

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
July 13, 2017 Meeting – 6:15 PM
City Hall, 3rd Floor Conference Room
93 Highland Avenue, Somerville, MA 02143

Trustees present: Lisa Davidson, Mike Feloney, Donna Haynes, Danny LeBlanc, Mark Niedergang, Martin Polignone and Andrea Shapiro

Trustees not present: Mary Cassesso, Beth Munroe-Howe

Staff attending: Heidi Burbidge, City of Somerville Housing Division

The meeting began at 6:20 p.m. with Andrea Shapiro serving as chair.

1. Review and Approval of Meeting Minutes

Trustees reviewed Meeting Minutes of the June 15, 2017 Trust meeting drafted by Heidi Burbidge. Donna Haynes introduced a **motion** to approve the June 15, 2017 meeting minutes, which was seconded by Andrea Shapiro. The motion PASSED, 7-0.

2. Communications

Board of Aldermen approval of City appropriation to CPA fund -- Heidi shared information that on June 22, 2017 the Board of Aldermen approved an appropriation of \$500,000 to be distributed among the three Community Preservation Act (CPA) funding areas in FY18. Heidi noted that the appropriation amount is lower than in previous years. (The amount of the City appropriation, along with other local CPA revenue, affects the state match amount.)

SAHT Progress Report to the Community Preservation Committee -- Heidi distributed hard copies of the Trust's Biannual Progress Report to the Community Preservation Committee (CPC). Minor revisions to the report were made after it was presented to the CPC in May. The next report will be due October 1, 2017.

Sanctuary City working group inquiry on rental assistance -- Heidi shared an update from CPC manager Kristen Stelljes that at the June 30th Sanctuary City Working Group meeting, interest was expressed in providing CPA financial support to an agency that could offer rental assistance targeted to households who face housing instability due to the immigration status of one or more household members. Lisa Davidson reported that the Somerville Homeless Coalition (SHC) had presented on their support work at the CPC's request at its July meeting.

Trustees discussed the concept and noted several areas for consideration if it is to be pursued, including:

- It raises legal questions to be considered;
- One of the challenges that households facing such circumstances have is that a member without legal status is not counted in eligibility calculations. In families in which legal status of members varies, individuals without legal status are not allowed to receive federal Section 8 assistance.
- Whether demographic information was available to show how many households are affected. There was related discussion about changes in demographics over time in Somerville.
- It was noted that SHC's PASS program providing rental assistance does not have restrictions based on immigration status. (The PASS program is already funded by the Trust with CPA funds). Catholic Charities and Centro Presente were mentioned as other agencies that might take interest in this issue if they have not already.

Community Preservation Committee, open position -- Heidi provided information about an open position on Somerville's CPC. The CPC is currently recruiting a new general public member to start January 1, 2018. Application details at www.somervillema.gov/cpa. Applications are due by email on Thursday, August 3, 2017. The position is unpaid. Former CPC members whose terms ended recently were experienced affordable housing professionals and there is a desire for a replacement who can also offer this expertise.

Emergency Solutions Grant: \$219,785 Supplemental ESG Allocation -- Mike reported that the City received notification July 14th that Somerville has been awarded \$219,785 in a Supplemental ESG Allocation. Discussions are underway to determine how to distribute this additional allocation. Trustees suggested that the process should be targeted and as simple as possible, and perhaps support previous requests that were in excess of ESG funds available at the time. A handout describing ESG scope and eligible uses was distributed for reference.

3. *Unfinished Business*

Further consideration of SAHT 2017 CPA Housing Project proposals -- Mike noted that the applicants for the two projects, 100 Homes and Clarendon Hill, will be available to attend a CPC meeting August 16, 2017 at which the projects will be considered as part of the Trust's bonding request to support the projects. On the subject of meeting with the CPC, several trustees noted the importance of distinguishing between affordable 100 Homes units created by CPA funding, and affordable units acquired through FRIT funding under the zoning waiver it secured this spring. The FRIT-funded program could possibly reside with MHIC or MHP, for creation of 49 scattered site units. The timing of that funding relates to the FRIT project scheduled and is to be determined. At the August meeting, SCC staff plan to provide an update to as the program manager for 100 Homes. Mark Niedergang indicated he will attend and will speak in favor of the project.

On Clarendon Hill, Mike noted his understanding that SHA had not yet heard from DHCD on its request to use \$7 million of Moving to Work funding for relocation costs. Danny indicated his understanding that the request had been approved. The project development team will also be available at the August CPC meeting.

Further consideration of housing support program funding -- Mike reported on efforts to determine the Trust's ability to fund programs through linkage funds and shared documents considered as part of that effort. The Solicitor's Office has determined that it cannot provide a legal opinion that would approve use of linkage funds for funding of housing support programs, based on its review. Legal indicated that it could seek a clarifying opinion from the Department of Revenue to clarify the issue.

Mike shared a selected review of the issues involved that the City's Finance and Auditing staff had also conducted. Finance and Auditing staff recommended seeking a clarification from the Department of Revenue (DOR) about the eligibility of such programs for Trust funding. Mike also noted the view that it seemed prudent to seek such an opinion before undertaking the effort associated with Home Rule legislation process that would otherwise be needed to enable funding. Housing staff will follow up with Legal and senior OSPCD staff to prepare the request for clarification. Trustees agreed with such an approach, while also noting that time is of the essence in pursuing clarification as quickly as is possible.

Mark Niedergang left the meeting at 6:55pm.

Update on FY17 NOFA, Housing Program Contracts -- This item was tabled to allow time to discuss the 100 Homes CPA commitment letter extensions.

4. *New Business*

100 Homes CPA commitment letter extensions -- Danny LeBlanc provided background information about this request, in response to an MHIC request to close on permanent financing for 100 Homes properties. At this time MHIC, SCC and the City have identified a deadline of September 30, 2017 for the closings. Lisa inquired about the status of an agreement/MOU between SCC and the City. Mike noted that a draft had been prepared and reviewed by Legal, but not yet revised to incorporate comments; he agreed that it was reasonable to expect completion of that agreement prior to closings.

Donna made a **motion** to extend Trust commitment letters to SCC for 100 Homes acquisitions until September 30th, 2017, with a second by Lisa Davidson. The motion PASSED, 6-0.

Update on FY17 NOFA, Housing Program Contracts -- Heidi provided an update on the status of Housing Program contracts. Of nine Trust NOFA contracts, three are now fully executed and ready for invoicing, with progress being made on the other six.

Monthly financial reports – February, March, April 2017 -- Heidi distributed and reviewed the February, March and April 2017 monthly financial reports. A request was noted to add the FY18 salary change as an outstanding commitment to the June report. Danny made a **motion** to accept the financial reports, seconded by Donna Haynes. The motion PASSED, 6-0.

Announcements -- Danny announced that there will be a Housing Funding Action event led by CHAPA on Monday, July 31st in Sam Adams Park at Faneuil Hall.

Lisa announced that SHC's annual fundraiser sponsored by Redbones will be later that same day-- Monday, July 31st starting at 6pm outside Redbones on Chester Street in Davis Square. All proceeds go to SHC.

The meeting adjourned at 7:25pm with a motion from Danny LeBlanc and adopted 6-0.

Documents distributed:

- Draft June 15, 2017 meeting minutes
- Progress report submitted from Trust to CPC
- Document describing scope and eligible uses for ESG funds
- Somerville Affordable Housing Trust Fund – Selected Background-Chronological Information
- February, March, April 2017 monthly financial statements