

HAMILTON DEVELOPMENT CORPORATION

MINUTES OF MEETING

November 9, 2016

Members Present: Bill Gisness, Rick Mitchell, Anthony Nickas, and President, Brian Stein

Coordinator: Dorr Fox

This meeting was called to order by Brian Stein at 7:32 am with a quorum established.

Warrant for bills

Motion made by Rick Mitchell to approve the Warrant HDC1710 for \$645.79

Seconded by Bill Gisness

Vote: Unanimous in favor

Approve Minutes

To be approved at a later date.

59/63 Willow Street

Brian Stein announced that he received an estimate from Scott Remsen for tree removal for \$1,145. The price was above expectations as there was tight access to the site which caused a need to use the neighbor's driveway.

Rick Mitchell made motion to remove a tree at the HDC property for a cost not to exceed \$1,200

Seconded by Bill Gisness

Vote: Unanimous in favor

One of the tenants at the property had passed away and the other tenant (husband) was hoping to renegotiate the terms of the lease including ending it. Brian Stein would find out how long the tenant wanted to remain in the house. Bill Gisness suggested putting it out for rent and see when tenants would want to move in and then discuss the terms with the tenant. Mr. Stein would determine the timeframe of the tenant's departure with January 1, 2017 being the outset of the term.

Norbloom's proforma for the property was reviewed by Bill Gisness. The developer thought retail was a good option and the rental market was very strong. Norbloom liked the property and thought it was viable, according to Mr. Gisness. Income versus expense were a wash with a development cost being \$8M which was about \$1M more than the HDC had estimated. There would need to be an equity of \$2.5M with a \$6.5 M loan. There would be a potential worth of \$9,165,000 so there would be a profit upon the sale.

Rick Mitchell said there would only be two affordable units so there was no ability to bridge the gap via affordable programs. While cash on cash return would potentially be 3%, Norbloom had

not indicated if they would do the project or not with one concern being the approval process with the Town. Brian Stein said it was Site Plan Review in the Business District. Rick Mitchell explained it would need to fit architecturally including the height and style of the project. Mr. Stein added that it would need to fit septic and site constraints.

Rick Mitchell wondered about the process of a market study and what would be the next step. Brian Stein debated the value of a market study versus the cost of the study. The only question was the commercial piece, but Bill Gisness said it could always be converted to housing if necessary. Mr. Stein said if the Town developed the property, they would need to provide the market analysis information to a lender. Mr. Mitchell wanted substantive information that validated the direction the Committee should go in. If a developer was interested, the HDC would take the responsibility and would help with the Site Plan Review process. If a developer was not interested, the work would have been done for the Committee and other potential developers. The development needed to be out for public bid but if only one response was received, it was acceptable.

Bill Gisness said that Andrew DeFranza (Harborlight), Hamilton Housing Authority, and other groups needed to be involved to bridge the affordability gap. Rick Mitchell stated that it might appear that the Committee was forcing affordable housing in the neighborhood, but the market analysis and the Committee's fiduciary responsibility would prove the option of market rate housing might not be appropriate, so an affordable option would be justified. Bill Gisness wanted to keep all information current with all parties. Brian Stein said it would cost \$50,000 for the Site Plan Review process for Planning Board review. Rick Mitchell compared getting a plan ready and then having a developer walk away would be a negative, but having an approved plan would create a viable package ready for public bid.

Anthony Nickas wanted to know why developers, including Harborlight were not contacting the Committee. According to Bill Gisness, Peter Gourdeau had indicated it was timed perfectly but the property was just too small. Brian Stein said the Town had just passed the Mixed Use By-Law. Members of the Corporation discussed how many developers were looking for 15 to 20 units.

Brian Stein suggested having Meridian Engineering do a sketch before doing a market analysis to determine if 15 units could be built. Members of the Corporation decided to talk to Norbloom about the Town taking the risk of approval. Anthony Nickas said the Town could just sell the property and get their money back.

Rick Mitchell made motion to authorize Brian Stein to negotiate with Meridian Engineering to develop a preliminary sketch plan for 59/63 Willow Street for a cost not to exceed \$5,000.

Seconded by Bill Gisness.

Vote: Unanimous in favor.

Hamilton Downtown Improvements

Previously Jeff Hubbard had contacted Dodge Tree to install lights on trees downtown with solar panel lights that would remain all year, not just as holiday lights. Mr. Hubbard would look into the ownership of the pocket park behind the liquor store and talk to the bank about replacing the blue lights with white lights to match the others in town.

Financial Statement – Dorr Fox had sent one out a couple of months ago. Mr. Fox would send another including information regarding rent and principal payments which would be due in June.

New/Old Business

None proposed.

Motion to adjourn made by Rick Mitchell

Seconded by Brian Stein

Vote Unanimous to adjourn at 8:20 am

Prepared by:

Marcie Ricker

Attest

Date