



**The Town of Barnstable**  
**Affordable Housing Growth & Development**  
**Trust Fund Board**  
367 Main Street, Hyannis MA 02601  
[www.town.barnstable.ma.us](http://www.town.barnstable.ma.us)



Office: 508-862-4610

Fax: 508-790-6226

Email: [mark.ells@town.barnstable.ma.us](mailto:mark.ells@town.barnstable.ma.us)

Mark S. Ells, Chairman

**Friday, April 5, 2024**  
**Affordable Housing Growth & Development Trust Fund**  
**Fund Board Meeting APPROVED Minutes**  
**9:00 A.M.**

Alternative public access to this meeting was provided by utilizing a Zoom link or telephone number, both provided in the posted meeting notice.

**Board Member Attendees:** Mark Ells, Chairman, Mark Milne, Laura Shufelt and Wendy Northcross. Andy Clyburn (absent)

**Other Attendees:** Elizabeth Jenkins, Director, Planning & Development; Jillian Douglass, Trust Administrator, Planning & Development; Karen Nober, Town Attorney; Tom LaRosa, Assistant Town Attorney; Ellen Swiniarski, Community Preservation Coordinator, Planning & Development. Attorney Robert Galvin, Special Counsel.

**Call to Order**

With a quorum present, Chairman Ells called the meeting to order at 9:00 a.m. and stated that today's meeting will be recorded and rebroadcast via Xfinity Channel 8 or high-definition Channel 1072. It may also be accessed via the Video on Demand section on the Town of Barnstable's website. In accordance with MGL Chapter 30A, s. 20, the Chair will inquire whether anyone is taping the meeting and, if so, please make your presence known. No one came forward.

**Member Introduction**

By roll call (present): Laura Shufelt, Mark Milne, Wendy Northcross and Mark Ells. Andy Clyburn (absent).

**Public Comment**

None.

**Topics for Discussion**

1. **Potential Revisions to Notice of Funding Availability (NOFA) -Trust Administrator Douglass and Planning & Development Director Jenkins**
  - a. **Review of County Construction Cost Increase Information and Potential Policy Implications for Maximums and Per-Unit Caps**
  - b. **Consideration of Expanded Scope**

Elizabeth Jenkins, Planning & Development Director provided background saying that the Housing Trust issued the Notice of Funding Availability (NOFA) to help communicate the availability of funds as well as the evaluation criteria and expectations for funding awards to affordable housing developers. She noted that this current NOFA that includes predevelopment and development funding as eligible activities, has not been updated since 2022. In consideration of the awards the Trust recently has made, there is \$4,687,120 in unencumbered funds remaining that originate primarily from Community Preservation Act (CPA) funds. The costs of construction and labor continue to rise, further widening the gap between what it costs to construct affordable housing and the return on investment needed to move projects forward. She noted that Jillian has been collecting data on activities of other Trusts in the region as well as construction costs.

Jillian Douglass explained that the Trust meeting packet included information from the HOME Consortium because this is the most complete information available. Although the information is not exactly comparable to the types of projects the Trust is funding, the data depicts that the gap is widening with costs for construction per square foot has increased 50% between 2021 and 2023 and total development costs increased 80%. She noted the importance of reviewing the NOFA maximum caps considering these significant increases in costs.

Laura Shufelt noted the differences in the HOME projects list used for comparisons saying that the HOME projects all had low-income tax credits and were between 30-48 units which were mostly affordable units and are not like projects that the Trust has financed. She gave an example of the highest contribution from CPA funds as being just under \$70,000 per unit noting other projects where \$1.3M in CPA funds had been used for acquisition of land for a 40-unit project resulted in a per unit cost of \$33,800. Laura agreed that the cap should be increased but expressed concern that a per unit cap of \$200K is too much and would only result in the funding of 15-20 affordable units with the remaining balance of Trust funds.

Wendy Northcross said that the updated NOFA may generate more interest. Laura clarified that the type of projects that the Trust has been asked to fund have been mostly under 10 units, gut rehabs and some new construction, a few units at a time. She expressed concern that when housing projects do come forward, affordable units beyond the required 10% will not be offered by the developer. There was discussion regarding how to create projects in Barnstable that are eligible for low-income tax credits, to steer funds toward larger developments with more units. It was identified that the minimum number of units for tax credit eligibility is 30 and the majority must be affordable units. Donation of town land was discussed as a key component for making the units eligible for tax credits as tax credits provide about \$225-\$250K per unit in private equity awarded by the state, with funds disbursed during construction lowering the costs for construction interest.

Ms. Jenkins noted that instead of basing the new NOFA on what the Trust has been funding, she would encourage the Trust to look forward and set the number to what is aspired to be funded, which are projects like those on the HOME list. She noted that several affordable housing developers working with low-income tax credits in the past few months have not reacted well to the \$75 - \$100K per unit cap that is currently in place. She noted that some of the projects on the HOME comparison list have very significant land acquisition costs and at the end of the day the average per affordable unit cost from a 2023 project was \$623,000. Elizabeth noted her participation at the last Town Council meeting where she urged the community to make bolder

choices relative to providing affordable housing saying that budgeting funds that the Trust has available to support larger projects is a wise choice.

There was discussion that if language in the new NOFA says up to the maximum cap amount, the Trust has discretion and would not be obligated to use that maximum per unit number. There was concern however that the maximum amount or more could be viewed as the expected amount with the rest of the proforma based on that number. Laura noted that the town should be proactive, offering town-owned land with the desired criteria and number of units which Trust predevelopment funds could be used to design. Elizabeth noted that unlike other towns on the cape, the town of Barnstable has by-right multifamily zoning in multiple locations with sewer infrastructure with hundreds of units in the pipeline where other towns may have only a project or two. She mentioned that funding half a dozen small scale projects that were affordable is also desirable and that there is not a lot of ideal town-owned property available for development.

There was discussion regarding the increase in construction costs and labor and the consideration of raising the maximum cap to \$100 - \$150K per unit. Elizabeth noted that every project is unique, and the NOFA is a marketing tool to set expectations and get projects in the door. The Trust can be flexible on what is awarded for a project based on the value and what their money is leveraging. There was also discussion regarding the projects that the Trust is likely to attract being smaller scale and ways to incentivize larger projects with a maximum per unit cap of \$150K for smaller projects and a maximum per unit cap of \$200K for a larger project. It was agreed that the NOFA should be formally structured so that the ranges are clear with priorities that match town goals, noting also that the Community Preservation Committee's Housing priority in their 2022 Action Plan was to fund good projects regardless of their location. There was further discussion regarding the proposed sliding scale for project size/criteria and it was noted that smaller projects have the same construction and labor costs and may need more funds, but to incentivize larger projects, the Trust funds would be a gap filler if using tax credits.

After discussions it was agreed that the NOFA would be revised by staff to clearly state that the Trust Board will evaluate the project based on priorities and a sliding scale with a maximum per unit cap of \$150K for any project where a maximum cap of \$200K would only be considered if greater criteria are met. It was agreed that the infill types of projects are just as important because the community needs housing now. Laura reminded of the Trust policy not to fund affordable units required under the inclusionary ordinance and this should also be clearly stated in the revised NOFA if it is not already. It was suggested that the Trust could start with a standard floor amount of \$75K and then award additional funding for meeting certain criteria which have been defined such as higher subsidy to rents, higher percentage of affordable units, location, and reuse of land.

Attorney Robert Galvin, Jr. said these are the same conversations that other affordable housing trust have saying that the only effective solutions he has seen for creating more affordable housing requires communities contributing more monies than they traditionally have and partnering with other non-profit entities that have other funding sources to build affordable housing. He noted Neighborhood Works and Habitat for Humanity as non-profit entities building low- and moderate-income housing units. He said occasionally a property owner will add an accessory dwelling unit to their existing home. Elizabeth confirmed that these solutions as well as zoning changes were identified with Town Council.

Laura shared that there is momentum to reinstate the State’s small community program for 20 units or less that offers subsidy of \$200K - \$250K subsidy per unit that would be very helpful to augment Trust funds. Mark Ells asked that Laura share the details, as talks progress, so he may include this in conversations with legislators who are on the Master Plan Committee.

In summary, the Trust will continue to aim for gap funding projects typically starting at about \$75K per unit, but will consider awards up to \$200K per unit at the full discretion of the Trust and this should be clearly reflected in the NOFA and subject to evaluation by the Affordable Housing Trust Board. The Trust will prioritize projects that are leveraging other funding sources and produce larger number overall affordable units as part of the total project, as well as units that are more deeply affordable, and projects that represent small-scale infill, reuse types of development. Awards under the NOFA will be made up to the \$200K per unit maximum only in consideration of other evaluation criteria, as it is defined in the NOFA.

Laura noted that definitions for homeownership should not include utilities and that the new section in the proposed NOFA on service support is contrary to CPA funding eligibility except for rental assistance and downpayment assistance administration. After member discussions, it was decided that reference to utility costs would be deleted from the homeownership section of the NOFA at this time. It was also agreed that the NOFA would not describe other eligible programs at this time. Revisions to the NOFA as outlined will be drafted by staff and brought back to the Trust at the next Trust meeting.

**2. Approval of Minutes from the 2/23/24 Trust Meeting.**

The motion of Mark Milne was seconded by Laura Shufelt to approve the February 23, 2024, Trust meeting minutes as submitted. Roll call vote: Wendy Northcross (yes), Laura Shufelt (yes), Mark Milne (yes), and Mark Ells (yes). Motion carried.

**3. Matters Not Reasonably Anticipated by the Chair**

None.

**4. Updates from Staff**

**a. HOME Action Plan Public Hearing Notice**

Jillian Douglass shared that there is a remote public hearing scheduled for 3 p.m. on April 16, 2024, and the deadline for public comment is May 9, 2024. The Plan is available on the County website.

**b. Marstons Mills School Property Master Plan: Public Meeting April 30 at 6 pm, Liberty Hall; Site Walk May 4 at 9 am, 2095 Main Street, Marstons Mills.**

Elizabeth shared that the master planning effort for the Marstons Mills Elementary School is moving forward with a public hearing scheduled at Liberty Hall April 30, 2024, 6 p.m. and a site meeting scheduled May 4, 2024, at 9 a.m. There is a project website where public comments can be submitted.

There was brief discussion regarding erroneous information regarding the details of a project with an affordable component in the pipeline. Elizabeth Jenkins assured that the required criteria has been shared with the developer and the inclusionary ordinance will be complied with.

**5. Topics for Future Meetings Agendas**

- Chair Ells said he would like to see justification for increasing the Trust membership before placing this on a future agenda.

**6. Next Meeting Date – 9:00 am, May 3<sup>rd</sup>, 2024.**

Chair Ells noted that he will likely be using Fridays as vacation days in July and August and asked that it be confirmed that Andy Clyburn will be available to chair the Trust meetings in the summer months.

**Adjournment**

The motion of Laura Shufelt was seconded by Wendy Northcross to adjourn the meeting.

Roll Call Vote: Wendy Northcross (yes), Laura Shufelt (yes), Mark Milne (yes), and Mark Ells (yes). Meeting adjourned.

**List of documents/exhibits used by the Board at the meeting:**

Exhibit 1 – Affordable Housing Growth and Development Trust Fund Board Agenda 4/5/2024.

Exhibit 2 – Draft Minutes from the 2/23/2024 Trust Fund Board meeting.

Exhibit 3 – Project Development Cost Comparisons 05/2021 to 11/2023.

Exhibit 4 – Memorandum: Revisions to Notice of Funding Availability and Budget Overview

Exhibit 5 – Memorandum: Project Development Cost Analysis

Exhibit 6 - Memorandum: Underwriting Guidelines – HOME/ARP

Exhibit 7 – Marstons Mills Elementary School Notice of Master Plan Meeting

Respectfully submitted,

Ellen M. Swiniarski

CPC Coordinator

Planning & Development