

**Joint meeting
Ipswich Housing Partnership
Ipswich Affordable Housing Trust Fund Board
Wednesday, October 24, 2018, 7:30 AM
Room 129, Planning Dept. Conference Room, Town Hall**

Members of IHP present: Don Greenough, Stacey Pedrick, Judy Field, Jim Kroesser, Ed Dick

Members of AHTFB present: Jim Kroesser

Staff present: Glenn Gibbs, Terry Anderson

Guest present: Carl Gardner

MINUTES

1. Citizen queries

None.

2. Approval of minutes of September 26 by the Trust Fund Board and Partnership

For the Partnership, Dick moved and Field seconded approval, with a unanimous positive vote. There was no quorum of the Trust Fund Board.

3. Discussion: 49 Washington Street (Glenn Gibbs presentation)

Anderson reported that Ken Monroe, owner, is interested in hearing an offer of subsidy from the Trust in exchange for an affordability restriction on both units. While he is interested in accepting a restriction, he would not want a restriction that would last longer than five years. After that period, they plan to sell the property.

Dick pointed out that a substantial subsidy that would reflect the difference between the market value and the restricted value would not be achievable because the difference would be in the range of \$150,000-200,000. He questioned whether the family would qualify by income for a loan under the Rehab Loan Program. He asked Anderson to meet with Mr. Monroe to discuss all the factors and gather more information so the members could make a detailed proposal.

Greenough suggested that we consider requiring a lower income-qualification limit (e.g. 60% AMI) and requiring that the property continue as an owner-occupied rental rather than allowing a conversion to condos. He also noted that the property is now assessed at \$456,000 (not an amount appropriate for a restricted property). And we should point out to the Monroes that the subsidy amount could probably be wrapped into the capital gain exclusion (if applicable).

Several members agreed that the advantage to the Partnership and Trust of obtaining a restriction for only five years is minimal, but the prospect of helping the owners to make improvements to the property would be valuable.

4. Discussion: affordability restrictions on accessory apartments

Gibbs argued for establishing a policy of providing a subsidy to homeowners with an accessory apartment or accessory building (as well as for Special Permit applicants for an accessory unit)—a good use of some of the funds expected to come from the inclusionary payments from 73-78 Linebrook Road (roughly \$500,000 in the next 2-3 years). To help make this policy welcomed by the owners, he has been advocating with the state to eliminate the burdensome requirement of a lottery in order to have

the apartment included on the Subsidized Housing Inventory. Field said another impediment to acceptance is that, if a mortgage exists, a subordination would have to be obtained from the mortgagee.

Greenough remarked that another potential new use of funds could be as a subsidy for rents at certain properties (e.g. Cable Gardens). This might be an especially appropriate use of the payments-in-lieu from Riverbend (which must be used for the benefit of seniors).

Dick suggested another use of the new funds might be to add an amount to the loans granted to homeowners under the Rehab Loan Program. This additional amount would not be restricted to physical improvements to the property: any use would be allowed.

5. Discussion: Ed Dick—proposal for Putnam and Lafayette acquisition

At 10 Putnam Road, Dick explained that it appears that two lots with 50' frontages could be created from the existing lot. This would present the possibility of building two single-family houses or perhaps a four-unit building. He suggested that we could offer a grant to a buyer in exchange for a long-term restriction. Habitat or Harborlight Community Partners might be interested in such an arrangement.

Gardner mentioned that in some cases in which a non-profit is involved in development, the design quality of the project is not very appealing—but Gibbs said that a project like this would need a Special Permit and that approval process involves a design review.

At 20-22 Lafayette Road, Dick related that a young couple has done a nice job of developing 3 one-bedroom and 1 two-bedroom units. But because the market rents that are attainable in Ipswich are not high enough to justify holding the property, they wish to sell (asking \$840,000). Dick argued that it might make sense for the Trust to buy the property and then either rent the units or sell them. Greenough was reluctant to pursue an acquisition because of the difficulty of financing it (requiring a vote of Town Meeting or at least the Board of Selectmen) and because acting as property manager is not attractive. He offered to contact Chris Bevilacqua, Ipswich Y Director, to see if they would be interested in developing this project.

Various members promoted the idea of informing the local development community of this and other development opportunities in which an affordability restriction could be achieved.

6. Community input/new business

Greenough announced that Charlie Allen is interested in re-joining the Partnership—news which was enthusiastically received by all.

7. Next meeting date

The next meeting will be Wednesday, November 28.

8. Adjournment

The meeting adjourned at 8:55 AM.

Respectfully submitted by
Terry Anderson, Housing Coordinator
October 24, 2018

Approved November 28, 2018