

CAMBRIDGE AFFORDABLE HOUSING TRUST
MEETING MINUTES
August 6, 2020 at 4:00 p.m.

Conducted virtually via Zoom

Trustees Present via Zoom: Peter Daly, (acting Chair); Florrie Darwin, Elaine DeRosa, Gwen Noyes, Susan Schlesinger, Jim Stockard, Elaine Thorne, Bill Tibbs

Trustees Absent: Louis DePasquale, Chair

Staff Present via Zoom: Iram Farooq, Asst. City Manager for CDD; Chris Cotter, Housing Director; Cassie Arnaud, Housing Planner; Janet Haines, Associate Housing Planner; Lisa Peterson, Assistant. City Manager Emily Salomon, Associate Housing Planner;

Others Present via Zoom: Suzanne Blier, Elizabeth Case, David Dodge, Dennis Friedler, John Hall, Lisa Jacobson, Sarah Lawson, Maureen McNamara, Judith Morse, John Nesby, Tom Nutt-Powell, Cody Thornton, Catherine Tutter, Paul Vermouth, Steve Wineman, Matthew Yarmolinsky

The acting Chair, Peter Daly, called the meeting to order at 4:04 p.m. and explained that this meeting of the Affordable Housing Trust would be held virtually pursuant to the temporary emergency orders currently in place, and that all votes would be taken by roll call, and that there would be no public comment. Mr. Cotter then coordinated to confirm that each participant was audible to each of the other Trust members.

MEETING MINUTES

A Trust member noticed that a paragraph in the June 25, 2020 meeting minutes was duplicated and requested that they be amended to correct the mistake. Upon a motion moved and seconded, it was voted unanimously by roll call to approve the amended minutes for the meeting of Thursday, June 25, 2020.

UPDATE FROM CDD

Finch Cambridge – Construction was delayed due to COVID-19 but is now near completion. Residents began moving in in July and the property is expected to be fully occupied by August 2020. Due to the pandemic, HRI has been unable to showcase the property to the public but is working with the City to provide a video tour/virtual walk-through of the building. There were approximately 2,600 applicants for the 98-units, and applications are still being submitted for the property's waitlist.

HomeBridge – There are seven approved buyers seeking units. Inventory is limited, but approved buyers hope to find units. To date, 68 units have been purchased by first-time homebuyers through HomeBridge and the city's prior financial assistance programs.

Homeownership Resale Pool– There are 11 units in progress. Staff are working on new ways to show units to potential buyers, such as virtual open houses, in order to keep program active despite constraints of COVID-19.

Frost Terrace – Construction is underway again and proceeding after pandemic-related delays.

SquirrelWood – Construction was delayed due to the pandemic but is underway again and nearing completion.

2072 Mass Ave. – Capstone/Hope are in early stages of planning for the development of this site, including preparing to begin the community and permitting process. Their goal is to secure permitting and financing to allow construction to begin in 2022.

52 New Street – Just A Start is also beginning to plan for the development of their New Street site, including beginning the community and permitting processes, with a goal to secure permitting and financing in time to begin construction in 2022.

Fresh Pond Apartments – Staff are working to complete the preservation of this expiring use property. Two-thirds of the property was preserved in late 2019 through a new Section 8 contract with HUD. Staff are actively working with the owner and HUD on finalizing the terms of new use agreement and terms for the remaining third of the units. Staff are working with the owner as they develop their approach to provide more detailed updates to residents in a way which is consistent with COVID-19 safety measures regarding group gatherings.

Vail Court – Litigation continues with no news to report as the case remains deep in the discovery process and the former owner continues to challenge both the valuation and taking.

Rindge Commons – Just A Start is seeking a comprehensive permit for this two-phased mixed-use project. The project received a favorable recommendation from the Planning Board earlier this month and will be heard at the August 23, 2020 Board of Zoning Appeal (BZA) meeting.

Other Updates/General Discussion

There was discussion on the state of the rental and homeownership market during the pandemic. Staff indicated that there are still many questions about the rental inventory and pricing, which is expected to be impacted by whether college and university students return in the Fall.

City officials are also hearing from Cambridge residents that are struggling to make their housing payments due to job loss and economic strain. Although the state rent moratorium was extended until October 18, 2020, the City has allocated resources to assist struggling residents to stay current with rental payments to help them avoid the eviction process when it resumes. To that end, the City has launched the Housing Stabilization Program (HSP) to make resources available to income-eligible residents with partial rental payments, assisting households paying more than 40% of their income on rent. The HSP is a separate program from the Mayor's Disaster Relief Fund, which launched in March. A portion of the funds that support the HSP are from the Community Preservation Act.

On the homeownership side, eligible homeowners struggling with condo fees are able to apply for assistance through the Housing Stabilization Program. For prospective buyers, inventory remains very

limited with prices seemingly holding steady as a result of low interest rates and pent-up demand. It is a very difficult market for prospective HomeBridge buyers.

Community Preservation Act Update

The Community Preservation Act (CPA) Committee has held three meetings to discuss the Housing Stabilization Program and FY21 allocation of funds. In past years, CPA funds have been split 80/10/10 percent to housing, open space, and historic preservation, respectively. It was noted that there although there is continued support for maintaining the existing 80/10/10 split, the CPA Committee is reviewing public comment and testimony to inform their decision. In recent years, public comment has trended towards greater support for open space funding. This year, all public comment is being submitted virtually due to the pandemic, which has changed typical participation. Trust members noted that it is important for the CPA committee to hear ongoing support for affordable housing from individuals during the public comment period, which closes in September.

Trust members discussed whether they should collectively submit public comment to the CPA committee on behalf of the Trust, or to do so individually. After a discussion, it was concluded that individual testimony would be valuable and appropriate.

Request from Park View Cooperative Corporation

Last year, members of the Park View Cooperative approached the AHT for financial assistance to make needed building repairs. City staff worked with Coop member to assess the construction needs and financial position of the Cooperative, and their need for a subsidy to pay for renovations. In March 2019, the Trust committed \$1,394,000 to assist the cooperative with this rehab project.

The Park View Cooperative have requested an increase of \$1,533,368 to assist this limited equity cooperative in undertaking necessary rehab and capital improvements. The total Trust commitment, if approved, is approximately \$2.9 million, or close to \$244,000 per unit. The rehab costs of older buildings like the ParkView Coop tend to be high when there is need for the property to be brought to current codes and building standards (ex. knob/tube wiring).

City staff drafted a memo that provides details on the current building needs and construction costs, as well as issues and ideas to preserve long-term affordability of the cooperative, shareholder selection, share transfer appreciation, and monitoring and oversight. The memo is a starting point for a discussion with Trust members to consider what terms and conditions should be made in exchange for financial assistance that further Trust policy goals.

Trust members discussed ideas in the memo, including having a AHT member representative available to work with coop shareholders; developing a preference or requirement for shareholders to consider voucher-holders in the resident selection process; and normalizing housing costs via increased carrying charges to create an internal subsidy to offset costs for lower-income shareholders to ensure funding would be available to avoid revisiting another round of subsidy need in the future. Trust members discussed preference for aspects of Coop operations to mirror the City's rental and homeownership programs, including tenant selection plan criteria and unit appreciation/ resale formula. It was also suggested that the Coop review affirmatively furthering fair housing (AFFH) marketing plans used by cohousing communities as model for the Coop to market unit vacancies.

Based on the discussion of meeting recommendations, Trust members asked staff to take ideas from the memo and create stronger recommendations for the Trust to vote on at a later meeting.

ADJOURNMENT

Meeting adjourned at 5:15 pm upon a motion moved and seconded, with Mr. DePasquale absent, by roll call of eight in favor and one absent. Next meeting is scheduled for September 24, 2020.

Materials:

- Meeting Minutes from the Trust's June 25, 2020 meeting
- Project update: Status of Active Commitments
- Memorandum: Park View Cooperative Request for Additional Funding
- Affordable Ownership at ParkView Cooperative: Project Update for CAHT