

PLANNING BOARD MINUTES
MEETING OF FEBRUARY 10, 2006

A meeting of the Lexington Planning Board held in the Planning Office, Town Office Building, was called to order at 3:05 p.m. by Vice Chairman Hornig Manz with members Canale, Harden and planning staff McCall-Taylor and Schilt present. Ms. Manz joined the meeting a few minutes after it began.

***** ARTICLES FOR 2006 TOWN MEETING *****

Inclusionary Housing - The Board began with a discussion of several issues relating to the inclusionary housing amendment. Mr. Harden and Mr. Hornig presented some changes that they hoped would balance the choice between a condominium and a single-family house so that neither option would be penalized or be a windfall. Mr. Harden explained that part of the reason they were looking at this is that the cost of providing inclusionary units is disproportionately high for smaller developments. Mr. Hornig's proposal is based on the premise that the price for a replacement unit is lower. The price of a two-bedroom unit price based on 80% of the area median income (AMI) would be approximately \$100,000 less than something affordable at 140% AMI. Mr. Harden said that while Mr. Hornig's model is more even, it pushes the cost up higher for the lower-end, smaller units. Mr. Hornig said it would be a change of \$130,000 to the developer and will contribute to the subsidized housing inventory.

Mr. Canale said his basic concern is how it will work out. Small developments will be looking at condominium units for their inclusionary unit. He wants to work with the current market conditions and be as fair and equitable as possible. To help him assess this he asked about what would the developer cost be on a three-lot development with two new units? Mr. Hornig said that based on his research, an existing two-bedroom unit could be purchased \$325,000 and then sold for \$203,000, based on 100% AMI, with a cost of \$120,000 to the developer. Mr. Harden said that he estimated it would cost \$375,000 to obtain a unit, with an additional \$50,000 for rehabilitation. With a sale price of \$293,000 at 140% AMI it would cost the developer approximately \$200,000 to provide the unit.

Mr. Canale said that he would like the maximum affordability set for 120% AMI, as it is a range that the town needs and he felt it would be harder to justify units based on 140% AMI to Town Meeting. Ms. Manz said she could see the point of getting some units counted on the subsidized housing inventory. Mr. Canale suggested adding a row to the inclusionary credit table of greater than 50% and less than or equal to 80% with a credit of .6 for a two-bedroom units. Mr. Harden felt that changing the table to remove the use of 140% AMI might feel alike a take way to developers since the 140% option had been discussed. Mr. Hornig said he felt they were being given another option, not taking away one. Mr. Canale said that being able to provide a unit at a lower cost might defuse the fairness issue.

The Board agreed to continue to edit the bylaw at a future meeting.

On a motion duly made and seconded, it was voted to adjourn the meeting at 5:10 p.m.

Richard Canale, Acting Clerk