

HAMILTON DEVELOPMENT CORPORATION

MINUTES OF MEETING

MEMORIAL ROOM, HAMILTON TOWN HALL

October 17, 2018

Members Present: President Brian Stein, Tom Goodwin, Anthony Nickas, and Rick Mitchell

Members Absent: Bill Gisness

Coordinator: Dorr Fox

Brian Stein called the Hamilton Development Corporation (HDC) meeting to order at 7:33 a.m. with a quorum present.

Warrant for Bills

Mr. Stein presented a warrant for Minutes Secretary's time and a check order fee.

Tom Goodwin made a motion to approve payment of Warrant #HDC-1908 for \$240.15. Anthony Nickas seconded the motion. The HDC voted unanimously among those present (*3-0) to approve payment. *Rick Mitchell had not yet arrived.

Approve Minutes for October 3

Mr. Stein made a motion to approve the Oct. 3 meeting minutes. Anthony Nickas seconded the motion. The HDC voted (*3-0) to approve the minutes. *Mr. Mitchell had not yet arrived.

59/63 Willow Street

Anthony Passaretti, 85 Linden St., said Scott Remsen, the tree service professional recommended by the HDC, was going to contact Mr. Stein with an estimate. Mr. Stein said he hadn't heard anything from him since their first contact. [Mr. Passaretti wants to know if the HDC would absorb the cost of dealing with a "nuisance" tree on HDC property.] Mr. Passaretti said access to the tree through the HDC property will be tough and he was happy to let them go up his driveway if the tree co. can protect it. He was nervous, though, about having a crane over his house. Mr. Goodwin said a man who is a woodworker in Essex estimated the job at \$2,500 after netting out the value of the wood. The HDC will assess the situation after they receive all the info.

Mr. Stein said he didn't attend Special Town Meeting so can't comment, but noted the affordable housing project [at Longmeadow Way] did not pass and as a result the proposed Willow Street project for 20 unit is no longer. He said he reached out to a developer who lives in Town who may be interested in developing a project at Willow Street if it were already permitted.

Mr. Goodwin brought up the idea of conducting a market study. Also, he said he spoke with Tim Ford, who said he would entertain the idea of giving them a proposal on the cost of taking the project through the permitting process.

Mr. Stein said his personal opinion about the type of project he'd like to see would be a mixed-use project with some commercial—perhaps the Accord Food Pantry—and rental apartments of one or two bedrooms.

Mr. Goodwin discussed the idea of condos with a commercial space below, for example, for a dentist. The "bump" the HDC would get from the sale of a condo was better in terms of economics than a leasing stream, he said. They could do a pre-sale. Mr. Goodwin said he visited Salem Five Bank and they gave him a lot of hems and haws. He will pull together the package of materials the bank requires for the HDC to apply for a loan.

Mr. Stein said he talked with someone who is an affordable housing advocate who stressed the need for senior housing in Town.

Mr. Passaretti asked if a senior housing rental project of 20 units would be economically viable to an owner. The HDC thinks market-rate would work there. The project wouldn't necessarily have to be limited to seniors, although seniors might choose to live there.

Mr. Stein answered a question from Mr. Goodwin about septic, saying the Willow Street site can handle 20 to 24 bedrooms.

Mr. Nickas said the HDC will have a balloon payment (approximately \$450K) due next June. HDC members agreed moving on selling the property now made sense, especially since there are a few people who have expressed interest if the HDC did the permitting. Dorr Fox said he spoke with Charlie Wear at Meridian Associates for an estimate.

Mr. Goodwin asked if they might be better positioned if they also did a market study. He got two quotes, both under \$10K. The other members present agreed it would be good to do. Mr. Nickas said they could perhaps ask for something less than doing a full study.

Mr. Fox noted Andrew DeFranza of Harborlight Community Partners has said he would still be interested in a project at Willow Street, which would be about 6 to 7 units. The

advantage is that Harborlight could use the \$300K grant money that was already allocated and Town Counsel Donna Brewer has said the smaller project would still qualify under the existing grant agreement.

Mr. Goodwin asked what the harm would be in running the options parallel. He will explore quotes and timelines for the market study and permitting.

Mr. Passaretti commented that if the Willow Street [smaller] project was considered too much money per unit when it was considered before, it is still too much money now. [Previously Harborlight had said they needed \$800K to construct the smaller project.]

Mr. Stein noted the Hamilton Affordable Housing Trust (HAHT) will have some money but no project. [The HAHT is expected to receive \$435K from the Canter Brook Estates developers.]

Mr. Fox said the HAHT's next meeting is Nov. 1.

Mr. Goodwin noted the HDC's mission is to improve the downtown. The HAHT's mission is to provide affordable housing. If the HDC can be accommodating, that's great, but it has to keep an eye on its own mission.

Mr. Stein said he thought they should run the two choices in parallel. [The choices include 1) selling the property after permitting the project or 2) entertaining a project from Harborlight if a deal can be worked out with the HAHT.]

Mr. Fox noted the check issued to Harborlight expires June 30, 2019.

To get a bank loan, Mr. Goodwin said, an appraisal and three years' worth of financials would be required.

Mr. Nickas thought the HDC had about \$170K in cash, which could be used for the study, permitting, appraisal if necessary, etc. Mr. Fox said he will run the actuals and find out what the HDC has that isn't budgeted toward something else. He will email the info. to Mr. Nickas and they will review it prior to the next meeting.

Downtown Improvements

Mr. Fox spoke with State Representative Brad Hill, who said he'd be willing to come to any of the HDC meetings. The next HDC meeting will be cut short for early voting, so it makes sense to invite him to the following meeting, assuming he's still in office. Rep. Hill has also offered to talk with the Secretary of Housing and Economic Development [Jay Ask] about

coming to Hamilton for a site visit. It was decided that Mr. Fox would reach out to Rep. Hill following the election if he wins. If Allison Gustavson wins, Mr. Fox will reach out to her.

Regarding the next public meeting at the library— Mr. Stein mentioned Mr. Gisness was going to have the landscape architect firm Carol Johnson complete the cost estimates with final numbers and then the HDC can work out a presentation. They would also discuss mechanisms for funding the downtown improvements, such as the sale of 59 Willow Street, a potential tax from the utility company spread across the base (for burying the power lines), various grants, bonding, meals tax, etc. Mr. Stein said he wanted to get a sense if people are interested and to keep enthusiasm going.

Mr. Goodwin asked who he could speak with regarding potential bonding. Mr. Fox recommended Treasurer/Collector Cheryl Booth. He suggested they ask her and Finance Director Marisa Batista to attend a meeting, but not the next one because it will be ending at 8 a.m. when the two will be just arriving to work. Mr. Nickas suggested they set up a separate meeting/conference call. Bonding would have to come from the Town because the HDC doesn't have credit, per se.

Rick Mitchell arrived to the meeting at 8:05 a.m. The group filled him in on their discussion.

Mr. Mitchell said his personal opinion was that they should figure out a way to permit the Willow Street project. But the question was whether the HDC can afford to do the permitting. Mr. Goodwin responded that Salem Five seemed "iffy." The group told Mr. Mitchell they were going to check the balance and see what they had in cash. The Meredian quote for permitting was \$30K-\$50K. A previous quote Mr. Fox had received [from W.C. Cammett Engineering, Inc.] was for \$56K. The total cost of developing the project would run about \$80K-\$100K, Mr. Stein estimated.

Mr. Stein said they wouldn't necessarily need an appraisal to sell the property; they'd only need one if they were going to try and refinance it. Mr. Goodwin noted the loan was up next June and if they still had the property then and needed to refinance, they'd need an appraisal.

When asked what he thought about Harborlight going ahead with the smaller project, Mr. Mitchell said his opinion is to say goodbye to them. He said Harborlight has signed a letter of intent with a project developer and will submit a PEL for up to 200 units at Longmeadow Way. He thought when they did that lawsuits would begin and would consume Harborlight's time. [The others disagreed because they thought the developer that Harborlight teamed with would be handling the bulk of it.] Mr. Mitchell said if Mr. DeFranza was willing to pony up \$600K in the next month or two, it might still be worth considering. Mr. Fox noted the amount asked for previously was \$800K. Everything hinges on the direction the HAHT decides to take.

The HDC discussed that Mr. Ford was “noodling over” the idea of taking the project through the permitting process for a fee. Mr. Mitchell said it would be interesting having a local person doing that—one who knows both the process and people. Mr. Stein and Mr. Mitchell discussed that when the project went to the Planning Board for site plan review, they would each have to recuse themselves. Mr. Mitchell asked if going down this path would preclude them from moving ahead with the downtown project until the HDC had the money. Mr. Stein said no, they needed to run it in tandem.

The HDC discussed that the public meeting’s purpose was to keep momentum going. They talked about perhaps inviting a member of the Board of Selectman and Finance and Advisory Committee, as well as some who might be considered “naysayers” to involve them in the discussion and get them on board.

Mr. Goodwin asked if it might make sense to first identify what State funding might be available to them. Mr. Nickas said that made sense. However, often money isn’t awarded until a project is pretty far along in the process. If the HDC sells the Willow Street property, it would have about \$120K to contribute to the project.

HDC members decided on the week of November 12 for the public meeting. Mr. Fox will check on the availability of the library room. If that week doesn’t work, they will try for the week after Thanksgiving.

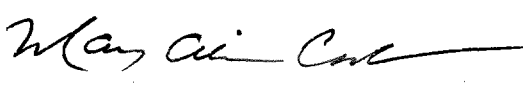
New/Old Business

Nothing additional.

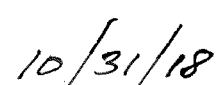
Adjournment

Mr. Stein made a motion to adjourn the meeting at 8:33 a.m. Mr. Goodwin seconded the motion. The HDC voted unanimously among those present (4-0) to adjourn the meeting.

Prepared by:



Mary Alice Cookson
Minutes Secretary

Attest Date