

Amherst Municipal Affordable Housing Trust
March 14, 2019

East Street School Development Project: Frequently Asked Questions:

What is Town Council being asked to vote on?

The Amherst Municipal Affordable Housing Trust is asking the Town Council to declare that the East Street School is available for disposition for the purpose of affordable housing and to authorize the town manager to sign contracts related to this disposition. In this case, the disposition will be a long term lease. The Council's approval is needed in order to comply with Chapter 30B of the MA General Laws, the Uniform Procurement Act. Because the value of the property exceeds \$35,000 Chapter 30B requires the town to solicit proposals which in Amherst's case will be a Request for Proposals (RFP).

What is the role of the town manager?

The town manager is the custodian of town owned properties and thus has the power to approve the RFP and to execute contracts related to the disposition.

Why is the property to be leased to the developer for 99 years, rather than sold?

Leasing for nominal cost is intended to be a Town contribution to the development to assure that it will be affordable. If it were sold, the added cost to the developer is likely to be high enough to undermine the affordability of the housing. The Town could sell the property to the developer for \$1, thus achieving the same goal. However, as the Massachusetts Housing Partnership notes, leasing "provides a measure of control should there be problems with the development at some time in the future." A lease would provide the Town ability to help remedy certain issues. Also, in 99 years the Town may look at the use of this property in a different way, so leasing it does not foreclose future changes.

What are the consequences of referring this to a committee for review and report back to the Council? There are more hurdles ahead for this proposed development than in a 1600-meter track event. Once a developer is chosen, they will likely still have to go through reviews by the Amherst Historical Commission, the Planning and Zoning Boards, the Community Preservation Act Committee, the Town Building Department and the Commonwealth's Department of Housing and Community Development.

Why is John Hornik and the Trust so impatient to secure the vote on disposition?

Discussion of the East Street School property for affordable housing dates back at least four years. If the Town Council were to authorize the *disposition* tomorrow, optimistically it would still be two to three years before the first tenants leased a unit. This is housing that is desperately needed now.

Can the successful developer do whatever they want once they execute a land disposition agreement and a lease with the Town? Absolutely NOT! First, the

developer must live up to the terms of the land disposition agreement, which will include the minimum requirements in the RFP, plus whatever promises they make in their proposal in order to achieve a high evaluation. Second, the developer must follow comply with zoning regulations, as well as requirements imposed by financing authorities including DHCD and CPAC.

How many units will be developed? The Request for Proposals (RFP) specifies a minimum of 15 affordable units. The Kuhn-Riddle analysis shows as many as 36 units. However, the actual number will depend upon a variety of factors, including the design by the selected Developer, Town planning/zoning reviews and available financing.

Why did the Housing Trust put a priority on two-bedroom apartments? Information from Olympia Oaks indicates that their longest waiting list is for this type of unit. The Trust feels a strong commitment to expand access to affordable housing for families, assuming that the planned studio apartment development on Northampton Road goes forward.

Will this development include both affordable and market rate housing? It is up to the developer to propose how large the development should be, beyond the minimum of 15 affordable units. Any additional units could be market rate, subject to market demand, financial feasibility, Town planning/zoning reviews, available financing and other factors.

Will this development be “net zero” with respect to energy use? The RFP encourages green building technology, but does not go as far as requiring “net zero”. The project is not subject to the Town’s Zero-energy Town Buildings bylaw. It will be up to the developer to determine how far in that direction it can go, depending upon site and financial considerations.

What will happen to the existing East Street School? The Kuhn-Riddle analysis provides a path to reuse of the school building for six one-bedroom apartments. However, they did not do an analysis of unanticipated costs that may be incurred by removal of existing lead and asbestos in the structure or increasing energy efficiency. The developer will have to do their own due diligence to assess the likely costs of reusing the building and present this information in their proposal

Which of the Kuhn-Riddle development options will be followed? The Kuhn-Riddle report offered three options in order to inform the Housing Trust about what is possible at the site. None of these options are recommended as a final plan. The developer will explore these options and variations as a part of its design process.

Why is the back lot expected to be preserved for recreational use only? This lot is legally “wetlands” so it cannot be built upon. The Trust hired a wetlands specialist who used soil core samples to determine that the entire backfield is a wetland. However, it has been used as an informal recreational field for over 25

years. This use is grandfathered and can continue in the future. This will allow people—mostly children—to continue to use it in the way that it has been used.

Have there been any opportunities for public review of the project to-date? The Housing Trust held a public forum in November, 2018, at which the Kuhn Riddle design options were presented by Aelan Tierney. The fifty or so people in attendance then broke into small groups to raise questions and comment on these options. These comments are summarized in an appendix to the final Kuhn Riddle report. In addition, the Housing Trust held two earlier public meetings in which the Kuhn Riddle planning options were presented and discussed. In particular, the October, 2018, meeting had about 40 people present and provided ample opportunity for public comments. The Trust has also posted all relevant documents online and has emailed over 75 community members to let them know about these resources.

Why are the answers to so many questions “it will be up to the developer?” Why not specify the requirements more exactly? Adding greater specificity to the requirements runs two risks. First, it may impose costs on a potential developer that make the project infeasible. For example, if we required that the East Street school building be retained and removing lead and asbestos turned out to be very costly, the developer might have to abandon the project. Second, if we go too far in specifying all of the details of the design, all developers may simply walk away from bidding on this project at all. The Trust discussed how prescriptive it should be in the RFP and determined that to make the project feasible, the developer should have some flexibility in terms of number of units, bedroom sizes and reuse of the existing school. The Planning Department has had preliminary discussions with a few larger developers who have worked in Amherst before, and none were interested because of the small size of the project. Finally, there are evaluation criteria in the RFP that will be ranked higher if a developer proposes greater commitments to the Town’s higher program goals.