

CAMBRIDGE AFFORDABLE HOUSING TRUST
MEETING MINUTES
August 2, 2023 at 4:00 p.m.

Conducted via Zoom and in person (City Hall, Ackerman Room)

Trustees Present via Zoom: Yi-An Huang, Chair; Florrie Darwin, Bill Tibbs, Gwen Noyes, Jim Stockard

Trustees Present in Person: Elaine DeRosa

Trustees Absent: Peter Daly, Susan Schlesinger, Elaine Thorne

Staff Present: Iram Farooq, Assistant City Manager for Community Development; Janet Haines, Housing Planner; Christine Yu, Associate Housing Development Planner; Anna Dolmatch, Senior Manager for Homeownership; Antonia Finley, Homebuyer Coordinator

Others Present via Zoom: Becca George, Ritza Cornet, Sue Reinhart, Michael Scarlett, Wyatt Rojo, Jean Hannon, Bill Dines

The meeting was called to order at 4:18 p.m. Mr. Cotter explained that this meeting of the Affordable Housing Trust would be held in a hybrid fashion pursuant to applicable requirements, that all votes would be taken by roll call, and that there would be no public comment. He then confirmed via roll call that each participant was audible to each of the other Trust members.

MEETING MINUTES

Upon a motion moved and seconded, by roll call of six in favor and three absent (Mr. Daly, Ms. Schlesinger, Ms. Thorne) to approve the minutes for the meeting of June 22, 2023.

PROJECT UPDATE

Resale Program: There are 15 resale units in process.

52 New Street: JAS is preparing for construction closing.

JP Federal: CHA is preparing for construction closing;. Demolition is expected to happen soon.

1627 Mass Ave: AHO Community process is complete and project has begun its Planning Board AHO advisory design review; first AHO Planning Board meeting held on July 18, 2023.

Park View Cooperative: Work is underway and proceeding well.

Rindge Commons Phase 1: Construction is underway and proceeding well. The marketing will begin soon.

35 Harvey Street: HRI is preparing for construction closing.

116 Norfolk Street: Construction is underway and proceeding well.

Walden Square: WinnCompanies hosted an AHO community meeting on July 12, 2023 and will be scheduling another community meeting in August.

Mr. Tibbs asked if WinnCompanies was aware of the Trust's concerns regarding its administration and how they are approaching the funding request. Mr. Cotter replied that they are aware of the Trust's and have also been making changes at the property based on concerns raised in light of their initial request for new funding

Inclusionary: Staff is planning for resident selection to begin soon for the 99 units at 55 Wheeler Street, and is reviewing the units at 121 Broadway.

Homeownership: A new lottery opportunity for four homeownership units on Elmwood Street will begin on August 14th.

37 Brookline: JAS was able to purchase this site last week, so now staff are in discussions with JAS on the development plan.

OTHER UPDATES

Cherry Street: The Request for Proposals has been issued. Proposals are due by the middle of September.

Incentive Zoning Contributions: We recently received \$3.8 million in new funds, and more than \$5 million for FY23.

Community Preservation: The CPA Committee held a hearing and took public comments on July 26th on how to allocate the FY24 CPA funds. They will be making a recommendation in September 2023.

Affordable Housing Overlay (AHO) Changes: The Ordinance Committee held a hearing on July 31st and took public comments on the potential changes to the AHO. They are meeting again on August 3rd.

NEW BUSINESS

HomeBridge Program Changes

Ms. Dolmatch is bringing a request to the Trust to change how HomeBridge awards are structured. There is very high demand for HomeBridge. Rising interest rates and reduced inventory have made it challenging for approved applicants to purchase units on the market. Staff looked at changes that could increase opportunities for buyers to purchase through the program.

Staff are proposing changes to the maximum subsidy percentage. The proposed changes are an increase from 40% to 50% for a 1 BR; from 45% to 60% for a 2 BR; and from 50% to 65% for a 3 BR. Based on the past three years of HomeBridge purchases, staff estimate that this would lead to an increase of \$1.7 million every year in subsidies. However, the funding used will vary depending on the size and number

of purchases. There is not currently a need for additional funding, but there will be a financial impact moving forward.

Staff also requested that the Trust approve change to program terms to add a requirement that HomeBridge buyers may not offer more than 10% above the listed asking price.

Mr. Tibbs asked how many people have already bought a unit out of the twelve people approved. Ms. Dolmatch answered that none of them have not bought a home yet. The most recent HomeBridge purchase was in February. Ms. Noyes asked if the program terms will be reviewed when interest rates change. Mr. Tibbs agreed that this policy needs to be reviewed over time and more funding is needed for it to work. Staff and Trustees discussed the continuing impact of interest rates on the housing market. Ms. Finley added that the program helps with increasing affordable units in neighborhoods that staff normally can't reach.

Upon a motion moved, seconded, and approved by roll call of six in favor and three absent (Mr. Daly, Ms. Schlesinger, Ms. Thorne), it was:

VOTED: approve the following changes to the HomeBridge program:

- Increase subsidy ratios to 50% for a one-bedroom; 60% for a two-bedroom; and 65% for a three-bedroom; and
- Restrict offers using HomeBridge to no more than 10% over the listed asking price, unless approved in advance by CDD staff.

MOVE TO EXECUTIVE SESSION

Mr. Cotter indicated that the next item for discussion before the Trust pertained to details regarding the potential acquisition of real estate. Due to the sensitive information to be discussed, continuing in open session might have a detrimental effect on the negotiations. At 4:48 PM, Mr. Cotter 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 roll call of six in favor and three absent (Mr. Daly, Ms. Schlesinger, Ms. Thorne), it was:

VOTED: for the meeting to go into Executive Session.

The meeting adjourned at 5:00 p.m.

The next meeting is scheduled for August 24, 2023 at 4:00 p.m.

Meeting Materials:

- Agenda
- Meeting Minutes from the Trust's June 22, 2023 meeting
- Project Update
- HomeBridge Program Changes Memo