



CITY OF CHELSEA
AFFORDABLE HOUSING TRUST FUND BOARD

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



Meeting Minutes

Wednesday, September 27, 2017

6:00 p.m.

A meeting of the Chelsea Affordable Housing Trust Fund Board was called to order by Brian Hatleberg, Chair, at 6:00 p.m. on Wednesday, September 27, 2017, in Chelsea City Hall, Room 102, Conference Room, 500 Broadway, Chelsea, MA, with the following members in attendance: Robert Boulrice, Brian Hatleberg, Colleen Kelley, and Laura Wiener. Teri Weidner arrived at 6:05 p.m. The following members were absent: Norieliz DeJesus.

Minutes of August 22, 2017

On a motion made by Laura Wiener, seconded by Robert Boulrice, it was voted 4-0-0 (4-Yes-Robert Boulrice, Brian Hatleberg, Colleen Kelley, Laura Wiener; 0-No; 0-Abstain) to waive the reading of the minutes of August 22, 2017 and accept the minutes as written.

Discussion with Judi Barrett, Barrett Planning Group, on the Chelsea Housing Study & AHTFB role

Consultant on Chelsea Housing Study: Judi Barrett, Barrett Planning Group

Judi Barrett – provided three-page handout to the Board members and facilitated a discussion with the members seeking their input and opinions regarding Board priorities. The handout refers to strategies developed for addressing housing needs – finalizing the Housing Study and preparing actions to advance strategies

Judi Barrett – a question to ask when there is a funding source, what are the ways to assist in production that the market is not addressing? Preservation and development of family housing is important – it is not what the market is producing

Colleen Kelley – delineate what is affordable and define it – <60% AMI? <80% AMI? also discuss ownership vs. rental. There are programs that currently exist that are successful and Board talked at length about this at the last meeting. Colleen Kelley did some independent research and shared information on the Napa Valley Proximity Housing Homebuyers' Assistance program. Would this work? What will work in Chelsea and who could the Board members access to model a program?

Colleen Kelley – also knowing sources and amounts of funds every year is key – getting \$60,000 per year vs. \$250,000 per year affects the type a scope of projects the Board can potentially fund

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Judi Barrett – there are successful programs. Those communities tend to have stronger markets – Somerville is at the high end of the market

Tom Ambrosino – the newly-established Community Preservation Committee (CPC) is an independent body – it will make recommendations to the City Council for funding in three categories – for affordable housing, open space, and historic preservation

Tom Ambrosino – supports the set aside of a significant percentage for affordable housing so that the Board can plan ahead knowing it has a stream of money each and every year – advocate for affordable housing at 50%. Will attend a future CPC meeting. Priorities seen: constructing new affordable housing, funds for landlords to renovate and improve units that will be committed to be affordable, first time homebuyers program

Robert Boulrice – supports preservation of existing affordability and creating new affordable units – what is the most efficient way to leverage the resources the Board has – in the past working with the nonprofits has worked to create affordable units

Colleen Kelley – funding help to owners to keep units affordable

Judi Barrett – trying to get to the heart of the piece of the plan and where does the trust see where they fit into the effort – if City is building new, what are the populations of the people that you are building for? Family housing is a thing to think about – the market is not doing it. Also, if one or several developer requests funding, the Board will need process for how to make the decisions – application, underwriting – No Trust Fund Board puts all the money in one basket and what will be the long-term health of the fund?

Brian Hatleberg – some funding for affordable ownership units and some for affordable rental units – the Board started to talk about this in August

Brian – starting point – on the ownership side and also on the rental side – finding to a way to use some money to assist help people and find a vehicle such as creating a deed restriction for an affordable rental unit

The Board discussed funding homeownership units with assistance to existing Chelsea residents. Judi Barrett cautioned that this should be examined with regard to compliance with fair housing regulations. Somerville may be a community which knows more about it. At one point, there was rethinking by the state about the local preference policy. Judi Barrett recommended to consult with the City Solicitor on the issue of fair housing.

Robert Boulrice – several agencies do homeownership fairly well – look at expiring uses

Brian Hatleberg – considering \$200,000 to be the number set by the City Council (in the IZ ordinance) to create affordable unit – look hard at creating units with deed restrictions – looking for effective programs that are less staff intensive – creating an affordable unit for \$60,000 would be a positive outcome

Judi Barrett – on the NAPA Valley program – it is structured to allow an income-eligible buyer to borrow up to 10% of the cost of the home and then when the unit is sold, 10% of the sales price comes back to the Trust – it addresses longer vs. near term effects

Discussion of staffing models for Trusts – In Somerville, a full-time housing planner supports Trust and other programs – someone to do program development and design. If there were an annual revenue stream nearer \$300,000 per year rather than \$60,000 per year, staff time is needed to oversee programs

Judi Barrett – even in some small towns, there is a trend to have part-time staff and it's paid for with CPA – CPA is the go to source in some towns much smaller and less complicated than Chelsea

Robert Boulrice – many programs could have revenue streams and could contribute to the prevention of the dilution of the existing percentage of units in Chelsea that are affordable units – want new deed restrictions and do not want to lose a deed-restricted unit

The Board discussed types of programs – is it possible to narrow in on efficient low-hanging fruit and seeking direction where to start

Judi Barrett – on the homeownership side – buy down assistance often helps – assistance to buyer or assistance to the developer – is that important to the Trust? On the rental side – Board may say it wants to only do pre-development assistance – it means funds for developers for design and due diligence – it's fairly easy to run – if it goes forward get construction financing – as a new Trust, advice is to keep it simple

Laura Wiener – there are so many different needs – the Board is seeking input to help to decide priorities

Colleen Kelley – seeking examples of what works and what it means to administer such a program

Brian Hatleberg – suggestion to fund with some proportion of the money ownership of family units – Board discussed and agreed larger units (not one-bedroom units) – assist in that marketplace at low income – on the rental side seeking a way to create permanent affordability as efficiently as possible – try to drill into ideas and options

Judi Barrett – focus in many Massachusetts communities on deed-restricted units because of 40B and communities striving to achieve minimum percentage of 10%

Discussion of the large numbers of two and three-family dwellings in Chelsea and programming for owners to get a jump in – discussion of homeownership and condominiums – discussion of managing a two- and three-family homes – with importance of owners to have budgeting skills and income to pay mortgage and maintenance costs – how to protect population and encourage stable neighborhoods – East Boston had a lot of developers buy up properties

Robert Boulrice – as Treasurer saw that there were hundreds of payment plans for owners over the past 10 years – Chelsea is a mobile community – ownership is not for everyone

Colleen Kelley – wants to be very creative – how to address needs and keep people in the community

Teri Weidner – support for stability

Robert Boulrice – Chelsea has been a gateway city for many years and now it is a destination that people want to be

Brian Hatleberg – Board is talking about the people who say how can I keep the cost of living low and to stay here

Robert Boulrice – rental market is evaporating and people are being forced to leave – limit the dilution of the existing percentage of affordable housing

As a brand new board – possibly in a Year one workplan – focus on one program and then after a year expand to it

Colleen Kelley – requests a template of a program

Judi Barrett – the Housing Study will not design a specific program – Trust is encouraged to build a successful trust and build capacity to do more – the Board is hiring consultant for a work plan – for design of a program – it will take a lot of work

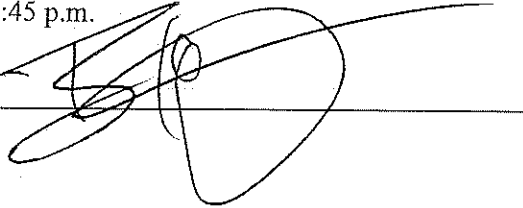
Judi Barrett – polled the Board on thoughts on near-term and long-term outcomes members may envision. Short-term outcomes included viable rental program, preserve certain number of affordable units, create deed-restricted affordable units, reduce level of crisis that people experience in housing. Long-term also include creating homeownership opportunities, increase percentage of affordable units, insure some percentage of housing is affordable to those with a working-class income. Also polled on time availability – discussion of what is needed beyond meeting 1.5 hours a month – part of the answer depends on the staffing resources available to the Board

Adjournment

On a motion made by Colleen Kelley, seconded by Robert Boulrice, it was voted 4-0-0 (4–Yes–Robert Boulrice, Colleen Kelley, Laura Wiener, Teri Weidner) ;4–Yes; 0–No; 0–Abstain) to adjourn.

The meeting adjourned at 7:45 p.m.

MINUTES APPROVED:

A large, stylized handwritten signature in black ink, written over a horizontal line. The signature is somewhat abstract and difficult to decipher, but appears to be a single name.

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