

## **NORTHAMPTON HOUSING PARTNERSHIP**

Minutes

March 7, 2016

**Members Present:** Gordon Shaw, Chair, Peter Frothingham, Vice-Chair, Richard Abuza, Michael Roy, Jim Reis. Absent: Lynne Wallace, Alan Verson. Also present, City Councilor Ryan O'Donnell and Peg Keller, staff.

**Call To Order:** Chair Shaw called the meeting to order at 5:35 p.m.

### **Announcements**

Peg noted that Alyx Akers has resigned due to time constraints but remains interested in the Affordable Housing Trust, should that be re-activated. Peg also noted the Mass. Fair Housing Center's Annual conference scheduled for April 7-8; the Friends of the Homeless Public comment session before the Community Preservation Committee on March 16th at 7:00 p.m. and reported on the legislative update event for the Western Mass. Network to End Homelessness that was held March 4th.

Councilor O'Donnell was welcomed and introductions made. He was invited by Peg due to his interest in the Amherst Tax Abatement program and the continuing discussion about inclusionary zoning.

### **Amherst Tax Abatement Program**

Mr. Roy described the Amherst option and another program he discovered from Provincetown. Highlights of each were summarized as follows:

Amherst: New tax incentive to entice developers to include affordable units in new projects. (home rule petition approved by State legislature)

- Option for projects 10 units or larger
- Minimum number of affordable units = 10% of total
- 10 year max on the tax break
- Purpose is to make the developer "whole" for lost rent at the 10 year mark
- Units remain affordable in perpetuity
- Contains an "offset" unit option when such units are able to be created (tax break would not be needed in these cases)
- Rent is capped to % of area median income

Provincetown: Program to address lack of affordable year round units / using 60% of CPA funds for affordable housing

- Created new tax incentive to entice property owners to lease units annually at affordable levels for any type of housing
- Property taxes are waived in their entirety for the % of building utilized for the program
- Single family house = no property tax
- One year lease required, LMI tenant income verified by municipal staff, rent kept at affordable rate
- Trying to increase owner/unit participation rates
- CPA and other funds offset rent abatement
- Town is supportive

Member discussion followed- wondered if 80% of AMI is low enough. Peg will follow up with Amherst about participation in their program to date. A survey of smaller developers was suggested to test the water regarding the incentives. Members agreed these were creative home rule solutions that have resulted from “thinking outside the box”. For implementation, political ground work will need to be laid. Mr. Frothingham asked about incentives for older landlords to continue to rent at lower rates. Chair Shaw noted that rents usually jump the most when there is an ownership change. Mr. Abuza said “little a” affordable units don’t usually get advertised, but are passed on through word of mouth. Chair Shaw wondered if these concepts could be applied to homeownership, as home ownership development seems to be more active in this area. With regard to next steps, Mr. Abuza wondered if we could do our own consultant study to explore the full range of options. The mechanics of abatements can be complicated and involve the tax collector’s office. Mr. Roy suggested that we invite David Murphy, City Councilor/Realtor/Assessor to the next meeting to get his thoughts on implementation. Members agreed to read Amherst’s Consultant report before the next meeting. Councilor O’Donnell said he is interested in pursuing this further.

Friends of the Homeless- FOH board members had come to last month’s meeting asking for a letter of support for their CPA application. A presentation was made but a quorum was not present. Mr. Abuza made a motion that the Northampton Housing Partnership submit a letter of strong support to the Community Preservation Committee, and other funding sources if necessary, endorsing the Friends of Hampshire County Homeless Individuals project to create additional multi-family units in the city to serve unaccompanied homeless youth. Mr. Reis seconded the motion; the vote in favor was unanimous. Peg will send the letter.

**Adjourn:** following additional project updates, the meeting concluded at 7:00 p.m.

Respectfully submitted, Peg Keller