



CITY OF CAMBRIDGE
Community Development Department

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Affordable Housing Trust

January 28, 2021, 4:00 p.m.

To participate in this meeting hosted on the Zoom video meeting platform, please register using this [link](https://cambridgema.zoom.us/webinar/register/WN_JWzWyeo5Sb-YxZwa1lCl5A) in advance of the meeting.

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AGENDA

- Review of Meeting Minutes
- Update from the Community Development Department
- Adjournment

CAMBRIDGE AFFORDABLE HOUSING TRUST
MEETING MINUTES
December 16, 2020 at 4:00 p.m.

Conducted virtually via Zoom

Trustees Present via Zoom: Bill Tibbs, Peter Daly, Florrie Darwin, Elaine DeRosa, Susan Schlesinger, Jim Stockard

Trustees Absent: Louis DePasquale, Chair; Gwen Noyes, Elaine Thorne

Staff Present via Zoom: Chris Cotter, Housing Director; Cassie Arnaud, Housing Planner; Janet Haines, Associate Housing Planner; Maura Pensak, Housing Liaison to the City Manager; Linda Prosnitz, Housing Planner; Emily Salomon, Associate Housing Planner

Others Present via Zoom: Larry Aldrich, Michael Brandon, David Evans, Bo Fuji, Lee Farris,

The acting chair, Jim Stockard, called the meeting to order at 4:05 p.m. Chris Cotter explained that this meeting of the Affordable Housing Trust would be held virtually pursuant to the temporary emergency orders currently in place, 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.

Trust member Elaine DeRosa joined the meeting at 4:15 p.m.

MEETING MINUTES

Upon a motion moved and seconded, it was voted unanimously by a roll call to approve the minutes for the meeting of Thursday, November 19, 2020.

UPDATE FROM CDD

HomeBridge Expansion: At the last Trust meeting, it was voted unanimously by a roll call to expand HomeBridge income eligibility to households earning up-to 120% AMI. The Trust committed \$3 million in funds allocated through the City budget to fund the program. The City is planning to launch the program's expanded eligibility in early 2021.

Incentive Zoning: The Incentive Zoning contribution rate was updated based on the consumer price index (CPI). The new updated contribution rate is \$20.31, a 20-cent increase.

Housing Stabilization Program: On December 15th, the second round of the Housing Stabilization Program (HSP) closed. A third round of assistance will launch in January 2021 with funding via the CARES Act to target households most in need. Program changes will include a cost burden ratio reduction from 40% to 35% and assistance to income-eligible homeowners with mortgage payments.

Trust members asked about evictions in Cambridge now that the state moratorium has ended. Staff reported that the City is not seeing as severe a wave of evictions as in other parts of the state, but that

the City is monitoring the data closely. The HSP has been an important tool to assist residents prevent eviction. Other city agencies including the Multi-Service Center and efforts by the Housing Liaison to the City Manager are assisting residents with other housing resources and working to establish partnerships with affordable providers and some management companies to assist tenants in need.

HomeBridge: There is continued interest to utilize funds through HomeBridge. Several buyers are actively looking for homes. A three-bedroom unit closed last month, and another three-bedroom unit is under agreement as of last week. To date, 71 units have been purchased by first-time homebuyers through HomeBridge and the City's prior financial assistance programs.

Homeownership Resale Pool: Will discuss in more detail later in meeting.

Finch Cambridge: Construction is complete, and the property is fully leased up and occupied. 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.

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

Frost Terrace: The application process began on Nov. 9 and is open through mid-January 2021. The developers have noted a strong demand for applications that has exceeded expectations. The City is working to market this opportunity. Applicants will be selected via a lottery process. Construction is anticipated to be complete by late-Winter/early-Spring 2021, with occupancy in May 2021.

SquirrelWood: Construction was delayed due to the pandemic but is on schedule to be completed in early 2021. Some units are already online, and others will be phased-in as they are completed. The construction delays incurred significant cost increases, which are being monitored by staff.

2072 Mass Ave.: Capstone/Hope is seeking comprehensive permit for project. Presented proposal to the Board of Zoning Appeal (BZA) on December 10 after receiving favorable recommendation from Planning Board on December 1. BZA continued hearing to January 7, 2021. The developers plan to apply for state funding in the upcoming application round with the goal of securing permitting and financing in order to begin construction in 2022. It is anticipated that a request for increased predevelopment funding will be brought to an upcoming meeting.

52 New Street: Just A Start is planning 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.

Park View Cooperative: The Trust will meet with Park View Cooperative members in early 2021. The Cooperative is revising their operating budget and preparing for further discussion of terms and conditions of funding with the Trust

Fresh Pond Apartments: Preservation of 338 HUD Section 8 units is complete and process for preservation of remaining 166 non-HUD Section 8 unit is underway. Two tenant information meetings were held in November 2020 and CHA staff currently working to certify incomes and tenant eligibility for Enhanced Vouchers. Based on income information, staff will be able to finalize the new affordability program at property, finalize use agreement HUD, finalize amount of funding to be provided to owner to

buy-down 50 years of affordability, calculate rent phase-in needs, and begin to draft documents to close loan and finalize 2021 rents for the 166 units.

Rindge Commons: Project received comprehensive permit for both phases of development; Just A Start is in the process of securing the necessary financing to begin construction of Phase 1 and will be applying for state funding in the upcoming application round.

NEW BUSINESS

Homeownership Resale Program

Staff requested that the Trust commit \$2 million in CPA funds to the Homeownership Resale Fund to assist with upcoming resales while CDD launches a revamped unit showing process through virtual tours to restart sales repurchased homes to new buyers through the Homeownership Resale Program. These funds are needed to continue to repurchase units with the assistance of Just-A-Start, perform rehab work, and hold the units while the City selects a new eligible buyer.

The COVID-19 pandemic has prevented the City from showing units for the past nine months. The Fund is currently nearly fully invested in units in the resale process. New funds will allow CDD to continue to work with owners who wish to sell while we clear our backlog of units in the coming months. This is a unique circumstance, and we could consider reducing the principal balance of the Fund once we return to a normal volume of resale units.

There are 19 units in the queue and the City is looking to get the pipeline of units moving again, starting with four Resale units to offer in January 2021. City staff are hearing from some owners who would like to sell back their unit, but the City has limited capacity to exercise its purchase right while holding so many units. Resale funds will come back to the program in the Spring once the units in the backlog are sold, but in meantime, additional funds are needed to continue to repurchase and prep units.

Trust members commented that given the success of the Resale program and the size of the portfolio, the program has reached a point where this problem is an ongoing management issue. They also suggested that this may be a good time to look more broadly at the this and other aspects of the homeownership program to see if there are changes we might want to consider as the volume has increased. Staff responded that they hope to move these issues and out together recommendations as the progress is made to clear the backlog of resale units in process.

Upon a motion moved and seconded, it was voted unanimously by a roll call to commit \$2 million in CPA funds to the Homeownership Resale Fund.

ADJOURNMENT

Meeting adjourned at 5:02 pm upon a motion moved and seconded, with absent, by roll call of **six** in favor and **three** absent. The next meeting is scheduled for January 28, 2021.

Materials:

- Meeting Minutes from the Trust's November 19, 2020 meeting

- Project update: Status of Active Commitments
- December 16, 2020 Memo: Homeownership Resale Fund Request

DRAFT

Cambridge Affordable Housing Trust

Status of Active Commitments

January 28, 2021

	Active Projects	Sponsor	Rental Units	Ownership Units	Status	Total Cost	Trust Commitment	Loan Amount Per Unit	Trust Approval Date
1.	HomeBridge program	CDD	<i>currently approved buyers: 9</i>	17	71 scattered site units purchased by first time buyers to-date. 8 approved buyers, 1 unit under agreement.	N/A	\$15,200,000	1-br: 40% sale 2-br: 45% sale 3-br: 50% sale	May 2011
2.	Homeownership Resale Program	CDD	<i>currently active units:</i>	20	Re-purchase, rehab and re-sale of affordable homeownership units to new homebuyers.	N/A	\$7,500,000		December 2011
4.	Frost Terrace 1971 Mass Ave	Capstone Hope	40		Construction underway, after temporary shutdown due to covid-19; spring 2021 completion expected. Applications now being accepted for new units; lottery application deadline has been extended to February 12, 2021	\$27,219,486	\$10,785,358	\$269,634	March 2016 and December 2018
5.	Vail Court (139 Bishop Allen)	TBD	TBD	TBD	Trust and City hosted public meeting in 2017 to hear from the community on affordable housing needs and ideas for the redevelopment of Vail Court. Additional public meetings will be scheduled but are currently on hold pending the legal action taken by former owner.	TBD	TBD	TBD	N/A
6.	Squirrelwood (multiple addresses, corner of Broadway and Market)	JAS	23		Construction underway, after temporary shutdown due to covid-19.	\$9,505,726 (new units only)	\$4,115,457	\$178,933	January 2018 and December 2018
7.	2072 Mass Ave	Capstone Hope	TBD	TBD	Capstone/Hope purchased site in April 2018. Project is seeking a comprehensive permit; presented to Planning Board 12/1; PB recommended proposal to BZA; first BZA meeting held 12/10/20 was continued to 1/7/21; Capstone/Hope requested continuation to March 2021	TBD	\$3,800,000	TBD	February 2018
8.	52 New St	JAS	TBD	TBD	JAS purchased the site in early 2020 and will begin a community process later this year with a goal of securing permitting and financing in time to begin construction in ~2022. JAS anticipates permitting the project through the recently adopted Affordable Housing Overlay and will be seeking state funding in an upcoming application round.	TBD	\$9,800,000	TBD	October 2019
9.	Park View Coop	Park View Coop		12	Reviewing new request from coop for additional funds needed to fully fund rehab given increased costs	TBD	\$1,394,000	\$116,167	March 2019
10.	Fresh Pond Apartments	Schochet	504		In March 2020, the Trust committed funding for the preservation of Fresh Pond Apartments. This commitment will be combined with \$15 million in City funding which was appropriated by the Council to the Trust for Fresh Pond Apartments. Together, these funds will be used to buy down 50 years of affordability and to capitalize a rent phase-in reserve to transition current tenants to the new affordable program. Tenant update/informational meetings held on 11/4/2020 and 11/13/2020; meetings with individual households to look at eligibility and options underway; new 2021 rent information to be provided to tenants once CHA income-certification process is complete.	TBD	TBD	TBD	March 2020

11.	Rindge Commons - Phase 1	JAS	24	In June 2020, the Trust approved funding for the first phase of Rindge Commons. Following PB hearing in early August, BZA voted to approve a comprehensive permit for the project on August 23, 2020. JAS is in the process of securing the necessary financing to begin construction of Phase 1 and applied for state funding in the current application round.	TBD	\$4,250,000	\$177,083	June 2020
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Total Units 640

**Cambridge Affordable Housing Trust
Status of Active Inclusionary Housing Developments**

	Approved Active Projects	Developer	Status	Rental Units	Ownership Units	Applicable zoning
1.	305 Webster Ave.	305 Webster Ave. Condominiums L	Covenant Recorded 8/11/17. Nearing completion		4	Ordinance prior to revision
2.	Mass & Main (multiple addresses, Mass Ave. & Columbia St.)	Twining	Covenant Recorded 11/24/17. Construction complete. Tenant Selection nearing completion.	58		Zoning provisions for Mass & Main
3.	Tempo (203 & 205 Concord Tpk. (formerly Lane & Games)	Criterion	Covenant Recorded 3/16/18. Complete. Tenant selection underway.	44		Revised ordinance at 15% sf requirement
4.	St. James (1991 & 2013 Mass. Ave.)	Oak Tree	Converting to ownership. Completion expected March 2021.	5		Ordinance prior to revision
5.	77 New Street	Abodez	Covenant Recorded 9/14/16. Complete. Tenant selection to begin.	11		Ordinance prior to revision
6.	95 Fawcett Street	Ed Doherty	Covenant Recorded 12/29/2016. Under Construction. Converting to rental.		5	Ordinance prior to revision
7.	Alexandria - 50 Rogers Street	Alexandria	Covenant Recorded 6/4/19. Expecting completion March 2021.	44		Zoning for Alexandria PUD
8.	Charles & Hurley Streets	Urban Spaces	Covenant recorded 8/6/19. Building Permit issued 9-3-19(Charles Street) and 12-23-19 (Hurley Street) Under Construction.	16		Ordinance prior to revision
9.	50 Cambridgepark Drive	Hanover	Covenant recorded 8/6/19. Building Permit issued 12-5-19. Under Construction	55		Revised ordinance at 20% sf requirement
10.	165 Main Street	Mitimco	IHP Covenant recorded 12/17/19. Building Permit issued 12-20-19. Under Construction	63		Zoning for MIT
11.	95-99 Elmwood	95-99 Realty	Covenant recorded. Building Permit issued 7-2-20. Under construction.		4	Ordinance prior to revision
12.	Cambridge Crossing, Building I	DivcoWest	Covenant recorded; Building Permit issued 8-24-20 Under construction.	54		Ordinance prior to revision
13.	212 Hampshire Street (Ryles)	212 Hampshire LLC, Binoj Pradhan	Covenant recorded. Construction complete. Tenant selection to begin.	1		BZA requirement of affordable unit

Under Development:

351 13

Completed Units:

773 202

All Units:

1124 215

1339

	Active Pipeline Projects	Developer	Status	Rental Units	Ownership Units	Applicable zoning
1.	605 Concord Ave.	Abodez Acorn	Covenant recorded; pending building permit	7		Revised ordinance at 15% sf requirement
2.	3-5 Linnean	Willow Land Corp.	Covenant signed; pending building permit	1		Zoning for basement overlay

3.	55 Wheeler Street	Toll Brothers	IHP plan under review	98		Revised ordinance at 20% sf requirement
4.	1043-1059 Cambridge St.	418 Real Estate	IHP plan was submitted.		3	Revised ordinance at 20% sf requirement
5.	270 Thorndike St. Court House	Leggat/McCall	Draft Covenant in process.	48		All units are affordable