

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
March 9, 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: Alderman Katjana Ballantyne, Ward 7

Clerk to Trust: 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 February 16, 2017 Meeting

Trustees reviewed minutes drafted by Heidi Burbidge. Danny LeBlanc introduced a **motion** to approve the February 16, 2017 Meeting Minutes with a second by Donna Haynes. The motion PASSED 9-0.

- Housing Support grants

This item was tabled in anticipation of the issue being discussed at the April 13th meeting.

Alderman Katjana Ballantyne joined the meeting at 6:25pm.

- Review of monthly financial information

Heidi Burbidge reviewed the September through December 2016 and January 2017 monthly statements. Danny LeBlanc introduced a **motion** to approve the September through December 2016 and January 2017 monthly statements with a second by Martin Polignone. The motion PASSED 9-0.

Andrea Shapiro asked about when a St. Polycarp loan payment was deposited since it is listed in the monthly statement as received in January and deposited in February while it appears that other checks received in the same time frame were deposited that month. Heidi Burbidge indicated that she would check on this.

Andrea commented that transfers to/from the Trust account happen infrequently and irregularly, and that it would be desirable for transfers to take place quarterly, around the same time each year. Mike Feloney mentioned that this is something that has come up in the past. Heidi Burbidge said that she would discuss this with A+F staff and determine whether we can ensure that this can happen.

Heidi Burbidge reviewed an updated sources and uses document for FY15, FY16 and FY17 CPA funds. Trustees discussed the usefulness in future reports to be able to see information about when project funds were encumbered, and for 100 Homes projects, when funds were obligated property by property. Trustees discussed including past timeliness among the criteria to be used in evaluation of responses to future RFPs. Trustees requested that future Housing Program NOFA awards be issued on an expedited timeline so that agencies can spend down as soon as possible.

- Review of SAHT 2017 CPA Development Project RFP proposals

Heidi Burbidge distributed copies of a list and summary that she prepared to facilitate review of proposals that had been received, with copies of each proposal. Development Project requests include one proposal from Preservation of Affordable Housing (POAH)/Somerville Community Corporation (SCC) for Clarendon Hill, and another proposal from SCC for 100 Homes. Ultimately the Clarendon Hill request is likely to total \$6 million over four years, in some combination of up-front funding and bonding. The 100 Homes proposal requests \$2 million, also in some combination of such.

Mark Neidergang voiced his support for leveraging bond debt to maximize resources for 100 Homes.

Aldermen Katjana Ballantyne and Mark Neidergang left the meeting at 6:50pm.

Mike Feloney reported that the City has engaged Viva Consulting to review the Clarendon Hill project's pro forma and overall financials in order to make a recommendation about reasonable, sufficient levels of public financial support for the project, and appropriate sources of subsidy. This review is at initial stages. Laura Gould from Viva may be available to attend the April Trust meeting to provide an update. Consequently it is recommended that Trustees hold off making CPA funding allocation decisions until a future meeting.

Michael Glavin joined the meeting at 6:55pm.

Michael expressed a desire for sustained communication with Trustees about Trust funding for Housing Support Programs. He stated to Trustees that the City wants agencies that have received Trust funds through annual Housing Program NOFA grants to continue receiving financial assistance. Mike plans to return for the April Trust meeting.

Michael Glavin left the meeting at 7:05pm.

Mary Cassesso described the scope and complexity of the development proposals as potentially promising. Andrea Shapiro raised the question of whether other City sources (in addition to CPA and Trust funds) might be made available to help create affordable units. Trustees briefly discussed the status of approvals for the City to issue bonds in support of 100 Homes and/or Clarendon Hill. Heidi Burbidge reviewed a table listing estimates of funds that could be leveraged.

A Trustee mentioned that a good percentage of 100 Homes units serve very low-income, disabled and elderly households. Lisa Davidson noted that Somerville Homeless Coalition clients would need to rely on a voucher to afford rental costs at most of the 100 Homes units. Trustees discussed affordability goals for units created with Trust Fund assistance.

SCC is continuing to move on additional acquisitions to create additional affordable units.

- Review of SAHT 2017 CPA Housing Program RFP proposals

The proposal from Wayside was reviewed first. Danny noted that Wayside's 2016 proposal for Shortstop (which was funded) indicated that it would be a one-time request. Trustees asked that Heidi Burbidge address this discrepancy, find out from Wayside what limits HUD may impose on payments, clarify how HUD payments are established and report back about whether the program proposal's financial submission adds up.

Trustees suggested that Housing staff send out written notice to housing program agencies about the status of 2018 housing program funding from the Trust. Other funding sources will be explored.

Housing staff will be in touch with CPC staff to share information about CPA requests and CPC meeting schedule and attendance. Mary Cassesso suggested that Trust and Housing staff not request additional CPA funds beyond the CPC's initial allocation this year.

2. *Follow-up from February Meeting*

- There were no items on the agenda.

3. *Announcements:*

- There were no announcements.

The meeting adjourned at 8:10pm with a motion from Danny LeBlanc seconded by Donna Hayes and adopted 8-0.

Documents distributed:

- Draft February 16, 2017 Minutes
- September, October, November, December 2016 and January 2017 monthly financial reports
- CPA sources and uses document
- List of CPA RFP responses
- Copies of two SAHT 2017 CPA Development Project RFP proposals
- Copies of four SAHT 2017 CPA Housing Program RFP proposals