

**CITY OF SOMERVILLE, MASSACHUSETTS**  
**SOMERVILLE AFFORDABLE HOUSING TRUST FUND**  
*JOSEPH A. CURTATONE*  
*MAYOR*

*Mary Cassesso, Managing Trustee*

*Trustees*  
Michael Feloney  
Kathryn Gallant  
David Gibbs  
Donna Haynes  
Andrea Shapiro  
Brielle Short  
Councilor Kristen Strezo  
Jessica Turner

**Minutes**  
**Thursday, May 6, 2021 Meeting – 5:15pm**

Trustees Attending: Mike Feloney, Kathryn Gallant, David Gibbs, Donna Haynes, Andrea Shapiro, Brielle Short, Kristen Strezo, Jessica Turner

Staff attending: Paul Goldstein, Christine Andrews, Lisa Davidson

Members of the public: Sam LaTronica, Somerville Community Corporation

Meeting started at 5:24 pm, with Andrea Shapiro serving as chair.

*1. Review and Approval – March 2021 Meeting Minutes*

Katie Gallant introduced a motion to approve minutes, Donna Haynes seconded  
Minutes passed unanimously on a roll call vote of Trust members present.

*2. Communications*

• **Clarification – Board terms:**

Paul Goldstein reminded Trustees that at the last meeting Brielle Short had identified what appeared to be a mistake on the spreadsheet provided by the City Clerk’s office displaying Trustees term limits. Paul followed up with the Clerk’s office and confirmed that the dates under “Term Starts” should have been the same under “Date Current Appointment.” Paul noted that the error has been corrected in an updated version he circulated prior to the May meeting, which reflects the correct term information for Trustees.

Andrea Shapiro asked for clarification on the status of Trustee terms and reappointments. Mike Feloney explained that staff had been asked to reach out to Trustees regarding their interest in reappointment. Once interest is confirmed, staff will request an email or other statement of interest and a resume.

*Mary Cassesso joined the meeting at approximately 5:25pm.*

Trustees noted this item was discussed at the last meeting, and that one Trustee had at least few months of term left. Andrea clarified that ex officio members of the Trust do not have term limits. Mike noted that Trustees’ current terms are extended if no other reappointments are made, that said, it is a priority to complete reappointment process as soon as possible.

*Somerville Community Corporation staff member Sam LaTronica the meeting as a member of the public at roughly 5:30.*

- **Execution of engagement letter with Powers & Sullivan for FY19/20 financial review:**  
Paul informed Trustees that the letter of engagement for the FY19/20 financial review was executed with Powers & Sullivan on March 11<sup>th</sup>, and that the financial review has begun.
- **Execution of FY21 CPA Grant Agreement:**  
Paul informed Trustees that the FY21 CPA Memorandum of Agreement was transmitted to the Community Preservation Committee on April 20<sup>th</sup> with Mary's signature, and that a copy would be forthcoming to Trustees for their information. Paul noted the total FY21 CPA grant amount will be \$1,320,471. With the FY21 debt service for the 100 Homes Bond (\$314,500) subtracted, the total amount will be **\$1,005,971**.
- **Update – Clarendon Hill Redevelopment:**  
In order for construction to be able to begin on the first structure, which will be market rate, construction and engineering plans must be provided through the state MassWorks Grant, which is awarded to communities by the state for public infrastructure improvements. Mike continued that lots of focused work in advancing design plans has been ongoing, but the best case scenario for a construction start date would be in January, 2022, which would allow time for the company constructing the modular units to set up a site for that purpose. Mike further noted that similar issues occurred with other SHA projects such as Waterworks.  
  
Katie confirmed Mike's updates, and indicated she had not yet had a chance to check in with SHA staff working on the project.
- **Update – SAHTF Home Rule Petition (HRP) status:**  
Mike explained that the HRP had been filed, but has still not been assigned to a Legislative Committee. Mike also noted that once the State legislature resolves its budget discussions, other legislative priorities will be able to move forward, including the Trust's HRP.

### 3. *Continued Business*

- **Update – SCC's proposed acquisition of 147 Cedar St. (6-unit multi-family property):**  
SCC has briefed OSPCD on significant road blocks that have emerged on the acquisition of 147 Cedar Street. The initial lender, Winter Hill Bank, decided not to proceed, after expressing concern about SCC's overall financial position. SCC has incurred financial losses in recent years, and OSPCD has noted that the new executive director at SCC has improved the situation somewhat. Mike further noted that SCC is preparing to update the status of the 100 Homes Project.

Sam LaTronica indicated to Trustees that SCC has been aware of their financial issues for some time, and noted that SCC had secured a loan from Winter Hill Bank in February, and were caught off guard when Winter Hill pulled out of the loan for 147 Cedar. The subsequent lending offer was not agreeable to SCC. Sam confirmed the P&S agreement had lapsed, and further noted that SCC does not see a way for the project to move forward at this time.

Kristen Strezo inquired about the asking price, Sam replied that it was \$1.85 million.

Donna Haynes asked Sam if the project fell through because the bank lacked confidence in SCC's finances. Sam indicated that this did seem to be the case.. Donna suggested to Sam they talk further about what might preserve the project.

Mary Cassesso asked about any ideas for new programs or sources of funding, and mentioned Governor Baker's housing bill. Trustees further noted that community development loans are quite sought after and people are willing to work out issues to make those loans happen.

#### 4. *New Business*

- **Financial Reports(s) review:**

Paul walked Trustees through updated financial reports through March of 2021 for the Trust's Non CPA bank account. Paul pointed out that several "Outstanding Commitments" had been drawn down on by providers, despite the amount not yet being withdrawn from the Non CPA account. Paul further explained that Lisa Davidson was able to see what commitments were drawn down in MUNIS, and adjusted the "Outstanding Commitments" tab accordingly for the most recent statement in March, and also added a tab for "New Expenses That Haven't Cleared Bank Account", which reflects a total of \$188,348.24 for "Outstanding Commitments" that have been drawn down, and eventually will be transferred to the City's General Fund. That amount has been deducted from the "Available for New Commitments" tab, which at the end of March totaled **\$5,905,113.07**. Paul indicated that a similar review of the Trust's CPA bank account would hopefully be available at June's Trust meeting.

Lisa Davidson noted that Trustees usually see Trust expenses at some point, and that her concern when compiling the updated financial reports was that the Trustees would be looking at the reports and not seeing the outstanding commitments being drawn upon, and would assume that agencies are not drawing down on the commitments. Andrea brought up that OSPCD would hopefully be signing off on invoices and updating the financial reports in real time. Lisa replied that the ending bank balance on the financial reports should match the actual bank statement, which will be the case going forward.

Mary brought up that the Trust wants to ensure executed invoices are paid in a timely manner. Lisa replied that invoices should be looked at it within ten days, and are sent back to vendor if there are any issues. Lisa went on to mention that agencies are getting their invoices honored in a timely manner for the most part.

Mike noted that City staff continues to work remotely, with City Hall and City Hall Annex remaining closed to the public. Mike further indicated he and Lisa are in the office 2-3 times a week for essential purposes only.

- **Preview of June Meeting**

Mike acknowledged that he has not been in position to make as much of an update for the HRP as he and Paul would have liked. Mike elaborated that the goal of that funding was very clear; to get back where the Trust was before DOR decided to look at selected CPA transactions and initiatives. On the upcoming Strategic Visioning for the Trust, Mike communicated to Trustees that the City is waiting for subsequent updates, and will be reaching out to consultant who led the last Visioning effort. Mike indicated will provide budget info and an RFP in draft form regarding Strategic Visioning that will be shared at the June meeting.

*Kristen Strezo left the meeting at 6:18pm.*

Trustees asked if the Trust is inclined to have the Visioning item on the next meeting agenda, and inquired as to what other potential agenda items would be carried for the June meeting. Andrea acknowledged that the June agenda could be very long, with Strategic Visioning update and a presentation from SCC regarding their financial status. Andrea suggested prioritizing the SCC presentation, and the Visioning conversation can be bumped if necessary. Donna indicated she would like to be present for the Visioning item and would be on vacation at the time of the June meeting. Mike brought up the Somerville Community

Land Trust as potential agenda item for an upcoming Trust meeting as they are seeking funding from various sources; July was the earliest possible time for a presentation from the Land Trust but perhaps that could be pushed up to June if the Strategic Visioning item is pushed to the July Meeting. David Gibbs indicated that the Land Trust could potentially put together brief presentation for June meeting, and assumed he would have to recuse himself, but Andrea indicated that would not be the case.

Andrea expressed concern that presentations consisting of organizations solely introducing themselves to the Trust without a specific project in mind might not be the best use of Trust time. David confirmed that the Land Trust would probably not be bringing a specific project to the Trust and agreed with Andrea regarding her concern. Mary suggested that the work of the Land Trust is relevant to the goal of creating more affordability in the City, and that perhaps a presentation that focuses on the overview of the Land Trust would be helpful to hear. Andrea suggested that the Strategic Visioning consultant could possibly present information about local developers. Mike pointed out that a Land Trust presentation would coincide with their upcoming business plan completion, and would be presenting their areas of focus. David agreed, noting that he was not sure if the plan would be ready for such a presentation at the next meeting, but would make sense to present to the Trust when it is completed. Andrea reiterated she isn't sure if it's a good idea for this kind of presentation to be made to the Trust. David pointed out that Land Trusts are specifically called out in Trust guidelines. Donna suggested sharing some Land Trust materials with the Trust in lieu of a presentation. Mary made a point to compare a potential Land Trust presentation to initial 100 Homes Program presentation to the Trust, noting that was highly informative. Mike suggested circling back in 3 weeks to revisit potential agenda items. Andrea confirmed an SCC presentation for next agenda, and that Strategic Visioning could be tabled to the July meeting.

5. *Announcements*

No announcements were made by Trustees.

6. *Adjournment*

A motion to adjourn was made by Mary at 6:37, and was passed unanimously.

*Next Meeting Date-The next meeting date will be June 10, 2021 at 5:15pm. It will be held remotely using GoToWebinar. Instructions to join the meeting will be provided on the meeting agenda posted at City Hall and on the City's website*

**Documents Distributed:**

- Updated Non CPA Trust Financial Reports
- March Meeting Minutes
- Powers & Sullivan letter of engagement
- SHA Waterworks Phase 2 Trust Letter of Support
- Spreadsheet of Trustees' Membership Terms