DRACUT HOUSING AUTHORITY

JOINT HOUSING SUB COMMITTEE MINUTES

BOARD OF SELECTMEN/BOARD OF COMMISSIONERS

SEPTEMBER 9, 2015

2:30 p.m.

In attendance: Joe DiRocco, Jesse Forcier, Debra DeWitt Ahern, Jim Duggan, Mary Karabatsos

Commissioner Forcier informed the Board that the housing authority received two proposals for a development consultant to assist in the construction of affordable housing at 144 Greenmont Avenue. The screening committee (Jim Duggan, Glen Edwards, Mary Karabatsos) reviewed the two proposals and chose the Women’s Institute as the development consultant. The DHA signed a contract with the Women’s Institute. The Women’s Institute gave a presentation to the housing subcommittee of the Dracut Housing Authority. A meeting will be scheduled over the next few months for a presentation to the larger board. The Women’s Institute has started putting together some of the pieces that we will need to put together a pre-application to DHCD in December. Mary Karabatsos informed the Committee that the DHA housing sub-committee met with CHOICE which is the non-profit arm of the Chelmsford Housing Authority. They have done a lot of developments all funded differently and they have been very successful. The DHA has decided to partner with CHOICE for this project based on their track record, their expertise, and their relationship with DHCD. David Hedison is the Director of the Chelmsford Housing Authority and Connie Donoghue is the Director of CHOICE. CHOICE is well respected by DHCD and when they see an application from CHOICE they take notice. CHOICE has built affordable housing in Chelmsford with the low income tax credit program as well as just state funds. We have a meeting scheduled with the Women’s Institute and CHOICE next week so that we can talk about next steps.

Joe DiRocco inquired as to the roles of both the Women’s Institute and CHOICE. Mary Karabatsos informed the committee that the Women’s Institute puts the application together, the zoning, and the pre-application leg work all which is required for the application for the funding. The dates for the pre-application have been changed by the state. The pre-application is due January/February (still not confirmed) and then we will have to be invited to apply for the funding. This round of funding will be available in the Fall of 2016. We still have to be invited to apply. CHOICE’s roll will be our partner in the process. All of the particulars are not figured out. We will also get a development fee and an administrative fee. The housing authority will be taking people from our list and there will be a local preference, we will need to apply to the state for this local preference (we will need to show a need which can be done).

Joe DiRocco asked how many units will be built. Mary Karabatsos said that right now the number is fluid. CHOICE suggests that we try to build the development with just state funds as opposed to low income tax credits. The process would be faster, we would not need to find investors for the project. Jesse Forcier stated that the discussion with CHOICE/WIHED was that we might have to drop the number of units based on just state funding. That number could be 32 or somewhere in that vicinity. Anything higher than that requires a low income tax credit program because state funds can only support a smaller size development. At this point we are not sure what that number will be. Debbie DeWitt Ahern said that the one thing that is in our favor is the $3,000,000 investment from the Town. Joe DiRocco asked about the Section 8 vouchers we discussed applying for. Mary Karabatsos stated that we would be applying for 8 additional vouchers from the State. Joe DiRocco stated that we have the original 13 and hopefully 8 more from the State.

Mary Karabatsos stated that we will be signing a contract with CHOICE and will aim to start applying for funds in December. Joe DiRocco stated that there is no more that the Town can do at this point. Jesse Forcier stated that when we get further down the road the Town could help with support letters from the Town and the State House Delegation. Jesse Forcier stated that CHOICE has worked with other housing authorities as well. Jim Duggan asked what CHOICE gets from this and Mary Karabatsos stated that that has not been worked out yet but they will get a fee. Jim Duggan also inquired if the housing authority would still have to acquire conventional funding and Mary Karabatsos stated that we would have to.

Jesse Forcier stated that the housing authority would receive a development fee/administrative fee and that money can be used to build additional housing down the road. Our goal is to build more units on the site.