

CAMBRIDGE AFFORDABLE HOUSING TRUST
MEETING MINUTES
September 14, 2011

Ackerman Room, City Hall
795 Massachusetts Ave.

Trustees Present: Robert W. Healy, Peter Daly, Florrie Darwin, Michael Haran, Gwen Noyes, Susan Schlesinger, Bill Tibbs

Trustees Absent: Beverly Bates, Jim Stockard

Staff Present: Brian Murphy, Assistant City Manager for Community Development; Chris Cotter, Housing Director; Cassie Arnaud, Housing Planner; Anna Dolmatch, Housing Planner; Linda Prosnitz, Housing Planner

The meeting was called to order at 4:00 pm.

Upon a motion moved and seconded, it was voted to approve the minutes from the July 27, 2011 meeting.

PROJECT UPDATES

Inman/CAST – Occupied rehab of the building is underway. Completion is expected by end of 2011. An event will be held to mark the preservation of the building.

Cambridge Court – The owners are currently looking at construction bids and working towards closing on financing by the end of the year.

YMCA Central House – All financing closed in early September. They are preparing to begin occupied rehab.

Lincoln Way/Jackson Gardens – Construction is underway at both sites and proceeding well. Jackson Gardens is expected to be complete in the fall. Phase I of Lincoln Way is expected to be complete in early 2012.

Cambridge YWCA – The project is expected to close later in the fall.

78-80 Porter Road – CHA was not funded in Sept 2010 state round and resubmitted in the April 2011 DHCD rental round.

625 Putnam Avenue – Project is under construction. Completion expected early in 2012.

7 Temple Street – CHA submitted an application for funding in the April DHCD rental round.

1066 Cambridge Street – Project complete and units leased up. The retail space has been leased and the project is complete.

424-430 Windsor – Remaining City financing has closed. Just A Start is currently obtaining permits and expects to start construction in the next few weeks.

125 Harvard Street (Print Shop) – Of the twenty-four units, twenty-three have been sold. Final unit under agreement.

191-195 Prospect Street – CHA did not receive funding in most recent DHCD rental round; assessing alternative financing options.

Inclusionary Zoning - Several Inclusionary Zoning projects are moving forward, including large rental developments at the former Faces nightclub site and on Fawcett Street near Alewife.

OTHER BUSINESS

FY2012 CPA Process

Staff informed the Trust that the FY2012 Community Preservation Act process was complete. The CPA Committee held its final hearing in August, and referred a recommendation of a continued funding allocation of 80 percent for affordable housing, 10 percent for historic preservation, and 10 percent for open space. The City Council approved this by a vote of 7-2 at the September 12 Council meeting.

The Trust noted that the turnout for the hearings was excellent, with a large representation of affordable housing supporters. In total, more than 500 residents expressed support for affordable housing through testimony, letters, emails and petitions.

Federal Grants Budget Update

Staff informed the Trust that the CDBG and HOME funding was significantly cut for FY12, beyond the level anticipated when the City budget was developed and the Trust last discussed federal funding cuts earlier this year. For FY12, the City's CDBG funding has been cut by 17.5% and HOME funding has been cut by 11.5%. The overall cut in these federal grants in FY12 totals more than \$720,000.

The amount of these cuts was finalized after the submission of the FY12 City budget which had assumed a 10% cut, resulting in a shortfall for Community Development program and staff costs. At an earlier meeting staff had discussed the possibility of requesting funds from the Trust for staff costs in FY12. However, City staff indicated that an alternate source of City funds had been identified to cover the gap in staff costs for FY12.

While no Trust funds are being requested for this fiscal year, the federal funding outlook remains bleak, and the staff indicated that discussion of additional cuts with the Trust will continue as the City prepares for FY13. Current proposals before Congress could cut the CDBG and HOME administrative funds by 50% and 25%, respectively. Staff reported that, given the continuing discussions regarding federal cuts between Congress and the Administration, this issue is unlikely to be resolved quickly, and the outcome for FY13 may not be known before the City budget process begins.

Trust members requested information on the historic sources for funding CDD staff costs, including the division between City revenues, federal grants, and Trust sources. Staff will prepare this for discussion at a future meeting.

MOVE TO EXECUTIVE SESSION

At 4:30 PM, the Chair indicated that the next business item before the Trust pertained to the potential acquisition of real estate, and that continuing in open session might have a detrimental effect on the negotiations. The Chair entertained a motion to go into Executive Session to discuss this matter, and indicated that the Trust would resume in Open Session at the conclusion of the Executive Session.

Upon a motion moved, seconded and approved by a 7-0 roll call, with Ms. Bates and Mr. Stockard recorded as absent, the meeting went into executive session.

Executive Session

RETURN TO OPEN SESSION

At 4:42, the Chair entertained a motion to return the meeting to Open Session. Upon a motion moved, seconded, and approved by a 7-0 roll call, with Ms. Bates and Mr. Stockard recorded as absent, it was voted to return to Open Session.

Inclusionary Zoning Petition

Staff briefed the Trust members on a current petition before the Planning Board recommending changes to the Inclusionary Zoning ordinance. The petition was heard by the Planning Board on September 13th, but will be discussed by the Board at a later meeting. The petition proposes several changes to the existing Inclusionary Zoning ordinance, including a change in the calculation method from 15% of base units to a straight 10% of the total number of units in a development. The petition is intended to make the Ordinance easier to for the public to interpret and to limit the applicability of the density bonus available to developers.

Trust members discussed the success of the program to date, both in the number of units created by the private sector with no public funding, and the consistent application of the program for all developers. Trust members stated that they felt the ordinance has resulted in one of the best inclusionary programs in the country, and wanted to express to the Planning Board and City Council their strong support for maintaining the current ordinance as written.

The Trust requested information on the issues discussed at the time the Inclusionary Zoning Ordinance was adopted, as well as an estimate of whether the changes to the affordability unit calculation would result in fewer affordable units. Trust members also requested that staff draft a letter in support of the Inclusionary Zoning ordinance as it is currently written and administered to be forwarded to the Planning Board and City Council.

ADJOURNMENT

The meeting adjourned at 5:00 pm. The next meeting is scheduled for Tuesday, September 27, 2011 at 4:00 p.m.

OTHER MATERIALS

- Meeting Minutes from the Trust's July 27, 2011 meeting