

CITY OF SOMERVILLE, MASSACHUSETTS
SOMERVILLE AFFORDABLE HOUSING TRUST FUND
JOSEPH A. CURTATONE
MAYOR

Mary Cassesso, Managing Trustee

Trustees
Michael Feloney
Kathryn Gallant
David Gibbs
Donna Haynes
Andrea Shapiro
Councilor Kristen Strezo
Brielle Short
Jessica Turner

Minutes
August 13, 2020 Meeting – 5:15pm

Pursuant to Governor Baker’s March 12, 2020 Order suspending certain provisions of the Open Meeting Law, G.L. C. 30A, s. 18, and the Governor’s March 15, 2020 Order imposing strict limitations on the number of people that may gather in one place, as well as Mayor Curtatone’s Declaration of Emergency, dated March 15, 2020, this meeting of the Somerville Affordable Housing Trust was conducted via remote participation.

Trustees present: Mary Cassesso, Mike Feloney, Kathryn Gallant, David Gibbs, Donna Haynes, Andrea Shapiro, Brielle Short, Kristen Strezo, Jessica Turner

Staff attending: Heidi Burbidge, OSPCD Housing Division

Meeting started at 5:15pm with Mary Cassesso serving as chair.

1. Review and Approval of Meeting Minutes

Trustees reviewed draft minutes of the July 9, 2020 Trust meeting. Donna Haynes introduced a **motion** to approve the July, 2020 meeting minutes which was seconded by Kristen Strezo and PASSED by roll call vote 7-0 with one abstention.

2. Communications

Clarendon Hill - project status update

- Jessica Turner reported that during the previous month Clarendon Hill residents and Housing Opportunities Unlimited (HOU), the firm hired to help with tenant relocation, had established a relocation timeline and that HOU had held a lottery to determine the order in which residents would move. She reported that tenants had been notified if they had been assigned priority status for relocation.

Heidi Burbidge reported that the development team presented the project at the July 15th Zoning Board of Appeals (ZBA) meeting. She reported that City ZBA staff Charlotte Leis had informed her that the project team was continuing work on a few remaining issues, including accessibility and walkways on the site, and staff thought that the ZBA might take up the proposal for action at its first meeting in September. Heidi reported that at the July 15th meeting members of the public had provided comments in support of the project, as had City Councilors Ballantyne, Niedergang and Ewen-Campen.

FY21 CPA RFP schedule

- Heidi reported on the anticipated schedule for the Trust's two FY21 CPA Request for Proposals (RFPs), for affordable housing development projects and affordable housing programs. She reported that it was her expectation that the RFPs would be issued September 21st, with a projected deadline of November 2nd. Heidi explained that these dates are targeted to enable the Trust to review proposals in November and allow time to determine whether there may be need to request flexible FY21 CPA funds from the Community Preservation Committee. Heidi noted it's her expectation to share draft RFPs at the Trust's September 10th meeting.

Trust Home Rule Petition – status update

- Heidi noted that due to the pandemic the state legislative session had been extended past July 31st. She reported that the City's Legislative Liaison Khushbu Webber had informed her that the Trust Home Rule Petition (HRP) had not yet been voted on and was currently in the House Committee on Steering, Policy and Scheduling. Khushbu also noted that Representative Mike Connolly serves on the committee, and that Representative Christine Barber had been pushing for the HRP to be taken up for consideration. Khushbu had noted that if it is reported out of hearing she expected it to go straight to the floor for a vote.

Heidi further reported that Khushbu also suggested that Trustees send a letter to the committee chair expressing the importance of the HRP to the Trust. Mary Cassesso suggested that Trustees also contact Somerville delegation members by phone and email. Kristen Strezo asked whether other legislators should be contacted as well.

Heidi noted that she would work with Mary on a letter the following week and ask Khushbu whether there were other legislators who should be contacted.

Housing program contract balances during COVID-19 emergency declaration

- Heidi shared a table showing that a total of \$265,122 of client assistance funds remained on Trust Tenancy Stabilization Program contracts. She noted that there had been monthly fluctuations in each program's expenditures due in part to the statewide moratorium temporarily suspending evictions, and due to other sources of funding that had been made available. David Gibbs reported that CAAS had been provided with a time-limited grant of \$100,000 from the MA COVID relief fund to assist clients experiencing housing emergencies, and that during June and July CAAS had used that source to satisfy requests. He noted those funds had been exhausted. Brielle reported that Somerville Homeless Coalition (SHC) had spent down other sources of funds up to the end of FY20, such that in June they had used \$3,244 of Trust funds for client assistance compared with \$16,879 in July.

Brielle reported that the City had announced that CDBG and ESG funds had been made available by the City for housing assistance to be administered by agencies including those funded by the Trust. She noted that the CDBG funds could be used to assist with prospective rent and would help address an increased need of households who were continuing to find themselves unable to make rental payments during the pandemic. She noted that with many people unsure of when they would return to work it had been difficult to determine whether a tenancy will be sustainable once assistance is provided. Brielle reported that use of the ESG awards would mostly be on hold until the eviction moratorium is lifted because they can only be awarded to households who have received a notice to quit.

Brielle reported that the number of applications SHC had been receiving had increased by up to ten times since the pandemic began. She reported that in the past SHC would typically receive about 5 applications per month, and at the time of the Trust's August meeting they had 60-65 open applications with two case managers continuing to process them.

Brielle went on to note that it had been extremely challenging for applicants to provide documents remotely during the pandemic as well as for SHC to maintain staff capacity for assistance in multiple languages. She added that while working remotely it might take two months between the date of application and the date a household received assistance.

Brielle reported that the influx of applications since March had largely come from households who are not eligible for government benefits such as unemployment. Now that government resources have been cut significantly, SHC expected a new round of applications and demand from those who were losing them.

David reported that CAAS had received 1,200 applications to the Somerville CARES Act funds in April with at least two-thirds asking for rental assistance that totaled \$1.5 million. He noted that CAAS had 800 applications for rental assistance pending at that time, many of which CAAS would support using the City's CDBG and ESG funding awarded that day.

Donna Haynes asked whether each household was served by only one source. Brielle noted that the contracts with the Trust limit assistance provided to each household to a lifetime maximum of \$3,000, and that clients sign a release allowing the three agencies keep a common list of recipients in order to enforce the cap.

Housing program operations

- Heidi transmitted an informational memo regarding accommodations that were being allowed for the Trust-funded housing program client application process during the extenuating circumstances posed by pandemic. Challenges include that social distancing makes it difficult to meet in person with clients and to produce eligibility documentation in the typical format.

88 Wheatland Street – SCC loan default

- Heidi transmitted a letter dated July 24, 2020 from OSPCD Director George Proakis to new Somerville Community Corporation (SCC) Executive Director Gonzalo Puigbo regarding repayment of a Trust loan after default by SCC. Heidi reminded Trustees that the loan had facilitated the purchase of an affordable unit at 88 Wheatland Street and prevented a possible foreclosure that would have resulted in the loss of the unit's affordability restriction. The loan to SCC had been in default since February 6, 2019.

Mike noted that the letter had conveyed the seriousness of the matter and the importance of communication from SCC, given that the agreement executed with SCC called for repayment of the loan within 48 hours of the 110 Walnut Street refinancing that was to serve as the source. Mary asked for ongoing updates on timing of the refinancing and payment, and that Trust invite Mr. Puigbo to a meeting after payment was received.

3. Ongoing/Unfinished Business

Trust strategic planning process – schedule discussion

- Mary noted that the strategic planning process would be an opportunity for Trustees to take a step back and determine where to focus the Trust's attention and resources. Heidi distributed a draft Strategic Planning RFQ. She reported that the scope of services was based on the Trust's 2014 RFQ and that she had added new content related to the pending Trust HRP. Heidi noted that a timeline for the process had not yet been set, as staff and Trustees had been waiting on an outcome to the HRP process. She reported that Trustees had not yet set the specific amount of funds to be budgeted for the effort. She noted that a contract totaling less than \$10,000 could be awarded with a simple procurement process.

Jessica requested that the process include review of operational practices such as meeting attendance requirements for Trustees, which as a single parent was challenging for her. David noted that the planning process should take into account the newly formed Community Land

Trust as a resource for creating and preserving affordable housing and that the RFQ document should reference it. Andrea noted that the consultant's scope of services should include external interviews of stakeholders including potential grantees and that an outside person could learn things that might not be shared with an internal Trust contact.

Mike noted that a clear articulation of a project's scope tends to enhance the likelihood of receiving responsive proposals and well-considered price quotations. Andrea suggested that Heidi reach out to consultants to ask how much they would expect the scope of services to cost. Andrea noted that she is familiar with strategic planning efforts with outreach components being conducted effectively over Zoom and other remote platforms. Mary suggested that Trustees come back in September prepared with thoughts and comments for further discussion.

4. New Business

Monthly CPA and non-CPA financial reports for June

- Heidi reported that she had made a correction to the May non-CPA financial report to include \$4,076.67 of additional funds available that had not been reflected in available funds listed. She reported that in June 2020 non-CPA Trust fund revenue included a linkage payment from Partners Healthcare for \$869,625.90, loan payments of \$2,278 resulting in \$4,748,429.34 of available funds. Heidi reported that Trust CPA fund activity in June 2020 was limited to interest resulting in an available balance of \$372,358.04 of CPA funds.

3. Announcements

Kristen asked staff to send the draft meeting minutes by the middle of the week of August 24th so that she can give an update to the City Council.

A **motion** was made to adjourn which was seconded and PASSED, 9-0.

Next meeting date – The next meeting date will be Thursday, September 10, 2020 at 5:15pm. It will be held remotely using GoToWebinar. Instructions to join the meeting will be provided on the meeting agenda posted at City Hall and on the City's website.

Documents distributed:

- Draft August Trust meeting minutes
- Housing program contract balances during COVID-19 emergency
- Memo to Trustees from Heidi Burbidge regarding application accommodations for housing program clients during the COVID-19 emergency
- Letter from OSPCD Director George Proakis to SCC Executive Director Gonzalo Puigbo regarding 88 Wheatland St. loan default and interest accruing
- Draft strategic planning RFQ
- List of strategic planning consultants
- Revised monthly non-CPA financial report for May
- Monthly non-CPA financial report for June
- Monthly CPA financial report for June