



**The Town of Barnstable**  
**Affordable Housing Growth & Development**  
**Trust Fund Board**  
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**Mark S. Ells, Chairman**

**Friday, June 6, 2025**  
**Affordable Housing Growth & Development Trust Fund**  
**Board Meeting Minutes**  
**9:00 A.M.**

Alternative public access to this meeting was provided by utilizing a Zoom link or telephone number, both provided in the posted meeting notice.

**Board Member Attendees:** Andy Clyburn, Mark Milne and Laura Shufelt.  
Mark Ells (absent)

**Other Attendees:** Jillian Douglass, Trust Administrator, Planning & Development; Corey Pacheco, Senior Planner, Planning & Development; Ellen Swiniarski, Community Preservation Coordinator, Planning & Development. Special Counsel, Attorney Robert Galvin, Jr.

**Call to Order**

With a quorum present, Andy Clyburn called the meeting to order at 9 a.m. and stated that today's meeting will be recorded and rebroadcast via Xfinity Channel 8 or high-definition Channel 1072. It may also be accessed via the Video on Demand section on the Town of Barnstable's website. In accordance with MGL Chapter 30A, s. 20, the Chair will inquire whether anyone else is recording the meeting and, if so, please make your presence known. No one came forward.

**Member Introduction**

By roll call (present): Laura Shufelt (present), Andy Clyburn (present), Mark Milne (present). Andy Clyburn will chair the meeting.

**Public Comment**

None.

**Topics for Discussion**

**1. Planning and Reporting Updates – Staff**

**Trust Balances and Financial Update – Finance Director Mark Milne**

Director Mark Milne provided an updated financial statement for the Affordable Housing Trust through the end of May 2025. He explained that the Trust's Economic and Development Fund has over \$102K and just under \$454K in non-CPA Affordable Housing Funds with \$453K in CPA sourced funds for Affordable Housing remaining.

Laura Shufelt noted in the report a commitment for funds to Housing Assistance Corporation for an assistance resource center that she said may not comply with CPA regulations because it is

not for permanent housing. It was agreed that this commitment was intended to be a place holder until the Trust heard back with an updated location and although the Trust members were interested in supporting the request, a vote had not been taken. It was decided that it should be removed.

**a. Project Updates – Staff**

**Discussion of Presentation of Community Preservation Act Application to Community Preservation Committee – Administrator Jillian Douglass**

Administrator Jillian Douglass reported that the Community Preservation Committee (CPC) unanimously supported the Trust's request to transfer \$2.5M in Community Housing and Undesignated Funds and that the Application will proceed to Town Council. She said that Laura Shufelt was also present and answered questions the CPC members had. Laura noted that some members of the CPC had a desire to hold semi-annual joint meetings that included Mark Ells as Trust member and Town Manager to discuss the Town's priorities for the CPA fund. Jillian said as part of her presentation to the CPC, she provided the Town Council Subcommittee's report to the Town Council that includes housing recommendations for the Local Comprehensive Plan.

**Pending Finance Closings for Grant Funded Projects – Administrator Jillian Douglass**

Jillian reported that both 199 Barnstable Road and 11 Potter are waiting to close.

**2. Funding Award Clarification Request – Winn Development/307 Main Street, Hyannis – Loan v. Grant – Project Leader Angela Gile and John Smolak, Winn Development**

Ms Douglass referred to the table in the Trust member's packet provided by Winn Development demonstrating the tax differences between a loan and a grant. Ms. Angela Gile of Winn Development joined by Mr. John Smolak described the request of Winn Development for the Harbor Vue project located at 307 Main St, Hyannis saying they had met with the town to discuss the Trust's prior award of \$2M in support of 120 units of new construction. She explained she is here to go over the tax implications of receiving the trust funds as a grant, which is how the funds were awarded currently, and Winn's request to convert the grant to a loan.

Ms. Gile shared that in February the project received all funding awards from the Executive Office of Housing and Livable Communities and the financial closing will occur in the first half of 2026. She narrated a PowerPoint presentation illustrating structuring funds as loans instead of grants for tax credit deals saying this is a conversation that Winn often has with municipalities. She said that when a project funded with tax credits receives funds as a grant, it can negatively impact a project where the full amount of the grant awarded is not actually received but if structured as a loan, the full amount awarded would be. Ms. Gile explained that the 307 Main Street project is primarily funded by federal and state loans from housing tax credits noting there are EOHLC loans, permanent financing, construction financing and the \$2M from the Trust. She explained that because of the tax rules associated with a tax credit project receiving a grant, the total amount of eligible project costs that tax credits can be taken on is reduced by the amount of a grant received, saying the Winn reduced their eligible tax credit project costs from \$45K to \$43K with the Trust's \$2M award as a grant. As a result, the total amount of equity would be reduced to \$17.2M versus the full \$18K if structured as a loan.

Ms. Gile also indicated that as a grant, taxes in the amount of \$420K on \$2M at 21% would be owed, resulting in a further reduction to \$16.78M versus the full \$18M. She noted there is a

large impact to the bottom line of funding sources when funded as a grant saying that it is everyone's intention that the project receives the Trust's full \$2M to help support the project. She noted that this may also pertain to other projects the Trust is funding in the future.

Mark Milne said the presentation was very clear and asked when the Trust would be paid back if structured as a loan. Ms. Gile explained that as a loan, the note will usually be for 0% interest with a term indicated. She said that Winn plans to own and operate the property long term and predicted after 15-20 years they would refinance the deal. At that point, they would like to see the ability to resubordinate any of the loans in the deal, both state and local allowing the funds to stay in the deal. She explained that if the term expires and the affordability restrictions fall off, at that point the full \$2M loan would have to be paid back to the Trust. Laura Shufelt said this was a great explanation that she has explained many times herself and said she was in favor of converting the grant to a loan.

Attorney Galvin asked what would happen if the project were to be sold in 10 years as an example. Ms. Gile said she expected the affordability term to be 40-45 years which is typical for a project receiving state and trust funds, but any sale prior, the new entity would inherit all of the restrictions as the expectation would be that the loan would be assigned to the buyer.

There was discussion as to why a loan was not requested at the Application stage. Ms. Gile said it was an oversight on Winn's part, and Ms. Douglass explained that funding as a loan would have represented a policy change for the Trust. There was discussion about whether the Trust could vote to convert the grant to a loan today and Laura Shufelt said that she thought that every LTEC project would be asking to be funded as a loan, otherwise they would need to ask for more money to fill the gap created if funded as a grant. She said while this is a policy change for the Trust, it is not specific to this project noting that for all LTEC projects it makes a big difference, noting the gap in funding that Winn now has in their financing as a grant. The Trust members agreed that it made financial sense to convert the grant to a loan for this LTEC project. There was further discussion regarding tracking of the loan into the future.

**The motion of Mark Milne was seconded by Laura Shufelt for the Trust to convert the grant previously awarded to Winn Development for their project at 307 Main Street Hyannis, to a loan at 0% interest for a term of at least 40 years to match state funding terms.**

**Roll Call: Laura Shufelt (yes), Mark Milne (yes), and Andy Clyburn (yes). Motion carried.**

### **3. Request for Release of Phase 2 Award Hold-Back – CCR Holdings, LLC/50 Yarmouth Road – Jacob Dewey**

Ms. Douglass reminded that a letter and supporting information from Jake Dewey was in the meeting packet and information was also shared this morning. Mr. Dewey explained that the 1<sup>st</sup> Phase funds were released at the construction stage and construction is complete and all units are occupied. He said that Lori from Barnstable Housing Authority is verifying income of tenants of the three previously occupied units to ensure they stay within the income bracket for those units. He is requesting the release of Phase 2 funds saying he had previously provided the recorded deed restrictions when Phase 1 funds were released.

There was discussion regarding the number of units showing on the SHI and it was explained that units at 100% AMI are not included, only units 80% AMI or below. It was noted that the

application for inclusion of units on the SHI has been submitted and decided that acceptance is being held up by staffing issues at the state office.

**The motion of Laura Shufelt was seconded by Mark Milne to approve the release of \$150,000 for Phase 2 for the Linnell Landing Development.**

**Roll Call: Laura Shufelt (yes), Mark Milne (yes), and Andy Clyburn (yes). Motion carried.**

**4. Proposed Amendment to 2020 Trust Declaration** to allow for acceptance of Commonwealth Builder Program Deed Restrictions – Trust Special Counsel Robert Galvin, Jr.

Attorney Galvin explained that he sent a draft Amendment this morning. He stated that the Amendment is to Article 6 of the 1<sup>st</sup> Amended Declaration of Trust. He noted that the Trust members were in support of the Commonwealth Builders (CWB) Program designed to assist eligible 1<sup>st</sup> time home and condominium buyers who earn between 70% AMI and 120% AMI. He also noted other qualifications for the size and number of units under the program. He outlined the required restriction for CWB projects as 15 years, at the end of which the restriction would expire and when sold, the equity gained would be split with the entity supporting, in this case the Trust.

Attorney Galvin indicated the major issue is that because the source of funds are CPA, the non-permanent restriction under the CWB program could run against CPA law. Attorney Galvin reminded the Trust that he spoke with Stuart Saginor from the Community Preservation Coalition and researched CPA funded projects from other gateway communities like Barnstable who provided funds for CWB projects. He shared his screen noting a new paragraph under the Powers of the Trustees where language is added to allow Trustees to support the creation (as opposed to acquisition) of single-family homes and condominiums that are affordable to a household of low or moderate income through the Mass Housing CWB program or similar programs provided funds are distributed in accordance with MGL Chapter 44B. He said this gives a broad power that allows the Trust to support the creation of affordable housing by others instead of acquisition. He explained that developers would need to demonstrate that they are not using the funds to acquire the property.

Laura Shufelt noted that if funds are intended to support the 1<sup>st</sup> time home buyer under the support category of the CPA, funds would not come in until the sales price is being reduced. Attorney Galvin explained that the developer would have already acquired the property. There was discussion regarding the interpretation of Chapter 44B and the need for perpetual restriction if an interest in real estate is obtained with CPA funds. Attorney Galvin said that the Community Preservation Coalition is trying to expand what can be offered and he explained that because The Trust is not supporting the developer in the acquisition of the units it is the Coalition's view that a perpetual restriction is not a requirement.

Laura said it is her opinion that if using the CPA support category, then you cannot support the creation because creation of housing requires a perpetual restriction as there is an interest in real estate. Soft costs could be supported with CPA funds, but construction costs would require a perpetual restriction. After further discussion, it was agreed to remove the last phrase

referencing compliance with Chapter 44B and that Attorney Galvin will return with a 2<sup>nd</sup> Amendment for Trust endorsement at the next meeting.

**5. Update on Seasonal Communities Designation under the Affordable Homes Act – Benefits and Requirements of Designation** – Trust Board member & member of the Seasonal Communities Working Group, staffing the Seasonal Advisory Commission, Laura Shufelt.

Laura Shufelt narrated a PowerPoint presentation regarding an update on Seasonal Communities Designation under the Affordable Homes Act. She noted the recommendations from 3 working groups made up of members of the Commission with staffing from EOHLC and herself. She said these recommendations will be brought back to the Advisory Council with a timeline to have regulations by September and after public process the Advisory Council would approve them hopefully before the end of the year.

She explained that for automatic designation a town in Barnstable County would need to have 35% of their housing stock designated as seasonal housing. Barnstable is at 28%, but the Secretary can add other communities that do not meet the 35% definition by having enough short-term rentals, second homes, and disparity between income and home sales price with a combined score of three data points to qualify to apply for the designation.

She explained the requirements of a town to qualify for designation:

- Undersized lots no larger than 10,000 s.f. can be built on.
- Permit tiny homes
- Housing for artists and other community members in the creative field
- Local preference for public employees

Laura explained that each of the above recommendations needs to be further defined after they are fully vetted with other constituencies for compliance. She noted that implementation is between 18-24 months. The withdrawing from seasonal designation if desired would happen at the end of 24 months.

Laura noted that the Secretary can waive requirements if meeting other housing production or different requirements under consideration saying if waiving a requirement, that requirement should be replaced with something else that is beneficial. Laura said that funding is an obvious tool needed as well as the staffing to implement.

Laura said that there are several definitions that need to be determined including:

- Attainable Housing
- Tiny House that meets building code
- Artist Housing
- Undersized Lots that meet code for septic and sewer lots.
- Year-Round Residency

Laura noted that affordable housing, historic preservation and conservation perpetual restrictions are allowed under MGL Chapter 184 Section 26-32. However, year-round housing restrictions do not qualify under this Chapter and the longest restriction would be 30 years unless there are legislative changes to include year-round housing in Section 32 of Chapter 184.

Laura indicated that the timeline for the regulations to be complete is the end of December. She said that the timeline for asking for designation will be determined and the Town of Barnstable will then have the chance to ask to be designated as a seasonal community if that is what is wanted. Laura said that at this point, these are only recommendations and that this information will be fully socialized once completed.

There was discussion regarding whether there would be a community vote and Laura indicated that there would be a recommendation from the Town Manager that would be sent before the Town Council where there would be a public hearing. She indicated that a simple majority vote of the Town Council is required to request the seasonal designation from the state. Laura noted some of the difficulties are defining what can be permitted meeting sanitary and building codes. She said a real estate transfer fee may be approved that if adopted by a town, the town would decide at what level it takes effect and at what percent. Those funds would be restricted to affordable housing.

**6. Board Appointments/Re-Appointments** – draft Town Council “resolve” for ratification request – Administrator Douglass

It was decided to hold off on this to a future agenda.

**7. Correspondence/FYI**

**a. Request from Jacob Dewey re: fund release for 50 Yarmouth Road.**

This item was discussed earlier in the meeting.

**8. Matters Not Reasonably Anticipated by the Chair**

None.

**9. Approval of Minutes from the 4/4/25 and 5/2/25 Trust meetings:**

**The motion of Laura Shufelt was seconded by Mark Milne to approve the Trust meeting minutes of 4/4/25 and 5/2/25 as submitted.**

**Roll Call: Laura Shufelt (yes), Mark Milne (yes), and Andy Clyburn (yes). Motion carried.**

**10. Topics for Future Meetings/Agendas**

There was discussion regarding bringing back an updated NOFA as notification of the additional funds awarded to the Trust. Attorney Galvin said that the Trust revisions are broad enough that the Trust would not need to codify a policy change made for Winn Development’s request to convert the Trust grant to a Trust loan.

**11. Summer Meetings – Proposed: 1<sup>st</sup> Mondays at 2:00 p.m. July-September**

After discussion, it was decided that the Trust would not meet in the month of July and that future meetings would be held on the 2<sup>nd</sup> and 3<sup>rd</sup> Friday of each month. The next meeting scheduled will be held August 8, 2025, at 9 a.m.

**12. ADJOURNMENT (roll call)**

**The motion of Mark Milne was seconded by Laura Shufelt to adjourn the meeting.**

**Roll Call: Laura Shufelt (yes), Mark Milne (yes), Andy Clyburn (yes). Meeting adjourned.**

**Next Scheduled Meeting – Friday, August 8, 2025, at 9:00 am**

**List of documents/exhibits used by the Board at the meeting:**

Exhibit 1 – Affordable Housing Trust Fund Board Meeting Agenda for June 6, 2025.

Exhibit 2 – Affordable Housing Growth & Development Trust Fund Statement of Financial Position, Inception to December 31, 2024, prepared by Finance Director Mark Milne

Exhibit 3 – PowerPoint Presentation – Funds as a Grant versus a Loan – Winn Development

Exhibit 4 – Letter and supporting documents from Jacob Dewey regarding Phase II payment release for Linnel Landing.

Exhibit 5 – 1<sup>st</sup> Amended Declaration of Trust and Rules and Regulations for the Affordable Housing Growth & Development Trust Fund

Exhibit 6 – Draft meeting minutes 4/4/2025 and 5/2/2025

Respectfully submitted,  
Ellen M. Swiniarski  
Community Preservation Coordinator  
Planning & Development Department