

Economic Development Committee

December 17, 2020 - Final

Present: Ron Rzasa (Chair), Fran Shippee (BOS Representative), Julianna Dodson, John Pieper, Robert Korb, Judy Idelkope (Advisor)

Absent: Faith Mba

Guests: Jeff Scott, Keith Thibault – SWCS, Todd Horner – SWRPC, Jay Kahn – State Senator, Planning Board
Members: James Corliss (Chair), Joe Parisi, & Joe Brodbine

Meeting called to order: 5:00 PM via Zoom

COVID-19/Coronavirus crisis and in accordance with Governor Sununu's Emergency Order #12 pursuant to Executive Order 2020-04, this Board is authorized to meet electronically, etc.

Presiding: Ron Rzasa

Secretary Report:

Dec. 3, 2020 EDC meeting Minutes

Rob 1st & Julianna 2nd: Unanimously Accepted as written

Dec. 13, 2020 Field Trip to Marsh House Minutes

Rob 1st & Julianna 2nd: Unanimously accepted as written

Old Business

1. **Senior Housing:** Chief Developmental Officer Keith Thibault of the Southwest Community Service Agency provided an outline in how to establish Senior and/or Workforce housing in Chesterfield. Senator Jay Kahn presides on the agency's board.
 - a. The agency's mission is to empower low-income people and families. With dignity and respect, SCS will provide direct assistance, reduce stressors, and advocate for such persons and families as they lift themselves toward self-sufficiency. In partnership and close collaboration with local communities, SCS will provide leadership and support to develop resources, programs, and services to further aid this population. They run such programs as Head Start, Energy assistance, Nutritional/Health Services, etc. Chesterfield inquired about its Housing Development Program.
 - b. Small towns have a need for senior housing and the agency provides the resources for it. It has already developed eleven properties in Cheshire & Sullivan Counties. These can be found on their website: <https://www.scshehelps.org/housing/>. Once the property is built, SCS manages it so that the quality of life will not degrade. Presently, the average unit rents for approximately \$700 - \$800 per month, including utilities and outside maintenance. It is usually one building with multiple units, common rooms, and outdoor spaces.
 - i. Arrangements can be made to view these properties.
 - c. The properties are financed through IRS tax credits (2/3) and Block Grants (1/3) The SCS finds the investors for the Tax Credits which are usually banks. The town's BOS would have to apply for a Block Grant but the SCS would help in the application. The tax credits are awarded once a year and they are highly competitive. Sometimes it takes several attempts before being able to get a reservation for funds. The process could take 3-4 years. Once the funding is approved, it can take 12 – 18 months before breaking ground.
 - i. Once the investors tax credits run out (approximately 10 years), the SCS assumes ownership of the property.

- d. Senior Housing is defined as the head of the household being 62 years or older. There are no restrictions as to who can apply. Early in the process, the names and addresses of persons interested are collected. Generally, because the development is not well known, these will be residents of the town or their relatives who want to live closer. Once the property is ready for occupancy, this list is used.
- e. Because of the length of time this takes, it is best that the land is not already listed. SCS will require exclusive option to the property. If the land is purchased by the town, there may be reimbursement at fair market price. However, this will delay the process because it would have to go to Town Meeting. If the land is already owned by the town, it can be leased to SCS. This also requires Town Meeting approval. Ridge leased a parcel of land to SCS, but the process took 10 years.
- f. This project will proceed as any other development in the town with SCS being the developer. SCS will be responsible for site plans, etc. and approaching all the necessary boards and getting all the approvals. This would proceed after a Market Study by an outside professional company has concluded there is a demand for this type of housing. If the community pushes back, SCS will not move forward.
- g. Taxes: A State RSA establishes that the property taxes paid will be based on 10% of the gross rental revenue of the potential residents. The assessed value is not taken into consideration. This overrides any tax regulation the town may have.
- h. The size of the development depends on the land. If more than 24 units are desired and the land can accommodate them, the development is best done in two phases. It is generally easier to get funding for a second phase.
- i. Judy Idelkope asked about septic and water as the town does not provide these services. It would have a private septic system and a community water supply. The community water system will fall under DES regulations requiring quarterly testing.
- j. Joe Parisi asked what reasons the town would have for rejecting these projects:
 - i. Not being able to restrict who can live there
 - ii. Not getting full property taxes
 - iii. Block Grant process
 - iv. Push back against work force housing
 - v. Concerns made by abutting property owners. This will be addressed early through meeting with them. If the concern is serious enough, the project will not go forth.
- k. James Corliss brought up that the town of Chesterfield regulations only allow 36 apartment units or one mobile park per year. Plus, it requires 5,000 sq feet per dwelling so at least 5 acres would be required for a 24-unit project. Also, the Planning Board conducts free conceptual consultations. It is particularly important that detailed plans be presented during the formal planning board presentation. A letter to applicates can be found on the town website which would assist in this matter.
- l. Julianna Dodson asked about the first step in moving the project forward. Chesterfield's BOS and SCS would sign a Memoranda of Understanding (MOU). SCS has general ones available which they could forward to the BOS to use as a base line. This is a negotiated document which would eventually lay out the rules and understandings between the SCS and the town for the development.
- m. Todd Horner volunteered to help the committee learn about Block Grants.

- n. **In Conclusion:** If the land is not owned by the town, there would be no town meeting or vote required. The SCS would be responsible for the land purchase, development, and management of the property. SCS would be considered the developer thus requiring it to go through the proper channels for approval. It would require a MOU negotiated between SCS and the BOS. The BOS would have to apply for a Block Grant to cover 1/3 of the cost.

Further Business was tabled till the next meeting.

Next Meeting
Thursday, January 7, 2021
5PM
Via Zoom

Meeting Adjourned at 6:14PM
Respectfully Submitted by,
Donna Roscoe, Secretary
December 17, 2020

Final