

Approved: May 3, 2021

**MINUTES OF THE PROCEEDINGS OF
THE INCLUSIONARY ZONING BYLAW WORKING GROUP (“IZBWG”),
APPOINTED BY THE PLANNING BOARD OF THE TOWN OF LANCASTER**

Meeting conducted via ZOOM internet conferencing
Friday, April 1, 2021

Present: Carol Jackson, IZBWG Member & Clerk of Planning Board
Roy Mirabito, IZBWG Member & Vice-Chair of Planning Board
Victoria Petracca, IZBWG Member & Chair of Affordable Housing Trust

Absent: None

List of Documents (Meeting Materials):
Draft Inclusionary Zoning Bylaw - Version 6 March 20, 2021

I. Call to Order & Administration

Carol Jackson, Member, was appointed Zoom host by the Town Administrator. She called the meeting to order at 9:36 A.M.

Zoom meeting link: <https://us02web.zoom.us/j/84483692749> Meeting ID: 844 8369 2749

Meeting Materials: <https://www.ci.lancaster.ma.us/planning-board/pages/meeting-materials>

II. Approval of Meeting Minutes

Member Victoria Petracca referred to the emails Members were copied on in which she requested from the Town Administrator the missing zoom meeting transcripts for March that had not been sent to the Working Group. She updated that she had recently received additional transcripts in response to her request, and was expecting she could go through them, and complete and circulate the next sequence of minutes.

She explained that in the meantime, while waiting, she had completed and circulated the meeting minutes from the next meeting transcript that she did have, which was for a meeting in late March. She confirmed she had received feedback from the Working Group. She explained the Working Group would not be able to approve these late March minutes at today’s meeting since they were not included on the Agenda.

III. Public Comment

None

IV. Scheduled Appearance(s)

None

V. Review Feedback

1. Subsection F(4) under “Preservation of Affordability”

a. Discuss feedback & any edits

Member Victoria Petracca gave the background of this subsection of the bylaw on the “Preservation of Affordability.” She explained this relates to the point in time after an affordable unit is built and occupied, and the owner wants to move and sell the unit. The goal is to ensure that the property remains an affordable unit. However, after a specific number of days, if an income-eligible buyer has not been identified, then the seller may convey the unit to a non-income eligible buyer at market rate. The point in question still currently being reviewed and discussed is what happens to the net excess proceeds resulting from the difference between the maximum allowable affordable rate and the market rate sales price.

She explained the Working Group had drafted language to cover this scenario. When town counsel reviewed the proposed bylaw, the point concerning what happens to the net exceed proceeds was flagged by Attorney Jonathan Eichman, and in his comments, he suggested it be omitted. The Working Group reviewed this at its last meeting. During the discussion, Member Carol Jackson had shared a document from the Department of Housing and Community Development (“DHCD”) requiring that net exceed profits from the sale of Local Initiative Program units must be earmarked for future affordable housing efforts. The Working Group had then agreed to send this document to DHCD, highlighting this language, along with its revised language in the bylaw, and seek input.

The Working Group had received a reply that its main contact would be out of the office for a week, and that he had forwarded the information to his colleagues in the event they could reply in his absence. The Working Group had not heard back yet, and thought it would soon.

The Working Group then had a lengthy discussion of how to reconcile Attorney Eichman’s feedback concerning the general fund and DHCD’s instructions that excess profit be used solely for affordable housing. Member Victoria Petracca screen-shared the bylaw, and the Working Group brainstormed a variety of solutions to accommodate a solution. The Working Group ultimately decided to revise the bylaw language to a “transfer” of the net exceed profits to the Trust instead, rather than payable directly from seller – and thus allowing funds to go to the Town’s general fund first, as needed. The Working Group also discussed an appropriate timeframe for the transfer, and agreed upon thirty days. Additionally, the Working Group inserted a sentence referring to DHCD’s instructions for net excess proceeds to clarify the Commonwealth’s intent that they be used for future affordable housing efforts.

Subsection F(4) was revised as follows:

Excerpt from existing Version 6

“In the event an affordable ownership unit is sold at a market rate greater than the allowable affordable rate, the net excess proceeds (subject to DHCD guidelines) resulting from

the monetary difference at the date of closing shall be payable to the Lancaster Affordable Housing Trust (LAHT), its agent, or its successor organization. This shall only apply in the event of excess proceeds, and not to AHUs sold at a market rate below the allowable affordable rate.”

Excerpt from new Version 7

“In the event an affordable ownership unit is sold at a market rate greater than the allowable affordable rate, the net excess proceeds (subject to DHCD guidelines) resulting from the monetary difference at the date of closing shall be transferred to the Lancaster Affordable Housing Trust (LAHT), its agent, or its successor organization. As per DHCD’s LIP criteria, any net excess proceeds over the allowable affordable rate will be fully credited to the LAHT account within 30 days from the date of closing and designated for affordable homeownership programs or assisting other eligible buyers. This shall only apply in the event of net excess proceeds, and not to AHUs sold at a market rate below the allowable affordable rate.”

The Working Group confirmed it would send the latest version (now Version 7 from this meeting’s edits to F-4) to the Planning Board, Town Counsel, and Town Planning Consultant. It was decided to wait at least 24 hours before doing this to allow for the expected response from DHCD in advance. Member Victoria Petracca confirmed this was now labeled Version 7 in the document footer. There was a reminder that when there are changes, the Working Group also updates the version number of the article. Member Roy Mirabito stated it was important to share this latest version with the Planning Board Members who are not in the Working Group. The Working Group Members agreed.

Member Roy Mirabito asked what happens to the net excess proceeds for the time period when they are paid to the Town and when they are transferred to the Affordable Housing Trust. Member Victoria Petracca suggested this is likely specified in the deed rider. Resident Greg Jackson commented that he could circulate a copy of the most recent deed rider in use that he recently read, if helpful.

Resident Greg Jackson asked how town counsel makes changes, and whether the original document is automatically changed. The Working Group confirmed these are “red line” changes with annotation in the margin. There was discussion of this process and the Working Group ensured that a copy of the original is kept and so it is clear what town counsel edited.

2. Discuss any correspondence received

There was no correspondence received.

VI. Prepare for April 5, 2021 Select Board Meeting

1. Review presentation slides and content.

The Working Group reviewed the slides presented to the Planning Board at the March 8, 2021 meeting and the updates given at the March 22, 2021 meeting. Member Victoria Petracca screen-shared the existing slides. Members updated the presentation with the most current information available for the Select Board.

2. Confirm request for a “Place Holder” on May 3, 2021 Town Meeting Warrant.

Member Roy Mirabito raised the “Place Holder” confirmation and the Working Group confirmed it is presented on one of the slides. The timeframe from now until annual town meeting was also reviewed.

The Working Group discussed a request from the executive assistant to the Select Board to provide a copy of the April 5, 2021 presentation in advance of the meeting. This request was explained to be so that it may be included in the packets the Selectmen received prior to the meeting. It was confirmed this would be emailed, along with a copy of the most recent version of the bylaw, which is Version 7.

VII. Review Draft Summary of Proposed Bylaw

Due to an unexpected and extenuating family circumstance, Member Carol Jackson was unable to circulate the draft summary in advance of the meeting. It was decided this would be reviewed at the Working Group’s next meeting instead as there was sufficient time prior to the next Planning Board meeting when it would be reviewed.

VII. New Business

This agenda item should have been numbered “VIII” and the subsequent items “IX” and “X”.

None

VIII. Communications

1. Schedule and announce next Inclusionary Zoning meeting via Zoom

The Next meeting is Friday, April 9, 2021 at 9:30 A.M. via Zoom.

IX. Adjournment

The meeting was adjourned at 11:12 AM.