

CAMBRIDGE AFFORDABLE HOUSING TRUST
MEETING MINUTES
January 23, 2020 at 4:00 p.m.

Ackerman Room, Cambridge City Hall
795 Massachusetts Ave.

Trustees Present: Louis DePasquale, Chair; Peter Daly, Florrie Darwin, Elaine DeRosa, Gwen Noyes, Susan Schlesinger, Jim Stockard, Elaine Thorne, Bill Tibbs

Staff Present: Iram Farooq, Asst. City Manager for CDD, Chris Cotter, Housing Director; Anna Dolmatch, Housing Planner; Emily Salomon, Associate Housing Planner

Others Present: Mayor Sumbul Siddiqui, Maura Pensak, Housing Liaison to the City Manager, James Williamson

The meeting was called to order at 4:08 p.m.

MEETING MINUTES

Upon a motion moved and seconded, it was voted unanimously to approve the minutes for the meeting of Thursday, Dec. 18, 2019.

UPDATE FROM CDD

52 New Street – Just A Start (JAS) purchased the site in early 2020 and will begin a community process later this year with a goal of securing permitting and financing to begin construction in 2022. In the meantime, JAS has extended the lease for the existing fitness center on site.

2072 Mass Ave. – Capstone/Hope are putting together plans for a community and permitting process with the goal of securing permitting and assembling financing in order to begin construction in 2022.

Squirrelwood – Construction is nearing completion at one of the properties in this development.

Frost Terrace – Construction is underway.

Finch Cambridge – Construction is underway. The application lottery deadline for the 98-unit apartment building closed in December 2019. Over 2,700 applications were received and are being sorted through. HRI will have additional details on the demographics, bedroom size break-down and other household information of applicants at future Trust meetings.

Homeownership Resale Pool– There are 17 active units.

HomeBridge – There are seven approved buyers seeking units. One unit closed last month and another is under agreement. To-date, 68 units have been purchased by first-time homebuyers through HomeBridge and the city's prior financial assistance programs.

Inclusionary Housing –There are over 1,280 inclusionary units built or under construction. Another 100 inclusionary units are being leased up or will be coming on-line in the coming months. The program is

growing and there is expected to be significant new inclusionary development in 2020, including some projects that will fall under the new Inclusionary ordinance. Over 160 inclusionary units are currently in the pipeline.

Trust members requested that future project updates compare the number of inclusionary units added to the portfolio based on the old vs. new ordinance to gauge the impact of the policy changes.

Incentive Zoning Nexus Study

The Ordinance Committee will meet in February to review the Incentive Zoning Nexus Study and the zoning amendment put forward by the City Council to increase housing contribution rate from the current \$17.10 per square foot to \$19.10 per square foot. The Planning Board will also be holding a hearing on the zoning amendment.

Homeownership Resale Fund Request

CDD staff presented a request to provide a \$1 million recapitalization for the Resale Fund. This fund is used to exercise the City's repurchase right on affordable units, enable sellers to sell more quickly. The funds are also used to fund rehab work on units on turnover, as well as to reduce prices if it is advisable to make units more affordable to the targeted income range.

The fund has previously been capitalized with a total of \$4.5 million in CPA funds. The fund is intended to revolve and sink, as some funds are recaptured when units are resold to a new eligible buyer. At this time, approximately \$2 million has been permanently expended, leaving \$2.5 million in the fund. There are currently eleven units being held on the City's behalf in various stages of predevelopment, construction or sale. The fund is currently almost fully committed at present.

An additional \$1 million will fund for the ongoing management of the homeownership portfolio resales so that CDD can continue to facilitate the timely repurchase, rehab and resale of units, while providing timely reimbursement to the City's designees for repurchasing units for costs they incur for these units.

Upon a motion moved and seconded, it was

VOTED: to approve the staff's request for \$1 million to be allocated to the Homeownership Resale Fund.

Blair Pond Estates

There was a question about the recent sale of Blair Pond Estates (Normandy St), an 80-unit apartment building. Most units at this property have been are rented well below market, and many residents are seniors with fixed incomes, several of whom have lived there for decades.

Maura Pensak reviewed the two-tiered approach the City is taking to work both with residents and the new property owner to stabilize the existing residents who are at risk of displacement, and to see if any housing that will be affordable for the long-term affordable can be created at the property.

Trust members expressed that this sale may be an opportunity to educate the public on the continuing need for affordable housing and the different populations at-risk of displacement in the city. It may also be an opportunity to convey to other property owners interested in buying large apartment buildings of the City's commitment to prevent resident displacement.

ADJOURNMENT

Meeting adjourned at 4:52 pm. Next meeting will be February 27, 2020.

Materials:

- Meeting Minutes from the Trust's Dec 18, 2019 meeting
- Project update: Status of Active Commitments
- Memorandum: Resale Funding Request