

CAMBRIDGE AFFORDABLE HOUSING TRUST  
MEETING MINUTES  
March 2, 2020 at 4:00 p.m.

Ackerman Room, Cambridge City Hall  
795 Massachusetts Ave.

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

Trustees Absent: Bill Tibbs

Staff Present: Iram Farooq, Asst. City Manager for CDD, Chris Cotter, Housing Director; Cassie Arnaud, Housing Planner; Emily Salomon, Associate Housing Planner

Others Present: Mayor Sumbul Siddiqui, Maura Pensak, Housing Liaison to the City Manager

The meeting was called to order at 4:07 p.m.

## MEETING MINUTES

Upon a motion moved and seconded, it was voted unanimously to approve the minutes for the meeting of Thursday, January 23, 2020.

## UPDATE FROM CDD

**Incentive Zoning** – The Ordinance Committee met to review the Incentive Zoning Nexus Study and a zoning amendment was put forward by the City Council to increase housing contribution rate from the current \$17.10 per square foot to \$19.10 per square foot. The Ordinance Committee recommended the new rate be \$20.10. The amendment will soon be before the City Council for a vote.

**2072 Mass Ave.** – City staff will meet with Capstone/Hope to review their plan to begin the community process, apply for zoning relief, and seek funding to redevelop this site which was purchased with financing from the Trust.

**Squirrelwood** – Construction is nearing completion at one of the properties in this development.

**Frost Terrace** – Construction is underway.

**Finch Cambridge** – The applicant lottery has been completed. HRI is notifying applicants of their status.

**Homeownership Resale Pool** – There are 14 active units.

**HomeBridge** – There are seven approved buyers seeking units. One unit is currently under agreement. To-date, 68 units have been purchased by first-time homebuyers through HomeBridge and the city’s prior financial assistance programs.

## **EXPANDING ELIGIBILITY FOR HOMEBRIDGE FUNDING**

In October 2019, the City Council passed a policy order asking that eligibility for the HomeBridge program be expanded to serve households earning between 100% and 120% area median income (AMI). For a limited period, there was a HomeBridge pilot opportunity to serve households within this income bracket through mitigation funds. The pilot was met with a strong demand. When the mitigation funds were exhausted, CDD established a waiting list for additional applicants within this income range, but have been unable to serve them as other funds could not be identified.

Mayor Siddiqui shared that the City Council’s policy order was adopted unanimously. The Order stemmed from conversations with Cambridge families that want to remain in the city but do not meet current program income requirements.

The current income limit for HomeBridge and other homeownership programs utilizing Trust funds is 100% AMI. In order for Trust-funded programs to serve applicants earning between 100 and 120% AMI, the Trust declaration will need to be amended to allow assistance for these households.

City staff note there is generally more interest for middle-income homeownership opportunities versus the rental program, and that the homeownership market is increasingly changing for households earning between 100-120% AMI. The composition of middle-income households’ mirrors that of low-moderate homeownership applicants. Most market homeownership opportunities for middle-income households are outside of Cambridge, and there are a few affordable options within the City’s affordable stock that have been created through zoning efforts. The deed restrictions associated with HomeBridge could limit the interest of some prospective buyers, but it offers a way to stabilize housing costs and for owners to look at other vehicles to save money.

Trust members asked about the financial implications of the HomeBridge program if the income limits increase to 120% AMI. Staff explained that there are two ways to approach the change. One approach would be to maintain the existing price limits for HomeBridge-eligible units to keep the same subsidy levels. A second consideration would be to maintain the existing ratio of assistance so if a buyer could afford more, they could buy a higher priced unit.

City staff typically approach the Trust to ask for increased commitment for HomeBridge on an 12- to 18-month basis. Increasing the income limit of households served by HomeBridge may require the City to request funds from the Trust more frequently.

Upon a motion moved and seconded, it was unanimously voted to move the proposal forward.

City staff reiterated that the first step will be to amend the Trust declaration to define moderate-income households as earning up-to 120% AMI. City staff will prepare these changes with the City's Law Department for consideration by the Trust.

### **MOVE TO EXECUTIVE SESSION**

The Chair indicated that the next item for discussion before the Trust pertained to details regarding the acquisition and value of real property funding. Due to the sensitive information to be discussed, continuing in open session might have a detrimental effect on the negotiations. At 4:34 PM, the Chair entertained a motion to go into Executive Session to discuss this matter and indicated that the Trust would adjourn at the conclusion of the Executive Session.

Upon a motion moved, seconded and approved by a 8-0-1 roll call, the meeting went into executive session.

The Chair announced that all votes taken in executive session would be taken by roll call, and that the Trust would not convene in Executive Session.

### **ADJOURNMENT**

Meeting adjourned at 4:34 pm. Next meeting will be March 26, 2020.

#### Materials:

- Meeting Agenda
- Meeting Minutes from the Trust's January 23, 2020
- Project update: Status of Active Commitments and Active Inclusionary Housing Developments
- October 7, 2019 City Council Order to increase funding to City's HomeBridge program for wider range of incomes
- Memorandum: Preservation of Fresh Pond Apartments