

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

Mary Cassesso, Managing Trustee

Trustees
Ben Ewen-Campen
Michael Feloney
Kathryn Gallant
Donna Haynes
Daniel LeBlanc
Andrea Shapiro
Brielle Short
Jessica Turner

Minutes

June 13, 2019 Meeting – 6:15pm

Somerville City Hall 3rd Floor Conference Room
93 Highland Avenue, Somerville, MA 02143

Trustees present: Mike Feloney, Kathryn Gallant, Danny LeBlanc, Andrea Shapiro, Brielle Short, Jessica Turner

Trustees not present: Mary Cassesso, Ben Ewen-Campen, Donna Haynes

Staff attending: Heidi Burbidge, OSPCD Housing Division

Members of the public attending: David Gibbs

Meeting started at 6:15pm with Andrea Shapiro serving as chair.

1. Review and Approval of Meeting Minutes

- Prior to review of draft meeting minutes, Mike Feloney introduced Brielle Short who had been sworn in as a Trustee prior to the meeting. Brielle shared with attendees her long-standing interest in housing-related issues and her role at Somerville Homeless Coalition as Supportive Housing Program Manager. Andrea Shapiro requested that the notice of the opening to fill Danny LeBlanc’s position on the Trust be circulated among Trustees at the time it is posted.

Jessica Turner joined the meeting at roughly 6:30pm.

Trustees reviewed draft minutes of the May 9, 2019 Trust meeting that Heidi Burbidge had drafted. Katie Gallant introduced a **motion** to approve the May 9, 2019 meeting minutes which was seconded by Danny LeBlanc and PASSED, 6-0.

2. Communications

- Trustee reappointments and vacancy status
See above: this item was covered first at the beginning of the meeting.
- Clarendon Hill – update on project status
Danny provided an update that the project team was preparing to meet with OSPCD staff on June 26th to share revised plans. He noted that they anticipated holding a community meeting in July. The project team had engaged the project architect to do more detailed design drawings. Danny reported that the term sheet for the project had been signed by the equity investor willing to accept a slightly below-market return. He noted that the proportion of

market-rate to workforce affordable housing is expected to stay the same. He also noted that while the team had previously planned to view existing construction in the Netherlands in advance of undertaking the current work underway on the project, Redgate indicated it was comfortable moving forward in advance of such a visit.

Jessica Turner noted a concern that had been expressed among residents that there should be no change in plans for the project's scope and size, and that the residents' agreement with the project team should remain intact. Jessica expressed that she was glad to report that there have been no changes. Danny noted that the new construction type would result in a shorter relocation time for residents and reduced costs that would have a positive impact on the project's feasibility.

- Transfer fee legislation update

Heidi shared information provided by OSPCD staff working on transfer fee legislation. A public hearing before the Legislature's Revenue Committee on Somerville's Home Rule Petition for the Real Estate Transfer Fee (H.242) was to be held on June 18th. Ellen Shachter from the Office of Housing Stability was helping coordinate testimony for supporters from Somerville. In addition, two pieces of enabling legislation, H. 2552 (sponsored by Rep. Malia and Sen. Comerford) and H2457 (sponsored by Rep. Fernandes) would also be heard during this session. Danny noted that bills proposing new deeds excise fees to generate funds for initiatives to address climate change as well as state-wide resources for affordable housing would also be heard.

3. Ongoing/Unfinished Business

- Trust ordinance revisions Home Rule Petition (HRP) status

Heidi noted that at the May Trust meeting she distributed copies of draft language for a Home Rule Petition that would expand the purpose of the Trust, and that after reviewing it. She distributed revised language that stated more clearly that support for both housing units and housing programs would be allowable uses of Trust funds. She also shared copies of the existing State enabling legislation to demonstrate where the new language would expand the purpose of Somerville's Trust beyond what is currently allowed. Mike noted that next steps would be to coordinate with the Mayor's office for the Home Rule Petition to be presented to the City Council. Trustees requested that staff notify them if there was movement on the petition before the July Trust meeting.

- 59 Temple Street potential foreclosure

Mike reported that Boston Private Bank's attorney had provided an update noting that as of June 7th he had issued a letter giving notice to the homeowner that the bank is undertaking a foreclosure. However, bank counsel subsequently noted that he received word from the household that they were expecting to make a payment to become current on arrearages this week. Mike noted that Housing Division staff was continuing to monitor the situation.

Mike also noted that this had been an ongoing situation for well over a year. The Housing Division's attention to activity related to default on the mortgage continued to be critical because if the default proceeded to a foreclosure then the restriction on the unit would be lost. He noted that should foreclosure become imminent then the Trust could take steps to provide funding for purchase of the unit to preserve its affordability. He also noted that after mixed outcomes in the past from attempts to preserve other affordable units in similar situations, Housing Division staff had determined to work with the bank and the foreclosure attorney up front and to take a more active role early on.

- Trust contracts status

Heidi reported that she had begun drafting contracts and coordinating with agencies for the FY19 RFP program awards. She distributed a table showing the progress steps to date and remaining for each of the five contracts to be executed. Materials had been sent out to vendors on May 16th for three of the five contracts and materials were sent out for the other two on May 28th and June 10th. Mike requested that Heidi prompt vendors if there had not been a response within a week.

4. New Business

- Monthly non-CPA financial report for April 2019
Heidi reviewed the non-CPA financial report for April. She noted several loan repayments that had been received, as well as the fourth of five annual linkage payments of \$869,625.90 from Partners HealthCare. She also noted drawdowns on commitments for Austin Street and the Tenancy Stabilization Program, and a transfer for staff salary. Mike noted for new Trustees that the amount of Partners linkage payments was unprecedented and future linkage income would be less predictable.
- Monthly CPA financial report for April 2019
Heidi reviewed the CPA financial report for activity in April that included the transfer of 100 Homes bond funds disbursed in February in support of Austin, Broadway and Marshall Street acquisitions. The report also included a table showing the status of CPA commitments for 100 Homes properties. Heidi noted that the report was in draft form as it had not yet been shared with OSPCD A+F staff. (After the close of the meeting it was determined that the final version will be shared after a correction was made to include the Everett Ave. commitment).
- Revised request from SHC regarding the Leasing Differential Program – (item withdrawn)
Heidi noted that Mike Libby from the Somerville Homeless Coalition had sent a request the previous week related to their award of FY19 CPA funds that was approved in April. This request had been included in the meeting agenda that had been posted. Heidi reported that after discussion with him since then, they had determined that no change was needed and SCC had withdrawn the request.

5. Announcements

Jessica shared that she had travelled to Washington D.C. the previous week to speak to legislators about affordable housing needs. Among the legislators she spoke with were Sen. Graham of South Carolina, Sen. Waters of California and Congresswoman Tlaib of Michigan. She was there with a contingent of people advocating for more and better quality affordable housing.

Danny announced that SCC was launching its year of 50th anniversary celebrations with a breakfast launch event on the Mystic River. Danny noted that Mayor Curtatone had promised to dive in the river if SCC meets its fundraising goal.

Andrea announced that Second Chances program would be holding an Open House on Tuesday June 18th. She explained that Second Chances takes donations of clothing and works through the Housing Authority to make them available to low-income households.

Danny LeBlanc made a **motion** to adjourn which was seconded by Katie Gallant and passed, 6-0.

Next meeting date – The next meeting date will be Thursday, July 11, 2019 at 6:15pm in the Somerville City Hall 3rd floor conference room.

Documents distributed:

- Draft May Trust meeting minutes
- Revised draft language for Trust Home Rule Petition
- State enabling legislation for Affordable Housing Trusts (Part I Title VII Chapter 44 Section 55C)
- Table showing status of current Trust contracts
- Monthly CPA and non-CPA Trust financial reports for April