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CITY OF CHELSEA

AFFORDABLE HOUSING TRUST FUND BOARD

Chelsea Department of Planning & Development
Chelsea City Hall
500 Broadway
Chelsea, Massachusetts 02150



**Meeting Minutes
Tuesday, August 2, 2016
6:00 p.m.**

A meeting of the Chelsea Affordable Housing Trust Fund Board was called to order at 6:01 p.m. on Tuesday, August 2, 2016, in Chelsea City Hall, Room 102, Conference Room, 500 Broadway, Chelsea, MA, with the following members in attendance: Robert Boulrice, Norieliz DeJesus, Brian Hatleberg, Ned Keefe, Colleen Kelley, Laurie McEachern (arrived at 6:11 p.m.), and Laura Wiener. Maggie Schmitt, Assistant Director, Chelsea Department of Planning & Development (DPD), was also present.

Introductions

The Board members and DPD staff members introduced themselves.

Colleen Kelley – lives in Lynn, Portfolio Manager at MassHousing, formerly an Asset Manager, experience with affordable housing; Bob Boulrice – lives on Orange Street, City Treasurer, former member of the Chelsea AHTFB in 2007, former Economic Development Board member; Laura Wiener – Assistant Director & Director of Housing in Arlington, MA, former member of the Chelsea AHTFB in 2007, knowledge of non-profit housing development from prior work and as a member of North Suburban Consortium (HOME) (which covers Chelsea); Norieliz DeJesus – Chelsea resident and community organizer at the Chelsea Collaborative, works on youth empowerment, tenant issues/tenant rights, educational workshops; Ned Keefe – Deputy City Manager, former Director DPD; Brian Hatleberg – Chelsea resident, mortgage originator, former City Councilor; Laurie McEachern – moved to Chelsea two years ago from Maine, works as an architect

Background on Chelsea's Affordable Housing Trust Fund Board

Maggie Schmitt provided an overview of the AHTFB history: City Council voted to establish the AHFT Board by an Order dated April 11, 2005. Original members were appointed by the City Manager in June 2007 – Bob Boulrice, Laura Weiner, TJ Hellman (youth organizer), Tony Hernandez, Mark Rossi, Val DeVito, and Sergio Jaramillo. The first meeting was in September 2007. The Board meetings continued into calendar year 2008.

Money in the Trust Fund came from donations to the City from housing developers. Chelsea's Zoning Ordinance includes a provision that the DPD can recommend up to 10% affordable housing in projects seeking a Planned Development Special Permit. Research of the previous minutes found donations appeared to be from the Spencer Lofts project and Mill Creek (175 Cottage Street) – 77 condos.

The 2007/2008 AHTFB meetings also included informational presentations from local non-profits involved in housing in the City (e.g Chelsea Restoration Corporation and Chelsea Neighborhood Developers (now The Neighborhood Developers (TND))).

Funds from AHTF contributed to the development of Spencer Row, a 32-unit affordable housing development at 215 Spencer Avenue.

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The foreclosure crisis helped to put a halt to AHTFB's activities. Bob Boulrice referred to large numbers of foreclosures in Chelsea and City efforts were directed to the significant housing and economic issues, such that the AHTFB did not have an immediate need to meet. Future funds from new projects that had been anticipated did not materialize because of the economic and housing market conditions in Chelsea and the larger metropolitan area.

Maggie Schmitt reported that the Treasurer's office provided the AHTF balance as of 6/30/2016 – approximately \$224,800. In early 2013, there was consideration by the City Manager to re-appoint the AHTFB, and the AHTF was identified as a viable funding source for the TND's proposed development of four (4) affordable housing units at 158-164 Shawmut Street (part of Bellingham Hill Family Homes). However, the Board member reappointments did not materialize, and funds were loaned from the City's UDAG account. Maggie said it is planned that the Department of Planning & Development will submit a request at a future meeting to ask the AHTFB to reimburse UDAG with AHTF monies.

The Board members discussed the need to define the role of the AHTFB. What is the mission of the Board?

Maggie Schmitt referred members to some background information on the City's history of commitment to the development of affordable housing. Also, the percentage of subsidized units (affordable units) on the Department of Housing and Community Development (DHCD) Subsidized Housing Inventory (SHI) is approximately 17.5%. Colleen asked how recent that percentage is. Maggie said the SHI list is as of April 2016. A few projects were recently sent to DHCD to be added to the SHI and this updating of the list is continuing.

The base number of housing units listed by DHCD is 12,592 which refers to 2010 Census (Year-Round Units). This baseline number is not static either. This number does not capture the more recent housing developments that have come on-line in Chelsea, for example, the 222 units that are part of Phase II of One North of Boston, a development which has no affordable units.

Discussion of Housing & Strategic Plan (Scope and Proposed Schedule)

Maggie Schmitt referenced the document that was mailed to the Board members – the text of the grant application submitted to DHCD for the use of Community Development Block Grant funds for a housing study. The City was notified that the grant award has been made but the City has not received the grant contract. Once that is signed and clearances are in place, then the City can proceed with issuing a Request for Proposals. It is anticipated to be a nine-month study initiating in the fall of 2016 and completing by the summer of 2017.

The study is intended to incorporate the typical items in a DHCD-approved Housing Production Plan with a goal to better document the existing housing demographics/statistics and better understand the conditions and needs in the local housing market, with the particular focus on how these factors affect the availability, demand, and creation of affordable housing.

At the time the grant application was written, it was envisioned that monies may be coming to the AHTF in the future from two potential sources: funds raised through revenues if the Community Preservation Act (CPA) passes and possibly a payment to the City via a fees-in-lieu of on-site affordable housing units if a proposed zoning ordinance with inclusionary housing requirements passes. In the spring, the City Council voted to place the CPA on the fall 2016 ballot.

The City Council opened the public hearing on the zoning ordinance changes on June 27, 2016 and the meeting was continued to September 26, 2016. The Planning Board continued their public hearing to August 23, 2016, and there will be a sub-committee meeting on August 16, 2016.

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Laura Wiener asked if there are any housing projects coming up that may have an affordable component. Maggie Schmitt mentioned that the development at Forbes is likely to come back at some point – the ZBA denied the Special Permit for the 1.5 million square feet proposed mixed-use development in April 2016. Ned Keefe added that perhaps there may be a proposed housing development on Cottage Street.

The question was asked if the City can predict the revenue stream to the AHTFB. Maggie Schmitt said at least 10% of revenues realized from the additional levy from CPA must be allocated to support affordable housing – could be more. The City will have to establish a Community Preservation Committee. Revenues from the Inclusionary Housing

Colleen Kelley asked about the role of the Board in an advocacy role versus a technical role. Also, she asked how the ordinance defines affordable. Maggie Schmitt responded affordable largely to a household with an income up to 80% of Area Median Income (AMI). Colleen Kelley said that may be too high for Chelsea households.

Norieliz DeJesus pointed out that there will be a meeting on Thursday evening at the Neighborhood Developers at which Tom Ambrosino, the City Manager and Roy Avellaneda, City Councilor, will present on the City's Inclusionary Housing Policy and the CPA ballot measure on November 5th.

Laura Wiener asked if the AHTFB is the only housing board in the City. Maggie Schmitt said yes. However, DPD also seeks the input of the Planning Board on housing plans/strategies.

The Board members discussed what might be their role as a Board – possibilities to be an advocate for affordable housing, provide input on inclusionary housing requirements, other. Board role(s) to continue as a further discussion item for the next few Board meetings. Maggie Schmitt will email the Board members two documents prepared by the City Manager: the Report on First Hundred Days and the City Manager's First Year Report. Brian Hatleberg questioned if the Board should defer meetings to when there is money coming into the AHTFB.

Colleen Kelley asked if Maggie can send the Board members a copy of the proposed (inclusionary housing) zoning ordinance. She said she would do so.

Discussion of Massachusetts Housing Partnership Technical Assistance

Maggie Schmitt said she had reached out to the Massachusetts Housing Partnership, as their Community Assistance team offer some technical assistance to support communities, local housing authorities, and nonprofit organizations in their efforts to create affordable housing for low- and moderate-income families. MHP offered to send staff to an AHTFB meeting. MHP could cover: the statute and what it empowers Trusts to do, types of projects that Trusts could pursue, what other Trusts are doing, fair housing implications and parameters, MHP's technical assistance program to help municipalities with publically owned land they are considering for housing.

The Board members expressed interest. Maggie Schmitt will make an inquiry of MHP to attend the next meeting.

Discussion of Chair – Nominations and Vote

The Board members decided to take this item up at the next meeting of the Board.

Discussion of Rules of Procedure/By-Laws

Maggie Schmitt referred to the "Handbook for the City of Chelsea's Boards and Commissions" dated March 2009 provided by the City's Law Department. This handbook contains a Standard Rules of Procedure for Boards and Commissions. Bob Boulrice had a copy of a document called Affordable Housing Trust Fund, By-Laws - A By-Law relating generally to the organization and conduct of the affairs of the City of Chelsea Affordable Housing Trust Fund.

Paper copies of by-laws were provided to each Board member.

Maggie Schmitt did not find meeting notes from 2008 of the by-laws being voted and approved – although minutes show had been discussed. At the suggestion of the Law Department, she asked the Board to consider adopting rules and procedures, based on the Law Department's Standard Rules of Procedures. The AHTFB could incorporate items from the bylaw, as appropriate. She would prepare this for the Board's review at the next meeting.

Next Meeting

The Board members discussed possible dates. It was suggested that the next meeting be held on Tuesday, September 20, 2016 pending MHP's ability to attend the meeting.

Brian Hatleberg requested that the information on members' contact information be shared with all of the Board members. Agreed by members, and it will be emailed to Board members.

Adjoiment

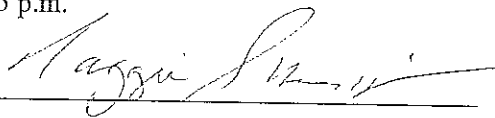
The Board adjoined at 7:05 p.m.

Documents/Exhibits:

1. City of Chelsea, Affordable Housing Trust Fund, By-Laws (2008)

The meeting adjourned at 7:15 p.m.

MINUTES APPROVED



9-13-16