

NEEDHAM AFFORDABLE HOUSING TRUST

*** MINUTES ***

June 23, 2020

Via Zoom Video Conference

5:02 p.m. A meeting of the Needham Affordable Housing Trust was convened by the Select Board Chair Moe Handel as a virtual “Zoom Cloud Meeting”. Present were Mr. Matthew Borrelli, Mr. John Bulian, Mr. Dan Matthews, Ms. Marianne Cooley, Town Manager Kate Fitzpatrick, Housing Trust Member Avery Newton, Assistant Town Manager Katie King, Director of Planning and Community Development Lee Newman, and Community Housing Coordinator Karen Sunnarborg.

Status of Fund – Ms. Sunnarborg reported that there was \$16,097 in the Fund with another \$6,879 projected for 2020 that includes the resale fee for 258 Linden Street and monitoring fees. Ms. Sunnarborg noted that the \$50,000 allocated by Town Meeting for the Small Repair Grant Program was a separate warrant article.

Small Repair Grant Program – Ms. Sunnarborg indicated that the Town is currently involved in the second funding round for the Small Repair Grant Program with a current deadline of June 30th. She suggested that the Housing Trust consider extending the deadline at least 30 days given COVID-19, and that quite a few residents have just recently requested applications. Ms. Sunnarborg also asked that the Housing Trust consider other program changes including potentially moving to accepting applications on a rolling basis. Another suggestion was that the Trust eliminate the requirement of adding 2% of the difference between the property’s assessed value and any liens to the income calculations. While this is a standard requirement in many other similar programs, those programs set income limits at area median income instead of 80% of area median income and hence some potential applicants indicated that the 2% requirement put them over income. Another consideration would be to raise the maximum grant amount in any funding round to \$5,000 given the amount of work that some current very low-income participants were planning.

Mr. Handel asked whether these last two suggestions were time sensitive. Ms. Sunnarborg responded that it was up to the Housing Trust to decide whether to adopt these changes sooner but suggested that it was likely better to hold-off until the next funding round. Ms. Fitzpatrick offered support for the 30-day extension. Ms. Cooley indicated that she would like to see a report on the status of the Housing Trust Fund as well as information on the current participants. She expressed concern about moving to a rolling basis but might consider quarterly funding rounds. Mr. Bulian also voiced his concern about accepting applications on a rolling basis given potential staff capacity issues but supported the other suggestions. Mr. Matthews also indicated that there might be administrative problems associated with moving to a rolling basis and would like to review text related to any program changes at the next meeting.

Ms. Fitzpatrick suggested that the Housing Trust consider extending the application deadline 30 days and allow late-filed applications for another 30 days if funding remained available.

Motion: Mr. Matthews moved that the Trust approve the 30-day application extension and the additional 30-day allowance for late-filed applications given available funding. The motion was seconded by Ms. Fitzpatrick. Unanimous: 7-0.

Monitoring – Ms. Sunnarborg explained that the annual monitoring of affordable units for the older 40B homeownership projects and Needham Place has been completed for quite some time. Given changes in staffing in tandem with COVID-19, it has become more challenging to obtain responses from some property managers. Despite a formal letter going back to January and repeated requests for required documentation, we received documentation from Wingate via email just before this meeting with indications that some information is still missing. Mr. Handel asked if the Housing Trust has any enforcement capacity. Lee Newman offered that if informational gaps persist, the Planning Board might consider calling property representatives to a meeting to discuss the Special Permit conditions related to the affordability requirements.

Ms. Sunnarborg added that the Town has received the monitoring compliance report from the monitoring agent for Greendale Village but is still awaiting the formal copy of the report for Webster Street Green from Housing Solutions, Inc. despite repeated requests.

The monitoring for Charles River Landing is due to be completed by Community Opportunities Group, Inc. before Labor Day, and the state is responsible for the monitoring of The Kendrick and Modera Needham. Ms. Sunnarborg indicated that the Town is also responsible for the monitoring of the affordable unit at Hamilton Highlands. She helped coordinate the turnover of the unit a year ago and has requested updated documentation from the current project representative.

HOME Program Issues – Ms. Sunnarborg stated that the Town is responsible for the annual monitoring of the group home at 1285 South Street sponsored by the Charles River Center. While the Town was able to arrange an inspection of the property as required, it has yet to obtain the required lease and income documentation for the five residents despite the formal request made in January and frequent follow-up requests. Ms. Sunnarborg suggested that a change in staff in addition to COVID-19 were causes for this lack of response. She has submitted documentation to the HOME Consortium regarding the Town's due diligence in its attempts to secure the needed documentation. Additionally, given the health crisis, the Consortium has been able to obtain waivers on a few HUD requirements including the timeframe for completing project monitoring.

Ms. Sunnarborg also explained that during the past few months the West Metro HOME Consortium has been updating its Five-Year Consolidated Plan for 2021-2025. Major elements of this Plan included a Housing Market Analysis, Housing Needs Assessment, and Strategic Housing Plan including priority goals and actions. The plan highlighted key local initiatives that involve greater housing affordability and diversity including 1180 Great Plain Avenue, the Accessory Dwelling Unit bylaw, the Mixed-Use Overlay District bylaw, and the Small Repair Grant Program for example. Priority actions included working in support of future Needham Housing Authority's redevelopment efforts that will hopefully involve a handful of HOME-funded units.

2020 HUD Income Limits – Ms. Sunnarborg stated that HUD income limits increased by 10% between 2018 and 2019 and by another 8% this last year. Because affordable rents are indexed to these limits, some if not many living in affordable units are likely struggling to continue to afford them. She stated that the Town sent letters to the property managers of the three large 40B developments asking them to defer any rent increases until at least the end of the health crisis. Mr. Handel asked if we know the effect of our request. Ms. Sunnarborg has not received any responses from the letter. Mr. Matthew asked her to follow-up on the letters. He also asked about the basis for the annual income limit increases which Ms. Sunnarborg indicated were based on a HUD formula. Ms. Fitzpatrick agreed to provide more information on the HUD formula. Ms. Newton asked whether the increase was for the state or some other area, and Ms. Sunnarborg responded that it was for the Boston metropolitan statistical area. Ms. Cooley added that she found the increases shocking and it would be better to base rent increases on the cost of living which Mr. Handel agreed would be more appropriate.

Housing Guidelines – Ms. Sunnarborg inquired about the status of any work that might be underway to update the Needham Chapter 40B Guidelines that were prepared in 2012. She offered to provide support as needed, also noting that the ZBA Specialist, Daphne Collins, is also interested in the project. Mr. Matthew identified the update as a work in progress which has been delayed due to COVID-19. He stressed the importance of the project noting that because the Town has surpassed the state 10% affordability threshold, it makes sense to revisit and update these Guidelines. Mr. Matthews stated that he was redlining the document and focusing on two main elements including the articulation of current Town standards for proposed projects with affordable units. He acknowledged that the Town has more leverage with developers now that developers are unable to appeal local decisions to the state's Housing Appeals Committee. He added that a good number of the Town's affordable units are in effect market priced, and there is still an unmet need for means-tested units that are affordable. Mr. Borelli added that it would be helpful to consider how much more affordable housing is needed. He added that the Town should promote affordable homeownership units in addition to rentals without neglecting the needs of those 55 years of age or older. Mr. Handel agreed.

Other Housing Issues – Given that the Select Board meeting was scheduled to begin at 5:45 p.m., Ms. Fitzpatrick suggested that the Housing Trust delay any discussion of other housing issues until another meeting can be scheduled in August. This meeting would also provide an opportunity to respond to the requests for more information and questions raised during the meeting.

Approval of Minutes –

Motion: Mr. Borelli moved that the Minutes from the August 20, 2019 meeting be approved. The motion was seconded by Mr. Bulian. Mr. Handel polled the Board. Unanimous: 7-0.

5:41 p.m. **Motion: Ms. Newton moved that the meeting be adjourned. The motion was seconded by Mr. Bulian. Mr. Handel polled the Board. Unanimous: 7-0**