

**AFFORDABLE HOUSING TRUST FUND BOARD
PUBLIC MEETING
TUESDAY, JUNE 20, 2023
6:00 P.M.
HYBRID ZOOM/IN-PERSON MEETING
CHELSEA CITY HALL, PLANNING OFFICE, RM. 102
OR
ZOOM MEETING ID:**

<https://us06web.zoom.us/j/88284824799?pwd=aWJSTIFDcG11YVlmOXZQRDNyV2Vydz09>

Meeting ID: 882 8482 4799
Passcode: 236032

MINUTES

- I. Calling Roll of Members
 - a. Chairperson Gary DeYoung called roll. In attendance were Gary DeYoung, Chair; Colleen Kelley, Teri Weidner, Alexis Turgeon, and multiple members of the public
- II. Approval of the Minutes of the Previous Meeting
 - a. No minutes were reviewed.
- III. Communications
 - a. No communications received by members of the public.
- IV. Public Comments
 - a. No general public comments were received. Multiple members of the public conversed with the Board on the agenda item below.
- V. New Business – Habitat for Humanity / Comunidades Enraizadas 41-43 Orange St. Proposal
 - a. Caroline Ellenbird of Comunidades Enraizadas shared introductory remarks pertaining to the 41-43 Orange St. Project. Comunidades Enraizadas, a community organization formed by principally Latina women to prevent displacement in Chelsea, has forged a partnership with Habitat of Greater Boston. Collectively, the joint venture seeks to acquire 41-43 Orange St., develop five (5) units of affordable home ownership opportunities, accompanied by five (5) off street parking spaces, and corresponding site improvements.
 - b. The joint venture submitted a proposal in response to the City’s RFP for the disposition and redevelopment of 41-43 Orange St. Upon receipt, the Department of Housing & Community Development convened an evaluation committee to review, score, and conduct due diligence on the proposal, yielding satisfactory results.
 - c. Representatives from Comunidades Enraizadas and Habitat of Greater Boston exhibited a presentation illustrating the project objectives, affordability and unit mix, architecture and design,

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site design, implementation timeline, the development budget, the operating budget, and the provision of ongoing homeowner services. The five (5) affordable housing units will be affordable to households with annual incomes up to 60% of the Area Median Income. One (1) unit shall be ADA accessible, as required by the AHTFB in the RFP.

- d. Site improvements will maximize climate resilient features. This will consist of the installation of permeable surfacing, site lighting, landscape elements, private open space in the rear yard of the property, and attendant infrastructure. The building will be made solar ready, with energy efficiency principles employed to reduce the future carbon footprint of the structure.
- e. In total, the project will require approximately two (2) years, following the execution of a land disposition agreement, to construct the five (5) affordable housing units.
- f. Habitat for Greater Boston will undertake an affirmatively fair housing marketing process and select residents, in accordance with the resident selection criteria and fair housing regulations. Following the application period, a lottery, inclusive of local preferences to prioritize residents and marginalized communities, will yield the selection of five (5) prospective homeowners. After undergoing the determination of eligibility process, the prospective homeowners will be invited to contribute sweat equity, volunteering time to contribute to the construction of the units, in collaboration with volunteers marshaled by the joint venture. Originating, administering, and servicing mortgages, Habitat of Greater Boston will act as a direct lender to the homeowners, whereby the organization will provide zero interest loans with no down payment requirements.
- g. Alexis Turgeon inquired about the intersection of sweat equity and applicants with disabilities. The AHTFB seeks to ensure disabled residents will be able to qualify, even if they cannot physically contribute to construction.
- h. Colleen Kelley inquired about the determination of eligibility. Habitat for Greater Boston representatives clarified that this consists of an income verification, credit review, background check (CORI), and underwriting analysis. A review of the lottery administration procedure and wait list procedure was provided. Colleen asked for clarification on the party responsible for monitoring the contribution of participation in the sweat equity program. Habitat for Greater Boston responded that the Homeowner Services Department is tasked with oversight of the program. Colleen inquired about the background, track record, and experience of Habitat for Greater Boston with multifamily housing construction. Habitat for Greater Boston representatives outlined two (2) projects, consisting of a five (5) unit project and seven (7) unit project, while underlining the reportedly low default rate of Habitat for Greater Boston homebuyers (borrowers). Attributed to the ongoing homeowner services, this low default rate is related to the commitment

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of the homeowners, as well as the flexibility of Habitat for Greater Boston as it relates to loan modifications and forbearance.

- i. Alexis inquired about the formula for computing the sales price. Habitat for Greater Boston representatives responded that the sales prices are set forth based upon the household income, as calculated during the intake process. Uniquely, this enables Habitat to set the sales price prior to construction, pegged to household income. The Habitat pro forma assumes sales prices computed utilizing an extremely low-income (30% AMI) household to ensure financial viability.
- j. Caroline Ellenbird provided public comment in support of the proposal, narrating over the history, mission, and objectives of Comunidades Enraizadas.
- k. Board Co-President Suyapa Perez provided public comment as a representative of the Comunidades Enraizadas board in support of the project. She conveyed a brief history of the founding of the land trust, the major objectives of preventing displacement, and an overview of the potential positive impact of the project, representing the group's first real estate development endeavor.
- l. The Board proceeded to begin deliberations on the proposal. Gary DeYoung indicated that, due to the time, the Board would likely continue this matter to the July meeting. The board unanimously voted to adjourn the meeting at 7:21 P.M.

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