

CITY OF SOMERVILLE, MASSACHUSETTS
SOMERVILLE AFFORDABLE HOUSING TRUST FUND
KATJANA BALLANTYNE
MAYOR

Andrea Shapiro, Managing Trustee

Trustees

Mary Cassesso
Diane Cohen,
Lisa Davidson,
Alba Solis,
Cassie Walston
Councilor Wilfred N. Mbah,
Nick Pittman

SAHT MEETING MINUTES
Thursday, November 13, 2025 | 5:15 p.m.

Trustees attending: Mary Cassesso, Lisa Davidson, Alba Solis, Nick Pittman, Cassie Walston

Staff attending: Alexis Turgeon (Office of Strategic Planning and Community Development – Housing Division).

Nick Pittman was welcomed to the Affordable Housing Trust Board as the new Banking/ Finance Trust Representative. The Trustees and City Staff in attendance introduced themselves.

1. Meeting minutes review and approval for September 11, 2025.

Mary made a **motion** to accept the September 11th meeting minutes. Lisa seconded the **motion**, and the motion passed **unanimously** by roll call vote.

2. Finance Financial Report(s) review: Community Preservation Act (CPA) account and non-CPA account.
Lisa shared that the Trust's CPA account (as of August 31) had roughly \$2.6 million available for new commitments, including FY25 allocations and interest earned on CPA funds totaling \$1.7 million. The non-CPA accounts had approximately \$12,983,164.30 available for commitments. The Early Acquisition Fund balance was \$49,727.71, including fractional payments, loan payments, and bank interest.

For October, the CPA available balance was \$4,975,177.40, including bank interest, and the 2025 CPA allocation was \$1,468,693.

Lisa made a **motion** to approve the CPA financial reports. Mary seconded the **motion**, which passed **unanimously** by roll call vote.

Mary raised a question regarding the negative \$4 million reported for the non-CPA account in October. Lisa and Nick clarified that the negative balance was due to \$4.3 million recorded under “other” expenses. Lisa noted that a full explanation would be provided when Sheniqua was available. In result the non-CPA financial reports were tabled until the next meeting for further clarification.

3. New Business

- **Annual Meeting preparation: review of Trust officer positions and related information.** Lisa shared that the annual meeting is scheduled for December 2025. She reviewed the roles and responsibilities of the Managing Trustee and Assistant Managing Trustee:
 - Managing Trustee: Presides over all meetings, signs invoices, payment requests, and loans, and carries out projects and programs voted on by the Trust.
 - Assistant Managing Trustee: Performs the duties of the Managing Trustee in their absence.

Lisa explained that ex-officio members (herself, Councilor Mbah, and Diane) are not eligible to serve in these roles. Trustees interested in serving should notify Sheniqua or the other trustees. A vote on new officers will take place at the December meeting.

No questions were raised regarding the process

- **Renter Revolving Loan Program: Old loan forgiveness request.** Lisa reported that the Renter Revolving Loan Program was the Trust's first prevention program, providing unsecured loans up to \$3,000 to tenants falling behind on rent. Over the years, some loans defaulted and have remained on the City's books. During this year's loan reconciliation, staff recommended bringing the outstanding loans to the Trustees to consider full forgiveness.

Alexis confirmed that there are approximately 50 outstanding loans totaling \$41,718.26. Mary noted that while the program was well-intentioned, some loans defaulted due to limited systems at the time, and she supported clearing these old loans. Cassie added that forgiving the loans is a minor financial impact for the Trust but could be meaningful for the affected households.

Mary made a **motion** to approve forgiveness of the principal of the remaining Rent Revolving Loan Program loans, totaling \$41,718.26. Lisa seconded the **motion**, which passed **unanimously** by roll call vote.

4. Ongoing Business

- **12 Pleasant Ave: SCLT Funding Request.** Cassie reported that Somerville Community Land Trust (SCLT) requested funding for the acquisition, renovation, and conversion of 12 Pleasant Ave into permanently affordable homeownership units. Ben Baldwin, Executive Director of SCLT, presented the project, describing the historic 6-unit building, the tenant protections during acquisition, and plans for renovations including structural, interior, and exterior work. The project will provide four units for current tenants to purchase, and two additional units at moderate-income levels. Renovation work will involve temporary tenant relocation coordinated by Judy Cohn Relocation Consultants, and YouthBuild Just a Start will be engaged to provide construction training opportunities. The total development cost is estimated at \$5.28 million, including a \$1.69 million hard construction cost, \$365,000 from CPA Historic Funds, and other financing sources.

Mary and Nick asked questions regarding the additional \$700,000 request and the tenant relocation process. Baldwin explained that the additional funds are primarily due to contingencies, renovation escalation, and relocation costs. Alexis noted that, based on her review of the pro forma, the project would require permanent subsidy as proposed and that the budget is conservatively structured to account for inflation and contingencies.

Lisa made a **motion** to approve the award of up to \$700,000 of non-CPA Trust funds to support the rehabilitation of 12 Pleasant Avenue, with loan terms to be finalized and structured for 0% interest and partial forgiveness upon sale of each unit. Mary seconded the **motion**, which passed **unanimously** by roll-call vote.

Mary then made a **motion** to approve the conversion of the \$2,501,000 early-acquisition loan made to SCLT into permanent subsidy as part of the closing process, with terms to be finalized in the loan documents, and based off of an underwriting process completed by city staff, but are currently contemplated to have 0% interest rate with the portion of loan forgiven upon the sale of each affordable unit. Lisa seconded the **motion**, which also passed **unanimously** by roll-call vote.

- **259 Lowell Street: Early Work and Associated Funding Request.**

Alexis reported that the request pertaining to LIHTC investor requirements. The original loan commitment was for a 40-year term, but the LIHTC investor has requested an extension to a 50-year term. Alexis clarified that all other aspects of the project remain unchanged. Mary asked whether this extension is typical, and Alexis confirmed that a 50-year term is common for LIHTC projects.

Mary made a **motion** to approve an extension of the \$2 million commitment at 259 Lowell Street from a 40-year to a 50-year term. Lisa seconded the **motion**. The motion passed **unanimously** by roll call vote voting in favor.

- **163 Glen Update.** Alexis reported that the punch list for this project has been completed and final billing is being wrapped up. It was determined that SEC will not require the 10% holdbacks on the CPA and non-CPA loans. A memo was submitted confirming that the funds can be unencumbered and used for other projects. This item was informational, and no vote was required.

- **24 Webster Update.** Alexis reported that LIHTC investors requested changes to the interest rate and term of the Trust's loans. The Trust currently has a \$260,000 non-CPA commitment, for which the investors requested an extension from 40 years to 50 years and an increase in the interest rate from 2% to 2.5%.

Alexis further explained that the Trust had previously awarded a \$4.6 million loan to 24 Webster Land LLC in July 2024. The investors requested an amendment to reduce the principal to \$3.9 million, extend the term from 40 years to 52 years and 1 month, and create a new \$700,000 loan with a 2.5% interest rate and a 50-year term. Nick and Lisa clarified that these changes were required to satisfy LIHTC investor terms and would not result in additional expenditure from the Trust.

Alba made a **motion** to approve the amendment of the \$4.6 million non-CPA loan to reduce the principal to \$3.9 million, extend the term to 52 years and 1 month, and enter into new loan documents for a \$700,000 loan with a 2.5% interest rate and a 50-year term. Mary seconded the **motion**, which passed **unanimously** by roll call vote.

Lisa made a separate **motion** to approve an extension of the term on the \$260,000 non-CPA commitment from 40 years to 50 years and an increase of the interest rate from 2% to 2.5%. Nick seconded the **motion**, which passed **unanimously** by roll call vote.

- **Home Rule Petition Update.** Lisa provided an update on the Home Rule petition, which seeks to allow the Trust to pay for services with non-CPA dollars, returning to the Trust's original rules from 1989–1990. She explained that the petition has been in a holding pattern at the State House for several years, with periodic renewals. Lisa reported discussions with the mayor's office on potential advocacy routes, including drafting a letter in support of the petition emphasizing the need for services, federal dollar matching, and support for nonprofit providers serving vulnerable populations. Cassie offered her assistance in advocacy, noting her experience on the Renters Committee and lived experience. No vote was required.

- **FY26 Housing Assistance RFPs update.** Lisa reported that the Housing Assistance RFP received only one response in October. To increase participation, the RFP will be republished and extended, likely through the end of December, with review at the January meeting. No vote was required.
- **Open Trustee position update.** Lisa reported that the Trust continues to seek candidates for the open nonprofit trustee seat. One expression of interest has been received. Nick asked about specific eligibility requirements; Lisa indicated she would confirm whether candidates must be housing-focused or any nonprofit experience qualifications. Cassie noted the flyer may specify a housing nonprofit. No vote was required.

5. Adjournment

The meeting was adjourned at 6:29 pm