

CAMBRIDGE AFFORDABLE HOUSING TRUST  
MEETING MINUTES  
June 24, 2009

Ackerman Room, City Hall  
795 Massachusetts Ave.

Trustees: Robert W. Healy, Peter Daly, Susan Schlesinger, Michael Haran, Gwen Noyes

Staff: Beth Rubenstein, Assistant City Manager; 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 of the May 28, 2009 meeting.

**PROJECT UPDATES**

**Cambridge YWCA** – Initially planned to use a combination of 4% and Historic tax credits, but have now swapped out 4% credits and are proposing a 100% Historic credit project. Will be submitting request at upcoming Trust meeting.

**78-80 Porter Road** – CHA acquired 26-unit building in mid April and will begin the transition to affordable housing in the upcoming year.

**625 Putnam Avenue** – HRI acquired in late April. The first community meeting was held in June with a follow-up meeting scheduled for July. HRI received an award of 8 state Section 8 project-based voucher. They are submitting a request for funding in the Summer rental round.

**7 Temple Street** – Trial scheduled for early October 2009. CHA is reapplying for DHCD in upcoming Summer round.

**95-97 Pine Street** - HRI received DHCD funding award. Construction bids have been received and are being reviewed.

**1066 Cambridge Street** – Just A Start continues to seek tax credit investors.

**35 Harvey Street** – Construction is underway and CASCAP expects the project to be complete in the summer.

**424-430 Windsor** – The Planning Board decision of this JAS project is still under appeal.

**823 Main Street** –Construction is progressing well and completion is expected in the summer. Lotteries have been held and buyers are selecting units and signing purchase and sales agreements.

**FTHB Buydown Assistance** – Trust expanded in February 2009 to include inclusionary, non-profit, and resale units. Looking at this for new units and resale units.

**125 Harvard Street (Print Shop)** – Construction is going well with an expected completion of late summer 2009. The first round of marketing is complete and 60 applications were received. Applications are under review.

**VFW** - Buyer selection for final unit is underway.

**191-195 + 203 Prospect Street** – CHA did not receive DHCD funding and exploring options for financing. They have reapplied with the state in the Summer rental round.

**Bedrick Properties** – Rehab of units is ongoing.

**Harvard Properties** – Rehab of units is ongoing.

## **NEW BUSINESS/ UPDATES**

### **New Request for Funding for the Cambridge Housing Authority**

Staff presented a request from the Cambridge Housing Authority for \$7,166,633 for the revitalization of state-funded public housing units at Lincoln Way and Jackson Gardens. This funding will be used to leverage \$7,166,633 in State funds; \$7,166,633 in CHA equity; tax credit equity of approximately \$13,366,000, and federal ARRA Capital Fund Recovery funds of \$10,000,000. The ARRA funding is awarded competitively, and the CHA must show evidence of other funding commitments by July 3, 2009 in order to be eligible for the funds.

The Trust discussed the impact the request will have on available funding for other Trust priorities, including the expected increase in expiring use preservation requests; acquisition and rehab of existing buildings; ongoing programs; and new development. Trust members requested that staff prepare funding projections looking at how anticipated funding might be used to meet the variety of demands on Trust resources in the coming years. Trust members also requested that staff set aside time at an upcoming Trust meeting to the pipeline of expiring use projects.

The Trust also discussed the need to work with the CHA to ensure that a large award of Trust funds would enable the CHA to begin releasing Project Based Section 8 vouchers for non-profit rental units. This would help to balance the reduction in available Trust funding for these projects, allowing them to leverage more private funds.

Staff acknowledged that the project was in the early stages and needed further review; however, eligibility for the ARRA funding required an early conditional commitment from the Trust. The Trust acknowledged the unique opportunity the ARRA funds presented the CHA to leverage \$10,000,000 in federal resources to address the capital needs of its state public housing. Trust members requested that any commitment be contingent upon commitments from all other funding sources including the award of ARRA funds. Members thought that if the CHA application for ARRA funds is not successful, the Trust commitment should be rescinded.

Upon a motion and seconded, it was:

Voted: To approve the Cambridge Housing Authority's request for \$7,166,633 for the revitalization of the public housing units at Lincoln Way and Jackson Gardens, contingent upon equal commitments from the CHA and DHCD; at least \$13,366,000 in tax credit equity or other financing; and \$10,000,000 in federal ARRA funding, and such additional requirements as are described in Trust briefing materials.

#### Request for Additional Funds for 95-97 Pine Street

Staff presented a request from HRI for \$500,000 in additional funds for the redevelopment of 12 affordable rental units at 95-97 Pine Street. The project was originally underwritten assuming six Project Based Section 8 vouchers. However, these vouchers are not available, and the project will now be underwritten with lower rents. This reduces the amount of mortgage debt the project can support. HRI is requesting additional Trust funding to cover this gap.

The Trust discussed the impact of the lack of PBA vouchers available for non-profit projects. They noted that the release of additional PBAs will be part of a larger discussion with the CHA about the distribution of their resources and Trust funds.

HRI acquired the building in January 2009. They expect to begin construction this summer and rehabilitate the buildings in two phases, with completion expected for spring 2010.

Upon a motion and seconded, Peter Daly abstaining, it was:

Voted: To approve HRI's request for \$500,000 in Trust funds for rehabilitation work at 95-97 Pine Street.

#### Appropriation of Annual Contract Funds

Staff presented a request for \$402,728 in Trust monies to fund the \$353,728 in Affordable Housing Development annual contracts for Homeowner's Rehab, Inc. (HRI), Just A Start Corporation (JAS), and CASCAP, as well as \$14,000 for legal services and \$5,000 for miscellaneous administrative items. Staff noted that this year's request

represents a \$30,463 increase over the FY09 commitment to offset a decrease in available CDBG funding. The overall combined City/Trust funding level remains unchanged.

This year there was an additional request for \$30,000 in Trust funds for Cambridge Neighborhood Apartment Housing Services (CNAHS). This is to offset a decrease in funding from City tax funds. CNAHS is further assisted by the City through CDBG.

Upon a motion and seconded, and with Peter Daly and Michael Haran abstaining, it was:

Voted: to approve \$402,728 in Trust funding for the administrative contracts for FY10, subject to the terms and conditions outlined in more detail above and in the Trust briefing materials

#### ADJOURNMENT

The meeting adjourned at 4:42pm. The next meeting is scheduled for Thursday, July 23 2009, at 4 pm in the Ackerman Room. Confirmation of this time and date will follow.