

**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  
Martin Polignone  
Andrea Shapiro

**Minutes**  
**February 16, 2017 Meeting – 6:15 PM**  
City Hall, 3rd Floor Conference Room  
93 Highland Avenue, Somerville, MA 02143

Trustees present: Mary Cassesso, Lisa Davidson, Mike Feloney, Donna Haynes, Danny LeBlanc, Beth Munroe-Howe, Mark Niedergang, Martin Polignone, and Andrea Shapiro

Others in attendance: Scott Hayman, Director of Real Estate, Somerville Community Corporation (SCC), Kristen Stelljes, City of Somerville CPA Manager

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

The meeting began at 6:16p.m. with Andrea Shapiro serving as chair.

*1. New Business*

- Review of Minutes from January 12, 2017 Meeting

Trustees reviewed minutes drafted by Heidi Burbidge. Danny LeBlanc introduced a **motion** to approve the January 12, 2017 Meeting Minutes with a second by Donna Haynes. The motion PASSED 7-0.

- Housing Support grants

Mike Feloney reviewed a memo dated February 8, 2017 from Kelly Donato, Assistant Housing Director and Housing Counsel, to Michael Glavin, Executive Director, OSPCD and Michael Feloney. The memo provided guidance on SAHTF's January 27, 2017 correspondence regarding FY17 Trust housing support applications and awards. The memo offered the opinion that the City may honor those awards as the awards were made prior to the effective date of a statutory amendment to MGL c.44, s. 55c. The memo further noted, going forward that the RFP and selection need to conform with the ordinance currently in place.

Scott Hayman entered the meeting at 6:22pm.

- Review of monthly financial information

Heidi Burbidge reviewed the September and October 2016 Monthly statements. Heidi noted that the November 2016 statement provided at the meeting by mistake was an early draft instead of the completed version. The final draft for November will be available for the next (March)

meeting. Items under 'Outstanding Commitments' had been updated in the final draft November financial statement and will be reflected in the version to be reviewed next meeting.

Contracts for the NOFA grants are in preparation. Trustees asked about a target date for completion, given the point in the fiscal year when they were approved. Staff is cognizant of the late timing due to issues previously discussed and will work to complete contracts as soon as possible.

Mark Niedergang and Kristen Stelljes joined the meeting at 6:25pm.

Heidi Burbidge presented the Community Preservation Act (CPA) funds sources and uses document. Lisa Davidson called attention to whether the PASS program received commitments for one year or two years of funding. Staff will research and further clarification will be provided at the March meeting. Andrea requested that the documents include columns for committed and expended for each fiscal year, along w/ amounts allocated.

Mark Niedergang left the meeting at 6:35pm.

- FY17 CPA allocations and schedule, with Kristen Stelljes, City of Somerville CPA Manager  
Kristen Stelljes provided a presentation about CPA funding in Somerville and the Community Preservation Committee (CPC)'s process, schedule, and past and current years' funding allocations. The CPC will review applications for open space, historic preservation and outdoor recreation projects seeking FY17 CPA funds at the CPC meeting on February 22, 2017, and expect to vote on funding recommendations at its March 22, 2017 meeting. If there are housing projects for which the Trust will be seeking additional FY17 CPA funding beyond the CPC's FY17 Housing allocation, Kristen recommended providing notification to the CPC members, through her, in advance of the CPC's March 22<sup>nd</sup> meeting.

In response to both past and more recent Trust discussions about bonding possibilities, Kristen reviewed different scenarios contemplating a range of amounts of CPA Housing funds bonded at 5% interest with a loan term of 25 years. Debt service payments count towards the funding minimums for each of the CPA categories each year.

Bonding requires CPC and then BOA approval. If Trustees decide to pursue bonding a portion of the Trust's available funds, financial terms such as interest rate and term would be discussed with the City Treasurer and staff.

A proposal two years ago explored the use of a bond to finance 100 Homes projects; that proposal could be revisited given the program's success to date and current planning for new acquisitions. Trustees indicated a desire to move forward as quickly as possible. It is expected that this will be considered in conjunction with CPA requests to be included as an agenda item at the March board meeting.

- Conflict of Interest Law

Heidi thanked Trustees who had already completed required Conflict of Interest law training and an acknowledgement of receipt of the law's summary and reminded Trustees that City Clerk had requested their completion and submission by the February 28, 2017. Heidi will be accepting the Certificate and Acknowledgement for transmittal.

## 2. *Follow-up from January Meeting*

- Trustee's term expiration and next steps

Heidi reported that Lisa Davidson's reappointment to her second two-year term as trustee has been finalized.

- Update on SAHT 2017 CPA Development Project and Housing Program RFPs

Proposals are due February 21<sup>st</sup>. Heidi Burbidge reported on conversations with two Housing Program providers who will not be applying this year because of limits on eligible uses. Fewer housing program proposals are expected compared with previous years' RFPs. Two development project proposals are anticipated, one from SCC and one from POAH/SCC/SHA. These proposals may request consideration of bonding as a financing vehicle.

Trustees requested that board materials be sent in advance of the March 9<sup>th</sup> Trust meeting to allow for review of proposals and consideration of available funds in relation to proposal requests.

Danny Le-Blanc recused himself from the meeting at 7:22pm because the next order of business was a potential Somerville Community Corporation (SCC) project.

- 29 Jackson Road terms summary

SCC Director of Real Estate Scott Hayman presented updated information about 29 Jackson Road, a two-unit property for which the Trust voted to provide funding at the January 12, 2017. Trust meeting. Project will now be limited to two units to avoid the necessity of a zoning variance. One two-bedroom unit will be affordable at 80% AMI and one four-bedroom unit will be affordable at 100% AMI. SCC seeks acquisition loan for approximately \$625,000. Draft loan terms were discussed with a request from Trustees for staff to finalize terms with SCC.

Scott Hayman left the meeting. Danny LeBlanc re-joined the meeting.

- Audit estimate and proposed next steps

Mike Feloney noted that he had met with City Auditor Ed Bean and OSPCD A+F Director Alan Inacio to review draft scope of work. Ed Bean has reported the cost is estimated at about \$5,000. Next step is a meeting with Powers and Sullivan, the CPA that conducts the City's annual audit.

## 3. *Announcements:*

- There were no announcements.

*The meeting adjourned at 7:40pm.*

Documents distributed:

- Draft January, 2017 Minutes
- Memo from Kelly Donato re: NOFA grant contracts
- September, October monthly financial reports
- CPA sources and uses document