

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

Mary Cassesso, Managing Trustee

Trustees

Lisa Davidson
Ben Ewen-Campen
Michael Feloney
Donna Haynes
Daniel LeBlanc
Martin Polignone
Andrea Shapiro

Minutes

July 12, 2018 Meeting – 6:15pm

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

Trustees present: Mary Cassesso, Ben Ewen-Campen, Lisa Davidson, Mike Feloney, Donna Haynes, Danny LeBlanc, Andrea Shapiro

Trustees not present: Martin Polignone

Staff attending: Heidi Burbidge, OSPCD Housing Division

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

1. Review and Approval of Meeting Minutes

Trustees reviewed draft meeting minutes for the June 14, 2018 Trust meeting drafted by Heidi Burbidge. Danny LeBlanc introduced a **motion** to approve the June 14, 2018 meeting minutes which was seconded by Ben Ewen-Campen. The motion PASSED, 7-0.

2. Communications

Transfer Charge Draft Home Rule Petition status update

- Ben reported that he and Danny attended a public hearing of the Legislative Joint Committee on Revenue on June 20th at which public comment on the draft home rule petition was considered. The petition subsequently was reported favorably out of committee. It will next be scheduled for a procedural meeting of the Committee on Steering, Policy and Scheduling.

Clarendon Hill Draft Home Rule Petition status update

- Danny reported that the Clarendon Hill draft home rule petitions were the subject of two public hearings in the past week. One hearing was to consider authorization to go forward with the project; the other hearing was to consider a transfer of a parcel of state-owned land to the developer. Danny noted that at the hearings supporters of the home rule petition described the project and the much-needed improvements to existing public housing units. Clarendon Hill residents, development team members and others from the City and the Mayor's office gave strong presentations to demonstrate the need. He also noted that an organized contingent of hearing attendees expressed opposition to the project moving forward without a commitment from market housing developer Redgate to meet prevailing wage standards for the market-rate portion of the project.

Possible foreclosure at 59 Temple Street - status update

- Mike Feloney noted that Housing Division staff has continued outreach to the owner of an affordable condominium unit at 59 Temple, including offers of financial counseling. Most recently the homeowner was able to make a required payment and forestall foreclosure action. However, Housing staff remain concerned that the household's situation is not sustainable for the long-term. A foreclosure would result in loss of the affordability restriction on the unit. Staff are trying to help facilitate a favorable outcome; potential need for Trust assistance remains a possibility in the event the lender wants to foreclose.

Danny described the 59 Temple Street building as consisting of 15 affordable homeownership units developed by the Somerville Community Corporation (SCC) in 2006. Danny recommended that the household at risk of foreclosure also be referred to Somerville Community Corporation's First Source Jobs Program which helps residents find Somerville jobs and job training.

3. Unfinished Business

Just-a-Start Tenancy Stabilization Program – request for additional funds

- Heidi provided copies of a contract amendment proposal from Just-a-Start for the Tenancy Stabilization Program (TSP) contract, and copies of the June 14, 2018 Informational Memorandum from Heidi Burbidge Re: Just-a-Start Tenancy Stabilization Program status. In response to requests from Trustees at the June Trust meeting, she provided copies of 50%AMI and 80%AMI income limits and rents and a summary showing distribution of TSP clients by income category.

Heidi noted that many tenants who have been assisted since March 1, 2018 were moving into inclusionary units, and that this is consistent with past experiences when there has been especially high demand for the program during lease-up of large inclusionary projects. Several Trustees stated they want to ensure that a significant portion of TSP funds are available to applicants who are moving into other types of rental housing, and not only to applicants with demonstrated need who are moving in to inclusionary units.

Trustees remarked that assistance provided to some households since March 1st included first month's rent, and that someone at a higher income could be expected to be able to pay that independently. There was discussion whether the program guidelines should provide a more definitive target toward assisting households at lower income levels.

It was also noted that the program allocates the amount of assistance provided to each household based on need.

Trustees expressed an inclination to amend the contract with Just-a-Start to provide additional funding during the contract term with a requirement that the agency documents outreach that is done beyond those households who are seeking inclusionary units. Danny LeBlanc introduced a **motion** to accept Just-a-Start's request for additional funds in the amount of \$60,000 to be provided through an amendment to the contract with Just-a-Start that was approved on January 11, 2018 to operate the Tenancy Stabilization Program. The motion was seconded by Mike Feloney and PASSED 6-0.

Trustees also suggested that the City consider the demonstrated needs of inclusionary tenants for move-in assistance as part of planning and updating inclusionary policies going forward. There was also a suggestion that a pool of funds from other sources be made available for this use.

Ben Ewen-Campen left the meeting at 6:55pm.

FY18 CPA RFPs Funding Recommendations

- Heidi distributed copies of the summary matrix of the six proposals that were received in response to the Trust's FY18 CPA RFPs along with hard copies of each proposal. She summarized the information provided in June that one development project proposal was received, five housing program proposals were received and the total amount of CPA funds requested is \$545,984. Full copies of each proposal were also distributed. The Housing Development proposal was considered first followed by the Housing Program proposals.

Housing Development proposal

Danny noted that the Somerville Community Corporation (SCC) is actively pursuing a purchase and sale agreement for the 31-35 Richardson request. Heidi added that the CPC had voted to approve SCC's request for CPA Open Space funds to purchase the vacant lot, contingent on the Trust voting to approve the CPA Housing funds request. Danny noted the project will add two new condominium units, one of them affordable at 100% AMI, and that there would be a community process with regard to purchase of the park space by the City.

Danny LeBlanc recused himself and left the meeting at 7:03pm.

Trustees noted that the 31-35 Richardson proposal is consistent with the 100 Homes Initiative goals and guidelines, and that there is a desire on the part of the Trust and the CPC to support projects that create both affordable housing and open space. Lisa Davidson introduced a **motion** to approve the request from the Somerville Community Corporation (SCC) for \$171,000 of CPA funds to support the 31-35 Richardson project, which was seconded by Donna Haynes and PASSED 4-0 with Danny LeBlanc recused.

Danny LeBlanc returned to the meeting at 7:08pm.

Housing Program Proposals

Discussion segued to the CPA Housing Program requests. Heidi reconfirmed that RESPOND's request for staff salaries for the Emergency Shelter and Homeless Program was ineligible for CPA funding, and that RESPOND could be encouraged to reapply to the Trust in the future for an eligible use such as initial rent payments assistance for individuals and families fleeing domestic violence. Danny LeBlanc made a **motion** that staff notify RESPOND in writing that Trustees found the proposal that was submitted to pay staff salaries for the Emergency Shelter and Homeless Program is ineligible for CPA funds, which was seconded by Andrea Shapiro and PASSED 5-0.

Lisa Davidson recused herself and left the meeting and Mary Cassesso joined the meeting at 7:12pm.

Trustees noted that Heading Home's Somerville Better Homes 3 Permanent Supportive Housing Program is similar to Somerville Homeless Coalition (SHC)'s Better Homes Leasing Differential Program, where both fill the gap between HUD rental payments and market-rate rents for formerly homeless households at scattered sites around Somerville. Trustees expressed agreement that preserving affordability of units funded by HUD is a good use of CPA funds. It was noted that the leasing differential issue is a growing problem, and that agencies serving formerly homeless and very low-income households cannot adjust the funding amount requested from HUD for a particular project even when rents have risen in Somerville after the initial program budget was set. Danny LeBlanc made a **motion** to approve Heading Home's request for \$45,000 in CPA funds to support the Somerville Better Homes 3 Permanent Supportive Housing Program, which was seconded by Donna Haynes and PASSED 5-0 with Lisa Davidson recused.

The meeting recessed at 7:23pm so that Trustees could attend the presentation of a citation in the BOA chambers of recognizing the work of Barbara Rubel who is retiring as Director of Community Relations at Tufts University. Lisa Davidson returned to the meeting at 7:43pm.

At 7:43pm Trustees resumed discussion of the CPA Housing Program requests and noted that there is a need for programs such as the proposal from Community Action Agency of Somerville for the Homelessness Prevention Assistance Fund to serve a variety of households facing eviction. The question was posed by Trustees for consideration of how many agencies should be funded to administer similar programs without duplication of efforts. Trustees expressed an inclination to approve the request and to review progress reporting from CAAS during the upcoming year to see whether CAAS will serve a population that is not being served by SHC's PASS program or the Tenancy Stabilization Program currently being administered by Just-a-Start. Mary Cassesso made a **motion** to approve the request from Community Action Agency of Somerville for \$50,000 of CPA funds to support the Homelessness Prevention Assistance Fund, which was seconded by Danny LeBlanc and PASSED 6-0.

Donna Haynes left the meeting and Lisa Davidson recused herself and left the meeting at 7:55pm.

Discussion turned to the two proposals from SHC. It was noted that both the Leasing Differential (Better Homes) Program and the CPA PASS Expansion: Prevention-and-Stabilization-Services Housing Program have received past CPA funding. Trustees would like an update at a future meeting about how much tenant turnover in Leasing Differential-assisted apartments has taken place since the Trust began funding the program. Trustees expressed an inclination to approve the request and also noted the concern that was mentioned during the discussion of the Heading Home proposal that the gap between HUD fair-market rents and market-rate rents in Somerville will continue to rise. Danny LeBlanc made a **motion** to approve the request from the Somerville Homeless Coalition for \$62,523 of CPA funds to support the Leasing Differential (Better Homes) Program, which was seconded by Mary Cassesso and PASSED 4-0 with Lisa Davidson recused.

It was noted that the CPA PASS Expansion: Prevention-and-Stabilization-Services Housing Program will operate the program during FY19 using previously awarded CPA funds and that the current request is for funding that will be expended during FY20. Danny LeBlanc made a **motion** to approve the request from the Somerville Homeless Coalition for \$199,952 of CPA funds to support the CPA PASS Expansion: Prevention-and-Stabilization-Services Housing Program, which was seconded by Andrea Shapiro and PASSED 4-0 with Lisa Davidson recused.

Trustees suggested that at a future meeting they consider whether staff should provide notice to housing program agencies that during the next RFP round the Trust will consider a putting a limit on the number of similar programs funded.

Mike Feloney left the meeting at 8:07pm.

4. New Business

Potential application to Lawyers Clearinghouse for legal assistance.

- Heidi recalled that at the June Trust meeting, Trustees suggested that staff explore potential for the Trust to seek legal guidance regarding Housing Trusts enabled to assist housing support programs. In response to that request, she shared an application from Lawyers Clearinghouse for pro bono legal assistance to non-profit organizations. There is a \$200 application fee that is refundable if there is no assistance provided by the program.

Danny LeBlanc **moved** that the Trust commit \$200 to apply to Lawyers Clearinghouse for pro bono legal assistance pursuing the question of the organization of the Trust, which was seconded by Andrea Shapiro and PASSED, 3-0.

At 8:15pm Danny LeBlanc made a **motion** to adjourn that was seconded by Mary Cassesso and passed, 3-0.

Next meeting date – The next meeting date will be Thursday, August 9, 2018 at 6:15pm.

Documents distributed:

- Draft June Trust meeting minutes
- Budget Forecast for FY19
- Just-a-Start Tenancy Stabilization Program (TSP) contract amendment proposal
- Breakdown of 50%AMI and 80%AMI income limits
- Summary showing distribution of TSP clients by income category
- Summary matrix of CPA RFP Proposals received
- CPA Proposals received
- Lawyers Clearinghouse application