



BRPC

Berkshire Regional Planning Commission

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Meeting Minutes Berkshire Brownfield Committee Meeting August 10, 2022

Committee Members Present: Sheila Irvin (SI); John Olander (JO); Nate Joyner (NJ); Chris Rembold (CR); Tom Matuszko (TM); Jim Byrne (JB); Rebecca Ferguson (RF); Grant McGregor (GM); Mike Nuvalle (MN); Ben Lamb (BL) and Kevin Pink (KP).

Others Present: Sal Perry (SP), Greylock Works; Jon Rudzinski (JR), Rees Larkin Development; Eileen Peltier (EP), Berkshire Housing Development Corporation; and Melissa Provencher (MP), BRPC.

Committee Members Not Present: Marilyn Hansen (MH).

Call to Order

MP called the meeting to order at 3:10 pm

1. Approval of Minutes

JO moved to approve the minutes of the December 14, 2021 meeting. TM seconded the motion. A roll call vote was conducted:

JO – aye	NJ – aye	BL – aye	MN – aye
TM – aye	RF – aye	GM – abstained	SI - abstained
CR – abstained	JB - aye		

The motion passed.

2. Revolving Loan Fund

MP explained that BRPC has received an additional \$2.5M in revolving loan funds from EPA. Although there are some funds remaining from previous awards and program income, the requests totaling \$3.2M exceed the available funds.

Eagle Mill, Lee: JR and EP presented the project which includes 56 new residential units comprised of a mix of 1, 2 and 3 bedroom apartments. 36 units will be for low-income defined by 60% of area median income, 20 units will be for workforce housing defined by 80% of area median income. As a result on the post-COVID economy, the project is currently \$7M over budget for construction. This is a problem across the state with 25 other projects funded by DHCD also experiencing post-COVID shortfalls. DHCD is extremely supportive; however, they are requiring all projects to secure additional funding and DHCD will not fund 100% of the funding gap.

BL inquired about the timing of DHCD's commitment and funding and whether the project is dependent upon a commitment from the Committee for the full \$1.8M

JR and EP explained that DCHD has created a mini-round with applications due in September. The Eagle Mill has submitted a pre-application and anticipates that decisions will be made by the end of the calendar year and the project will close early in 2023. The project is shovel-ready and construction can begin as soon as the project closes with DHCD. The development team has put together a few other smaller sources of funding in addition to the request for \$1.8M. However, the \$1.8M is a game-changer. The project is already at the top of the range that DHCD is considering and without a commitment for the full \$1.8M the project could be in jeopardy.

JB noted that we are in unprecedented times with the funding available from the Bipartisan Infrastructure Law. If the Committee commits the funds now, BRPC can apply for additional funding in March 2023 and would receive notification of award in May or June with funds being available October 2023.

TM asked for additional clarification regarding timing and shovel-ready. Is there anything else that is still needed that could delay the project? Do they have local permits? JR explained that they have all of the local permits with the exception of the building permit, which always comes last. The timing is only dependent upon closing with DHCD.

TM asked about whether unforeseen cost overruns could be a problem and whether DHCD has the funding available. Is it bond money? JR explained that in the current economy it is not possible to build in contingencies that would provide enough definitive cushion. However, there are contingencies built in and they have an established relationship with the contractor. The contractor is invested and has "skin in the game". DHCD has the funding, some of the funds are bond money but from previous years.

CR asked about whether the project is receiving support from the Town of Lee, perhaps through Community Preservation Act or ARPA. JR explained that the Town originally committed \$50,000 from their general fund and has tripled the Town commitment to \$150,000.

The Committee agreed to hear the application for Greylock Works and 111 River Street before entertaining a vote on the Eagle Mill.

Greylock Works, North Adams: SP presented the project. Multiple phases of the project have been completed. The next phase is residential that consists of 50 units developed over two phases. The South Wing includes buildings A, B, C and D. Building A is slated for nonprofit development and buildings B, C and D need to be demolished. The residential units range from 900 SF to 2,500 SF. The units will be market rate with the majority for rent and some units for sale as condominiums. Remediation includes asbestos removal, window replacement and encapsulation of petroleum contamination in flooring. The \$1.5M request includes \$300,000 in grant funds with the remaining \$1.2M in loan funds. There is an immediate need for \$500,000 and the remaining \$1M could be distributed over 2023. The funds can be utilized right away and there is no need for any approvals.

111 River Street, North Adams: MN presented the project which is for a former dry cleaners. The site is ready to go and the request for \$25,000 would account for potential cost overruns for the project which has been awarded to the loan bidder.

MP explained that the additional \$25,000 could be drawn from the existing funds and program income. If these funds are allocated, there would be approximately \$47,000 remaining which would include staff time, legal, LSP and the potential to allocate additional funds to 111 River Street and/or Hoosac Valley Coal & Grain, if the request were to come in before September 30, 2023.

TM moved to approve the additional \$25,000 to the 111 River Street project. CR seconded the motion. A roll call vote was conducted:

JO – aye	NJ – aye	BL – aye	MN – abstained
TM – aye	RF – aye	GM – aye	SI - aye
CR – aye	JB - aye		

The motion passed.

MP explained that \$487,000 in program income is available from repayment from New England Log Homes and partial payment from 34 Bridge Street. This does still leave a shortfall in excess of \$300,000.

BL inquired about whether there is additional need during this cycle. MP explained that although we are aware of other sites that we anticipate will have needs we don't expect that these sites will be ready before we receive additional funds.

CR inquired about whether any of the work could be funded through the assessment program. MP and JB explained that some activities may be eligible under the assessment program and we can take a closer look at the potential. MP explained that any work conducted under the assessment program would need to be conducted by BRPC's LSP and would not be able to begin until after a LSP has been secured.

BL made a motion to approve \$1.8M for Eagle Mill and \$1M for Greylock Works with the additional \$500,000 to be funded to Greylock Works if additional funds are awarded. TM seconded the motion.

A roll call vote was conducted:

JO – aye	NJ – aye	BL – aye	MN – aye
TM – aye	RF – aye	GM – aye	SI - aye
CR – aye	JB - aye		

The motion passed unanimously.

MP explained that the next steps will be award and/or commitment letters. BRPC will work with our attorney.

3. Assessment Grant

MP explained that \$500,000 in assessment funds have been awarded. MP encouraged that a more robust procurement be conducted for the LSP. MP also explained that she has been in communication with JB and Dorrie Parr at EPA and LSPs will need to be solicited and under retainer for the RLF. MP is considering a single solicitation, which is more complicated and may take some time, but is important to consider.

4. Other

CR made a motion to adjourn. The motion passed unanimously.

Materials & Exhibits

- Eagle Mill Application
- Greylock Works Application
- 111 River Street request

Minutes Prepared by Melissa Provencher