

**Town of Hamilton
Affordable Housing Trust
MEETING AGENDA
Thursday, May 1, 2025 at 6:00 pm**

***This is a remote meeting. Participation is via the log-in information below only.
No in-person meeting will be held.***

Join Zoom Meeting:

<https://us02web.zoom.us/j/87843151044?pwd=asaQQwvaogDNLdPVrnGL323epYu7rD.1>

Meeting ID: 878 4315 1044
Passcode: 564557
One tap mobile: +16469313860

1. Call to Order and Roll Call
2. Review/approval of the Draft February 27, 2025 meeting minutes
3. Authorization of Chair to sign Subordination of Mortgage for Essex County Habitat for Humanity affordable housing project at 436-438 Asbury Street in Hamilton
4. Discussion of Hamilton's HOME Funds allocation and potential vote on allocation of funds
5. Other Business
6. Adjournment

NOTE: Items may be heard out of the listed order. The agenda items listed are those items which were reasonably anticipated by the Chair to be discussed at the meeting. Not all items listed on the agenda may be discussed and other items not listed may also be brought up for discussion to the extent permitted by law.

Hamilton Affordable Housing Trust

MINUTES OF MEETING **DRAFT**

Zoom Meeting

February 27, 2025

HAHT Members Present Online: Chair Jamie Knudsen, Suzanne Soffa, David Smith, and Caroline Beaulieu

Also Present: Mark Connors, Planning Director; Jay Butler, Community Preservation Committee Chair; Meegan O’Neil, Habitat for Humanity; and Andrew Leonard, Harborlight Homes

CALL TO ORDER AND ROLL CALL

Affordable Housing Trust (AHT) Chair Jamie Knudsen called the Zoom-only meeting to order at approximately 6:30 p.m. and took a roll call. Present online were David Smith, Caroline Beaulieu, Suzanne Soffa, and Mr. Knudsen, constituting a full board.

REVIEW/APPROVE MINUTES—SEPTEMBER 24, 2024

Ms. Beaulieu made a motion to approve minutes from Aug. 20 and Sept. 24. Mr. Smith seconded the motion.

DISCUSSION:

Ms. Soffa noted that according to the September minutes, the AHT had approved the August minutes at the last meeting.

DECISION:

Ms. Beaulieu amended her motion to approve only the minutes from the Sept. 24, 2024 meeting. Ms. Soffa seconded the motion. A roll-call vote was taken with “ayes” from Mr. Smith, Ms. Beaulieu, Ms. Soffa, and Mr. Knudsen, (4-0) unanimous.

AFFORDABLE HOUSING UPDATES

- 434-436 ASBURY STREET (HABITAT FOR HUMANITY)
Meegan O’Neil, Essex County Habitat for Humanity executive director, shared photos of the homes and discussed construction progress and information about the future occupants. The foundation is in for the one-bedroom units. The two-bedroom units and three-bedroom units that are part of Phase 1 are almost complete and should be ready for occupancy in May while the other units are expected to be ready in the fall. She said that while they had expected the one-bedroom homes to be occupied by seniors, they would be occupied by 20- and 30-year-old singles. She discussed home features, including energy efficiency. Ms. Soffa commented with a thank-you to Ms. O’Neil for the amazing work on the project.
- ASBURY COMMONS (HARBORLIGHT)
Andrew Leonard, assistant director of real estate development for Harborlight Homes, presented details regarding the 45-unit family affordable housing project with 29 units

restricted for families earning less than 60 percent of AMI and 16 units restricted for families earning less than 30 percent of AMI. He said Harborlight was awarded State funding and tax credits enabling them to start the first phase of construction in late fall. He credited AHT and CPC funding and Town commitment to the project for being able to leverage those dollars. For every \$1 from the Town, he estimated \$6 was received from the State. Two pieces now being worked on are construction drawings and securing the additional financing. Harborlight has applied for Hamilton's local HOME funding and may apply for an additional CPC (Community Development Committee) grant. The expected completion date for the project is early 2027.

Al de Groot, 193 Chebacco Road, inquired about the status of the Housing Production Plan (HPP) and asked if the two projects discussed would be included. Planning Director Mark Connors said he would be issuing the RFP (request for proposal) next month. Ms. Beaulieu said Asbury Commons had put the Town into safe harbor for nine months, but that expires in May. At that point, they will have to be breaking ground on another project to put them back into safe harbor (potentially one at Gordon-Conwell Theological Seminary). Mr. Knudsen asked about the chances of further delays for Asbury Commons. Mr. Leonard said there is uncertainty at the Federal level, but if things remain steady, they feel confident about closing on the property this year.

CPC Chair Jay Butler noted that Harborlight Homes had previously requested \$1M in funding with the CPC approving a \$500K grant and the AHT contributing \$250K leaving a \$250K shortfall. Mr. Butler said that while the CPC has \$250K in its reserves, that money is spread over several accounts. Currently in the Community Housing account, there is \$0. After Town Meeting there will be \$70K. He said the CPC keeps a potential project list with A, B, and C categories. There are no Category A projects at present. The only Category B project is Town Hall. The CPC has \$500K earmarked for that if needed. The Category C projects include a recreation project for the tennis courts, Patton Park improvements, preservation of the Chebacco watershed, and the potential Asbury Commons ask. He said the CPC is at the limit of what it can bond. The only extra money coming in will be the State match, which is expected to be less than \$100K. In summary, he said there was not much money available. The next time grants will be considered will be prior to the 2026 Annual Town Meeting (ATM). Mr. Leonard responded that Harborlight would not be able to make a grant request until they receive their updated numbers. He thanked Mr. Butler for the information.

UPDATE ON HAMILTON'S HOME FUND APPLICATION

Hamilton's distribution from the North Shore Home Consortium totaled \$16,541. If these HOME funds are not spent by the end of this fiscal year (June 2024), they will go back into the regional fund. Mr. Smith asked Ms. O'Neil if she was in a position to make a request on behalf of Habitat for Humanity for the funds. She said yes as they anticipate cost over-runs that the HOME funds could help to cover. Both Ms. O'Neil and Mr. Leonard expressed interest in making an ask on behalf of their respective projects.

UPDATE ON FINANCIALS

Mr. Knudsen said not much had changed since the last meeting. Mr. Connors said he would discuss the financials with the Finance Dept. and provide a report at the next meeting.

Ms. Beaulieu bid farewell to the group. Her Select Board term (and therefore, liaison position on the AHT) is ending. Mr. Smith asked her for a Gordon-Conwell project update. She said the Seminary is

looking to sell 11 acres and set of dorms (209 units) on the lower campus and said there were nuances (involving zoning issues) to be worked out. There is a development agreement process about what might happen to the upper and middle campuses and there has been a lot of local involvement with abutters. They would be rezoning the lower campus and turning the dormitories into market-rate housing with 20 percent of them affordable at 80 percent AMI. They are hoping that would lead to getting the whole 209 units onto the Town SHI (subsidized housing inventory). They would not change the existing footprint of the dormitories. They would be deeded affordable in perpetuity. Ms. Soffa asked if there would be a Special Town Meeting (STM) for this since it would not make this year's Annual Town Meeting (ATM) in April. The answer was yes, and that it would likely be in June, but it was unknown whether it would appear on the same agenda as the 3A compliance issue.

Mr. Connors noted there will be an article on ADUs (accessory dwelling units) on the April ATM agenda.

OTHER BUSINESS

Mr. Knudsen mentioned the AHT vacancy for an at-large member.

ADJOURNMENT

At 7:27 p.m., Ms. Beaulieu made a motion that the AHT adjourn. Ms. Soffa seconded the motion. A roll-call vote was taken with "ayes" from Mr. Smith, Ms. Beaulieu, Ms. Soffa, and Mr. Knudsen, (4-0) unanimous.

Prepared by:

Mary Alice Cookson
AHT Minutes Secretary

Respectfully submitted as approved at the _____ meeting by Mark Connors. Planning Director.

Documents discussed at meeting:

- Minutes of the 9/24/24 Meeting, Mary Alice Cookson
- Habitat for Humanity project, PowerPoint slides of Construction progress, February 2025
- Letter from Kevin Hurley, North Shore HOME Consortium to Mark Connors and Draft Distribution of Funds

SUBORDINATION OF MORTGAGE

Town of Hamilton Affordable Housing Trust Fund, holder of a Mortgage from Essex County Habitat for Humanity, to itself dated August 3, 2021 and recorded in Essex South District Registry of Deeds in Book 40148, Page 598, ("Subordinated Mortgage") hereby agrees that said mortgage and the obligations secured thereby shall be and hereby are subordinate and junior in right to a mortgage given by Essex County Habitat for Humanity to Institution for Savings and its Vicinity, dated May _____, 2025, in the original principal amount of \$520,000.00 to be recorded herewith, and to future advances thereunder, to the same extent as if the latter mortgage had been executed and recorded and all advances made thereunder prior in time to the execution and recording of the subordinated mortgage.

Executed as a sealed instrument this ____ day of May, 2025.

**TOWN OF HAMILTON AFFORDABLE
HOUSING TRUST FUND**

By: _____
James R. Knudsen
Chairman

Commonwealth of Massachusetts

Essex, ss

On this ____ day of May, 2025 before me the undersigned notary public, personally appeared James R. Knudsen, Chairman, proved to me through satisfactory evidence of identification, which was a Massachusetts Driver's License, to be the person whose name is signed on the preceding or attached document, and acknowledged to me that he signed it voluntarily for its stated purpose on behalf of the Town of Hamilton Affordable Housing Trust Fund.

Notary Public
My commission expires:



STAFF MEMORANDUM

TO: Affordable Housing Trust members
FROM: Mark Connors
DATE: April 29, 2025
RE: HOME Funds appropriation

Hamilton has been awarded \$16,541 in HOME Funds that must be appropriated by June 30, 2025. Both Harborlight and Habitat for Humanity have submitted requests for the funds (see attached letters). Harborlight has requested funds to support the approved 45-unit Asbury Common affordable housing project. That project recently received a grant award from the Commonwealth and Harborlight anticipates construction to begin this year. Habitat for Humanity has requested funds for the 10-unit affordable housing project currently under construction and nearing completion at 436-438 Asbury Street.

The Trust must appropriate the funds by June 30 or they will be reallocated to a region-wide application managed by the North Shore HOME Consortium. The Trust has the option to make a vote on the request tonight, though I do anticipate that the Trust will meet one more time before June 30 when the Select Board representative for the Trust should have been selected.



Hamilton Affordable Housing Trust
Town Offices at Patton Homestead
650 Asbury Street
P.O. Box 429
Hamilton, MA 01936
Attn: Chair Jamie Knudsen, in care of Mr. Mark Connors

January 29, 2025

To Mr. Knudsen and Trust Members,

Our proposed Asbury Common project, at 466 Asbury Street, will create 45 new affordable homes in Hamilton. All units will be income-restricted rentals, with a mix of 1-, 2-, and 3-bedroom units. The new building will be highly energy efficient, Passive House certified, low water usage, and all-electric heating and cooling. Harborlight Homes is both the developer and the long-term owner and manager of the property. We are thrilled to add this housing option within town, which will bring Hamilton's percentage on the State Subsidized Housing Inventory (SHI) from 4.07% to approximately 5.6%. All units will count on the SHI, and all will be affordable to households at or below 60% AMI (in 2024, \$97,920 for a family of four).

The project has been permitted with a 40B Comprehensive Permit, and the septic plan has been approved by the Hamilton Board of Health. Asbury Common will be financed by a mix of local, state and federal funds, low-income housing tax credits, private grants, and conventional debt. As we assemble this funding through various application rounds, we would like to request that the Town of Hamilton commit two years of its regular annual allocation of HOME funds to Asbury Common. Although a small percentage of the overall project cost (approximately \$32.1 million), early town HOME funding is very important in leveraging the other funding sources and demonstrating town support and participation.

With site control and permit in place, and drawings advancing for construction readiness, we continue to pursue project funding in the coming months, including:

- EOHLC Funding: Submitted to Mini Round in September 2024, expecting decision any day
- Federal Home Loan Bank of Boston Grant: awarded \$850,000 grant and \$3 million in interest rate subsidy on permanent mortgage
- North Shore HOME Consortium: will submit application in Fall 2025 for next round of funding
- CPC Funds: awarded \$750,000 by HAHT & CPC

We anticipate having all major funding in place by Spring 2025 and breaking ground in late 2025.



Attached please find a project narrative, images, and current budget. We appreciate your consideration and support in bringing these high quality, affordable homes to Hamilton, and we look forward to talking further.

Thank you,

A handwritten signature in blue ink, appearing to read 'Andrew DeFranza', is positioned above the printed name.

Andrew DeFranza
Executive Director



Asbury Common

466 Asbury Street, Hamilton, MA
45 units, 100% affordable, supportive services
1-, 2- and 3-bedroom family housing
New Passive House construction
15% (7 units) for homeless families

Asbury Common will bring forty-five new affordable, family housing units with supportive services to Hamilton. Seven of the units (15%) will be for homeless families, and a total of 16 units will be for ELI households, supported by project-based vouchers (there is great demand for 30% units, and we would gladly use additional project-based vouchers if they are available). Asbury Common will provide supportive services to all residents and be staffed by an on-site Resident Service Coordinator.



Asbury Common was permitted under Chapter 40B, with substantial input and participation from the town and neighbors. There was no appeal, and permitting is complete. The proposed septic system has been approved by the Hamilton Board of Health (sewer not available). Harborlight has an option Agreement on the property and has site control. Hamilton is an affluent community with strong schools, and Asbury Common will bring the town to approximately 5.6% on the SHI.

This project will be Harborlight's first Passive House certified project. Our goal is to create sustainable homes while also reducing long-term operating expenses. With a combination of Passive House enclosure, properly sized all-electric heat pumps, ERV fresh air, and solar on the roof, we will ensure comfortable, healthy homes for residents while also controlling operating expenses. Electric vehicle (EV) charging will also be available.

Asbury Common will be located on a 4-acre property at 466 Asbury Street, about 2 miles from the MBTA station and downtown Hamilton. The parcel is adjacent to a recently constructed 23-unit 55+ community known as “The Village at Canterbrook Farm” on one side and protected farmland to the rear and side (owned by seller). Hamilton hosts a small downtown with a commuter station and is conveniently located along Route 128.

Exterior amenities will include a playground, raised bed garden, walking paths and a furnished exterior terrace. Interior amenities include a community room, children's play and activity room, and laundry on each floor. The units will be a mix of one-bedroom (10), two-bedroom (25) and three-bedroom (10). This unit mix allows us to accommodate many types of households while staying under the bedroom limit for a passive septic system.



In addition to housing, Asbury Common will provide services to all residents, and will be staffed by an on-site Resident Services Coordinator. This will allow families to more easily connect to services that will help them stay in their housing and advance their lives and goals. The project is planned with many community spaces, both indoors and out, where local partners can run programming for children and adults. This programming could include before and after school programs, health and wellness classes, adult education, ESL, financial counseling, and community gardening. All children living at Asbury Common will have the opportunity to take advantage of Hamilton/Wenham’s strong public schools.



Remaining funding applications include local HOME funds from the Hamilton Affordable Housing Trust and regional HOME funds from the North Shore HOME Consortium, which will be submitted in the fall 2025. We are currently awaiting EOHLC funding through a September 2024 Mini Round submission. However, Asbury Common was recently awarded a FHLB of Boston grant and interest rate subsidy in the July 2024 round. The current TDC is \$32.1 million, or \$713,333 per unit.

Project Team:

Sponsor: Harborlight Homes

Architect: SV Design

Civil Engineering: Hancock Associates

Mechanical Engineering: Peterson Engineering

Envelope & Passive House Consultant: RDH

General Contractor: Windover Construction

Harborlight Homes
Asbury Common, Hamilton
45 units - new construction

1-bed	10
2-bed	25
3-bed	10

Sources

Fed LIHTC equity	\$9,099,090
MA LIHTC equity	\$5,121,255
Solar and Passive House tax credits	\$120,075
Deferred fee	\$100,000
FHLB grant	\$850,000
Passive House Incentive	\$162,500
MA DHCD soft debt	\$8,984,282
North Shore HOME Consortium	\$500,000
Hamilton HOME	\$50,000
Hamilton AHT	\$750,000
Perm loan (mortgage)	<u>\$6,360,000</u>
Total:	\$32,097,202

Construction loan	\$15,775,000
-------------------	--------------

Uses

Land acquisition	\$1,110,000
Construction	\$23,385,979
Construction contingency	\$1,169,299
Architecture + Engineering	\$850,000
Legal	\$120,000
Const. loan interest	\$1,100,000
Other development costs	\$1,338,646
Capitalized reserves	\$295,484
Developer OH/Fee	<u>\$2,727,794</u>
Total:	\$32,097,202



February 28, 2025

Dear Members of the Hamilton Affordable Housing Trust:

Essex County Habitat for Humanity requests the allocation of your locally allotted HOME funds in the amount of \$16,541 for FY 24 for our project located at 434-436 Asbury Street.

As you know, Habitat is building ten deed-restricted affordable homes on the site. These homes will be built as duplexes, and include 4 three-bedroom units, 2 two-bedroom units, and 4 one-bedroom units. As construction costs have risen on this project, the additional support for the project would provide much needed relief for the cost-escalation that has occurred since we began the project in 2021.

We deeply appreciate your support on this project and we look forward to welcoming ten new neighbors to the community this year!

Sincerely,

A handwritten signature in black ink, appearing to read "Meegan O'Neil".

Meegan O'Neil
Executive Director