



TOWN OF GROTON
Affordable Housing Trust



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

Meeting Minutes

Date: June 11, 2015
Time: 7:00 p.m.
Location: 1st Floor Meeting Room, Town Hall, 173 Main Street Groton, MA
Attending Members: Joshua Degen, Fredrick Dunn, David Wilder
Others: Sheila Julien
Meeting handouts: Agenda, November 20, 2014 draft minutes

With a quorum present, David Wilder called the meeting to order at 7:20 pm. David Wilder introduced Sheila Julien. Sheila Julien is a Groton resident who may be interested in serving as an affordable housing trust member. Sheila Julien supports the concept of affordable housing and works in banking on strategic planning and technology. Her work has called for her to do a lot of problem solving. The group described the overall concept of a municipal housing trust and explained how the housing trust's \$400,000 investment in the Boynton Meadows project has occupied much of the housing trust's attention recently. Sheila will listen in to the public parts of the evening's meeting and may offer to volunteer to serve on the trust.

Minutes

David Wilder invited Trust members to review draft minutes.

Joshua Degen moved to approve the March 5, 2015 meeting minutes as presented. David Wilder seconded and the motion carried 2:0 (Fredrick Dunn abstained and Stuart Schulman absent).

Closing Costs Grant Program for Initial Sales

Fran Stanley described the outlines of a closing costs grant program that could complement the DHCD requirements for initial sales of homeownership units. A closing costs program would be helpful to prospective buyers and could be used as a marketing tool to encourage ready buyers outside of Groton to consider purchasing in this Town.

Since only a limited number of new affordable homeownership units are permitted (7 at Academy Hill, 2 at Reedy Meadow and 3 at Boynton Meadows), the group estimated that at the current pace of production, a Groton closing costs program might serve a total of four buying households annually. The housing trust has sufficient funds from its Squannacook Hills mitigation payments to fully fund all of the permitted and not yet sold homeownership units.

David Wilder questioned whether a closing costs program would be needed since lenders can always subsidize the closing costs with higher interest rates. Several members asked if closing costs were the barrier to sales. Fran Stanley answered no that neither sales price nor closing costs seem to be the problem. Instead, the main impediment to selling the units seems to be an array of status restrictions concerning income limits, assets limits, limits on family gifts and first time homebuyer status. Fran Stanley noted that any bill from about \$500 on up will be a meaningful expense for buyers who must afford a car in order to live in rural Groton. Joshua Degen expressed concern that the housing trust not help propel buyers into homeownership if they do not have the financial resources to afford a home.

Fredrick Dunn suggested that Fran Stanley reach out to regional homebuyer education programs now to gauge whether the creation of such a program would be likely to attract buyers to Groton. Trust members decided to table the idea for now and revisit the matter at a later time.

Trustee Vacancy

After listening to the housing trust meeting to date and answering some trustee questions about her interest and background, Sheila Julien expressed a willingness to serve as an affordable housing trustee. Joshua Degen observed that the term will be for three years.

Fredrick Dunn moved to have a letter sent from the Town of Groton Affordable Housing Trust to the Board of Selectmen stating that three trustees have interviewed Sheila Julien and that this Committee recommends her appointment to the housing trust. Joshua Degen seconded and the motion carried 3:0 (Stuart Schulman absent).

The group described the probable process would be an appointment by the Board of Selectmen and that Sheila Julien did not need to be present for the Selectmen's meeting.

Boynton Meadows Update

The three bedroom lottery is close to being approved to start by DHCD.

Housing Coordinator update

Academy Hill has found two prospective buyers for its offered units. Provided that those two closings occur as planned, there will just be one more affordable unit to sell at that development. The amendment to the regulatory agreement is being executed by the parties. The Town of Groton will serve as the monitoring agent for these units. In future, the developer will need to produce four more affordable condominiums in order to complete its affordable requirement.

There is one re-sale at Groton Residential Gardens. The Reedy Meadows subdivision has had its preconstruction meeting and is expected to produce two affordable units that will have town water and town sewer from Pepperell. At Squannacook Hill, Rep. Sheila Harrington got involved as a constituent service to assist affordable homeowners who were incorrectly over taxed (market rate assessment instead of affordable assessment). The Department of Revenue did not allow a correction from the Town's overage account. Town Assessor consulted with colleagues who had had similar circumstances and fashioned an assessor's fix that will correct the valuation over time. Escrow agent MassHousing needed to have the arrangement explained to them so that they could set the escrows to appropriate levels.

Sheila Julien left the meeting.

Executive Session – Pursuant to M.G.L. c. 30A, Sec. 21(6) "To consider the purchase, exchange, lease or value of real estate, if the chair declares that an open meeting may have a detrimental effect on the negotiating position of the public body." Votes may be taken.

Chair David Wilder recommended that the committee members convene an executive session instead of discussing subject in open meeting as the matter falls under exemption 6 where an open meeting may have a detrimental effect on the negotiating position of the public body as it considers the purchase, exchange, lease or value of real estate.

Joshua Degen moved to convene an executive session pursuant to M.G.L. c. 30A, Sec. 21(6) "To consider the purchase, exchange, lease or value of real estate, as the chair has declared that an open meeting may have a detrimental effect on the negotiating position of the public body, and after exiting executive session, the Committee will not return to regular session. Fredrick Dunn seconded. David Wilder asked for a roll call vote – Fredrick Dunn – aye, Joshua Dunn aye, and David Wilder aye (Stuart Schulman absent).

Remainder of meeting occurred in executive session.

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
June 11, 2015 regular session	Draft	In process
June 11, 2015 Executive session	Draft	In process



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Meeting Minutes
Executive Session

Date: June 11, 2015
Time: 8:15 p.m.
Location: 1st Floor Meeting Room, Town Hall, 173 Main Street Groton, MA
Attending Members: Joshua Degen, Fredrick Dunn, David Wilder

Executive Session – Pursuant to M.G.L. c. 30A, Sec. 21(6) “To consider the purchase, exchange, lease or value of real estate, if the chair declares that an open meeting may have a detrimental effect on the negotiating position of the public body.” Votes may be taken.

Chair David Wilder recommended that the committee members convene an executive session instead of discussing subject in open meeting as the matter falls under exemption 6 where an open meeting may have a detrimental effect on the negotiating position of the public body as it considers the purchase, exchange, lease or value of real estate.

Joshua Degen moved to convene an executive session pursuant to M.G.L. c. 30A, Sec. 21(6) “To consider the purchase, exchange, lease or value of real estate, as the chair has declared that an open meeting may have a detrimental effect on the negotiating position of the public body, and after exiting executive session, the Committee will not return to regular session. Fredrick Dunn seconded. David Wilder asked for a roll call vote – Fredrick Dunn – aye, Joshua Dunn aye, and David Wilder aye (Stuart Schulman absent).

Fran Stanley stated that DHCD had denied the over income applicant that presented as a prospective purchaser of Unit 2B at 134 Main Street which is the deed restricted Boynton Meadows one bedroom condominium. The reason stated by DHCD was that as an initial sale, DHCD would not be able to attach the deed rider at closing if the unit sold to an ineligible purchaser. Fran Stanley’s email to the Commonwealth had explained how the applicant was within the target criteria for the program in all other respects (first time homebuyer, low assets, mortgage preapproval). Further, the applicant works in Groton and this move would allow her to live in the same community that she works. With the Town Manager’s permission, Town Counsel was asked to review the matter and see if the deed rider could be placed at the closing of an ineligible purchaser. Town Counsel has not yet offered an opinion.

The Town of Groton was essentially asking DHCD for a waiver of its income limit for this applicant. The condominium has remained unsold after a year of lottery, first come/first serve, MLS advertising and a number of showings. There is buyer interest but potential applicants have been either over income or over asseted. The one fully eligible applicant approved a year ago later declined to purchase the unit.

If there is a way to sell the unit to an ineligible buyer and keep it as an affordable unit with deed rider and a count on the Subsidized Housing Inventory, then allowing such waivers is in the interest of the developer to get the units sold and in the interest of the community/town to get the fully built units in use providing safe, decent affordable housing. In outer beltway communities like Groton, there have not been surpluses of qualified buyers. The housing units being created will last for 30 years or more in the Town’s inventory. If an initial sale can go to an ineligible purchaser and still place the deed rider, then Town of Groton will have an outlet and an answer for the present low demand. Without that outlet, the developer has a continuing obligation and continuing carrying costs of a unit that is difficult to sell. At some point, that delay may inhibit and discourage the creation of future affordable housing.

Joshua Degen suggested that Attorney Shirin Everett at Kopelman and Paige may be a good person to work on this real estate law question. Trust members asked to be kept updated on the response from Town Counsel.

Joshua Degen moved to exit executive session and adjourn without a return to the regular session. Fredrick Dunn seconded. David Wilder called for a roll call vote -- Fredrick Dunn – aye, Joshua Dunn aye, and David Wilder aye (Stuart Schulman absent). Motion carried 3:0.

Minutes by Fran Stanley.

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