

CAMBRIDGE AFFORDABLE HOUSING TRUST
MEETING MINUTES
November 29, 2018

Ackerman Room, Cambridge City Hall
795 Massachusetts Ave.

Trustees Present: Peter Daly, Florrie Darwin, Gwen Noyes, Cheryl-Ann Pizza-Zeoli, Susan Schlesinger, James Stockard, Bill Tibbs

Trustees Absent: Louis DePasquale, Elaine Thorne

Staff Present: Chris Cotter, Housing Director; Cassie Arnaud, Housing Planner; Anna Dolmatch, Housing Planner; Linda Prosnitz, Housing Planner; Donna Claudio, Housing Planner

Others Present: Esther Hanig

The meeting was called to order at 4:12.

Upon a motion moved and seconded, it was voted

VOTED: To approve the minutes for the meeting of Thursday, October 25 as submitted.

PROJECT UPDATE

Squirrelwood – A request for permanent funding request will be brought to December Trust meeting.

Vail Court - Demolition of building is complete. The redevelopment process is on hold pending legal action taken by former owner.

Frost Terrace – Capstone/Hope received a funding award from DHCD. They are finalizing design and budget in advance of construction closing in early 2019. A funding request will be brought to the Trust in December.

Concord Highlands - A groundbreaking ceremony was held October 5. Construction is underway.

Jefferson Park – Construction is complete and tenants have moved in.

Homebridge – Two units have closed in 120% pilot; five under 100% have closed. A three-bedroom unit has recently closed.

Inclusionary – The pipeline is active but no new projects have come under covenant since the previous meeting. Some projects are currently coming in for building permits, including the second phase of the Alexandria residential development on Binney Street that will contain both low/mod and middle-income units.

NEW BUSINESS

Preferences

At the October Trust meeting members discussed recommended changes to the preference system for the rental and homeownership programs. The Trust had requested additional information. This meeting continues that discussion and reviews additional analyses of the potential changes provided by Staff.

Staff outlined the three potential changes to the preferences for the inclusionary rental and homeownership programs that need continue discussion. The proposed changes are to 1) change the order of preference to prioritize all emergency need applicants. This change would only impact two and three-bedroom rental applicants; 2) create an open preference for families with children under 18 for 1/3 of the two and three-bedroom units for rental and homeownership; 3) include former residents in the local preference category, potentially non-resident holders of CHA vouchers; former residents with vouchers; displaced residents without vouchers.

Any modifications to the preference system would be reviewed periodically to assess the impact of the changes.

Before discussing proposed changes to the preference system, Trust inquired about the applicant review process and the frequency of applicant denials and approvals by property managers. Staff described the role of the property managers in the applicant review process. After four denials by different property management companies, applicants are no longer eligible for the program. As credit criteria varies among properties, few applicants are denied 4 times. They can reapply to the applicant pool.

Prioritize emergency need applicants:

Current emergency needs are granted for overcrowding, cited code violations, no-fault evictions, homelessness, and severe cost burdening (paying over 50% of income for rent).

The proposed changes would prioritize all emergency need applicants over applicants without emergency needs. The emergency need criteria would be changed as follows: eliminate overcrowding and code violations, add domestic violence, and qualify cost burdening so a household would have to be paying over 50% of their income for rent and have lived in their home for at least one year.

Cheryl-Ann Pizza-Zeoli noted that the proposal for revising preferences addresses the issue that applicants with emergencies are not always served under current preference system.

The emergency preference for evictions was discussed. Only no-fault evictions are considered as a criterion for an emergency need. Jim Stockard inquired whether the software can track details of eviction. Currently the software does not track details of eviction but in the future it may be possible. There was discussion concerning at what stage the eviction should be considered an emergency, ranging from Notice to Quit to judgment and court order. At the Housing Committee, it was mentioned that eviction might be considered at the Notice to Quit. It was noted that Notices to Quit are sometimes issued by owners to help tenants qualify for available services and assistance. There was a consensus that the Notice to Quit is too early for this criterion as most notices can be common and often do not escalate to become an eviction complaint and so should not be considered as the most dire emergency.

The staff presented an analysis which projected how applications received in a typical year might be served in housing expected to be available in the next year or so, using both the existing system of preferences and the proposed modified system to estimate how resident applicants would be considered for two- and three-bedroom units. The analysis shows that under the current system, 29% of two-bedroom applicants with local preference and 37% of three-bedroom applicants have emergency needs. Applying this to the projected number of units available over the next year, applicants with emergency needs would be considered for 83% of two-bedroom units and 100% of three-bedroom units. With the proposed changes, prioritizing emergency need applicants and changing the criteria for emergency need preferences, 16% of two-bedroom applicants and 10% of three bedroom applicants would have emergency needs. Applying this to projected units, applicants with emergency needs would be considered for 52% of two-bedroom units and 33% of three-bedroom units.

Susan Schlesinger noted that by tightening up the emergency need categories and prioritizing emergency need applicants, the analysis shows that under the proposed system emergency need applicants would be better served and more applicants without emergency needs would also be considered for units.

Bill Tibbs asked to see the same analysis for studio and one-bedroom units. Although the proposed changes won't impact those units, it will give a sense of the number of emergency need applicants overall. Jim Stockard pointed out that under the current system, we aren't able to address all emergency need applicants, and some may no longer have an emergency. (There are applicants with emergency needs have been in the two and three-bedroom pools for several years.) If these applicants still have emergencies, they potentially could be served under the revised preferences.

Modify preference based on age of children:

This proposal would change the current system from a preference for children under 6 to an open preference for every third unit which would have a preference for a household with a child under 18. Trust discussed that this proposal would allow applicants who have been in the waiting pool for a long time, to have the opportunity to be housed in an affordable unit. It was noted that this change would also be a benefit for applicants whose children "age out" of the priority system. (The household applies when the child is under 6, but is not considered for unit and then child ages to above 6.) These households would be eligible to be considered for every third unit.

Cheryl-Ann Pizza-Zeoli emphasized the importance of tracking the results of the preference system, so accurate and clear data is available to review the new preference system.

Staff described the impact of the proposed changes on the homeownership program. Since there is no emergency need preference for homeownership, the only change that would impact the program is adjusting the preference for the age of children. Projecting forward for three years under the current system, all two and three bedroom units would be sold to families with children under 6. Under the proposed system, 1/3 of the units would likely be offered to families with children under 18.

Including former residents in the local preference category:

This issue was not resolved in the discussion of the Preference Review Working Group. Staff described the three groups that could be included in this category: non-resident holders of CHA vouchers (some of whom may not be former residents); former residents with vouchers; former residents without vouchers. It is harder to document former residents without vouchers. The Trust discussed the impact of broadening the pool of applicants receiving this preference on current Cambridge residents. With a limited number of units available, resident applicants will have a tougher time in a larger pool of applicants. Trust members noted that CHA criterion for local preference includes households in which a member works in Cambridge and also veterans. Therefore, not all CHA voucher holders living outside of Cambridge are former Cambridge residents. Trust members discussed the efforts and preferences CHA has offered to help CHA voucher holders move to Cambridge, and noted that these options remain available.

The Trust discussed the path through affordability levels – public housing, project-based vouchers, inclusionary. Staff informed the Trust that staff maintains and updates annually an affordability ladder that shows this progression.

There was a consensus that former residents should not be added to the local preference definition. It is too broad and difficult to document former residents without vouchers. Since CHA has a broader local preference definition than the inclusionary program, some voucher holder may not even be former residents. Most importantly, there are a limited number of resources which members thought should be prioritized for current residents. Adding former residents will negatively impact the number of current residents who will be offered housing and could result in displacement of residents.

There was consensus to recommend the changes to the ordering of preferences for family-size rental units, along with changes to the emergency need preference and the age of children preferences, and to maintain the current priority for Cambridge residents.

For rental, the recommended changes would result in the following order of preferences:

1. *Cambridge Residents*
 - a. *Emergency need applicants with children under 6 for 2 units. (2- and 3-bedroom units)*
 - b. *Emergency need applicants with children under 18 for every third unit (2- and 3-bedroom units)*
 - c. *All other Emergency need applicants*
 - d. *Applicants with children under 6 for 2 units. (2- and 3-bedroom units)*
 - e. *Applicants with children under 18 for every third unit (2- and 3-bedroom units)*
 - f. *All other Applicants*
2. *Works in Cambridge*
 - a. *Same order of preferences as under Cambridge residents*
3. *Non-residents*
 - a. *Same order as under Cambridge residents*

For homeownership, the recommended changes would result in the following order of preferences:

1. *Cambridge Residents*
 - a. *Applicants with children under 6 for 2 units.*

