

**TOWN OF GREAT BARRINGTON  
AFFORDABLE HOUSING TRUST FUND (AHTF)  
BOARD OF TRUSTEES SPECIAL MEETING  
MINUTES  
Tuesday, January 15, 2019, 5:00 PM  
GREAT BARRINGTON TOWN HALL, 334 MAIN ST.**

**MEMBERS PRESENT:** Bill Cooke, Chairman; Fred Clark, Vice-Chairman; John Katz; Jonathan Hankin; Cara Davis; Garfield Reed

**MEMBERS ABSENT:** Samantha Homeyer

**OTHERS PRESENT:** Shep Evans, Administrative Support; Chris Rembold, Town Planner; Jane Ralph, Executive Director of CONSTRUCT; Keith Seidman, CONSTRUCT Treasurer; Mark Rosengren, CONSTRUCT Board Member.

**CALL TO ORDER:**

Mr. Cooke called the meeting to order at 5:00 PM and recused himself from the anticipated review and vote on a proposal brought to the board by CONSTRUCT. In his absence, Vice-Chairman Clark ran the meeting.

Ms. Ralph presented CONSTRUCT's proposal seeking \$50,000 as a grant to support CONSTRUCT's purchase of the residence at 24 Manville Street for \$300,000 to be deeded "affordable in perpetuity" and re-sold to an income eligible household. (See attached CONSTRUCT letter of January 11, 2019 with financial summary of the proposed purchase and details of anticipated out-of-pocket expenses.)

Mr. Hankin opined that the proposal is exactly what the AHTF had proposed to the CPC but has been unable to get approval and has not been otherwise able to accomplish to date.

Mr. Reed expressed his feeling that the eventual buyer(s) of such a house should be a Great Barrington person. To which Mr. Rembold remarked that AHTF must follow Fair Housing Regulations. It was acknowledged that there may be ways to provide a "leg up" for Great Barrington folks, but that "others" cannot be excluded.

Mr. Clark inquired how "firmed up" was the \$300,000 asking price?

Ms. Ralph responded that the \$300K figure was CONSTRUCT's best guess as to the market value of the property, noting that the offering price has come down from an original price of \$325K. She indicated that, while CONSTRUCT has not yet had access to the house, any purchase agreement would include inspection contingencies and that CONSTRUCT could certainly terminate the purchase agreement if there appeared to be too much work involved in getting the property ready to re-sell.

Mr. Clark read a note expressing support for the proposal from Trustee Samantha Homeyer that she had requested be included in the minutes. (See attached e-mail note dated January 15, 2019 at 11:25 AM.)

Ms. Davis shared her appreciation for the details CONSTRUCT presented on out-of-pocket costs and expressed that she shared Ms. Homeyer's enthusiasm for the proposal.

Mr. Clark noted that AHTF has only \$50,000 of unrestricted money to work with and questioned whether anyone has discussed the possibility of getting some of the requested \$50,000 back, perhaps as a combination \$25K grant and \$25K loan?

Ms. Ralph responded that the CONSTRUCT Board has not approved such a combined arrangement and that it was unlikely such an arrangement would work for CONSTRUCT.

Mr. Clark again reinforced that AHTF has only \$50,000 free cash.

Ms. Ralph suggested that perhaps CONSTRUCT could help AHTF raise more free cash.

Ms. Davis asked Mr. Cooke whether there was any other money available? To which, Mr. Cooke reminded that AHTF had originally been funded by the Town with \$15,000 for initial start-up expenses, out of which about \$3,000 has been expended.

Mr. Clark suggested that it looked like CONSTRUCT would get all their money back at the end of the day. To which Ms. Ralph explained that, in fact, CONSTRUCT will be borrowing from an available line of credit to do this project.

Mr. Hankin opined that if AHTF uses its \$50K and the project is a success, AHTF will have a strong case with which to raise more money from the CPC.

Mr. Clark called for a motion.

**Ms. Davis made a motion** to accept CONSTRUCT's proposal and contribute \$50,000 as a grant.

**Mr. Hankin seconded the motion.**

In discussing the motion, Mr. Clark expressed that he was nervous about granting 100% of AHTF's free cash. Mr. Hankin volunteered that the alternative is to do nothing.

**Mr. Clark proposed an amendment to Ms. Davis' motion:** That AHTF make a grant of \$35,000 and a loan of \$15,000. **There was no second of Mr. Clark's amendment, and it therefore failed.**

**Mr. Katz offered an amendment to Ms. Davis motion** in the form of specific written language which he provided to the Mr. Clark. (See attached)

**Mr. Hankin seconded Mr. Katz's amendment.**

**Ms. Davis motion as amended by Mr. Katz was approved by a vote of 4 to 1.**

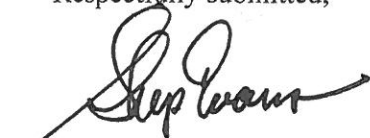
#### **APPROVAL OF MINUTES**

Motion by Mr. Reed, seconded by Ms. Davis, to approve the minutes of December 6, 2018 and January 7, 2019. **Unanimous approval.**

#### **CITIZEN SPEAK TIME / MEDIA TIME: NONE**

**ADJOURNMENT:** Hearing no objection, Mr. Clark adjourned the meeting at 5:47 PM.

Respectfully submitted,



Shepley Evans  
Administrative Support



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GREAT BARRINGTON, MA 01230

PH 413-528-1985 | FX 413-528-0192

January 11, 2019

OFFICERS

Elizabeth Rosenberg  
President  
Peter Cherneff  
Vice President  
Keith Seidman  
Treasurer  
Janet Zimmerman  
Secretary

Bill Cooke & Trustees of  
Great Barrington Affordable Housing Trust

Re: Construct Proposal to provide affordable home ownership at 24 Manville St

Construct requests \$50,000.00 in grant funds from the Great Barrington Affordable Housing Trust (AHT) to support purchasing 24 Manville St which will then be deeded affordable in perpetuity and sold to an income eligible household.

BOARD MEMBERS

Michael Alper  
Nick Arienti  
Stacey Billups  
Robert Bogomolny  
Tony Chojnowski  
Jane Glaser  
Evan Hardcastle  
Neil Hirsch  
John James  
Marcia Lawrence Soites  
Mark Rosengren  
Deborah Ryan  
Anne Schnesel  
Elaine Silberstein

As requested, attached please find income and expense detail to clarify the request. The Construct Board voted unanimously to move forward with purchasing 24 Manville AHT decision would require a new board decision at its February meeting. Please note that even with the grant, Construct will not meet the full out of pocket costs conservatively projected. While we are willing to explore other options, an equal split of 50% grant 50% loan is not feasible as hopefully you will agree when you review the income and expenses.

We hope the AHT sees this proposal as a viable opportunity to meet your goal of affordable home ownership in Great Barrington. While everything is contingent on inspection and appraisal, the house appears to be a sound investment for one of the many working households who could not otherwise afford to live in Great Barrington. We think this will help make the case for additional funds for similar needs in the future and would be happy to support such a request to the CPC as we have in the past.

Jane Ralph  
Executive Director

We appreciate your consideration. Keith Seidman, Construct Treasurer and I will attend the special meeting January 15<sup>th</sup> at 5 pm. If we can provide further information, please let us know.

Sincerely,

*Jane Ralph*

Jane Ralph



WWW.CONSTRUCTINC.ORG

Construct, Inc.  
24 Manville Street

Purchase Price of Property	\$ 300,000
Developer Contribution	(75,000)
Affordable Housing Trust Contribution	(50,000)
Net purchase price to Construct	<u>175,000</u>
Estimated out of pocket expenses	51,583
Total Cost to Construct	<u>226,583</u>
Estimated sales price (below market)	225,000
Deficit to Construct	<u><u>(1,583) ##</u></u>

## source of deficit funding to be determined

Construct, Inc.  
24 Manville Street  
Out of Pocket Expenses

	Purchase	Sale
Appraisal		
Home Inspection	\$3,000	
Closing Costs	\$600	
Title	\$ 375	
Title Insurance	\$ 1,200	
Recording Fee	\$ 190	
Municipal Lien Certificate	\$ 25	
Plot Plan	\$ 375	
Legal	\$ 3,500	1,750
Tax Stamp	\$	1,368
S/CO Inspection	\$	50
Real Estate Commissions	\$	11,250
	\$9,265	14,418
<b>Total Closing Costs</b>		
<b>Additional Costs</b>		<b>\$23,683</b>
Project Management		
Repairs	\$	12,500
Debt Service	\$	3,500
Property Insurance	\$	7,000
Contingency	\$	1,200
Utilities	\$	2,500
	\$	1,200
<b>Total Costs</b>		<b>\$51,583</b>

TO BE INCLUDED  
WITH MINUTES

FOR MEETING of 1-15-19

From: S Homeyer samanthahomeyer@gmail.com  
Subject: construct deal  
Date: January 15, 2019 at 11:25 AM  
To: bilicooke.gb@gmail.com

SH

Hello Trustees,

What a wonderful opportunity to make real change!

This deal is what we've been throwing around for almost 2 years and can serve as our poster child for success and leverage to gain more funding from CPA. Bravo!

I am in favor of giving Construct the entire 50k not as a loan but as a grant. One of the primary functions of the Trust is to expedite funding to organizations such as Construct that will help maintain and preserve the town's affordable housing stock.

My position is not without reservation and this is due to the contentious nature of the Manville development and the impact it will have on the neighborhood.

Yes, the neighborhood is zoned for such a development. Yes, we are in dire need for more housing. Yes, we are fortunate to have developers willing to invest money into our community but this project has a significant impact on the value of the abutting properties and the financial well-being of the rest of the residents in the neighborhood. It has not been well received.

If our grant makes or breaks the appeal filed, will the Trust be held in a favorable light by residents? With Trustees who serve on other boards and committees and have voted on the Manville project, is there a conflict of interest?

Personally, I do feel that Frameworks is exploiting a zoning loophole to cram as many units as they can into this neighborhood in the name of workforce housing. As we all know, the proposed rents for the units are by no means affordable.

Point being, I would have preferred that the Trusts involvement did not cling to the coattails of such a controversial situation...

That being said, my personal feelings and preferences are irrelevant here. The zoning is what it is and the developers are operating within the law. Construct has an opportunity to continue their best work and the Trust has the opportunity to make it happen. We should be proud to offer our support. I know I am.

Congratulations Trustees!

Best,

Sam

From: John Katz johnkatz413@gmail.com

Date: Jan 15, 2019 at 4:22:18 PM

To: John Katz johnkatz413@gmail.com

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I move that the board approve a grant, from the Fund's unrestricted CPA assets, of \$50,000 to Construct Inc for it's use in purchasing the property at 24 Manville Street in GB for affordable housing purposes only.

Sent from my iPhone