

CITY OF SOMERVILLE, MASSACHUSETTS  
SOMERVILLE AFFORDABLE HOUSING TRUST FUND

KATJANA BALLANTYNE

MAYOR

*Andrea Shapiro, Managing Trustee*

*Trustees*

Brielle Calderan  
Mary Cassesso  
Michael Feloney  
Kathryn Gallant  
David Gibbs  
Donna Haynes  
Councilor Charlotte Kelly

**Minutes**

**Thursday, February 9, 2023 Meeting – 5:15 pm**

Trustees attending: Brielle Calderan, Mary Cassesso, Mike Feloney, Katie Gallant, Donna Haynes, Charlotte Kelly, Andrea Shapiro

Trustees not attending: David Gibbs

Staff attending: Lisa Davidson, Paul Goldstein, Alexis Turgeon (OSPCD- Housing Division)

The meeting started at 5:15 pm, with Andrea Shapiro serving in the role of chairperson.

*1. Meeting minutes review and approval.*

Two items for clarification were noted by Trustees. The first was that former Trustee Jessica Turner's name was still on the letterhead for the January 12<sup>th</sup>, 2023 meeting minutes. It was noted that it would be appropriate to remove her name from the letter head, as Ms. Turner had resigned her seat prior to that meeting. The second item was noted by Mike Feloney, who pointed out that the date of the meeting minutes (December 8<sup>th</sup>, 2022) approved at the January meeting was not included as is usually the case. Paul Goldstein noted he would revise the minutes accordingly.

Katie Gallant made a **motion** to accept the January 12<sup>th</sup> meeting minutes with the suggested revisions. Donna Haynes seconded the motion, and the motion **passed** unanimously by roll call vote.

*2. New Business*

**Annual Meeting-election of officers and related issues.** Paul reminded Trustees that at the January 12<sup>th</sup> meeting the Trust approved a motion to hold the Annual Meeting of the Trust and elect officers at the February 9<sup>th</sup> meeting. Based on Trustee feedback on officer roles and duties, Paul suggested that the Trust move forward with the election of a Managing and Assistant Managing Trustee, rather than elect a Treasurer and Assistant Treasurer. Paul then called Trustee's attention to the Declaration of Trust, which states that the Board shall "promptly establish and periodically review written rules and regulations for the operation of the Trust and the Board of Trustees," and that a "copy of such rules and regulations and all amendments thereto shall be filed with the City Clerk". Paul noted that his understanding, which was confirmed by Housing Counsel, is that this allows the Trust to update its Operating Procedures as it sees fit, including redefining the officer positions described in the procedures. Paul requested that Trustees send him any suggestions for updates to the Operating Procedures, so that he could prepare an updated version for the Trust to approve at a later meeting.

Some Trustees noted that the copies of the governing documents they received while onboarding, specifically the Operating Procedures, had a different date than the documents that staff had thought were the most up to date version. Trustees agreed that before any changes are made to the Operating Procedures that there should be confirmation that all Trustees and staff are referring to the current version of the governing documents. Paul noted he would review all the governing documents as soon as possible, and confirm with the City Clerk which versions were currently on file with the Clerk's office.

After additional discussion on officer roles, Trustees agreed that a Managing and Assistant Managing Trustee should be elected at the meeting. Andrea Shapiro made a **motion** to elect Katie Gallant to continue to serve as Assistant Managing Trustee. Donna Haynes seconded the motion and the motion **passed** unanimously by roll call vote. Andrea then asked the Board if anyone had interest in serving as Managing Trustee, if not she would consider continuing to serve in that role contingent on a vote approving her to do so. Andrea suggested that if she were to continue as Managing Trustee, that Katie, in her role as Assistant Managing Trustee, could have an expanded role going forward, which they would discuss.

Mary Cassesso made a **motion** for Andrea to continue to serve as Managing Trustee. Donna seconded the motion, and the motion **passed** unanimously by roll call vote.

### 3. *Continued Business*

**Remaining discussion and approval of Early Action Acquisition Fund Guidelines.** Paul noted that at the January meeting, Trustees had requested additional time for review of the draft Guidelines for the Early Action Acquisition Fund; at that meeting Paul asked that any further feedback be sent directly to him. Paul shared that he had not received any additional Trustee feedback for the draft Guidelines, however he had a couple of recommendations based on discussion of the Guidelines at the January meeting and review of the Guidelines with Housing Division staff. The first is that the option to convert the loan to permanent subsidy remains up to the Trust's discretion, without specific requirements, so that the Trust retains flexibility when considering those requests. Paul's other suggestion was to include in the Guidelines that they may be updated by the Trust when it sees fit in order to be responsive to changes in market conditions. It was noted that, with the Fund being a new source of funding, it is important that the Guidelines continue to evolve as needed as the Fund is accessed.

Mike made a **motion** to approve the Guidelines, including Paul's suggested revisions. Donna seconded the motion, and the motion **passed** unanimously by roll call vote.

### 4. *Standing Business*

**Financial report(s) review: CPA account and non-CPA account (January, 2023).** Paul noted that other than a transfer of expenses in each account, there was no activity noted in the January financial reports. Paul then called Trustees' attention to the Closing Cost Assistance commitment in the non-CPA report. Paul noted that the amount available is now less than the maximum amount for an applicant (\$3,500). Paul further noted that the 2014 Strategic Planning document did identify 7.5% of available funding be made available for Closing Cost Assistance, Paul's understanding from Housing staff who administer that program is that there are currently no eligible applicants in the pipeline. Paul suggested that the Trust consider allocating additional funds for Closing Cost Assistance at a future meeting, and that he would prepare a recommendation for the amount of funding to be allocated based on past practices.

Trustees noted that an additional allocation should be made sooner rather than later, and that the Trust may wish to hold a special meeting to allocate funds for Closing Cost Assistance to accommodate any requests before the Trust is scheduled to meet again in April.

Mary made a **motion** to accept the January financial reports. Donna seconded the motion and the motion **passed** unanimously by roll call vote.

**Selected project updates (Clarendon Hill).** Paul shared that the development team is still working towards a final construction closing which will hopefully happen sometime in February. Paul went on to note that he had an administrative update to share regarding the Trust's funding commitment to the project. During a call to discuss creating a milestone agreement for dispersing the funds with Housing staff and the staff liaison to the Community Preservation Committee, a question was raised about the number of units eligible for Trust CPA and non-CPA funding at the project.

The commitment letters executed identified all 168 units as being subsidized by Trust funding. After discussion with Housing Counsel and Community Preservation Committee staff, it was determined that only the 38 new units being constructed are eligible for Trust funding, as the 130 replacement units would be considered "rehab" which is not an eligible use of CPA and non-CPA Trust funds.

However, it was clarified that as long as the percentage of Trust funding relative to the entire project cost does not exceed the percentage of new units relative to the total number of units, there would be no issues with the current funding commitment. The 38 new units make up 23% of the units in Phase 1, and committed Trust funds make up 3.5% of the total development costs. The Trust will not have to make or approve any additional motions on this matter, but updated commitment letters which convey this information will be drafted and executed as soon as possible. Paul noted that while no motion is necessary, it seemed important for Trustees to be aware of this ahead of the Managing Trustee signing additional letters.

**Other selected updates (Home Rule Petition, Board vacancies).** Paul shared that he attended the City Council Legislative Matters committee meeting on January 17<sup>th</sup> in relation to approval of re-submitting the HRP to the state legislature. The Committee unanimously approved the request to re-submit the HRP. Paul noted he will be following up with the Mayor's office on the HRP's status.

On Board vacancies, Paul noted that he had included with meeting materials a draft position description of the Trust seat recently vacated. Paul explained he would finalize the document after receiving any Trustee feedback, and work with the City's Communications staff on posting the notice. Paul will circulate the final document to Trustees to share at their discretion. Paul further noted he will be working with the Appointments Advisory Committee on the review of applications, and would attend interviews with selected finalists.

Trustees asked that the draft notice be revised to clearly state the position is unpaid, and asked that Paul follow up on any benefits the City may offer (such as free childcare or transportation) which could make a volunteer position more attractive to applicants.

## *5. Adjournment*

The meeting was adjourned at 6:07 PM.

## **Documents distributed:**

- Draft January 12<sup>th</sup> meeting minutes
- Financial report(s)-CPA and non-CPA January, 2023

- Draft notice for open seat for income eligible Somerville tenant on Trust