

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
June 8, 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, and Andrea Shapiro

Trustees not present: Mark Niedergang, Marin Polignone

Staff attending: Heidi Burbidge, City of Somerville Housing Division

The meeting began at 6:15p.m. with Mary Cassesso serving as chair.

1. New Business

- Review of minutes from May 11, 2017 meeting

Trustees reviewed minutes drafted by Heidi Burbidge. Danny LeBlanc introduced a **motion** to approve the May 11, 2017 Meeting Minutes with a second by Andrea Shapiro. The motion PASSED 7-0.

- SAHTF Staff salary – memo on FY17 contribution

Mike Feloney reviewed a memorandum prepared by OSPCD Administration & Finance Director Alan Inacio on the calculation for Trust salary contribution toward staff salary for FY17. The memo also explained the recalculation being made for FY18, to reflect change in Trust staffing; the percentage will remain at 10 percent of the employee's overall salary, which will result in a slight decrease in the amount to be contributed from Trust resources. Danny moved to acknowledge the memo with a second by Lisa Davidson. The motion passed 7-0.

2. Follow-up from prior meeting(s)

- Follow-up on April 2017 discussion re. funding of housing support programs

Trustees had requested that copies of relevant materials to facilitate discussion be provided. Mike and Heidi circulated copies of a document titled Somerville Affordable Housing Trust Fund Governing Documents – June 2017 Summary that included excerpts from the 2005 ordinance currently in effect, the Declaration of Trust, and the SAHTF Operating Procedures (aka bylaws). Mike noted that Michael Glavin and staff have not yet met with the solicitor's office to further pursue the approach discussed at the Trust's April meeting, but that OSPCD expected to meet with legal staff the following week.

It was requested that the full version of the 2005 Trust Ordinance be provided for July meeting. While the Trust historically has not met in July, the desire to do so was expressed in light of the issues under consideration and the time-sensitive nature of them.

On the approach referenced above regarding use of funds generated under the Linkage ordinance, Trustees raised the question of whether the Trust could currently direct linkage funds to programs previously funded in past years, given current understanding of what the Trust can itself fund, relative to technical advice received from Massachusetts Housing Partnership over the past year.

- Further consideration of SAHT 2017 Community Preservation Act (CPA) Housing Program proposal(s) - Wayside request

Heidi reported that she had spoken with Wayside staff several times since the last Trust meeting. Staff indicated in submitting Wayside's most recent second application for CPA funding in support of the ShortStop program, their understanding had been that Trustees were expected a request similar to that submitted in 2016 request. They also reiterated that since 2016, HUD funding of ShortStop's leasing costs has remained level but rent for the building that houses ShortStop clients has increased. The goal as clarified is to fill a budget gap without laying off employees, as losing staff would mean cutting services for the young adults who are provided housing through their program.

Trustees recalled that after Wayside's first CPA funding request presentation in July 2016, feedback shared among Trustees had included a reluctance to provide annual funding to fill a gap in program operating expenses. To clarify this issue going forward, it was requested that Wayside staff be invited to an upcoming meeting for a discussion among Wayside staff and the Trust.

Lisa Davidson identified areas in the ShortStop operating budget where there may be room to decrease expenses, including asking for a renegotiation of their lease. Further points of discussion included whether the program presents a good fit for ongoing Trust support, the fact that Trustees do not necessarily want to narrow the scope of possible future funding awards, and the program's important role in providing shelter and services for low-income young adults in Somerville.

Danny introduced a **motion** to approve the request from Wayside for \$25,000 in CPA funds for the ShortStop program with a directive that Wayside staff participate at an upcoming discussion with Trustees about their budget in context of future funding requests. Andrea Shapiro seconded the motion, which PASSED 7-0.

- Further consideration of SAHT 2017 CPA Housing Project proposals

Mike summarized the meeting of the Community Preservation Committee (CPC) on May 24th that several Trustees and staff attended including Mike, Mary Cassesso, Mark Niedergang, Andrea Shapiro, Lisa Davidson, Danny LeBlanc, and Heidi Burbidge. At the meeting, Mike and others had presented information on the status of Trustee deliberations on CPA Housing project funding requests. The requests are for the creation and preservation of affordable units within the 100 Homes initiative and Clarendon Hill public housing development. Mike had outlined possible bonding scenarios using CPA funds that would support initial and subsequent phases of the two projects.

Following the presentation Trustees had spoken further about the projects under consideration and the work of the Trust. After the update on the CPC meeting, Trustees noted the importance of distinguishing between units that will be created by CPA funds and additional units that will be created by the FRIT contribution, resulting in more affordable housing units overall. The next CPC meeting where the bonding request potentially would be considered is July 26th.

Mike shared part of the PowerPoint presentation that had been reviewed at the CPC meeting, including the scenarios and what payments over time would amount to as a percentage of annual CPA allocations. Together, 100 Homes and Clarendon Hill are currently projected to need a total of approximately \$16 million to complete. Mary noted that a somewhat conservative approach to any bonding request is appropriate, since it is not possible to predict new development and changes to the tax base with full certainty, in relation to an extended 25 year payment horizon. Mike noted that financial projections included zero linkage income after 5 years for this reason.

- Update on FY17 NOFA, Housing Program Contracts

Heidi provided an update on progress for completion and execution of FY17 NOFA Housing Program Contracts. Three contracts have proceeded to routing. Agency documents are expected to be submitted by some of the recipients before their contracts are assembled for agency signature and contract routing. The process is moving more quickly than it was when staff first began drafting these contracts.

3. *Announcements:*

- Save Our Homes Walk fundraiser; June 11, 2017

Danny circulated information on the event, which is in support of Somerville households at risk of homelessness by helping to provide security deposits, back rent, utility cost and moving cost assistance. It has been taking place for 14 years. The walk crosses through many neighborhoods, passing by a number of the examples of affordable housing that has been created in the city. There will also be music, snacks and prizes. Trustees encouraged each other to attend and enjoy the event and to help raise money by participating.

- July 26th CPC meeting

Since the Trust bonding request may be an agenda item on the July 26, 2016 CPC meeting Trustees were asked to hold the time if possible to attend as needed.

*The meeting adjourned at 7:45pm with a **motion** from Donna Haynes seconded by Danny LeBlanc and adopted 7-0.*

Documents distributed

- Draft May 8, 2017 meeting minutes
- Clerk salary memo from OSPCD A&F Director
- Somerville Affordable Housing Trust Fund – Governing Documents; June 2017 Summary
- FY 2017 CPA Project Applications; Bonding Request Presentation (slides)