



CITY OF CAMBRIDGE
Community Development Department

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MEMORANDUM

To: Cambridge Affordable Housing Trust
From: Christopher Cotter, Housing Director
Date: June 27, 2024
Re: Request for Annual Appropriations for FY2025

As the beginning of the new fiscal year approaches, we are requesting a commitment of \$710,115 in Trust funds from the City’s budget funds. Funding will be used in FY2025 for housing preservation and development contracts with Homeowner’s Rehab, Inc. and Just-A-Start and operating support for CDD’s Housing Division.

Non-Profit Housing Preservation & Development

Non-Profit Agency Contracts:

For FY2025, we are requesting \$445,115 in support for Homeowner's Rehab, Inc. (HRI) and Just A Start Corporation (JAS) to be used to support their efforts to develop and preserve affordable rental and homeownership housing in Cambridge. This funding is provided in addition significant funding provided by the Trust to each agency for specific affordable housing developments.

The following table summarizes the funding being requested to support each agency's housing development and preservation work:

	<u>FY2024</u>	<u>FY2025</u>
Just A Start	\$191,767	\$191,767
Homeowner’s Rehab, Inc.	\$253,348	\$253,348
Total – Housing Pres. & Dev. Contracts	\$445,115	\$445,115

For FY2025, we will continue the approach that the Trust fully fund the non-profit development contracts, while both HOME and CDBG funding will remain available to assist directly with affordable housing development and preservation efforts. In addition, CDBG funds will continue to be used to fund other City housing programs including the home improvement programs run by HRI and JAS, CEOC’s tenant organizing work, and JAS’ Mediation Services and Youthbuild programs.

Expiring-use Funding:

In addition, we are also requesting \$40,000 in funding for expiring-use preservation work including assistance in oversight of compliance with funding and affordability requirements at Fresh Pond Apartments as well as other activities. .

	<u>FY2024</u>	<u>FY2025</u>
Expiring Use Consulting	\$40,000	\$40,000

CDD Housing Division Staffing and Programs

CDD Staffing:

Since 2017, the Trust has provided funding to support Housing Department staffing for housing development and preservation work. The funding provided by the Trust has funded one full-time staff position and one part-time intern position. This Trust-funded staffing is in addition to the current 17 full-time positions in the Housing Department which are funded by the City.

For FY2025 we are requesting \$150,000 which will continue funding for one full time position in the Housing Division and one part-time intern position.

	<u>FY2024</u>	<u>FY2025</u>
CDD Staffing	\$150,000	\$150,000

Homeownership Management Software:

In FY2025, we are requesting \$15,000 in funding to cover the cost of our homeownership management software. This system is used for the ongoing management of the homeownership portfolio, including homeowners, applications, affordability restrictions, unit turnover, and financial management of the program. This request is unchanged from the amount that was approved in FY2024:

	<u>FY2024</u>	<u>FY2025</u>
Homeownership Management Software	\$15,000	\$15,000

Legal Services and Administrative Costs:

For FY2025, we are requesting \$50,000 for the Housing Department's real estate legal services.

We are also requesting \$10,000 for miscellaneous administrative items. These amounts have increased from FY2024:

	FY2024	FY2025
Legal Services	\$50,000	\$50,000
Administrative Costs	\$7,500	\$10,000

Recommendation: Staff recommends that the Trust approve the following funds for FY2024 affordable housing efforts as outlined herein:

Non-profit Housing Preservation & Development	\$445,115
Expiring Use Preservation Funding	\$40,000
Housing Department Staffing	\$150,000
Homeownership Software	\$15,000
Legal Services	\$50,000
Miscellaneous / Administrative	\$7,500
TOTAL:	\$710,115