



TOWN OF WARE

Planning & Community Development

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Minutes from March 17, 2016 Community Development Authority

Authority members present: Dave Gravel, Chairman, Bill Adams, Paul Opalinski, Tracy Opalinski, Brenda Cooper

Authority members absent: none

Staff present: Karen Cullen, Director of Planning & Community Development

Public: Sheila Cuddy, QV CDC

D. Gravel called the meeting to order at 6:33 p.m.

1. Administrative

- a. Minutes of December 17, 2015 – Motion by B. Adams to approve the minutes as presented; second by P. Opalinski. Motion passed 5/0/0.
- b. Minutes of January 7, 2016 – D. Gravel requested a modification in the wording of the first paragraph under training on page 3 to reflect “end of term” rather than “he resigns.” Motion by B. Adams to approve the minutes as amended tonight; second by T. Opalinski. Motion passed 5/0/0.
- c. Financial Report (taken out of order later in meeting) – K. Cullen reviewed the report and provided explanations of various items. Motion by B. Adams to accept the report as presented; second by P. Opalinski. Motion passed 5/0/0.

2. New Business

- a. QV CDC Updates – S. Cuddy presented updates on two initiatives and the QV CDC loan.
 - i. Financial Fitness project – Ms. Cuddy submitted a report dated 3/17/2016 on the completion statistics of the Harrison and Diane Quirk Financial Fitness Club. She reviewed the statistics with the CDA and answered questions. She noted that the typical success rate for these clubs is about 25%; this club had a completion rate of 57% (4 out of 7) which is pretty good for a first time running it. The participants were required to have some household income, be low-moderate income, and live or work in Ware. Seven started but three dropped out early for various reasons. See handout for additional information.

Ms. Cuddy stated the CDA had given \$5,000 last year for the program, and they plan to run it again this year. They will roll it out during the summer with a start date in the fall. They had hired a consultant for the first year to get the program underway, and are unsure if they will hire her again – she has 20 years of experience doing this and was extremely good with the participants. Ms. Cuddy asked the CDA if they would consider a donation again this year. D. Gravel stated the Authority will take the request up later.

- ii. Community College initiative – Ms. Cuddy gave a brief update on this project, stating they are in the process of moving into the space on Main Street, which is 79 Main Street, in the Country Bank building. Workforce development classes will begin in April, and college classes with Holyoke Community College will begin in the fall semester with an online coach at the site to assist students. It was noted there is already a large response of students who want to take classes at the site.
- iii. QV CDC Loan from CDA – Ms. Cuddy submitted a memo dated 3/17/2016 on a request to modify the existing loan agreement. She stated that with the continuing poor economic climate here, the CDC cannot afford to refinance with a bank the \$60,000 loan (original amount) negotiated a couple years ago with the CDA, which has a balloon payment due in November 2016. The CDC would like to extend the current terms which are monthly payments of \$100 with a 1% interest rate. If that is not acceptable to the CDA, the CDC would like to amortize the loan over 30 years at 1% interest; this would almost double the monthly payment (about \$192).

Ms. Cuddy summarized their current situation: they are required to rent at least half of their spaces to non-profit tenants, whom all depend on grants and similar funding sources, and with the difficult economy they have struggled to pay all their costs; as a result the CDC has not increased rents for the non-profit tenants. There is one for-profit tenant and they have increased the rent for them, but only slightly. Meanwhile, the costs for repairs and maintenance of the building continue to increase.

Ms. Cuddy also said there is potential for two of the non-profits to move out this year. K. Cullen asked if the CDC is considering renting space to for-profits once the restriction on who they can rent to expires at the end of this year; Ms. Cuddy said it will depend on the market rate rents in town. She added they have been considering creating a workshare space that would allow small businesses to have space where they could use shared services such as administrative assistants, office equipment, and broadband internet (which is not available in some of the smaller towns in the region).

Ms. Cuddy stated she is hoping the CDA can make a decision on how they want to proceed with this loan fairly quickly, as the current loan being due in full this November is a liability on their balance sheets and is impacting other things they are doing. D. Gravel stated the Authority will take the request up later.

- b. Training – the Community Development Strategy – this item was tabled until the April meeting due to the lack of time for it tonight.

3. Updates

a. FY13 CDBG

- i. K. Cullen said this grant is in the final stages of close-out; we had to return \$26,031.72 to DHCD. This was the result of a housing rehab project that had timing issues and PVPC ended up using other CDBG funding sources to pay for the project since it could not be done before the deadline for using the FY13 funds.

b. FY14 CDBG

- i. K. Cullen stated there is still some money, about \$20,000, from the infrastructure projects that will not be needed and can be reprogrammed into a different activity. Based on the desire of the CDA to use some of the Program Income (PI) money for demolition of one of the PARP properties that is beyond saving, the PVPC recently suggested we move forward with demolition of 33 Vigeant Street, using a combination of PI (\$25K) and FY14 funds (\$20K). K. Cullen summarized a recent meeting between town staff and PVPC, and the CDA discussed the situation at length. The first thing that needs to occur is to get an asbestos survey done, that will cost between \$1200 and \$2500 to complete and cannot be done with the CDBG funds; K. Cullen suggested it be paid for out of either the cash account or the CD Revolving account. The CDA in general felt this particular property has a lot of serious issues and they are concerned it will be unrealistic to use the CDBG funds to demolish and remove the building. However, they also believe the town will, at some point, end up having the building removed and the site cleaned up, and will own the parcel eventually. To that end, the CDA thought it was reasonable to use some funds to complete the asbestos survey, which is a required first step regardless of any future action.

Motion by P. Opalinski to allocate up to \$2,500 of the Cash Account (1054) to cover the cost of the asbestos survey for 33 Vigeant Street; second by T. Opalinski. Motion passed 5/0/0.

c. FY15 CDBG – Ware River Valley

- i. HR, Ware – PARP multi-family units. K. Cullen summarized the current status with these projects: three properties with a total of eight units, currently in the initial stages of income qualification; PVPC working with applicants to get that step done. K. Cullen reminded the CDA that when this application was prepared, the CDA decided to – but did not vote on since at the time it was premature to do so – put up a 1:1 contribution up to \$5,000 per unit to match owner contributions, noting this portion would be a permanent lien. She asked for a vote on that tonight, to reserve the needed funds from the PI account in the event that the owners wanted to put up their own money for the match. K. Cullen said it is possible we will not need the full amount.

Motion by B. Adams to allocate up to \$5,000 per unit from the Program Income account for the one to one match of owner contributions for the housing rehab program with the PARP property owners under this grant. Second by B. Cooper. Motion passed 5/0/0.

- ii. Social Services – tabled until April.

d. Program Income Funds

- i. Monroe St Brownfield – Discussion on the status of this project, which has come to a standstill. The CDA requested K. Cullen to contact the environmental consultant and PVPC to get this project moving again. The CDA reiterated their commitment to moving this project along and have committed PI funds to do so.

4. Other – K. Cullen asked the CDA if they wanted to review and write a letter of review on the Open Space & Recreation Plan, which will be submitted to MA DCR for approval on May 1. The CDA decided to review the plan and take this request up at the April meeting.

Return to 2a, discussions with QVDC:

- i. Financial Fitness Club – Discussion regarding the cost per person to run this club, it's quite high. Desire for more people to complete the program; discussion regarding tying a number of participants completing the program to a donation from the CDA. That idea was eventually rejected. Motion by B. Adams to donate \$5,000 from the CD Revolving Fund to the QVDC for the Financial Fitness Club; second by T. Opalinski. Motion passed 5/0/0.
- ii. QVDC Loan – Discussion regarding monthly cost to the CDC and whether it would be realistic for them given their current situation. With the restriction on who they can rent to expiring in November 2016, they may be in a better position to pay more next (calendar) year. After discussion, motion by b. Adams to continue the current arrangement with payments of \$100 per month at a 1% interest rate for an additional 12

months, to November 2017, and that QVDC shall come to the CDA to provide an update in May of 2017; second by B. Cooper. Motion passed 5/0/0.

5. Adjourn – **Motion** to adjourn by T. Opalinski at 8:53 p.m. Seconded by P. Opalinski. Motion passed 5/0/0.

*Respectfully submitted by Karen Cullen
Director of Planning & Community Development*