

Meeting Notes



Small Town Housing Working Group

Date: Thursday, November 17, 2022

Time: 5:30-7:00 p.m.

Location: Online

Staff Contact: Andrea Donlon, adonlon@frcog.org (413)774-3167 (ext. 127)

Working Group Webpage: <https://frcog.org/chip/ih2/small-town-housing-workgroup/>

Next meeting: Most likely January 19, 2023 (January 26 is other possibility)

Attendees:

Jen Audley, notetaker (FRCOG staff, FC/NQ CHIP)	Gina Govoni (FCRHRA / RDI) Executive Director
Marybeth Chichester (Colrain Planning Board)	Analee Wulfkuhle (Deerfield Planning Board)
Catherine Wolkowicz - (Whately Housing and CPC)	Susan Worgaftik (Housing Greenfield)
Unidentified: "Samsung SM-S908U"	Nevin Murray (FCCLT)
Andrew Baker (Shelburne Select Board)	Saul Shanabrook (Valley Housing Co-op)
Jon Gould (Senator Hinds' Office, soon to be with Senator Mark's office)	Megan McDonough (Pioneer Valley Habitat for Humanity)
Jerry Lund (Franklin Regional Planning Board)	Judy Atkins (FCCLT)
Andrea Donlon (FRCOG planning staff)	Mariah Kurtz (Erving Town Planner)
Mike Shaffer (FRCOG Executive Committee)	Lily Linke (CHAPA MEI)
MA Senator Jo Comerford	MJ Adams (City of Greenfield)
Martin Omasta (Franklin County Community Land Trust -- FCCLT)	David Greenberg (Colrain Planning Board/FCCLT)

Background provided by Andrea Donlon by email in advance:

The basic thread of our discussion is that it's hard to create affordable housing in the rural towns of Franklin County (and other rural areas in the state). Finding a way to fund projects is difficult. There has been interest in towns being able to pool together resources, through an inter-municipal agreement, and this may require new legislation. For towns to pool together resources, towns will want to see a benefit for them, even if an affordable housing project is built in another town – otherwise, any agreement or project will not be easily approved at town meeting.

Three discussion topics are related to the thread articulated above in italics:

- **Local Option Transfer Fee bill**, which was S.868/H.5351 in the last session. Senator Comerford was a lead on this bill, and it got sent to study in October 2022. We'd like to get her perspective on why it didn't make it, if there are tweaks needed, and what we can do to advance it in the upcoming legislative session. Bill info summarized here: <https://www.westernmasshousingfirst.org/wp->

<content/uploads/2021/02/Transfer-Fee-Fact-Sheet-Jan-2021.pdf> . This bill, if signed into law, could allow towns to opt in to raise revenue for affordable housing.

- Discuss the idea of a **regional Affordable Housing Trust** or other ways of towns pooling together funding to create affordable housing. CPA towns may be best poised to join forces together, but this could be especially useful if the local option transfer fee bill passes.
- See if Senator Comerford has input on the notion of a **regional Subsidized Housing Inventory (SHI) % goal** – Chapter 40B housing law and associated regulations set guidelines at 10%. The law has been in place for 53 years, yet there’s only one town in MA with < 1,000 housing units that has reached the 10% goal (Aquinnah on Martha’s Vineyard); most of the other towns are still very close to zero. Changing this in some way might require a change to the law or regulation, or both. A couple of ideas of how to do this would be 1) develop a regional SHI, such as 15-20% for all of Franklin County, or 2) all towns >1,000 housing units still shoot for 10%, but towns <1,000 could do something different or be able to group together. We’d like an option that still captures the spirit of 40B, but would make it more palatable for towns to be able to pool CPA funding or other funds in a regional affordable housing trust to create affordable housing, and have the SHI # benefit the towns contributing to the funding, even if a specific project is not in their town. SHI table for Franklin County is attached.

Legislative discussion with Senator Jo Comerford

Senator Comerford joined us for about 30 minutes before having to leave for another meeting. She expressed interest in joining future meetings of this group, and encouraged us not to be deterred by official deadlines for filing legislation, “late filing can happen.”

She described the 2021-22 session as yielding “some money, but not much in terms of policy” for housing. Is optimistic about better outcomes in new term. It is crucial for affordable housing advocates to help shape an agenda. Governor-elect Healey has indicated her intention to “promote a housing secretary,” and the transition to a new team/new structure creates a window of opportunity for us to engage in new and more productive ways. The Senator described it as a “crowded space” in which she can work to make sure our interests are represented.

RE the Local Option Transfer Fee bill (S.868/H.5351 in the 2021/22 session) – Comerford will re-file the bill, Reps Vargas and possibly Barber are potential House sponsors. Describes the Local Option for Housing Affordability (LOHA) proposal as “one of the smartest,” and “one of our favorites” and as a “one-time fee that only impacts the seller and buyer, highly customizable at the local level. The only requirement is that funds raised *must* be used for affordable housing.”

Sticking points in the last session being debated now are the definition of “luxury” – some legislators from the eastern part of the state are arguing for a higher floor, e.g., setting the threshold above which the fee would apply at \$2 million, rather than 50% of median sales price for municipality or region. This would be unacceptable for our communities; such a floor would render almost all local real estate transfers ineligible. Also, the Housing and Environment Revenue Opportunities (HERO) coalition is

advocating for a splitting funds raised by a real estate transfer fee between climate/environment and housing uses.

The language of the new bill is being worked out now, and ideas about how to refine it are welcome. The best contacts for the LOHA coalition locally are Susan Worgaftik (suworg1@gmail.com) and Pamela Schwartz from the Western Massachusetts Network to End Homelessness (pschwartz@westernmasshousingfirst.org). Senator Comerford also welcomes feedback/suggestions.

Highlights from discussion (including some from after Senator Comerford departed) –

There was concern about limited amount of funding that could be raised locally from transfer fees in smaller towns with small number of sales and broad support for exemptions for elders, farms, etc. Leaving decisions about how and to whom transfer fees will apply in the hands of local boards and Town Meetings will further strain the capacity of smaller towns.

There is interest in provision/mechanism for redistribution of revenue raised by wealth taxes such as this transfer fee to address equity issues – as it is, more affluent municipalities will generate funds for affordable housing production much more robustly, whereas smaller towns will generate less revenue and have more limited options for using what they do raise.

Observation that working hand-in-hand with environmental/climate justice advocates could increase base of support for affordable housing. New affordable housing spending could be tied to green building and renewable energy goals, locally or in legislation.

LOHA will be one of multiple strategies for producing more affordable housing. Susan Worgaftik notes that she and Pam Schwartz are actively involved with a coalition of hundreds of organizations that is working on crafting a housing-focused agenda for the upcoming session, potentially to be presented as an omnibus bill. Susan describes the conversation as “very fluid right now” and says ideas are welcome.

Catherine Wolkowicz and others spoke about municipalities’ needing to have professional, dedicated planning staff and other staff support in order to take advantage of opportunities in housing development, noting that RDI does not have enough capacity to assist towns with smaller projects. This is a challenge in municipalities and for regional collaborations. Could shared staff/regional staffing help?

Gina Govoni noted that RDI has increased capacity now in large part due to an earmark secured by Senator Comerford, which funded the creation of a full-time development director role this calendar year. She wants to rely on developer fees through the programs that already exist, rather than asking the state for “handouts” to increase development capacity, but concurs that state development funds are geared toward larger, more metropolitan projects. Agrees that RDI’s capacity is still somewhat limited.

Susan W. clarified that the source of her objection to the HERO coalition's proposal is specifically that the administration would be through the MA Department of Housing and Community Development (DHCD). Foremost among her hopes for the new administration is "to get someone from high up at DHCD out here and have a real conversation with them" about how their programs are designed for communities in the eastern part of the state.

There was agreement that the new administration creates an opportunity for Western MA housing advocates to bring concerns and ideas to state leaders. Senator Comerford would like to help with this; suggests that we identify our top 5 things "grounded in current reality." Gina Govoni suggested that such a list was developed as the non-legislative housing-related priorities on the CHIP's 2021-2022 legislative agenda, and the list could be updated. The original list is copied below for reference, but was not presented at the meeting.

List of rural-friendly changes to certain state housing programs at DHCD and Executive Office of Housing and Economic Development (EOHED):

- a rural set-aside in the Community Scale Housing Initiative (DHCD);
- rebranding the 40R Starter Home Zoning to reflect the needs of new homeowners and seniors looking to downsize;
- simplifying 40R to make it easier for towns with no planning staff to implement, and to be more adaptable to a town's existing zoning;
- amending the Housing Choice Initiative designation criteria to recognize regional best practices and allowing for multi-town designation applications.

[Note: since the Small Town Housing Working Group meeting, some updates have been added that are still being drafted. FRCOG will share the updated list at a later time.]

Regional Affordable Housing Trust or other ways of towns pooling together funding to create affordable housing. Most of the discussion of this topic centered on the idea that towns and community members must buy into the idea that affordable housing is a problem (and their problem) in general before this can move forward – there are plans in the works for a public messaging campaign. Andrea Donlon is the point person for this.

Marybeth Chichester said it would be helpful to have information and explanations about "the options" – there are many different types of affordable housing, with different rules and benefits. Nevin Murray suggested "a one pager for everyone in the community (particularly for new housing advocates) types of affordable housing development in MA" and Mike Shaffer suggested that education around "owning houses vs rental would probably better for some towns." Lily Linke said that CHAPA could help with this.

The notion of a **regional Subsidized Housing Inventory (SHI) % goal** was not discussed with Senator Comerford, and limited discussion by the group did not result in consensus. Mariah Kurtz expressed concern that if communities had the option to pool funds and potentially got SHI credit for units that were built in other towns, could give communities that are resistant to adding affordable housing a way to meet the 10% threshold set by MA 40B without actually adding affordable units to their own housing

inventory. This was viewed as a legitimate drawback to the idea, yet the group is interested in finding ways to incentivize towns contributing to affordable housing together.

Jerry Lund noted that the Windham/Windsor Housing Trust is a non-profit developer in VT that has a track record of innovative and successful re-use/renovation of buildings that could be a model. Gina Govoni notes that RDI is the analog to W/WHT in our region, and that while “VT is quite different” they have a strong collegial relationship and have applied lots of what they’ve learned from them in new development projects coming online now, such as the expansion of the Wells St Shelter in Greenfield to include 36 ‘permanent’ supportive units.

Saul Shanabrook asked if regional energy aggregation could be looked at as a model approach and if there was already a group of municipalities working together on energy aggregation here. Andrew Baker said Franklin County communities did work together regionally for energy aggregation.

Property tax foreclosure – reforming tax title taking or tax sales in MA.

Senator Comerford shared that Representative Jeff Roy (10th Norfolk) had approached her about a bill he is sponsoring related to the taking of titles for unpaid back taxes. She is considering co-sponsoring it and welcomes input from constituents.

Later, the group’s discussion of this topic was limited, but it was noted that while municipalities’ right to take titles this way is established under MA law, whether to actually do it is a local decision. The argument against it is that the approach to recouping tax debt owed to the town results in the property owner losing all of the equity they have in the property. It has been a high-profile issue in Greenfield recently but has not been coming up in other towns. There is a group in Greenfield actively working on this issue.

Updates from the group

Jerry Lund noted that the question of re-use of the Farren complex seemed to be coming to a close. At a hearing held by the Montague Historic Commission on 11/16 regarding the demolition delay bylaw, “95%” of the comments were in favor of demolition.

Gina Govoni shared with this group the project Rural Development Inc. (RDI) is doing with Clinical Support Options (CSO) to expand and create shelter and housing at 60 Wells Street in Greenfield.

Martin Omasta and others from the Franklin County Community Land Trust reported that Equity Trust had reached out to them and other Land Trusts in the region to organize a meeting in early December between the local CLTs to discuss banding together. <http://whenisgood.net/wjr7b79> is where the scheduling is happening Rebecca Fletcher, Rob Crowner, and Jim Oldham from Equity Trust & Amherst CLT are the organizers.

Andrew Baker announced that Shelburne voters adopted the Community Preservation Act earlier in November.

Andrea Donlon shared that she is also on the Buckland Planning Board, which is working with Peggy Sloan of FRCOG to prepare zoning bylaw changes related to (STRs) short-term rentals. The Planning Board has not yet held a hearing on the changes, but the current draft proposes to require that all STRs be owner-occupied in order to reduce the impact of STRs on housing. At a recent meeting, the Planning Board received much pushback from STR operators who currently have or plan to have non-owner-occupied rentals. David Greenberg noted that the Colrain planning board is also working to address STRs.

There was brief mention of the news that the former Wilson's Department Store in downtown Greenfield was purchased and will be changed to the Greenfields Market on the ground floor, and apartments (some affordable) on the upper floors.

Next meeting was tentatively scheduled for January 19, 5:30-7:00PM.

Original meeting agenda for this meeting.

Time	Agenda Item	Presenter
5:30 pm	1. Introductions (make sure your name and affiliation on the Zoom screen – we will not have time to go around the screen with introductions)	
5:35 pm	2. Legislative discussion with Senator Jo Comerford	Group & Senator Comerford
6:00 pm	3. More legislative discussion and planning after Senator Comerford departs	Group
6:30 pm	4. Property tax foreclosure – reforming tax title taking or tax sales in MA. Exploration of this as an issue in our towns.	Group discussion, facilitated by Andrea Donlon
6:40 pm	5. Updates and ideas & date for next meeting	Group
7:00 pm	6. Adjourn	Group