

## **Concord Affordable Housing Finding Committee draft**

Meeting Minutes February 20, 2019

Committee members present: Todd Benjamin (chair), Holly Darzen (clerk), Ray Andrews, Sue Myers (via phone), Vince Carlson

Others present: Linda Escobedo, Susan Bates

1. Schedule reminder: SB public hearing 2/26. Planning Bd. hearing re zoning & affordable housing will be **3/13 (note changed per TB subsequent email)**. Ray will contact Planning Bd. about what is being considered. Linda noted that the Envision Concord has a section on zoning.
2. Linda reported that the moderator advised the Select Bd. that adding commercial proposed transactions to the transfer tax fee increase cannot be done at this time since it is an increase in scope. Linda thinks revising the Building Permit Fee surcharge to more clearly reflect the intent of the committee recommendation (basing it on construction value) would be allowed. The Select Board hasn't yet discussed changes to that TM warrant. Holly stressed the importance of trying to change that, as well as trying to adjust the language in both revenue warrants (#25 transfer fee and especially #26 building permit surcharges) to indicate revenue should go to the Municipal Affordable Housing Trust Fund, or to be distributed under the direction of the Select Board until that Trust Fund is established. It would be preferable to make these changes prior to the warrants coming onto the floor of Town Meeting if possible. Linda reminded the committee about the opportunity on 2/26.
3. Vince noted that the wording of the warrant articles avoids the use of the word "tax". Linda suggested it would be good to use "local transfer tax surcharge" in the title of Article 25, reflecting the title. She also recommended looking at the Somerville transfer tax wording, stipulations, exclusions. Some of this could be added to the 2<sup>nd</sup> Town Meeting round of voting after state approval.
4. Vince also noted that the LOWV has concerns about how the Trust Fund would operate. Tray said that this may be clarified in already existing state legislative guidelines. Vince said he was informed that Todd would be invited to the LOWV
5. Holly asked if revenue on commercial real estate transfers was a big part of our revenue estimate, since it will not be included in the warrant article. Sue will check.
6. Todd described statement by a real estate professional about the double taxation potential, whereby a new homeowner who paid the transfer tax, then renovating their home would have to pay the building permit fee surcharge. It was decided we need a FAQ sheet providing answers to the questions/objections expected at Town Meeting. One response needs to reiterate that the that it is important to spread the revenue burden among different groups. There should also be clarification that some more specifics can be added for the 2<sup>nd</sup> round of Town Meeting approval.
7. Todd will contact the Concord Journal for a correction on the amount indicated in Article 23.

8. Regarding the final report to the Select Board, Todd will look for an article or summary of the case for affordable housing as it contributes to the economic development of the town. Affordable housing is an investment; this is reflected in the Long Range Plan. Holly has distributed a summary of the revenue that would have been raised by the building permit surcharge in 2017 if it had been applied as suggested in our report with the sliding scale. Residential project fees would have raised about \$1.44 million and commercial projects would have raised about \$790,000. It was suggested we add a sentence to the final added section of the committee's report. Vince will provide links to articles about other towns doing what we are trying to do.
9. Linda indicated that we have 35 days to clarify and make a case for support for the TM warrant articles, so we need to listen closely to all comments, such as why an affordable housing trust was suggested. Sue Myers asked that we all email questions for the Q&A list then divide up doing the responses.
10. Linda also noted that the governor wants to increase the real estate transfer fee to fund initiatives addressing climate change. Jamie Eldridge's is also supporting a proposal that would split the revenue from an increase in the transfer tax between town's affordable housing and climate change initiatives.
11. Sue is back Monday 3/11; our next meeting will be 3/14 at 7PM

Respectfully submitted  
Holly Darzen