



The Town of Barnstable
Affordable Housing Growth & Development
Trust Fund Board
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Mark S. Ells, Chairman

Friday, November 1, 2024
Affordable Housing Growth & Development Trust Fund
Board Meeting APPROVED Minutes
9:00 A.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, and Laura Shufelt.

Other Attendees: Jillian Douglass, Trust Administrator, Planning & Development; Corey Pacheco, Senior Planner, Planning & Development; Ellen Swiniarski, Community Preservation Coordinator, Planning & Development. Attorney Robert Galvin, Jr, Special Council. Joshua Barrows and Stephen Cleary for 242 Barnstable Road, Hyannis. David Quinn, Housing Assistance Corporation and Jake Dewey for Linnell Landing.

Call to Order

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

Public Comment

None.

Topics for Discussion

- 1. Application Presentation (Carried Over) – Development Activity – Joshua and Tammy Barrows, 242 Barnstable Road, Hyannis - \$500,000 toward redevelopment of the vacant .94-acre Spartan Cleaners site to create up to 46 units of housing in two 3-story, LEED, Green/NetZero Energy efficient buildings using prefabricated components, with a Community Housing component (+5 Inclusion Units) – Stephen Cleary.**

Mr. Joshua Barrows, applicant and owner of 242 Barnstable Road, Hyannis, explained that he purchased Spartan Cleaners two years ago and although business is doing very well, he found that employees of this business and another business he owned, J&B Septic, were having trouble finding housing. This is what inspired his wife and him to take on development of housing at 242 Barnstable Road working with Paul and Stephen Cleary to identify the process required.

Mr. Stephen Cleary explained that he and Paul resolve real estate problems for banks, financial institutions and corporations, saying that Mr. Barrow's bank contacted them to assist with identifying the highest and best use of the property. He said that although the existing laundry is a very successful business, housing is the best use for Barnstable County. Although zoning bylaws would allow for a four-story building, they felt that 2 three-story buildings would fit more appropriately on the site with 8 units on the upper two floors and 7 units on the ground floor to accommodate a lobby. He noted that each building will be fully accessible with elevators and are designed to be carbon free with self-produced electricity on site with battery backup for sustainability with EV charging, calling it an integrated sustainable building system. Mr. Cleary explained that the development will be constructed off site at a modular robotic manufacturer at a factory off Cape. There are 46 units proposed, 23 in each building, however, if 3-bedroom units are added, the unit count would drop to 20 per building.

Mr. Cleary noted that Jillian Douglass was extremely helpful, assisting them with putting together an application that met criteria. He said he had proposed 5 units at 100% AMI but had to drop to 4 units because of the Affordable Housing Trust and zoning conflicts with the HDIP which does not allow over 20% of building units to be affordable to be eligible. He provided a breakdown of the units: 14 studios, 26 one-bedroom and 6 two-bedroom units with s.f. ranging in size from 600 s.f. to 1070 s.f. providing a good mix of housing for the area, saying the project would complement the development of all one-bedroom units across the street.

Jillian Douglass noted that the Application is complete, and outstanding questions have been answered and circulated back to the Trust Board.

Laura Shufelt noted that the numbers used for rent limits are about \$100 too high, the source will be further discussed and adjusted if needed. There was discussion regarding the differences between the proforma for the bank and the proforma provided in the Application, noting discrepancy in the % vacancy rates which Laura indicated most lenders use 7%. Mr. Cleary said that HUD does not allow development fees to be included, which creates a \$1M difference between the two proformas. There was discussion regarding the need for an HLC approved agency to be identified for fair housing and compliance with affordability. It was agreed that as a condition of approval, the Trust would need to approve the lottery and monitoring agencies.

Laura Shufelt requested that the environmental report indicating the site is clean be submitted to the Trust. Mr. Cleary agreed.

Mr. Cleary indicated that GreenStaxx Design and Reframe will be working side by side saying that smart growth and smart energy are the core elements behind these types of NetZero buildings. There was discussion regarding discounted interest rates for green buildings and the hope that there would be a blended rate for the 1st mortgage and the greenhouse gas reduction 2nd mortgage that would help with financing.

There was discussion regarding the estimated HDIP tax credit, and it was agreed that the estimates used in the Trust application need to be adjusted to reflect 92-93% which has historically been received by developers.

Mr. Paul Cleary noted that Spartan Cleaners plans to relocate and continue to do business.

The motion of Andy Clyburn was seconded by Laura Shufelt to approve Joshua and Tammy Barrows Application for \$400,000 in Development Funds towards a 46-unit multi-family rental housing development at 242 Barnstable Road, Hyannis. The Trust Grant is intended to subsidize the 4 (of the 9) deed-restricted units to be perpetually maintained as Community housing, affordable to households of no more than 100% AMI, while the 5 “Inclusionary” affordable units mandated by the Town’s Ordinance will be maintained as perpetually Affordable to households of no more than 65% AMI. Additional conditions identified by Laura Shufelt were: lottery and monitoring agents must be approved by the Affordable Housing Trust; and updates to the proforma, reflecting any tax credits or abatement amounts, and finance terms must be submitted as stated.
Roll Call Vote: Laura Shufelt (yes), Mark Milne (yes), Andy Clyburn (yes), and Mark Ells (yes). Motion Carried.

- 2. Continued Discussion – (Potential Policy Vote) – to waive or expand Trust Rules & Regulations to allow consideration of Commonwealth Builder project applications and/or others with deed restrictions of less-than perpetual duration for ownership units – with assistance from Special Counsel Attorney Robert Galvin.**

Attorney Galvin referred to the discussions he had with the Community Preservation Coalition and the ability to use funds derived from Community Preservation Act (CPA) funds for projects that involve financing under the Commonwealth Building (CWB) program. He shared that he had found other Gateway communities like Barnstable who had used CPA funds and conferred with Stuart Saginor of the Coalition who agreed that CPA funds could be used to fund a CWB program project. Attorney Galvin recommended that the Affordable Housing Trust consider allowing applications with CWB programs by either a waiver of the Trust rules or a change to the Trust rules. He said he favored a simple change to the rules that would allow people to apply to the Trust. He reminded that the restrictions under the CWB program only last 15 years and were designed to target a segment of the population that may be underserved and in need of assistance to buy a 1st home. He noted that for both the communities and the homeowners who participate, there would be a sharing of the appreciated value of the unit at the end of 15 years. He said the CWB program is a good tool to have in the toolbox.

Andy Clyburn said that the Trust should support the CWB program, agreeing that a change to the Trust Rules would be the cleanest approach. He asked other Trust Board members to concur and to request Attorney Galvin to draft the required changes to the Trust Rules and Regulations to allow consideration of a Commonwealth Building application at the next Trust meeting. Laura Shufelt raised concerns about supporting a program where the restriction will expire after either 15 or 30 years. She said she supports the CWB program, however, would like the Trust to establish a fund now to be able to purchase the other 50% of appreciation to convert the units to affordable in perpetuity if the property is offered for sale after 15 years. Laura noted that the changes to the Trust Rules need to be specific to accommodate the CWB program only. Laura Shufelt left the meeting at 9:45 a.m.

Chair Ells said referral back to Attorney Galvin as recommended by Andy Clyburn will be required and noted the item merits additional discussion. He noted that the Trust Rules should be modified as appropriate so that if the CWB program is a tool the Trust wants to consider in the future, it will be available. Chair Ells noted that while the Trust has the authority to purchase units as recommended by Laura, the Trust has not owned units before and said that full discussion of this is needed.

Andy Clyburn suggested that Attorney Galvin could include caveats from Laura regarding future discussions related to the Trust purchasing units. Attorney Galvin agreed it is not optimal for a Trust to own units; however, he said it has been his experience that it is sometimes necessary for a Trust to temporarily purchase units when original restrictions are expiring, and a qualified affordable buyer cannot be found within the requisite timeframe.

After a brief discussion, it was decided that agenda items 3-8 would be moved to the next meeting agenda. Mr. David Quinn, Director of Development, Housing Assistance Corporation asked the Trust Board members if an interim meeting could be held for the Steven's Street project as there is a pending application with Mass Housing that requires the securing of local funding as soon as possible. It was decided that Jillian Douglass will confirm that a meeting date of Thursday, November 14, 2024, works for all parties concerned.

Adjournment

The motion of Andy Clyburn was seconded by Mark Milne to adjourn the meeting.

Roll Call Vote: Andy Clyburn, 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 November 1, 2024.

Exhibit 2 – Opinion Letter from Attorney Robert Galvin, Jr – Commonwealth Builder Projects with Less Than Perpetual Durations.

Exhibit 3– Updated Development Application – 242 Barnstable Road, Hyannis.

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