling with the requested amount and what the town would receive in exchange. He noted that this developer is offering more equity than the last project that was approved today. He suggested that a higher request on the TIE agreement could help the numbers and reduce the request from the Board. Mr. Tellman said that he is already asking for a 100% exemption for the first 5 years, so there is no room to increase that.

Attorney Robert Galvin stated that his concern is the same as Laura Shufelt; that the request is funding only the two additional 100% AMI units at a per unit rate that is more than the Trust's established cap.

Chair Ells suggested that the applicant take the Trust Board comments under advisement and return with a revised application.

3. **Staff Updates**
    a. Trust Administrator Jillian Douglass

Ms. Douglass reported that the regulatory agreement for the Veteran's Housing project in Dennis is reaching the point where it can be signed. The Affordable Housing Trust had committed $90K to this regional project for 5 units. FORWARD 2, a project that the Trust has committed $375,000 toward the creation of 8 units in the Town of Dennis, for individuals on the autism spectrum, is applying in July for final round funding and expected to sign the regulatory

agreement shortly. Ms. Douglass shared that she attended a listening session with Secretary Augustus at the CCC. She said that the state is seeking input on their 5-year housing plan noting that there was recognition from the Secretary's Office that towns on the Cape and Islands are primarily seasonal communities with unique environmental and economic challenges, and could potentially be viewed as a region.

b. Director of Planning & Development – Elizabeth Jenkins

Director Jenkins noted that an updated draft of the Housing Production Plan has been released and will be open to public comment until June 14, 2024. These public comments will be passed onto the Planning Board for their public meeting on the draft plan scheduled for June 24, 2024.

4. **Approval of Minutes from the May 13, 2024, Trust meeting.**

The motion of Laura Shufelt was seconded by Wendy Northcross to approve the May 13, 2024, meeting minutes as submitted.
Roll Call Vote: Laura Shufelt (yes), Wendy Northcross (yes), Mark Milne (yes) and Mark Ells (yes).

5. **Matters Not Reasonably Anticipated by the Chair.**
   None.

6. **Topics for Future Meetings/Agenda**

Review of the criteria and scoring system to be scheduled for a meeting in the future.

7. **Next Scheduled Meeting** – Monday, July 1, 2024, 2 p.m.

**Adjournment**

The motion of Wendy Northcross was seconded by Laura Shufelt to adjourn.
Roll Call Vote: Laura Shufelt (yes), Wendy Northcross (yes), Mark Milne (yes) and Mark Ells (yes). Meeting adjourned.

**List of documents/exhibits used by the Board at the meeting:**

Exhibit 1 – Affordable Housing Growth and Development Trust Fund Board Meeting Agenda for June 3, 2024.
Exhibit 2 – Affordable Housing Growth and Development Trust Fund Board draft meeting minutes – May 13, 2024.
Exhibit 3 – List of Public Comment regarding Winn Company Development as of May 24, 2024
Exhibit 4 – Winn Development Response to the Trust's Request for Additional Information
Exhibit 5 – Application – Barnstable Flats at 199 Barnstable Road, Hyannis

Respectfully submitted,
Ellen M. Swiniarski
CPC Coordinator
Planning & Development