



TOWN OF GROTON
Affordable Housing Trust



David A. Wilder, *Chair*
Joshua A. Degen, *Vice Chair*
Stuart M. Schulman, *Treasurer*
Fredrick J. Dunn, *Secretary*
Allen B. King, *Member*

Meeting Minutes

Date: March 5, 2015
Time: 7:00 p.m.
Location: 1st Floor Meeting Room, Town Hall, 173 Main Street Groton, MA
Attending Members: Joshua Degen, Stuart Schulman, David Wilder
Meeting handouts: Agenda, November 20, 2014 draft minutes

With a quorum present, David Wilder called the meeting to order at 7 pm.

Minutes

Trust members reviewed draft minutes from November 20, 2014.

Joshua Degen moved to approve the November 20, 2014 meeting minutes as revised. David Wilder seconded and the motion carried 2:0 (Fredrick Dunn absent and Stuart Schulman abstained).

Boynton Meadows: Conversion of One Bedroom Homeownership Unit to Affordable Rental

The marketing period for the lottery of the one bedroom homeownership unit (Unit 2B) began in May, 2014. The lottery process did not result in sale of the unit. The sales process was converted to first come, first serve for the first qualified applicant. For such units which are initial sales of Subsidized Housing Inventory (SHI) units, the Commonwealth does not relax any of its asset or income limits. Individuals have expressed interest in purchasing the affordable unit, but none of the applicant households have been qualified to proceed with the desired transaction.

Bob France has spoken to Fran Stanley and David Wilder regarding the unsold unit and how to transfer it without further delay. As the development advances, the 134 Main Street Retail building has two remaining unsold units: this Unit 2B and the basement commercial unit. The financing for the project typically advances additional borrowed funds to build future units as previously constructed units are sold. Ideally, Mount Laurel Development will sell outstanding inventory promptly so that it can build out the future units without delay. It is unclear how important the sale of Unit 2B is to the overall project.

From past inquiries, the housing trust members know that an affordable one bedroom rental which is open to households without age or disability restrictions is a scarce item in Groton. Such units are typically harder to create as they require higher subsidies than homeownership units. A long term rental manager is also needed as such units must have a 30 year affordability restriction in order to count on the Subsidized Housing Inventory. A nonprofit owner can keep costs down as local property taxes are not assessed. Without economies of scale of many affordable units or a mix of affordable and market rate rentals to offset the affordable costs, it is difficult to create a single affordable rental.

DHCD welcomes new affordable rentals as a matter of policy. The Town would need to give permission for the unit to change as there would need to be an amended Local Action Unit application and an amendment to the current Regulatory Agreement.

Trust members discussed the possibility of loaning money to the Groton Housing Authority so that it could purchase Unit 2B. The advantage to the Town is that an affordable rental would be added to the subsidized housing inventory. Larger numbers of households need affordable rentals than the number of households who are eligible to purchase an affordable home. In the conversation it was noted that Mount Laurel might sell Unit 2B to the housing authority or another entity that would offer it as an affordable rental without extra help from the housing trust. If Mount Laurel views this as a prudent business decision, then the housing trust as an investor in the project would share in the risk to its capital contribution and also share in the potential profit reward as the original financial arrangements describe. Housing trust members also discussed the possibility of taking the deed to Unit 2B in lieu of return of part of the housing trust's return of capital contribution. David Wilder suggested and the group agreed that the housing trust hold steady for the present and not move to convert Unit 2B. The housing trust can revisit the matter in future if necessary.

Unit 2B marketing

Housing trust members suggested that Fran Stanley should market the unsold unit directly to other area housing authorities to see if qualifying households in those complexes might be ready to purchase an affordable home in Groton.

Housing Coordinator update

Fran Stanley attended a rural housing summit held on December 18, 2014 in Worcester. The Town of Groton is considered rural as it has fewer than 500 residents per square mile and is one of 170 other rural communities out of the total 351 communities. 1.9 million Massachusetts residents are rural and the rural population is one-third of the state's total population.

The report organized the issues in the form of the four "I's": isolation from services; the lack of key infrastructure like water and sewer; lack of income; and lack of investment and economic opportunity. The initial recommendation for state government is to fund an office for rural policy. At that event, the Massachusetts Housing Partnership released a rural white paper drawing attention to the particular challenges of creating affordable housing in rural areas. Fran Stanley will distribute the white paper to trust members.

Replacement Trustee

Trust members continue to speak with Town acquaintances who may be interested in serving on the housing trust.

Stuart Schulman moved to adjourn the meeting at 7:45 pm. Joshua Degen seconded and motion carried 3:0 (Fredrick Dunn absent).

Minutes by Fran Stanley.

Meetings Overview

Meeting Date	Status	Town Website
January 25, 2012	Final	Posted
February 23, 2012	Final	Posted
March 22, 2012	Final	Posted
April 26, 2012	Final	Posted
May 24, 2012	Final	Posted
June 28, 2012	Final	Posted
August 23, 2012	Final	Posted
September 27, 2012	Final	Posted
November 15, 2012	Final	Posted
January 10, 2013	Final	Posted
March 14, 2013	Final	Posted
May 2, 2013	Final	Posted
May 23, 2013	Final	Posted
June 12, 2013	Final	Posted
July 25, 2013	Final	Posted

September 26, 2013	Final	Posted
October 24, 2013	Final	Posted
December 12, 2013	Final	Posted
January 23, 2014	Final	Posted
February 27, 2014	Final	Posted
April 24, 2014	Final	Posted
July 1, 2014	Final	Posted
July 24, 2014	Final	Posted
August 28, 2014	Final	Posted
October 9, 2014	Final	Posted
November 20, 2014	Final	Posted
March 5, 2015	Final	Posted