

Final Minutes
Affordable Housing Commission – Monthly Meeting (Rescheduled)
TUESDAY, SEPTEMBER 30, 2014 – 7:00 P.M.

Charlestown Town Hall, Annex Conference Room, 4540 South County Trail, Charlestown, Rhode Island

1. CALL TO ORDER. Chairman Smith called the meeting to order at 7:10 PM.

2. ROLL CALL. Present: Chairman Evelyn Smith, Vice Chairman Sean White, Secretary, Sandra Puchalski, Faith LaBossiere, Ernest Morreira, Brian McDonald, Town Council Liaison Thomas Gentz. **Also in Attendance:** Town Council member George Tremblay; David Petrarca, Jr. from the Town Solicitor's Office; Geoff Marchant, President of the Washington County Community Development Council (WCCDC). Sandra made a motion to move item 7(a) to the first order of business to accommodate staff present; seconded by Faith. All voted in favor of motion.

7. New Business:

a) ChurchWoods Project: Funding Agreement Advisory. The Commission reviewed information provided at the Special Meeting of September 18, 2014, and Attorney David Petrarca, Jr. explained details of the funding agreement.

Evelyn noted that Rebecca Crosby had taken the minutes on September 18, 2014, and they are in draft form, reflecting what was discussed at the September 18th meeting.

Attorney Petrarca explained that he had received RI Housing Deed Restrictions & Promissory Note. He reported that they have started to work on the draft agreements together.

On the mechanics of the funding process, he reported that the Town Council has approved \$325,000.00 thus far and that the Town Council will need to approve the pass-through funds (CDBG) as well. As part of this, he stated, the parties will need to work out the finer details.

Geoff added that \$250K will be the first installment to come down from the State of Rhode Island. That is step #1, and will fund the balance of the land purchase and design expenses. Step#2 will be the application for Building Homes Rhode Island funding and that will be expected to be December – January. After this, the low income housing tax credits application will be submitted, if necessary.

Attorney Petrarca explained the towns restrictions will be recorded first. As new changes come up, there will be new subordination agreements. Some language will be tossed out and tossed around, but any new changes will lead back to the subordination agreements.

Members discussed their desire to negotiate if possible with the funding agreement. Members also discussed the tenant selection process and having clarity there, with Town citizens having first preference. This is governed by federal Fair Housing law, but can best be accomplished in the tenant marketing and selection plan. It was suggested that "weight" be given to local citizens, and "weight" be given to households over age 62. This can be supported through the Town Pipeline and news and education.

Evelyn noted that she would request the Town Solicitor's office look for items during their review that tend to give an advantage to RI Housing and look for ways to keep the advantage with the Town of Charlestown. Members discussed their concerns on foreclosure, bankruptcy and how it would affect the rental units. Attorney Petrarca explained details. He noted that the funding agreement is not typical for real estate deals, in that it is a collateral document. However, there is a note, there is a mortgage. They all will work in tandem. It was explained that the mortgage is the security for the deed restrictions.

He also noted the monitoring agency will see that all is in compliance and that would trigger any new language, review, etc. It should be assessed and reviewed on a regular basis. Some questions were in regards to the compliance and the monitoring agency. Attorney Petrarca also noted that there is statutory law for tenants and landlords that will keep things in check. Members discussed their concerns on assets of the renters and that some people may have assets (401K, etc) and not have to disclose this and become eligible for the units and that could cause angst. Program is income based and not on your net worth and there is no way around this particular situation.

Attorney Petrarca noted that we have an August 2017 deadline. There are 6 or 7 steps that must get done. The project must be finished and occupied within 2 years. Members noted some items that could be requested to monitor the situation.. i.e. disbursement schedule, calendar for progress, etc.

Tom Gentz noted the Town will reimburse and pay the invoices submitted. HUD approved this action plan in May. This project is very unique and RI Housing can get good PR out of this project as Charlestown is the core of the Low Income Housing component for the Disaster Relief Funding.

Geoff reported that on October 10th the well testing would begin. The land should close in November. At the October meeting of the Town Council Tom Gentz will give a verbal report on the progress and let the Town know that the Funding Agreement is in review. Evelyn will report as the Chairman of the Commission in October and The Town Solicitor's office will report as well.

(Sandra noted the time and moved for ½ hour extension. Ernest seconded. All voted in favor of motion.)

Attorney Petrarca & Geoff Marchant left at this time; everyone thanked David and Geoff for their efforts thus far.

3. MINUTES. Minutes of July 31, 2014, were reviewed. Tom noted an amendment on 2nd page (b) plural. Faith moved to accept as amended. Ernest seconded. Motion carried unanimously.

Minutes for August 12, 2014, were reviewed. Chairman Smith noted this was the first time we met in the Town Vault to discuss the Advisory letter, and had preliminary discussions that ended up with the Draft Advisory on August 21, 2014. It was noted that all references to "Jeffrey" will become "Geoff" and that ChurchWoods needs the (s) throughout document. Typo 2nd page- last line 1st paragraph should read "development." Sean made motion to accept as amended and Brian seconded. Motion carried unanimously.

Minutes for August 21, 2014, were deferred to the next meeting. Chairman Smith noted the principal item of discussion was the draft of the Advisory Letter, and attaching the working draft might be a more manageable way of recording that meeting.

Minutes for September 2, 2014, were reviewed. It was noted that in the next to last sentence in the second paragraph "OCHB" should be OCHD. Also noted to correct "Geoffrey" to "Geoff" throughout document. (Sandra noted time again. Motion made by Sandra and seconded by Faith to extend for an additional 5 minutes. Motion carried unanimously.)

It was also noted that the Draft Memorandum and Draft Advisory should be referenced, and attached and made a part of the minutes. Faith moved to accept minutes with additions and corrections. Brian seconded. Motion carried unanimously.

Next to be passed out were the draft minutes of **September 18, 2014,** submitted by Rebecca Crosby. Evelyn noted these minutes are already on file as draft minutes. She will send them to the non-members present for their review, and we can defer final adoption to our next meeting. All agreed that those present at meeting should review these minutes.

4. COMMUNICATIONS. Evelyn reported that she has received a request from an individual considering an affordable housing project in the commercial section of town, for a pre-application discussion. She will invite him to come to the October meeting.

5. STAFF REPORTS on current Affordable Housing issues. None

6. REPORT, TOWN COUNCIL LIAISON. None.

7. NEW BUSINESS:

b) Charlestown Comprehensive Plan. Evelyn will email Jane and Peter in regards to which comprehensive plan is currently in place. The most current one she has is draft 4 of the 2013 update, but it may not be in effect.

8. OLD BUSINESS. All other items deferred to next meeting.

9. PUBLIC COMMENT. None

10. NEXT MEETING. The next regular monthly meeting is scheduled for October 16, 2014, at 7:00 p.m.

11. ADJOURNMENT. Motion made, seconded and approved unanimously, to adjourn.

Respectfully submitted,
Sandra Karasuk Puchalski, Recording Secretary

Approved at the November 20, 2014, meeting of the Affordable Housing Commission.