

CITY OF SOMERVILLE, MASSACHUSETTS
SOMERVILLE AFFORDABLE HOUSING TRUST FUND
JOSEPH A. CURTATONE
MAYOR

Mary Cassesso, Managing Trustee

Trustees

Lisa Davidson
Ben Ewen-Campen
Michael Feloney
Donna Haynes
Daniel LeBlanc
Beth Monroe-Howe
Martin Polignone
Andrea Shapiro

Minutes

April 12, 2018 Meeting – 6:15pm

City Hall, 3rd Floor Conference Room
93 Highland Avenue, Somerville, MA 02143

Trustees present: Mary Cassesso, Lisa Davidson, Ben Ewen-Campen, Mike Feloney, Donna Haynes, Daniel LeBlanc, Martin Polignone, Andrea Shapiro

Trustees not present: Beth Monroe-Howe

Staff attending: Heidi Burbidge, OSPCD Housing Division

Meeting started at 6:20pm with Mary Cassesso serving as chair.

1. Review and Approval of Meeting Minutes

Trustees reviewed draft meeting minutes for the March 8, 2018 Trust meeting drafted by Heidi Burbidge. Andrea Shapiro introduced a **motion** to approve the March 8, 2018 meeting minutes which was seconded by Lisa Davidson. The motion PASSED, 8-0.

2. Communications

Update on bonding request for 100 Homes to CPC

- Heidi related that the \$6 million bonding request for 100 Homes was considered by the BOA Finance Committee on April 10th. The committee voted unanimously to send the request to the full BOA for consideration. Ben Ewen-Campen, who serves on the Finance Committee and Andrea Shapiro attended the Committee meeting. They both noted that the committee posed detailed questions about 100 Homes and operations of the CPC and the Trust. They related their sense that providing as much Trust information as possible in advance of committee meetings would be beneficial. Having that information readily accessible both to BOA members and the public is helpful especially given focus on a range of housing initiatives. Since the 100 Homes Initiative is the first bonding request from the Trust to come to the BOA and several BOA members are a few months into their first term, they recommended that Trustees and staff augment existing materials and outreach methods for sharing Trust history, procedures and funding outcomes.

Ben commented that the Finance Committee expressed strong support for the 100 Homes Initiative. The request will be considered by the full BOA at its April 12th meeting. The meeting will be televised and any vote taken will be a roll-call vote.

Transfer fee hearing follow-up

- Mike Feloney shared information on a public hearing that was held on March 15th by the BOA Legislative Matters Committee about a proposed transfer fee that would be paid when residential properties are sold. Funds would be made available for affordable housing and administered by the Trust as the home rule petition is currently drafted. Members of the public provided testimony both for and against the proposed fee, with more of those in attendance speaking in favor of the transfer fee than against. There will be significantly more time, input and consideration before a determination about whether the City will submit a home rule petition to the state. State approval of a home rule petition would allow the BOA to consider an ordinance establishing a transfer fee which will in turn involve a deliberation process.

Acceptance of Trust Financial Review (unfinished business)

(Discussion of the next two agenda items was moved up on the agenda in an effort to allow Ben to take part in the discussion and vote before having to leave the meeting.)

- Mike shared a copy of a memo that was sent to Powers and Sullivan with comments on the Trust financial review. Copies of the completed financial review which addressed those comments were distributed to Trustees. Mike noted that the financial review is being posted on the City website for direct access without having to contact staff to request it.

A **motion** was made by Danny LeBlanc to accept the FY16 and FY17 Trust financial review, which was seconded by Mary Cassesso and PASSED 8-0.

Discussion segued back to the subject of a home rule petition that would provide opportunity to revisit the number of Trustees or the income thresholds for households served by Trust funding. A home rule petition process would require providing the public with information about how money will be spent and also allow a future Trust to adjust funding parameters to community needs as they change over time.

Ben Ewen-Campen left the meeting at 6:52pm.

Trust Annual Report (unfinished business)

- Mike provided an update that Kim Schmidt, the graphic designer who is working on the layout to the Trust Annual report is expecting to send a proof of the report on Wednesday the 18th. Staff noted that the Annual Report, the FY16 and FY17 Financial Review and the Trust governing documents will be available to view and download on the City website. To date, Trust meeting agendas, meeting minutes and Trust Strategic Plan already have been posted and kept current on the website. All materials will be accessible in one place so that they are easy to find.

Communications (resumed)

Community Preservation Plan public hearing April 25th at VNA

- Heidi noted that the Community Preservation Committee is hosting a public hearing at 7pm on April 25th at the Volunteer Nurses Association. The CPC is requesting input on the percentages that the CPC should allocate for historic preservation, open space and affordable housing uses. Trustees agreed that at least one Trustee should attend and also affordable housing stakeholders should be encouraged to attend and provide spoken or written testimony. Heidi distributed a press release from the City about the CPC hearing.

FRIT fractional payment (Alloy Block 5)

- Heidi noted that a fractional payment of \$107,285.25 associated with the Alloy Block 5 condominium building was made to the Trust on March 14, 2018.

Coresite linkage payment (70 Innerbelt)

- Heidi noted that a linkage payment of \$40,437.22 for the Coresite project was made to the Trust on April 3, 2018.

Request to DOR for legal opinion regarding Housing Support

- Heidi distributed a letter from the City Solicitor's office to the Department of Revenue seeking clarification regarding eligible Housing Support uses. She noted that a response from DOR had been received that afternoon without time for staff to review or include in meeting materials. Trustees requested that the response received from the DOR be part of the May Trust meeting agenda after City staff and legal counsel had time to review it.

Mike reviewed prior discussion that had occurred, in which it was agreed that seeking a clarification from the DOR made sense, before proceeding toward pursuing a new Trust ordinance that would be independent of existing state Housing Trust legislation. It was noted by Trustees that a home rule petition to the State would be required.

Draft Quarterly update to Housing and Community Development Committee Chair

- Mike shared an update to the Housing and Community Development Committee Chair that was to be transmitted to Ben for review and then shared with the BOA.

BOA meeting agenda item requesting feasibility assessments for publicly accessible open space in CPA affordable housing projects

- Mike shared that a BOA member had asked about feasibility for including publicly accessible open space in affordable housing projects, specifically those funded with CPA funds. Heidi distributed an email that included that request.

Trustees commented that the Trust has encouraged blended CPA requests where funds supported projects that included more than one of the CPA categories of historic preservation, open space and affordable housing; however, including public space on the sites of affordable housing would introduce many conflicts. Trustees raised concerns there is not adequate space on small affordable housing sites for such access and that such use would require legal action, site approvals and additional insurance that would all add to project costs. Public access on residential sites would also introduce privacy concerns. Trustees commented that in cases of large projects, such open space might be feasible and provide an amenity.

Trustees agreed that the Trust's position should be that while establishing open space on smaller private residences is not appropriate, conducting an open space feasibility analysis for larger projects is desirable. The Trust also favors bundling affordable housing CPA funds with either open space CPA funds or historic preservation CPA funds in one project.

3. Unfinished Business

Schedule for FY18 CPA RFPs

- Heidi distributed a copy of the draft FY18 CPA development project RFP. She related that not having time to review the opinion from the DOR regarding eligible Trust and CPA Housing Support uses, she was not able as of the meeting time to advise Trustees whether or not the clarification would affect the CPA Housing Program RFP. She noted that both RFPs remain in the same form as previously approved by Trustees, with only posting and deadline dates adjusted.

Trustees agreed that issuing the RFPs as soon as possible would be desirable. Lisa introduced a **motion** was made to wait until May to issue the RFPs if the DOR clarification will limit eligible uses, which was seconded and approved, 7-0. Trustees agreed that if staff determines that the DOR clarification will not limit allowed uses then they prefer that the RFPs be issued as soon as possible.

4. New Business

Monthly Trust Financial Reports

- Heidi presented the January, February and March Non-CPA Trust financial reports. A **motion** was made to accept the financial reports which was seconded and passed.

5. Adjournment

The meeting adjourned at 8:00pm with a motion to adjourn adopted unanimously.

Next meeting date – The next meeting will be held Thursday May 10th at 6:15pm.

Documents distributed:

- March 8, 2018 meeting minutes
- FY16 and FY17 Trust financial review package
- Press release regarding April 25th CPC hearing
- Email regarding request from BOA member on open space
- Letter from David Shapiro to DOR
- January, February and March 2018 Non-CPA Trust financial reports