

CAMBRIDGE AFFORDABLE HOUSING TRUST  
MEETING MINUTES  
April 25, 2024 at 4:00 p.m.

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

Trustees Present in Person: Yi-An Huang, Chair; Teresa Cardosi, Florrie Darwin, Elaine DeRosa, Alyson Stein, Jim Stockard

Trustees Present via Zoom: Bill Tibbs, Susan Schlesinger

Trustees Absent: Elaine Thorne

Staff Present: Chris Cotter, Housing Director; Iram Farooq, Assistant City Manager for Community Development; Cassie Arnaud, Senior Manager for Housing Development; Janet Haines, Housing Planner; Christine Yu, Associate Housing Development Planner; Anna Dolmatch, Senior Manager for Homeownership; David Guzman, Asset and Compliance Manager

Others Present: Lee Farris, Sue Reinert, Latoya Weaver, Raffi Freeman

The meeting was called to order at 4:07 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 remote participant could hear the meeting and was audible to others.

#### **MEETING MINUTES**

Upon a motion moved and seconded, by roll call of eight in favor and one absent (Ms. Thorne), it was voted to approve the minutes for the meeting of March 28, 2024.

#### **CDD UPDATE**

**HomeBridge:** There are 13 active buyers in this program looking for a home. One unit recently closed and one is under agreement.

**Resale Program:** There are more than 20 resale units in the process of being resold.

**Jefferson Park Federal:** Demolition is complete and initial site work is underway. Staff are working with the CHA on the full construction closing.

**Rindge Commons Phase 1:** Construction is complete, and tenants have begun moving into the property. JAS is planning a groundbreaking event in May.

**Walden Square II:** Staff are reviewing a Trust funding request which will be brought to an upcoming Trust meeting.

**35 Cherry Street:** JAS is hosting their first AHO community meeting regarding the development of 35 Cherry Street on May 15<sup>th</sup> at 6 p.m.

**37 Brookline:** JAS is hosting a community meeting regarding the development of 37 Brookline Street on April 25 at 6 p.m.

**Parkview:** Renovations are nearing completion.

#### **OTHER BUSINESS:**

**Homeownership:** The four units at Elmwood Street are closed and sold. The marketing for three affordable homeownership units at 1055 Cambridge began in March and the deadline to submit an application is April 29<sup>th</sup>.

**Inclusionary Housing:** The building permit for 121 Broadway was recently issued for 102 new affordable rental units.

**Incentive Funding:** The City received an Incentive Zoning Housing Contribution of \$3.6 million from MIT.

#### **NEW BUSINESS**

##### **Homebuyer Buydown Assistance**

Mr. Cotter presented a recommendation to make changes to the Buydown Assistance Program guidelines. The program provides permanent subsidies to potential first-time homebuyers whose incomes are slightly too low to meet the required affordability ratio, but who are otherwise well-qualified to purchase an affordable unit. The current limits, which were approved by the Trust in 2010, limit the funds to the lesser of \$50,000 or 25% of the purchase price for a unit with two or more bedrooms, and the lesser of \$25,000 or 25% for a one-bedroom.

Staff recommend making the following changes to the Buydown Assistance Program: first, to increase the buydown maximums to the lesser of \$100,000 or 25% of the purchase price for two or more bedrooms, and to the lesser of \$50,000 or 25% of the purchase price for a one-bedroom, and second, to update the guidelines to reflect specific objective guidelines.

Trustees asked for clarification on the proposed changes and how they were determined. Staff responded that due to increases in interest rates, and increased targets in the new homeownership units are more expensive than they were in 2010, which is when the Trust last approved of the current limits. The new changes would allow up to twice as much money, compared to the previous maximum, to be provided to families who are otherwise qualified well-qualified to purchase a unit. Ms. Dolmatch emphasized that this is a needs-based program, so assistance is calculated based on each individual case, and staff while have not seen the need for this in several years but want to have funds available if needed. In response to a question about how this would affect the price of the unit, Ms. Dolmatch answered it would create a permanent reduction in the price of the unit, allowing the next buyer to buy it at a reduced price.

In response to a question on how or if inclusionary impacts this program and if developers would raise their prices to potentially get more money, staff responded that because the assistance is buyer-based, it would not change the sales proceeds any developer would receive. The buyer would pay for the majority of the price while the program provides the rest of the financing.

Before voting on the matter, staff and Trustees discussed whether anything has been done to help middle-income home buyers.

Upon a motion moved, seconded, and approved by roll call of eight in favor and one absent (Ms. Thorne), it was:

VOTED: to approve the recommended changes to the Buydown Assistance Limits and Guidelines.

### **Griffin Shepard, et al. Zoning Petition**

Mr. Cotter presented a zoning petition filed by several residents last month to amend the Zoning Ordinance provisions which address the Affordable Housing Trust and is known as the Griffin-Sheperd et al. Petition. The petition would increase the number of members on the Trust, expand the list of allowable uses of Trust funds to include new uses such as housing vouchers, provide a stipend to Trust members, among other changes.

The Planning Board and the City Council Ordinance Committee will be holding public meetings on the topic on May 7 and May 21, respectively. Each body may make recommendations to the City Council regarding the petition. Staff asked the Law Department to provide an opinion on how the proposed changes may impact or be limited by existing legislation which was shared with Trust members.

Ms. Cardosi asked why nine members were originally selected for the Trust. Ms. Schlesinger answered that nine members seemed like a good number to have in order to balance being able to have a quorum while also being able to be productive during meetings. Chair Huang suggested opening the meeting to public comment.

Upon a motion moved, seconded, and approved by roll call of eight in favor and one absent (Ms. Thorne), it was:

VOTED: for the meeting to go into Public Comment.

Lee Farris commented that she has been working with a group of people who are concerned with the waitlist for Section 8. She mentioned that Boston and Somerville have started a city-funded voucher program, so Cambridge should look into it, especially since the Cambridge City Council has brought up the topic before. She acknowledged that the current Trust language does not explicitly grant the Trust to fund vouchers or housing for unhoused people with supportive services.

Raffi Freeman commented that adding a stipend for Trust members makes sense, though it should be capped based on income. He expressed dissent for the expansion of the Trust to thirteen members as it may make the Trust less effective and more challenging to have productive discussions.

Upon a motion moved, seconded, and approved by roll call of eight in favor and one absent (Ms. Thorne), it was:

VOTED: for the meeting to close Public Comment.

Ms. DeRosa asked for clarification on which changes would require a Home Rule Petition (HRP). Mr. Cotter answered that some of the significant changes will require an HRP including expanding the number of Trust members and the use of funds to fund supportive services. It was noted that taking this petition to the State House for approval may take a long time to make these changes.

Trustees expressed concerns about the potential changes to the structure of the Trust but were open to having further discussions on the topic. Trustees also commented that the Trust already supports supportive services for unhoused people, though indirectly, by investing funds into the creation of supportive housing, such as the development at 116 Norfolk Street that is being sponsored by the Cambridge Housing Authority (CHA).

Trustees were also worried about the financial implications of these changes. They discussed how these proposed changes may decrease the amount of funding that they can allocate to new construction, which is very expensive as is. Additionally, they commented that the Community Development Department is already running a lot of programs that the Trust is involved in. Adding another program would require hiring more employees with sufficient expertise, thus adding more costs to the budget.

Trustees commented that there is a lot of alignment between the City and the Trust in terms of what work is being done to increase affordable housing production and stabilization. The Trust allocates a significant amount of money into developments that create permanently affordable housing including support for supportive housing and deeply affordable rental housing, which is one part in solving the affordable housing issue and is unique to the Trust.

Trustees and staff discussed the feasibility of funding vouchers. Trustees brought up the point that vouchers are typically associated with people, so if one day the City's budget cannot financially support vouchers due to increasing costs, people may lose their vouchers. Ms. Stein asked what the CHA's response was to city-funded vouchers, as they are the City's main voucher dispenser, to which Mr. Cotter replied that staff are looking at options with CHA as they prepare material for an upcoming Housing Committee meeting on options for City-funded vouchers. In response to a question regarding attaching vouchers to a unit rather than a person to ensure the funding remains in Cambridge, Chair Huang replied that there may be a legal issue with forward-committing funds in that way.

Mr. Stockard expressed the need to collect data and have more discussion on the logistics of having a City-funded voucher program. Ms. Cardosi offered to research Boston's and Somerville's voucher programs. She also expressed support for increasing the background diversity of Trust members.

Ms. Darwin expressed support for giving stipends to Trustees who need them, as opposed to giving it to everyone. Trustees discussed the increased interest in giving stipends to other City Boards. Chair Huang mentioned that some Board members including the Planning Board and BZA now receive stipends as members often spend more than ten hours a month working on their respective Boards. He also commented that there are some interesting ideas in the zoning petition, though he recognized the legal challenges that this petition could have.

Before bringing the Trust into executive session, Mr. Cotter mentioned that there a few upcoming public hearings on this zoning petition and City-funded vouchers. The Planning Board City Council's Ordinance Committee will be having meetings on the petition on May 7 at 6:30 p.m. and May 21 at 3:00 p.m., respectively. The City Council Housing Committee will hold a meeting about City-funded vouchers on April 30 at 3:00 p.m.

### **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 5:11 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 seven in favor and two absent (Mr. Stockard and Ms. Thorne), it was:

VOTED: for the meeting to go into Executive Session.

Mr. Cotter noted that the Trust would not reconvene in open session.

The next meeting is scheduled for May 23, 2024 at 4:00 p.m.

### **Meeting Materials:**

- Agenda
- Minutes from the Trust's March 28, 2024 meeting
- Project Update
- Homebuyer Buydown Assistance Fund Changes memo
- Draft Proposed Updated Buydown Assistance Guidelines
- Memo re Griffin-Shepard Zoning Petition
- Griffen-Shepard et al. Zoning Petition
- Law Dept. Opinion – Griffin-Shepard et al. Zoning Petition – Ltr to Pl Bd and AHT