

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
August 10, 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, and Andrea Shapiro

Trustees not present: Martin Polignone

Staff attending: Heidi Burbidge, City of Somerville Housing Division

Members of the public attending: Cory Main, Vice President, Real Estate Development, Preservation of Affordable Housing and Scott Hayman, Director of Real Estate, Somerville Community Corporation

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

1. Review and Approval of Meeting Minutes

Trustees reviewed Meeting Minutes of the July 13, 2017 Trust meeting drafted by Heidi Burbidge. A **motion** to approve the July 13, 2017 meeting minutes was introduced, seconded and PASSED, 8-0.

2. Communications

Heidi Burbidge shared information that Wayside staff will attend the September 14, 2017 meeting, as requested at the Trust's June meeting. There was brief discussion of whether Wayside should circulate materials in advance.

Mike Feloney informed Trustees that a letter of engagement with Powers and Sullivan for an audit of Trust finances to cover FY16 and FY17 is to be executed. The estimated cost range provided in the letter is between \$2,500 and \$4,000. \$5,000 had been carried as a commitment in Trust financial reports for this audit.

Staff is drafting an FY17 Annual Report that will be a summary of Trust activities and achievements in FY17 and a financial report based on Powers and Sullivan's audit. It was agreed that the FY17 Annual Report should be shorter than the most recent Trust Annual Report, and that these reports should be issued annually.

There was a discussion of a request Mark Niedergang had made for a summary of Trust work that will provide information for him to share at Board of Aldermen meetings to keep BOA members abreast of Trust activity. The summary can be based on meeting minutes, as opposed to other recent information, and will be done quarterly.

3. *Unfinished Business*

Further consideration of SAHT 2017 CPA Housing Project proposals – Cory Main and Scott Hayman were present to provide updates about the status of the Clarendon Hill and 100 Homes projects, respectively.

As context, Mike noted that the Clarendon development team had met with OSPCD staff that afternoon to provide an update on the project. Mike had asked if development team members could update the Trust directly.

Cory described POAH's response to feedback about the project plans from the community and the City. Changes are in ongoing process with regard to building massing, the compatibility of the site plan with neighborhood typology, and improvements to the traffic configuration where Powder House Boulevard meets Alewife Brook Parkway. An application to Mass Works has been submitted to the State for \$4.9 million for street and traffic improvements. POAH and SCC are working to increase sources of funds for the project budget to accommodate the cost of these improvements. Total development costs are estimated at \$140 million, financed by sources including private equity, private debt, 4% bonds with 4% tax credit, \$10.5 million from the state, and Federal Home Loan Bank funding. The most recent budget had projected a need for \$6 million from local sources.

Project changes that the development team is now working on will be presented to the residents of Clarendon Hill. Members of the Board of Alderman, including Ward 7 Alderman Katjana Ballantyne, will be briefed with these updates. POAH and SCC will provide an overview to the Community Preservation Committee at their August 16th meeting as communication with residents and neighbors continues.

Scott Hayman provided an update about 100 Homes. SCC has exhausted \$2.4 million of CPA funding allocated to date as the first twenty 100 Homes units are being brought to occupancy. As additional funding from the Trust is committed, SCC is ready to pursue new properties for creation of additional 100 Homes affordable units.

Preparations for August 16th CPC meeting – City staff have provided questions from CPC members about the two projects under consideration for funding to POAH and SCC, and POAH and SCC will each provide information at the meeting. Mike and Heidi will also be meeting with Kristen Stelljes in advance of the August 16 meeting.

The amount of the bonding request from the Trust to the CPC was discussed. An amount will not be voted on at the August 16th meeting. The CPC is interested in knowing how much of annual CPA allocations that Trustees feel would be prudent to commit to these projects for long-term bond payments. Trustees agree that the two projects offer a rare opportunity to provide significant benefits by increasing the number of affordable units in Somerville, and that a maximum supportable bonding request should be made.

The final request from the Trust to the CPC will take into account the projected proportion of CPA resources that these commitments will represent, given uncertain CPA and linkage revenue funding streams.

4. *New Business*

Request from SHC for amendment to Tenancy Stabilization Program contract term -- Heidi presented a request from SHC to extend the contract term for its Tenancy Stabilization Program contract for 90 days, to allow for the full award to be expended. Mark introduced a **motion** to extend the term of the Trust's contract with SHC for the Tenancy Stabilization Program by 90 days, which was seconded by Donna. The motion PASSED, 8-0.

The meeting adjourned at 7:45pm.

Documents distributed:

- July 13, 2017 meeting minutes
- Somerville Affordable Housing Trust Multi-Year Budget Sources and Uses projection (as updated to current 100 Homes and Clarendon Hill requests)
- CPA Requests – Selected Summary Information