

CAMBRIDGE AFFORDABLE HOUSING TRUST  
MEETING MINUTES  
Sept. 24, 2020 at 4:00 p.m.

Conducted virtually via Zoom

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

Trustees Absent: Bill Tibbs

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

Others Present via Zoom: Dennis Carlone, Elizabeth Case, Dennis Friedler, Kyohei Fujita, Lisa Jacobson, Andrew Larsen, Ann Lurie, Maureen McNamara, Veena Mohan, Judith Morse, John Nesby, Cody Thornton, Catherine Tutter, Jarvis Tyner, Paul Vermouth

The acting chair, Florrie Darwin, called the meeting to order at 4:02 p.m. prior to the Chair joining the meeting. Chris Cotter 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.

The Chair, City Manager DePasquale joined the meeting at 4:06 p.m.

## MEETING MINUTES

Upon a motion moved and seconded, it was voted unanimously by roll call to approve the minutes for the meeting of Thursday, August 6, 2020.

## UPDATE FROM CDD

**Community Preservation Act (CPA):** The annual CPA appropriation was approved by the City Council which accepted the recommendation of the CPA Committee to continue the allocation of 80% of CPA funding to affordable housing, bringing approximately \$12 million to the Trust in FY21. This sum, combined with \$15 million committed in the City's FY21 budget doubles the annual funding to the Trust over FY19 funding.

**Affordable Housing Overlay (AHO):** At the last City Council meeting, the AHO was moved on to a second reading and could be ordained at the next Council meeting (Oct. 5, 2020). If passed, this will create new opportunities for new affordable housing development.

**HomeBridge:** There are seven approved buyers seeking units with some homes are coming under agreement. Inventory is limited, but approved buyers continue to look for units to purchase. To date, 68

units have been purchased by first-time homebuyers through HomeBridge and the city's prior financial assistance programs.

**Homeownership Resale Pool:** In response to COVID-19, city staff are adapting the typical process to show new units to prospective buyers in the Resale waiting pool, such as virtual open houses. There are 11 units in progress.

**Finch Cambridge:** This project is now in the final stage of development. Residents began moving in over the Summer. 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.

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

**Vail Court:** Litigation continues with no news to report as the case continues.

**SquirrelWood:** Construction was delayed due to the pandemic but is underway again and nearing completion. The project is on schedule to be completed in early 2021, with units coming online in the next few months.

**2072 Mass Ave.:** Capstone/Hope have put together design and development plans for the site and are holding first community meeting on September 27, 2020. Their goal is to secure permitting and financing to allow construction to begin in 2022.

**Fresh Pond Apartments:** City staff are working to complete the preservation of this expiring use property. Two-thirds of the property was preserved earlier this year 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 plans to preserve the remaining third of the units. Staff are working with the owner as they hope to soon provide more detailed updates to residents in a way which is consistent with COVID-19 safety measures regarding group gatherings.

**Rindge Commons:** Just A Start was approved for a comprehensive permit at the August 23, 2020 Board of Zoning Appeal (BZA) meeting for this two-phased mixed-use project. The first phase of construction will be a mixed-use building which will include both affordable rental housing as well as non-residential space to house JAS's workforce training programs and City-supported early childhood education classrooms.

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

**Housing Stabilization Program (HSP):** The City continues to offer emergency housing assistance to residents through the Housing Stabilization Program which provides funds to income-eligible residents to help with partial rental payments. HSP assists households paying more than 40% of their income on rent and is supported with Community Preservation Act (CPA) and HUD CDBG funds. The program recently increased assistance offered from 2 to 4 months.

## **Other Updates/General Discussion**

Trust members and staff discussed implications of the Commonwealth's eviction moratorium expiring in mid-October 2020. The Federal eviction moratorium, while in place does not offer as much protection. There will be a need to assist owners with mortgage delinquencies and to continue to share resources with renters on assistance available to them, including the Housing Stabilization Program.

Jim Stockard joined the meeting at 4:19 p.m.

## **Request from Park View Cooperative Corporation**

Last month, Trust members asked staff to recommend terms and conditions for an increase of \$1,533,368 in financial assistance to the Park View Cooperative to make significant building repairs. An August 2020 memo outlined possible terms and conditions across four areas: monthly carrying charges to preserve long-term affordability of the cooperative, shareholder selection, share transfer appreciation, and monitoring and oversight. Based on this staff prepared terms and conditions the Trust might consider when making a funding commitment.

Cooperative members expressed concerns about the city's terms and conditions and suggested that they may not be workable for them. This has been a self-managed, self-governed cooperative for over 30 years and Cooperative members relayed to staff that they were especially concerned with city monitoring and oversight and having an active role in shareholder selection. Other concerns include increasing carrying charges on an annual basis to cover operating expenses. Park View residents have traditionally budgeted based on building expenses and implementing a regular annual increase of carrying charges would be a different approach.

Trust members discussed City oversight in other affordable housing projects, which is standard when the Trust commits funds or there are other public funds involved. Trust members noted that although the cooperative is different in terms of ownership structure, it should not be different as far as how the Trust supports other affordable housing projects. They reiterated that their involvement in the Park View Cooperative is to ensure the Cooperative has the tools in place to be affordable in perpetuity and to ensure that there are adequate reserves for future building repairs or capital improvements.

Staff explained that there isn't precedent for this scenario because this is the first type of funding request to the Trust from a limited equity cooperative. City involvement with other cooperatives varies but the primary role has been to approve the transfer of cooperative shares to new residents. The approach contemplated here would create a more significant role for the Trust or staff in working with the coop to ensure the Trust's investment in the building and ongoing affordability fulfilled its public purpose.

Trust members want to ensure that ongoing discussions about funding terms and conditions do not impede the Cooperative's ability to get a new heating system before the winter. They encourage further dialogue with Park View Cooperative to gain clarity on their specific concerns about the City's role and find a way to make it work. They reiterated their commitment to assisting the Cooperative and

suggested calling a special meeting if that were helpful to revisit the request and discuss further possible funding terms and conditions.

### **Project Ideas Raised during the Community Preservation Act Allocation Process**

The Community Preservation Act (CPA) Committee heard public comment for the allocation of FY21 funds. Public comments were submitted online and during virtual hearings. Staff shared ideas for affordable housing that were submitted as part of that process. Staff shared material describing how “tiny houses” might be built to house homeless individuals.

CDD staff are working with the Department of Human Services Programs (DHSP) to develop housing ideas for individuals coming out of homelessness. This could be through set-asides in existing buildings or working with different providers to build new housing.

Another idea raised by a committee member was about a looking to see if there was a way to work with MIT to asses if MIT-owned property around Chestnut Street might be considered for building affordable housing.

### **ADJOURNMENT**

Meeting adjourned at 5:09 pm upon a motion moved and seconded, with absent, by roll call of **eight** in favor and **one** absent. The next meeting is scheduled for October 22, 2020.

#### Materials:

- Meeting Minutes from the Trust’s August 6, 2020 meeting
- Project update: Status of Active Commitments
- Memorandum: Park View Cooperative Funding Request
- Park View Cooperative Response Letter to Community Development Department: August 20, 2020
- September 22, 2020 Email to Community Development Dept: Park View Cooperative — Topics for Final Round of Negotiation
- September 23, 2020 Email to Community Development Dept: Park View Cooperative Negotiation Update for the Affordable Housing Trust
- Community Preservation Act Project Requests & Comments