

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

Mary Cassesso, Managing Trustee

Trustees
Lisa Davidson
Michael Feloney
Donna Haynes
Daniel LeBlanc
Beth Munroe-Howe
Mark Niedergang
Andrea Shapiro

Minutes
November 30, 2016 Meeting – 1:30 PM
City Hall, 3rd Floor Conference Room
93 Highland Avenue, Somerville, MA 02143

Trustees present: Mary Cassesso, Lisa Davidson, Michael Feloney, Danny LeBlanc, Beth Munroe-Howe, and Andrea Shapiro

Clerk to Trust: Heidi Burbidge and Kelly Donato, City of Somerville Housing Division

Guests present: Shelly Goehring, Program Manager, Massachusetts Housing Partnership

The meeting began at 1:35p.m. with Mary Cassesso serving as chair.

1. New Business

- Review of Minutes from October 20, 2016 Meeting

A **motion** to approve the October 20, 2016 Meeting Minutes was introduced by Danny LeBlanc with a second by Lisa Davidson. The motion PASSED 6-0.

- Municipal Trust and Community Preservation Act funding uses - presentation by Shelly Goehring, Massachusetts Housing Partnership (MHP)

In follow-up to trustee requests for additional information on and clarification of allowed uses for Trust and CPA funds, staff arranged for Shelly Goehring of MHP to attend the meeting. MHP has been providing technical assistance to localities on allowable uses of MAHT and CPA funds (among other services MHP provides). Shelly's presentation provided background information on MAHT and CPA and legislation passed last year on MAHTs. She shared related information regarding guidance that MA Department of Revenue has provided to several localities on eligible (and non-eligible) uses of Trust funds.

The Trust purpose, by its statute is the creation and preservation of housing. The Department of Revenue has broadened allowed uses of Trust funds to include four categories provided for by the Community Preservation Act for CPA funds: creation, acquisition, preservation, and support of community housing. MHP has been advising trusts it works with that DOR has taken a narrow interpretation of allowable support, which is defined as including, "grants, loans, rental assistance directly to individuals and families who are eligible for community housing, or to an entity that owns, operates or manages such housing, for the purpose of making housing affordable." Based on guidance DOR has provided to individual municipalities, MHP has been advising that it does

not allow broad social service-support activities, only actual housing costs. These cost can only be costs going forward; they cannot include rent or utility arrearages, nor expenditures such as moving costs.

In discussion following Shelly Goehring's presentation, trustees discussed how to proceed in regard to Trust NOFA Program Grant awards that were approved at the Trust's July 20, 2016 meeting. Those awards were made with a different understanding of allowed uses than what MHP communicated. Applicant agencies have begun committing and/or spending money based on these awards. Some trustees expressed confidence in proceeding based on the Trust's understanding at the time of its July vote; others present expressed concern that the City may not be able to execute contracts that may not be considered legal in light of prior DOR interpretations.

- December meeting scheduled for Thursday, December 8th.
An early start to December's meeting scheduled for 6:15 was discussed, due to schedule conflicts. The importance of trying to stay with the standing date and time was noted. Staff will check on the availability of the 3rd floor conference room at City Hall for 5:30pm.

2. *Follow-up from October Meeting*

- FY17 CPA allocation process
Kelly Donato shared the RFI that was issued by the Trust for FY16 CPA funds. This RFI was issued on October 9, 2015, with subsequent awards approved in Spring, 2016. Review of last year's process will help inform the discussion regarding plans and schedule for FY17 funding. Kelly asked Trust member to consider whether the Trust would issue an RFI before the end of 2016, and then conduct a formal process during the first few months of 2017?
- FY17 preliminary budget projections
FY17 preliminary budget projections listed on the agenda were tabled until a future meeting due to lack of meeting time.

3. *Announcements:*

- There were no announcements.

The meeting adjourned at 3:05pm with a motion from Danny LeBlanc seconded by Lisa Davidson and adopted 6-0.

Documents Reviewed:

- Draft November, 2016 Minutes
- 1989 Affordable Housing Trust Fund document
- Affordable Housing Trust Ordinance 2005-5
- Hard copy of powerpoint presentation by Shelly Goehring, MHP (will also be available as digital version)
- Trust Housing Programs NOFA FY17
- Excel list of Funding Awards for FY17 Housing Programs NOFA
- SAHTF RFI for FY16
- FY17 Budget Forecast as of 8/16