



TOWN OF NORTHBOROUGH Community Preservation Committee

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Community Preservation Committee

June 13, 2023 Minutes

Approved 9.7.23

Members Present: John Campbell, Chair; Todd Helwig, Peter Martin, Andy Dowd, Andy Clark, Sean Durkin, Jeff Leland

Members Absent: Leslie Harrison, Millie Milton

Others Present: Laurie Connors, Town Planner; Rick Leif, Northborough Affordable Housing Corporation; Hank Rauch, Habitat for Humanity

The meeting opened promptly at 7pm after an introduction by the Chair.

Rick Leif, Northborough Affordable Housing Corporation, Regarding Approval of The Use of Leftover CPA Funds Previously Allocated for a Project at 174 Boundary Street; Discussion of Another Potential Project on Boundary Street—Mr. Leif thanked members for meeting on short notice, the NAHC is under a short time frame. He wished to present a CPC application sent to members recently regarding 174 Boundary Street, but before that, he wanted to provide a brief update on a potential future project further down on Boundary Street which could also involve the use of CPC affordable housing money.

Mr. Leif provided background. At 1992's Town Meeting, the Town authorized the Selectmen to make two acres of town-owned property on Boundary Street available to a non-profit housing organization. In 1994, the Town issued an RFP for the disposal of surplus property. Habitat for Humanity was selected to develop two duplexes on this property that the town had authorized for conveyance to an affordable housing developer. By 1999, two duplexes were constructed on Boundary Street on previously owned Town-owned land. A woman and her young daughter, who were left in financial straits after the woman's husband passed away unexpectedly, were able to move into an affordable unit at the parcel on 174 Boundary Street through the Habitat for Humanity project. That woman passed recently and her daughter, acting as executive for the estate, approached Habitat for Humanity to see if they would like to purchase the home back and sell it to another qualified, low-income family. The daughter didn't give Habitat a deadline to decide but wanted to sell the property soon as she assumed some of her mother's debt.

Mr. Leif said the property was appraised at \$350,000. A realtor indicated that the property could probably sell for more than \$400,000; the 2,008-sf unit consists of three bedrooms and one and half baths. Habitat estimated \$50,000 of renovations needed to be made, which puts the total cost of the project at \$400,000.

On June 8th, a representative of Habitat met with the Housing Corporation board to review the project. The Board felt it was a good project to do as it supported the Master Plan goal of trying to provide different levels of housing at different price points. They arrived at a cost of \$100,000.

Mr. Leif explained that the rules of engagement for affordable housing were different than they are now, there wasn't a requirement to put an affordability deed restriction on the property. If the property was sold as affordable and it was resold before the mortgage was paid off, it had to be resold as affordable again, but if the mortgage was completely satisfied at the time of resale, the property be sold at market

rate. Because of that, these four units are not currently on the town's subsidized housing inventory. Habitat would work with the state housing department and would put a perpetual affordability deed restriction on the property and the unit would go on the subsidized housing inventory (SHI).

The Housing Corporation felt this was worthwhile: they understood the desire of the executor of the state to have Habitat reacquire it for another low-income family; the price is reasonable; adding another unit to the SHI is reasonable. Because of that, they are requesting CPC funding in the amount of \$100,000, which would come out of the \$473,000 currently existing in funds set aside for future NAHC use. Mr. Leif said information about how the \$473,000 came to be was in a spreadsheet provided to CPC members.

Mr. Leif hoped that the CPC would support this project. If so, it will be presented to the Select Board in June. If both approve the project, a funding agreement will be created with the Town for a one-time transfer of \$100,000 to Habitat to offset the purchase of the property.

Mr. Leif added that before the CPC made a decision, he had another property to discuss. Except for what was carved out for those two duplexes, the rest of that property existed as Town-owned land, and he had let it be known that if that land became available, the NAHC would be interested in creating some affordable housing there, but the Town always decided to keep that land. When the Town made the decision to create a dog park on the westerly part of the property, he met with the Planning Director regarding acquiring affordable housing there. He and the Planning Director met with Debbie Maruca Hoak, Executive Director of Habitat for Humanity-Metro West Greater Worcester. The property is approximately two acres, and Habitat felt they could get 2-6 units of affordable housing on the property. However, connections to Town water and sewer do not exist on that street, the water and sewer that goes by belongs to Marlborough. Ms. Maruca Hoak had a conversation with Marlborough's DPW Director about the possibility of connecting Habitat units to their water and sewer. Mr. Leif said that when Northborough approached Marlborough about connecting for the dog park, their answer was no, but Marlborough's mayor said that if Northborough was interested in supporting this project, they may consider it.

Mr. Leif said the next step is to get Northborough to indicate they have an interest in the project. They are scheduled to go before the Select Board on June 26th to not ask for approval yet but rather an indication if they were in favor of transferring this Town-owned property to Habitat for a future affordable housing project that could vary from anywhere to two to six units. Marlborough has asked for the Select Board to take a vote than can be documented that they will support this project. The Select Board does not have the ability to transfer the property, so it would need to be a warrant article for ATM 2024. However, if the Select Board does not support the idea of affordable housing there, that is the end of it, perhaps they may decide to not commit to a dollar amount and wait to see if Marlborough will allow the connection.

Mr. Campbell suggested that Mr. Leif work on a succinct summary of his request and draw a comparison to how the duplexes came out in the 90's to make it clear that this is a similar project, and to clearly identify where it would go. He was not speaking for every member, but CPC has supported these programs in the past and he believed they would do so again.

Mr. Durkin agreed with Mr. Campbell. He asked about 174 Boundary and \$400,000 cost; does the State recognize that as affordable housing?

Mr. Leif said that if Habitat acquired that property and then conducted a lottery to place a family there, the acquisition price of the selected family is going to be based on their ability to pay; Habitat provides the mortgages, and he assumed that the family who is placed will spend less than \$350,00. Mr. Rauch

agreed and said that Habitat will take an affordability write off on the transfer of the property because the state limits the resale price based on the family income, and the resale price limit is related to how many people there are in the family.

Mr. Leland cautioned Mr. Leif that where the CPA has money put aside and is not being utilized will be heavily scrutinized in the coming years. When there are viable projects like this, that money needs to be used and not just kept in reserve.

Mr. Clark made a motion that the CPC grant the Northborough Affordable Housing Corporation the sum of \$100,000; \$23,144.35 from 2015's housing allocation and the remainder of \$76,855.65 from 2016's housing allocation. Mr. Martin seconded the motion. Roll call vote was 7-0 in approval.

Mr. Leif will create a CPA funding agreement, once that's signed, Habitat will present an invoice to the Housing Corporation for reimbursement. Mr. Campbell thought it would be helpful, when going before the Select Board, to give a brief history of how funding agreements came to be.

Mr. Leif thanked the CPC for its support.

White Cliffs Re-Use and the CPC's Role—Mr. Campbell wanted to discuss the role of the CPC going forward with White Cliffs. When White Cliffs was on the Town Meeting warrant, they made it clear that they had no time to decide if they wanted to try to protect it or let another buyer purchase the property and tear it down. Voters at Town Meeting overwhelmingly supported it, and it was purchased. After the closing of the sale in 2017, the White Cliffs Committee was formed by vote of the Select Board. The Committee thought they had arrived at a great potential partner, however the financial benefits for Northborough were overlooked because of other objections, and now the Town owns the building with no plans for it. He thought the Town may need to determine how to restore and what that cost will be, and that might be brought forth to the voters, or perhaps there may be another way to approach other partners. He doubted that Metro West Collaborative would return to work with Northborough again. He said that White Cliffs was purchased by bonding against CPA income. They are five years away from paying off that bond that was going to be less than \$180,000/year in CPA revenue, so there are resources if we were to propose a larger amount that's needed for the restoration.

Mr. Campbell said as a committee, they are not really supposed to promote their own projects but there are times when they should be proactive, and maybe this is that time. The Select Board has indicated that they want to take ownership of this, and perhaps they would need guidance from this committee.

Ms. Connors said there have been conversations about the next steps. One of the common complaints received by the Select Board was the lack of community process, discussions at the Select Board meeting included talk about hiring a facilitator to conduct community outreach, which she wanted framed out of concern that there would be a free-for-all wish list with no amount of realism about possible uses for the building. The process should be focused preferably by a facilitator who has experience and skill in historic renovations and finding end uses for historic properties that are similarly challenged. She did not have quotes yet for what that would cost or even a scope of work that details what the community outreach session would consist of. She asked if members would be willing to fund using it administrative funds. She anticipated it would cost \$20,000-\$25,000 to launch the community outreach campaign.

Ms. Connors said there is another potential project that she has a quote for. She'd received a quote from Capital Environmental LLC to do a detailed cost estimate and assessment of some of the issues that are plaguing White Cliffs Mansion, such as lead-based paint, asbestos, and mold. They prepared a scope of

work for \$12,900 to pay for this work. The benefit of doing this work is that there would be realistic pricing for remediation, and if the Town was interested in selling the property, it would be information that potential buyers would like to have. As of May 31st, the amount left in the administration budget is \$27,553.81. These are two potential projects that the CPC could help with. A third project is the demolition of the additions from the 1960s and 1970, rain comes in on the dance floor during major storm events and is a cause of the mold problem. If the Town were to retain ownership, there should be consideration given to applying to a grant program for underutilized properties to demolish the additions and button up the building, but before then, an architect's guidance would be needed. Ms. Connors asked for feedback.

Mr. Campbell said he was interested to know how much of this overlaps with what the consultants were paid to do and report on in December 2020.

Ms. Connors said that the building has continued to degrade since the report was done in 2020 so it did not include mold remediation.

Mr. Clark suggested that it could be better handled within the concepts of what its future use might be. Why would lead be remediated now when there is no purpose to do so? The work done in 2020 is moot now and any work they do now could be moot as well in several years when it's decided what will be done with it.

Ms. Connors said the idea is not to do any remediation or construction at this point, the thought was, as part of the community facilitated outreach campaign, to have real numbers, because there have been questions about the numbers in the report, that they aren't realistic.

Mr. Clark asked why they would be questioned; they are a few years old but still relatively current.

Ms. Connors agreed with Mr. Clark but said there are others in the community and members of the Select Board who think the numbers are not accurate. The thought would be to come up with some quotes for what it would cost to do this work and see if there's the appetite out there.

Mr. Campbell asked why the Town wouldn't use the same consultant to update the report.

Ms. Connors said that the Select Board did not believe those numbers are accurate and want a second opinion. Mr. Helwig suggested that they pay for it using other money, it was nonsense, the numbers were looked at four different times and they were able to have it reduced to \$9M to do the least that could be done. He was completely of the view that the CPC spend no more money on this until there's a plan as to what is what they want to do. Because the Select Board is so high on political accountability, they should come up with the plan, don't have the CPC try to pay for it piece by piece, put a number out there, bring it to Town Meeting and have a plan, have it voted on.

Mr. Durkin said he felt Mr. Helwig's frustration, and he understood Mr. Clark's thinking. He thought this committee did what they felt was important, which was to save it at the 11th hour from the wrecking ball, he was startled that years later, the Town has done nothing except kick problems back to the CPC. He felt it was an easy way out to not have to make a difficult decision. He wished he had the answer, but his sense was that it wasn't for the CPC to keep bailing out a little at a time.

Mr. Dowd said that Mr. Durkin made an excellent point and he agreed with the comments made by other committee members, but he was concerned that the mold will continue to get worse if left unaddressed. He wasn't sure if the temporary measures taken to protect the rest of the building has helped to limit or stop the growth.

Ms. Connors said she couldn't confirm mold counts.

Mr. Leland said he agreed with the comments made, and he understood the frustration. He was involved with the building of the Senior Center and heard comments about why there wasn't more public comment when they'd had extensive public meetings. The Select Board did not take the recommendations from multiple other committees. More housing is needed. They should lead at this point.

Mr. Campbell thought that the Town should look for another source to maintain the building while a cost summary is determined that people will say is believable. A high-level study was done, if they want that reviewed, they should come up with those funds to do so. He thought that most people in the community didn't understand the level needed to bring a building up to code and safe and accessible and how those costs compare when a municipality does it versus a private entity, many of the Town projects are handled under the capitol budget and it's easy to take for granted all the work that is accomplished.

Ms. Connors thanked members for their feedback and said she appreciated their efforts; she would relay comments back to the Select Board.

Mr. Campbell said that he was hearing a consensus among members not to vote on any use of admin funds for these things. He asked if any members felt there should be a motion to vote on, otherwise he recommended they pass.

Next Meeting Date, Old/New Business—September 7th is the next scheduled CPC meeting.

Mr. Leland made a motion to adjourn. Mr. Dowd seconded. Roll call vote followed, all were in favor.

The meeting adjourned at 7:24pm.

Respectfully submitted,

Michelle Cilley
Recording Secretary