



**The Town of Barnstable**  
**Affordable Housing Growth & Development**  
**Trust Fund Board**  
367 Main Street, Hyannis MA 02601  
[www.town.barnstable.ma.us](http://www.town.barnstable.ma.us)



Office: 508-862-4610  
Fax: 508-790-6226  
Email: [mark.ells@town.barnstable.ma.us](mailto:mark.ells@town.barnstable.ma.us)

**Mark S. Ells, Chairman**

**Friday, August 27, 2021**  
**Affordable Housing Growth & Development Trust Fund**  
**Fund Board Meeting APPROVED Minutes**  
**9:00 A.M.**

Pursuant to the passage of legislation extending certain COVID-19 measures adopted during the state of emergency, this meeting was closed to the public.

Alternative public access to this meeting was provided by utilizing a Zoom link or telephone number, both provided in the posted meeting notice.

**Board Member Attendees:** Chairman Mark Ells, Andy Clyburn, Mark Milne, Laura Shufelt and Wendy Northcross.

**Other Attendees:** Attorney Ruth Weil, AHGDT Staff; Attorney Charlie McLaughlin, Senior Town Attorney; Kaitlin Maldonado, Assistant Director, Planning & Development; Councilor Paula Schnepf; Councilor Gordon Starr and Ellen Swiniarski, CPC Coordinator, Planning & Development.

**Call to Order**

With a quorum present, Chairman Ells called the meeting to order at 9:03 a.m. and stated that today's meeting is recorded and in accordance with M.G.L. Chapter 30A, s 20 he must inquire whether anyone is recording this meeting and to notify the Chairman that a recording is being made. No one came forward.

**Member Introduction**

By roll call (present): Wendy Northcross, Laura Shufelt, Mark Milne, Andy Clyburn and Mark Ells.

**Topics for Discussion**

**1. Public Comment**

None.

**2. Approval of minutes for the 8/13/21 meeting.**

Motion was made by Andy Clyburn and seconded by Wendy Northcross to approve the August 13, 2021. Roll call vote: Laura Shufelt (abstain), Wendy Northcross (yes), Mark Milne (yes), Andy Clyburn (yes), Mark Ells (abstain). Motion carries.

After brief discussion it was agreed that a vote to approve the minutes from the July 23, 2021, meeting would be postponed to the September 10, 2021, Trust meeting.

**3. Application for Funding: Review of the application submitted by Jake Dewey for pre-development funds to support the redevelopment and development of the following parcels located in Hyannis, MA: 560 West Main Street, 4 Elis Drive, 14 Ellis Drive, 15 Elis Drive, 20 Elis Drive, 30 Elis Drive, 31 Elis Drive, 35 Elis Drive, 39 Elis Drive, 40 Elis Drive and 44 Elis Drive.**

Ruth Weil advised that she has not heard back from Mr. Dewey in response to her emails and presumes that he is continuing to gather the information the Trust has requested. It was agreed to move this item to the next Trust meeting agenda.

**4. Discussion of amendments to the proposed Grant Agreement, Mortgage and Promissory Note relating to the approved application submitted by Standard Holdings, LLC for a project identified as “Residence @ 850”, to create 10 units of affordable rental housing, to be affordable to individuals and families whose income is 50% of the Area Median Income (AMI), to be located at 850 Falmouth Road, Hyannis, MA.**

A request for continuance to the September 10, 2021 meeting was received from Attorney David Lawler. It was agreed to allow this continuance request. Chairman Ells noted that information should be received in advance of the meeting for adequate review by the Trust prior to the Trust’s action.

**5. Review of the Notice of Funding Availability (NOFA) for Fiscal Year 2022-2023.**

Ruth Weil reviewed the draft NOFA with the Trust members, inviting questions and concerns. She shared that the Barnstable Town Council voted to award the Trust an additional \$2.5 million dollars at the August 19, 2021, meeting. The draft of the NOFA, which is a revision of the previous NOFA document, will be the one that will issue pursuant to that grant award. Ruth noted that when the Trust presented its budget to the Town Council, the budget reflected both FY22 and FY23 and because the Trust relies on a rolling application process, it is unpredictable when applications are going to be received. The new draft NOFA includes combining the next two fiscal years so there is a total for the categories of predevelopment activities and development activities for both years to allow for flexibility. All agreed that combining the two fiscal years was preferable.

Ruth explained that there are no changes regarding activities eligible for Trust funds and reminded of the need for a mortgage for securing predevelopment funds as discussed previously. The outstanding question is what percentage of affordable housing the Trust would want to see developed for the pre-development funds to be forgiven. Laura explained that pre-development funds are for initial feasibility which are the funds that developers typically do not have money for, and there is limited funding for this as well. Laura said from her experience, a feasibility study is estimated at \$50,000 per project which would include financial feasibility, site feasibility and possibly architectural concepts to ensure that the number of units can fit on the site; traffic flow and access; and to ensure there are no site constraints such as easements or endangered species. This estimate could be raised to \$75,000 - \$100,000 however there should be some limits set for the pre-development funds. Laura noted that whatever the maximum is set for, the

applicant will need to itemize and justify consulting costs. If awarded, funds should not be disbursed all at once. A review of the title likely would be the first step, with a halt in the process and funding if the project is discovered unfeasible at any point. There was Trust member discussion regarding placing a timeframe and deadline for both pre-development and development applications so multiple applications can be compared and evaluated against each other rather than the rolling application process presently in place. Laura suggested that the pre-development application be rolling, and the development application be done in rounds explaining that since the pre-development application determines the feasibility of a project there would not be much information existing to make comparisons. She explained however, for the application for development funds, this may be where the Trust will want to compare multiple projects in a six-month or annual grant round.

Chairman Ells noted that for a project that requires 10% inclusionary affordable housing, the Trust should not incentivize pre-development funds for units that are required, instead focusing on anything more than the 10% inclusionary affordable that is already required by ordinance. Laura said that most community and state funding would not subsidize an inclusionary unit for either the pre-development funds or development funds. Laura explained that there are very little resources for funding for initial feasibility, with Mass Housing Partnership only doing this for public and non-profit borrowers. Andy suggested that the Trust start at 10% for pre-development and then set a higher amount for the actual development. The point is valid that they are required to have 10%, but even if the Trust provides small amounts for feasibility, it may encourage developments that we may not be involved with, other members agreed a feasibility study could encourage more affordable units above the 10% required. Laura added that the feasibility study would provide an idea of what the funding gap might be so they can then ask for development funds above 10% so they can write down units. Andy suggested, and Wendy agreed that a sliding scale should be considered: the higher the percentage of affordable units, the greater amount of funds. Similarly, the lower the AMI%, the greater amount of funds.

Ruth outlined the Trust members discussion:

- Continue rolling application process for pre-development funds.
- There is the desire to provide additional incentives to go above the 10% inclusionary units. The 10% inclusionary is the minimum amount with a sliding scale moving up; these amounts are to be determined by the Trust. A matrix will be developed including affordability vs. percentage of affordable units. Example: 10% affordable, there is a fixed funding cap, but for greater than 10% affordability, the Trust would allow a higher amount than the fixed cap up to the total cost of the pre-development evaluation and based upon the merits of the project.

Ruth reviewed the development activity funding noting that the initial threshold requirements are unchanged supporting a variety of activities: new construction, redevelopment and requirement for affordable units which is defined as 80% AMI or less and must be able to be listed in the subsidized housing inventory. All affordable and community housing developments that are subsidized by the Trust are required to have some type of permanent use restriction. Those are the requirements of the Community Preservation Act. Ruth explained that the first paragraph is what was in the existing NOFA and the metrics of the next paragraph is along the line of the above discussion for pre-development costs. Trust members discussed concern for setting maximum amounts, limitations, possibly causing missed opportunities. Laura suggested that if maximums are exceeded, extenuating circumstances would need to be documented such as the developer provided a lower AMI, or they are proposing supportive services, not just that the funding gap is larger. Ruth asked what the Trust would like in answer to the question how

metrics will be determined: will there be an actual formula, or will the Trust evaluate each project and decide based on a combination of factors? It was noted that the analysis of a project has mostly a fixed cost whether analyzing potentially five or twenty-five affordable units and is not directly related to the number of units being proposed. Chairman Ells suggested taking the same approach as for the pre-development application with a fixed amount for 10% affordability, but for greater percentages or AMIs, provide a greater dollar amount; this would provide incentivization for increased affordability of a project. Ruth confirmed that there are other communities that will not provide any CPA funding for a housing project with less than 25% affordable units; 10% is a low bar. Laura cautioned that the Trust should not be subsidizing inclusionary units because they are affordable units that are required and in return, developers have already received a non-monetary bonus in increased density. There was discussion regarding the per unit range of funding and the differences between neighboring Towns for permitting opportunities. Laura noted that the Trust should be encouraging developers to look to the State for funding also. Mark Milne said that he favored the idea of maximizing the subsidy for projects that are at 50% AMI and then decreasing that subsidy as that percentage goes up to 100% however, that maximum subsidy amount for 50% AMI needs to be decided by the Trust. Chair Ells noted the two factors of the matrix: AMI and the % of affordable units in a project. He explained that at 50% AMI it is likely developers would try to hold closer to 10 or 25 percent for the number of affordable units, however with an 80% AMI, developers may be more willing to exceed the 10% affordable unit requirement.

Chair Ells noted that the Trust will need to remain flexible, adapt and change and revisit specifically as the market changes. Ruth asked what deadline the Trust would like to use for development applications. She also said that she is receiving calls from developers who have affordable units ready to be rented, however because of the process, they cannot yet be made available. Ruth identified that the problem is the process can be daunting for those without experience and noted that the developers were likely unaware that the rental process should have been started much before they did so the units would be available for rent upon completion. Ruth said that she has added eligible projects to be those that are converting building and structures into new affordable units: this was not previously in the NOFA. Ruth said that the criteria come from the Housing Production Plan, the Trust Rules and Regulations and the Town Council Strategic Plan but it would be helpful for a potential developer to see the actual criteria. Ruth said that she has incorporated an addendum that was also in the last NOFA that the Trust in reviewing a project may want to hire an outside housing consultant and the successful applicant would pay for that or reimburse the Trust for those funds; this had been voted by the board, but it was not included in the NOFA previously. Ruth said she will bring back another draft at the next meeting.

## **6. Review of the proposed application for Pre-Development Activity funds.**

There was discussion regarding the Town's policy for requiring hard copies of applications and materials noting that during the pandemic, CPC has been accepting electronic applications. Chairman Ells said that the Legal Department should be consulted regarding whether the Trust can accept electronic applications only expressing this as a preference unless there is a legal reason why this is not acceptable.

Ruth explained that the previous application for pre-development funds provides an outline where a developer indicates what consultants are needed indicating hourly rates and the total ask. This breakdown also includes quotes, and evidence of site control. In the NOFA, the Trust must secure the initial funding with a mortgage that is dischargeable either by payment if the project is

never developed for affordable housing or converted into a grant if that project moves forward. Proof of a good clear title will be essential at this point. Chairman Ells noted that this application form is one that is filled out with a pen and asked about the availability of options for e-application submittal online. Kate Maldonado said that there is a program called Cognito that may be available, and she will investigate further, and Laura said that the application could be converted to a fillable PDF as an option as well.

## **7. Review of the proposed application for Development Activity funds.**

Ruth said that she has added the criteria at the end of the application so that the applicants themselves provide the Trust with all the information in terms of self-evaluation so that the Trust will have the developer's perspective. Chairman Ells noted that the Trust members all scored differently and asked if there was a way to tighten up the quantifications and remove some of the subjectivity realizing it may not be possible to have a completely objective criterion. For example, in terms of how the development team's qualifications are evaluated, there is no real metric for this and is subjective. Laura said that she thinks there are metrics that can be inserted for evaluation of the development team such as number of years' experience and familiarity with affordable housing projects. Laura said that her review of affordable housing projects at MHP has a threshold for years of experience and then a sliding scale for years of experience with similar projects. Laura agreed that not all subjectivity can be avoided. Andy said that if enough objective criteria is included as a threshold, the application may rightly not have enough points to make it to the Trust for consideration. Laura noted that most affordable housing projects have a range of affordability some at 50% and some at 80% this is because most funding sources will only grant money for 80% AMI if you also have some at 50% AMI. Ruth noted that there is now a breakdown of the range of affordable units incorporated in the application.

The Trust members discussed setting a deadline for development applications, noting that it is difficult to evaluate which projects most closely meet the criteria unless they can be compared against each other. Laura said for future applications it would be useful to set a deadline that is a couple of months before the State funding rounds so developers can have a commitment from the Trust going into the State round, explaining that one of the requirements for state funding is that there be some local funding. She said however it is too close to the next State NOFA for this round. She suggested bi-annual deadlines, with January and July, as an example, this would somewhat line up with the State NOFAs as they have been issued in the past. Wendy questioned if there will be more of a demand for Trust funds with the influx of State and Federal money anticipated. Laura said that there is \$2 billion dollars that the governor directed for housing, but the legislature must decide how it will be accomplished. Wendy mentioned that she did not recall asking an applicant for proof of fiscal stability and Laura explained that because applications and supporting documents are public records, most developers will only provide financial banking references, not statements, and noted that the Trust also needs to ensure that the equity is there. Ruth said that proof of financial stability will be included in the application as well as the development team scoring section.

Mark Milne said that the timing of the Trust's NOFAs and deadlines should be coordinated with the State as Laura has mentioned, because many developers are probably going to need State funding also. Laura explained the three major annual State funding rounds: one that was just announced has a pre-application deadline the end of October and is for housing that includes support services such as veteran's housing, housing for frail elders, and permanent housing for formerly homeless. The major affordable housing grant round with tax credits and a lot of soft debt isn't specialized, that NOFA will go out for pre-applications due at the end of November or

beginning of December. The last State NOFA is the Community Scale Housing which is for 20 units or less which usually comes out with a preapplication in January or February and application due in March. Laura explained that right now they have historically been annual, however she shared that she has heard that with more money coming in, they may do additional rounds. Chair Ells commented that there is a database created in the Division of Local Services for the Lt. Governor identifying all communities and when the various funding dates and deadlines are in this one database. For the housing NOFAs, Laura said everyone waits for the NOFA to come out as they are not a given a date certain each year. Chair Ells said that this was the point of the centralized database, we would look at this and hold the state accountable to establish some formal timeline and then allow us easy access to be able to plan for all the various milestones you need to satisfy to be eligible. That was the whole discussion as to why that database was created. Ruth said she would come back to the Trust with revisions subject to more discussion at the next meeting.

## **8. Correspondence.**

None.

## **9. Discussion of topics for future meetings.**

Chair Ells asked if the Trust should be doing a review of the Town's affordable units and determine if any level of action is merited by the Trust when there is a potential loss of an affordable unit and he asked Ruth to review to see if this should be done.

Chair Ells said he had two different developers recently say that they have 2 affordable units, the other developer had 3 units, but because of the way that the lottery occurs to allow those units to be used they cannot access that resource so those existing affordable units can be rented to people who are eligible for them because they are caught up in a process issue. He asked Ruth and Kate to review this to see if there as an administrative role for the Trust to play to try to facilitate that process. Laura agreed that the provision of regional housing services may help address this and shared that there is a survey going out soon to poll the towns and county as to what services they would like the housing service to perform. She said hopefully by next fiscal year there may be something in place. Laura explained that she thinks it could be a matter of the developers not understanding the timeframe that they need to start the process to finish when the units are complete and ready for lease up. Now that the units are complete, they are looking for a lottery agent and you must advertise for at least 60 days before a lottery. There are timeframes built into the requirements and if they were aware of that ahead of time, they would have started it well before the units were complete. There are also costs associated and there are only a few lottery agents. She said that she did assist by providing a more affordable way to go and one of the developers is now working with them. Ruth added that this also needs to be part of the publicity and will work with Elizabeth Jenkins and Lynne Poyant on the new NOFA and send out actual flyers that establish a road map for developers. Laura explained that Barnstable is no longer participating in Ready Renters which would be helpful to small developers in finding eligible renters. Mark Ells asked Kate Maldonado to brief him as town manager regarding the status of Barnstable with the Ready Renters program.

## **Adjournment**

Motion to adjourn was made by Andy Clyburn and seconded by Wendy Northcross. Roll call vote: Laura Shufelt (yes), Wendy Northcross (yes), Mark Milne (yes), Andy Clyburn (yes), and Mark Ells (yes). Motion carried. Meeting adjourned.

**List of documents/exhibits used by the Board at the meeting:**

Exhibit 1 – Affordable Housing Growth and Development Trust Fund Board Agenda 8/27/21.

Exhibit 2 – Draft minutes for 8/13/21 Affordable Housing Growth and Development Trust Fund Board meeting.

Exhibit 3 – Draft Barnstable Affordable Housing Growth & Development Trust Fund Notice of Funding Availability (NOFA) FY 2022 – FY 2023.

Exhibit 4 – Draft Barnstable Affordable Housing and Growth Development Trust Development Funding Application.

Exhibit 5 – Draft Barnstable Affordable Housing Growth & Development Trust Fund Pre-Development Funding Application.

Respectfully submitted,

Ellen M. Swiniarski

CPC Coordinator

Planning & Development Dept.