

CAMBRIDGE AFFORDABLE HOUSING TRUST  
MEETING MINUTES  
January 27, 2011

Ackerman Room, City Hall  
795 Massachusetts Ave.

Trustees Present: Robert W. Healy, Peter Daly, Susan Schlesinger, Jim Stockard, Bill Tibbs

Trustees Absent: Beverly Bates, Florrie Darwin, Michael Haran, Gwen Noyes

Staff Present: Susan Glazer, Acting 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 4:04 pm.

Upon a motion moved and seconded, it was voted to approve the minutes from the December 9, 2010 meeting.

#### **PROJECT UPDATES**

**Inman/CAST** – HRI has extended the P&S and anticipates a closing in February.

**Cambridge Court** – Owner resubmitted an application for financing to the state in the September funding round.

**YMCA Central House** – Caritas submitted an application to the state for the September funding round. They were approved for 4% tax credits and bond financing.

**Lincoln Way/Jackson Gardens** – Construction is underway at both sites.

**Cambridge YWCA** – The YWCA is awaiting word on their application to the state in the September funding round. The YWCA is working on MOU/MOA with CHA and City.

**78-80 Porter Road** – CHA is also awaiting word on its application to the state for the fall funding round.

**625 Putnam Avenue** – Existing building has been demolished. Project has closed in escrow and will go to record in February. Construction will begin in late February or early March.

**7 Temple Street** – Appeal process is underway. CHA resubmitted to the state for funding in the fall round. Trial rescheduled to begin in March.

**1066 Cambridge Street** – Construction is underway. Completion expected spring 2011.

**424-430 Windsor** – JAS continues to conduct predevelopment activities. A request to the Trust for predevelopment funds was approved at the October meeting.

**125 Harvard Street (Print Shop)** – Almost all units sold or under agreement; working to identify buyers for 2 remaining units.

## **NEW BUSINESS**

### **Inman/CAST Apartments**

Mr. Daly left the room for the discussion of this request.

Staff presented a request from Homeowner's Rehab Inc. for an increase of \$498,000 in permanent financing for the 125 units at Inman Square Apartments and CAST II Apartments. This will bring the Trust's total contribution to the acquisition, rehab, and preservation of these expiring use properties to \$2,798,000. Affordability restrictions expire at CAST II Apartments in March 2014 and at Inman Square in March 2017. HRI will permanently preserve the affordability of these units.

HRI had planned to close in late 2010 but MassHousing was not ready, so the closing was delayed until February 2011. HRI was able to negotiate an extension to the P&S. The delay resulted in more than \$100,000 in new project costs and construction bids came in higher than expected. In addition to the Trust funds, the increased project costs will be funded with additional tax credit equity, an Energy Efficient loan, and a CNAHS/Neighborworks loan, City Historic funds, and a developer fee loan.

The total development cost of the project is \$32.4 million.

Upon a motion and seconded, with Mr. Daly absent, it was:

VOTED: to approve the request from Homeowner's Rehab. Inc. for an increase of \$498,000 in permanent financing for Inman Square Apartments and CAST II Apartments as described above and as outlined in greater detail in the Inman/CAST Apartments project recommendation memo dated January 27, 2011 from the Project Review Committee to the Trust. The funds were made contingent on the following:

1. CDD staff approval of the final development and operating budgets;
2. Appraisal adequate to support acquisition price;
3. Firm written commitments from all project funding sources;
4. CDD staff approval of construction plans and specifications;
5. Standard Trust terms and conditions.

Mr. Daly returned to the room.

### **Terms of Affordable Housing Restrictions**

Staff presented a recommendation that the City's Affordable Housing Restrictions be at a minimum, comparable in length to other affordable housing restrictions for a project, but no less than 50 years. Currently, the City's affordable housing restrictions have the Trust's standard term of 50 years for rental developments with the understanding that during that time there will be a need for recapitalization when restrictions may be extended. However, staff have recently encountered cases where other affordable housing restrictions are perpetual in some cases. The Trust discussed the long-term impact of other restrictions outlasting the City's restriction. Trust members agreed that the City should continue to have a stake in the affordability of a development for a minimum of 50 years and longer where a longer affordability period may be required by other funders

Upon a motion and seconded, it was:

VOTED: that the term of the Affordable Housing Restrictions for rental developments be the longer of 50 years, or equal to the term of any other affordability restrictions for the development.

### **ADJOURNMENT**

The meeting adjourned at 4:43 pm. The next meeting is scheduled for February 24, 2011 at 4:00 p.m., date to be confirmed.

### **OTHER MATERIALS**

- Draft Meeting Minutes from the Trust's December 9, 2010 meeting
- Status of Active Projects – Cambridge Affordable Housing Trust