The Town of Barnstable

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

Monday, July 1, 2024
Affordable Housing Growth & Development Trust Fund
Fund Board Meeting APPROVED 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, Andy Clyburn, Mark Milne, Laura Shufelt, and Wendy Northcross.

Other Attendees: Elizabeth Jenkins, Director, Planning & Development; Jillian Douglass, Trust Administrator, Planning & Development; Corey Pacheco, Senior Planner, Planning & Development; Ellen Swiniarski, Community Preservation Coordinator, Planning & Development. Attorney Robert Galvin, Special Council. Mr. Brad Sprinkle and Mr. Timothy Telman of Bratt LLC; Mr. Nathan Herschel of Bread & Roses 298-302 Main Street.

Call to Order
With a quorum present, Chairman Ells called the meeting to order at 9:00 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, Andy Clyburn, and Mark Ells.

Public Comment
None.

Topics for Discussion

1. **Continued Review – Development Activity Application – Bratt LLC – The Flats, 199 Barnstable Road, Hyannis –** Bratt LLC is requesting $800,000 in support of redevelopment of 1.21 acres to construct 45 new one-bedroom rental apartments. A minimum of 5 units are required by local ordinance to be permanently deed restricted for Affordability to occupants earning up to 65% of the Area Median Income (AMI). This project proposes to protect 4 additional units to be permanently deed-restricted for

Affordability to occupants earning up to 80% of AMI, for a total of 9 income-eligible units – Tim Telman

Mr. Telman referred to his presentation at the last Trust meeting saying that he has submitted revisions to the previous funding request for the Trust to consider today. He outlined the differences between the previous and updated request noting he is now proposing 9 affordable units where previously only 7 had been proposed. The AMI for 5 of the units remains at 65%, however 4 units at 80% AMI are now proposed where previously only 2 units at 100% AMI had been proposed. He explained that the total request for $800,000 in Trust funds has been reduced by $250,000 resulting in a per unit amount of $200,000 each for four 80% AMI whereas the previous request was for $525,000 each for only two 100% AMI units. Mr. Telman noted that the project has been reduced by $250,000 where the bank loan was increased by $50,000 and the development fee was reduced by $200,000 and he noted that the remainder of the project detail is the same as the original request. He said the project is on a good continuum and the preliminary subcommittee review for the TIE was unanimously approved and forwarded for a first read and vote at the Town Council.

Laura Shufelt noted that the $200K per unit proposed in the revised funding request is still above the Trust's per unit parameters that are outlined in the guidelines. She said that after reviewing eligibility to exceed the $150,000 per unit cap in place, she identified that being a redevelopment project seems to be the only eligible criteria and the Trust would need to consider what qualifies the project for funds at a level above that per unit amount. Mr. Telman pointed out that these are unprecedented times and noted the doubling of interest rates from three years ago and rise in construction costs, although stabilizing. He said if construction costs had continued to rise, the project would be unattainable. He noted the difficulty of undertaking this type of project with borrowing $8M at interest rates of almost 6%.

Chair Ells clarified that the Trust is seeking information from Bratt LLC that would allow the Trust to consider as justification for exceeding the per unit funding cap that is in place. Mr. Telman said that the market to develop now merits consideration of a higher level of subsidy than the Trust's set per unit cap. Chair Ells noted that a Trust policy and criteria discussion should be made separate from a project specific discussion.

There was discussion about the criteria that would allow an increase in the per unit funding amount such as increased % of AMI and additional affordable units. Mr. Telman explained he is unable to offer additional affordable units because 80% of the units are required to be at market rate for HDIP eligibility. Mr. Telman confirmed that three accessible units are being provided and confirmed that Barnstable Housing Authority would be the monitoring agent with a different lottery agent than his last project. Mark Milne confirmed that the TIE request was 100% for the first five years and then 80% for the next five years so tax revenue would not increase from the current rate for the site. Mr. Telman said the estimate for demolition of the buildings in the budget is $85,000.

Attorney Galvin confirmed that the applicant would need to come forward with information demonstrating additional criteria to qualify for more than $150,000 per unit.

Mr. Telman requested that the Trust vote at the revised amount of $150,000 per unit to continue the process.

The motion of Andy Clyburn was seconded by Mark Milne to support Bratt LLC – The Flats redevelopment project located at 199 Barnstable Road, Hyannis in the amount of $600,000 subject to the execution of a grant agreement between the parties.
Roll Call Vote: Wendy Northcross (yes), Laura Shufelt (yes), Mark Milne (yes), Andy Clyburn (yes), and Mark Ells (yes). Motion carried.

2. **Request for Incremental Payment Option – Pre-Development Architectural Services – Bread and Roses, 298-302 Main Street, Hyannis - Grantee** is seeking approval for periodic payment of incremental invoices for the $50,000 pre-development funding award to re-develop 2 affordable apartments – Nathan Herschel

Jillian Douglass explained that the grant agreement specifies that the grant is a reimbursable grant, however the terms are not clear. Mr. Herschel said that he would like to submit invoices periodically rather than receive reimbursement at the end of the project saying that with high interest rates he would like to be able perform the pre-development part of the project without the need for a bank loan. Mark Milne noted that what is being asked is reasonable practice and allowable under the grant agreement. After discussion it was agreed that monthly reimbursements would be appropriate, and it could be treated as an administrative request.

3. **Letter of Intent – Pre-Development Activity – Joshua & Tammy Barrows, 242 Barnstable Road, Hyannis –** Redevelopment of the vacant Spartan Cleaners site to create up to 56 units of Community housing with an Affordable housing component.

Jillian Douglas explained that the anticipated Letter of Intent had not been received and it was decided this item would be placed on a future agenda.

4. **Approval of Minutes from June 3, 2024, Trust meeting.**

The motion of Wendy Northcross was seconded by Laura Shufelt to approve the Affordable Housing Trust meeting minutes of June 3, 2024, as submitted.
Roll Call Vote: Wendy Northcross (yes), Laura Shufelt (yes), Mark Milne (yes), and Mark Ells (yes). Andy Clyburn abstained. Motion carried.

5. **Staff Updates**

Jillian Douglass noted that all Affordable Housing Growth and Development Trust Board members were reappointed by the Town Council. She shared that the CPC Annual Public Hearing is scheduled for July 15, 2024, saying she planned to talk about the Trust projects, process and priorities. Director Jenkins added that affordable housing will be the focus of this year's CPC Annual Public Hearing and requested that any interested Trust member attend. Elizabeth noted that the Housing Production Plan update was presented to the Housing Committee for additional comments and was initially presented to the Planning Board on June 24, 2024. Comments were taken under advisement and there is a second meeting for public comment scheduled for July 8, 2024, before forwarding it to the Town Council and then presumably to the Town Council Housing Subcommittee.

Jillian provided an update from the County's Regional Housing Services Office regarding a pilot program funded though ARPA funds. She explained that the County has staff that will help all

15 Cape Cod towns with updating a regional database that includes all subsidized units throughout the region. She said the benefit of that database, in addition to our own subsidized housing inventory, is that their database will include information unit by unit not just by project and if participating, there will be an intermunicipal agreement that each town would be signing. She stated that the basic benefit to the town is 30 hours of technical assistance with the opportunity to negotiate what that technical assistance from their staff will include. Jillian said the database is live, but it is not fully accessible to the public and only town designated staff will be given access. Laura Shufelt explained this is because the per unit information in the database is confidential. Chair Ells said the Trust will follow staff advice regarding who from the town will be given access.

6. Matters Not Reasonably Anticipated by the Chair

Chair Ells shared that this is Elizabeth Jenkins' last Trust meeting for which she will be providing her support. He said her support and expertise has been outstanding and that she has made a significant difference for the Trust. He thanked Elizabeth and said she will be greatly missed. Elizabeth said it has been a pleasure to support the Trust and to see it reactivated and fully funded during her tenure. She noted the Trust is in good hands with Jillian and said the help and support of Mark Milne and Attorney Karen Nober would be appreciated in finding a way to keep Attorney Galvin on board. She noted the transition should be seamless with Acting Director James Kupfer being fully advised and Corey Pacheco attending. Wendy Northcross thanked Elizabeth and said her vision had been very positive for the Town of Barnstable.

7. Topics for Future Meetings/Agendas

Elizabeth Jenkens shared that Jillian has spent a considerable amount of time researching and putting together a framework for a rental assistance program that could be funded by the Trust. She explained the program could be in two parts: emergency assistance; and, a 3-year on-going rental assistance program. She said she hoped it would be included in the Housing Production Plan and in the recommendations that go to the Town Council Housing Subcommittee. Elizabeth said that at one point it was decided to put it on the agenda of the Town Council Housing Subcommittee to see where priorities are in terms of the Housing Production Plan implementation going forward. Chair Ells decided that the Trust will wait for the outcome from the Town Council Housing Subcommittee and follow up with review by the Trust.

Laura noted that there is legislature moving forward with the Housing Bond Bill and as a gateway city, the Town of Barnstable already has a lot of the advantages that are being asked for in that legislation, however, there will be a small project and infill component that we may be interested in trying to advocate for when it comes forward in September.

8. Next Scheduled Meeting – Monday, August 5, 2024, at 2:00 p.m.

Adjournment
The motion of Andy Clyburn was seconded by Mark Milne to adjourn the meeting.
Roll Call Vote: Wendy Northcross (yes), Laura Shufelt (yes), Mark Milne (yes), Andy Clyburn (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 July 1, 2024.
Exhibit 2 – BRATT LLC Affordable Housing Growth and Development Trust Fund Modification from Original Request.
Exhibit 3 – Bread & Roses 296-302 Main Street Minor Amendment to Grant Agreement Document
Exhibit 4 – Affordable Housing Growth and Development Trust Fund Board Draft Meeting Minutes for June 3, 2024.

Respectfully submitted,
Ellen M. Swiniarski
Community Preservation Coordinator
Planning & Development