

FINAL MINUTES
Affordable Housing Commission – Monthly Meeting
THURSDAY, JUNE 19, 2014 – 7:00 P.M.

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

1. CALL TO ORDER. Meeting called to order by Chairman Evelyn Smith.

2. ROLL CALL. Members present: Chairman Evelyn Smith, Secretary Sandra Karasuk Puchalski, Ernest Morreira and Faith LaBossiere. Town Council Liaison Tom Gentz. Excused : Vice Chair Sean White, work conflict.

3. MINUTES. Members were given copy of draft minutes for May 15, 2014. Members read and reviewed. It was noted that on item 7(b) of the State Housing Study to replace "this" with "Draft Plan." Motion made to accept minutes as amended. Faith made motion and Ernest seconded. Motion carried unanimously

4. COMMUNICATIONS. Communications Report. Review and brief discussion of communications and documents received from 5-15-2014 through 6-19-2014. Corrigan has been rehired at RIH. SWAP loses its HUD Funding. Members discussed the changes at RIH and hope for the best in the future. There is also a new email from Amy on ChurchWoods and that will be forwarded.

5. STAFF REPORTS on current Affordable Housing issues. Evelyn reported that there are no staff reports. Evelyn noted she has not been able to put her hands on the Barnstable accessory apartment model. Evelyn will check with past Commission Secretary and Member Suzanne Ferrio to obtain a copy.

6. REPORT, TOWN COUNCIL LIAISON. No report .

7. NEW BUSINESS:

a) Income-Restricted Accessory Dwelling Units. Commission members continued discussion from May regarding zoning and tax ordinance needs, mortgage impact, deed restriction and related issues.

Faith reported on the requirements on the mortgage end of things. Faith met with Washington Trust representatives and they were in touch with senior underwriters on our questions. They recognize the need to finance property with age restricted and/or income restricted and Faith reported on this. However, resale restrictions can NOT survive foreclosure on mortgages placed in the secondary mortgage market (Freddie Mac), as most residential mortgages are. Further, mortgage holders can NOT be required to give foreclosure notice to anybody other than the homeowner. Although this may not apply to accessory units (there are no resale restrictions, only use restrictions for the rental unit,) this issue is of import in home ownership situations.

It is unclear whether a right of first refusal to the municipality would apply during foreclosure proceedings. Would a deed in lieu of foreclosure have to be disclosed/offered to the holder of a Right of First Refusal? If so, such a right should be required when a Municipal Subsidy is provided. A Municipal Subsidy Ordinance would be necessary for such a requirement to be imposed or accepted. If we could acquire a property by right of first refusal, a funding mechanism needs to be in place. Discussion on the need to have a fund (perhaps associated with a Housing Land Trust) to be able to fund something that is going into foreclosure. Commission members agreed it has to be a dedicated fund, but that since this is a universal impediment to retaining affordable housing units, it could perhaps be created by a state-wide initiative. Tom suggested that the list of LMIH units that the Town Planner gets every year could and should be monitored to allow intervention during a foreclosure. This should be done and monitored.

Sandra made note on time. Motion to extend for 15 minutes to 8:45. Sandra made motion and Ernest seconded. All were in favor.

Members continued discussion on how to compile a data sheet with Tax Assessor for each affordable housing unit and try to monitor it in such a way that we would know if a unit was going into foreclosure. Ernest noted we need to have the gate keeper, RIH, to work with us and let us know. Otherwise it would just

be. "we heard it through the grapevine" and that would not work and we could and probably would lose the unit.

Another motion to extend to finish up Agenda item 7(a). Sandra made motion and Ernest seconded. All voted in favor.

Discussion to authorized Chair to secure information from the Tax Assessor as members are in agreement that we need to gather this information. Sandra made motion and Ernest seconded. All voted in favor of motion. Motion carried.

b) State Housing Study. Discussion of draft state housing needs report(s) from statewide planning, and outline of what its impact may be on Charlestown's Affordable Housing Plan during next Comprehensive Plan update. Members went over State Housing Study . Commission members felt some of the things in the study did not follow population trends and it seems like it was projected to increase and it has decreased. The trend is for the next 20 years. Ernest noted that document is near useless to us. We need to have our needs assessment done and have that information. Evelyn thought the last three pages of conclusions are reasonable conclusions. Commission members agreed. Table 2 can be prepared. Members agreed to pursue our "needs data." Evelyn explained that this is part of the RhodeMap Project to understand how they define the housing need vs. demand. We will get to that next month in our discussions. Ernest will reach out to Statewide Planning to discuss specifics. While the Study is well crafted, it is not practical for our use and he will continue to pursue the data and information based on our specific needs. Tom will give George Tremblay a copy.

c) Application for new member. Review and recommendation to Town Council. . Evelyn reported we have a new member application for Brian McDonald. Members reviewed the application and there were no issues or objections. Evelyn will submit a letter to the Town Council recommending the appointment of Brian McDonald to the AHC.

8. OLD BUSINESS

a) Commissioners' Liaison Reports. None.

e) Commission Goals: No reports.

f) Special Projects List/Commission Assignments. No reports.

9. PUBLIC COMMENT- No public comments.

10. NEXT MEETING. The next regular monthly meeting is scheduled for July 17, 2014, at 7:00 p.m..

11. ADJOURNMENT. Motion made and seconded to adjourn at 9:05 p.m. Faith made motion. Sandra seconded. Motion carried unanimously.

Respectfully submitted,
Sandra Puchalski, Secretary

Approved at the July 31, 2014 meeting of the Affordable Housing Commission.