

**AMHERST MUNICIPAL AFFORDABLE HOUSING TRUST**  
**MINUTES OF THE PUBLIC MEETING**

**Thursday, April 9, 2015**  
**Town Room, Town Hall**  
**7:00 p.m.—9:00 p.m.**

**Attendance:** John Coull; Jan Dizard; Tom Kegelman; Connie Kruger; Jeff DeSantis

**Absent:** TracyLee Boutilier; Caroline Murray

**Guests:** Rita Farrell (Massachusetts Housing Partnership (MHP)); Larry Kelley; Walter Wolnik; David Ziomek (staff); and Nathaniel Malloy (staff liaison)

**Announcements**

None

**Minutes**

None

**Introductions**

Members of the trust introduced themselves and provided a brief summary of interests and background.

Staff identified and reviewed the documents distributed to the members in the meeting packet.

**Presentation—Rita Farrell of MHP**

Rita began the presentation with an overview of MHP, including its mission and role in the state. MHP is a permanent lender of affordable housing, it administers a first time homebuyer program (12k mortgages), and provides community assistance work, with much of this effort focused on Community Preservation Act (CPA) funding and Housing Trusts.

In Massachusetts, Municipal Affordable Housing Trusts are regulated under the Department of Revenue, but there is no state-level advocacy group. MHP has filled this gap, providing technical assistance and consultation.

The presentation explained that this type of trust is a municipal body that will follow public procurement, open meeting, ethics, etc. If the trust owns property, it will need to remain aware of the requirements and regulations. Most of the municipal trusts in Massachusetts do not acquire and hold real estate, nor do they act as developers.

Next steps for the trust will be to incorporate by filing a declaration of trust at the Registry of Deeds. This document is an official notification and is important should the trust have an interest in real in property (i.e. ownership, deed restriction, etc.).

The Trust will also need to prioritize an action plan and establish a trust fund account. There is sufficient data in Amherst and will need to distill this information and determine the trust's role in the community. Many trusts use the assistance of a consultant to help form the action plan, and use legal counsel to draft documents and program guidance. Under State statute and the Trust's bylaw in Amherst, the Trust has many powers. It can act as a financial conduit, as a developer, or administer its own programs (first time homebuyer program). Legal Counsel can help advise on programs. For instance, there is the anti-aid amendment in Massachusetts that can limit down payment assistance and other programs that directly fund a private individual.

Most of the Trusts in the State receive a majority of their funding from Community Preservation Act (CPA) funds. The Town and Trust should enter into a grant agreement to assure that trusts will follow the CPA regulations.

The presentation included a case study of the Sudbury Trust, which acts mostly as a small development financier, and has administrative capacities to provide down payment assistance and help buy down affordability in units. They also allocate pre-development funds for feasibility studies, engineering and soil tests, and for soft costs (architecture and engineering). They often allocate the funds as a loan and through direct contracting of services.

Rita explained that there are many Trusts in the State to use as examples. She said that this is a great opportunity for the Town and that the Trust should review the existing reports and plans in Amherst to help decide its priorities.

Rita said that MHP will soon be publishing a second guidebook for Trusts focused on implementation. She said that this will incorporate recent decisions by the Department of Revenue about Trust operations.

### **Review of CPA Funding Request**

The Trust discussed the \$25,000 request for due diligence. After hearing Rita's presentation, there was a consensus that these funds should include capacity building to help the trust establish itself. It was unclear whether the CPA Committee understood due diligence to also include this use of funds. Tom and Connie volunteered to speak to the CPA Committee and explain that due diligence involves using a consultant and legal counsel to incorporate the Trust and develop an action plan as these are necessary steps to increase and preserve affordable housing.

### **Member Goals**

Tom asked members what their goals were for the Trust and what they would like to accomplish in three years.

Jeff said he would like the Trust to look into medium income housing, and increase the supply for families. He said the community needs young people moving into Amherst. This type of

housing may not qualify for capital “A” affordable housing, but it is a supply we need to increase.

Jan said there is a need for homeownership units and low-income rentals to help people get equity into the housing.

John said he would like to increase the supply of workforce housing to provide opportunities for more people to live in town. He would like to build capacity for private development to build small infill development to provide workforce and market rate housing. He also said that public outreach and education will be an important component of the trust’s work.

Connie said that the Trust should look at all populations. She would like a credible and well-financed trust to be able to be a player when a housing opportunity becomes available. The Trust could participate with developers and property owners. She wants the Trust to have a broad mission grounded in data.

Tom said he would like the Trust to support infill development and other developments of varying scale as appropriate in the diverse neighborhoods in town. He said he likes the size of Olympia Oaks (35-40 units) and would like to see more developments of this size. He sees the Trust as a facilitator and intermediary, a bridge between a land owners and development. He would like the trust to become a competent, credible player in the housing sector in Amherst.

Dave Ziomek said that as staff, he sees a need for SRO housing and housing for extremely low income (ELI). He said there are opportunities to combine conservation and housing for a limited development project.

### **Public Comment**

Walter Wolnik, a homeowner in Amherst, would like to leave his property to a municipal employee. He said that he is aware of the difficulties the Amherst Housing Authority had with the Schiffer house, and he wants to avoid those. He said that it seems as though the conflict of interest law and ethics regulations would prevent his bequest. He asked if there was a solution to this problem.

The Trust recommended using an attorney to determine if he could leave the property to a municipal employee.

### **Meeting Schedule**

The 2<sup>nd</sup> Thursday of the month. Next meeting will be May 14<sup>th</sup> at 7:00 p.m.