

Affordable Housing Trust Fund Board Meeting Minutes

Date: October 10, 2024
Time: 7:00 – 8:00 PM
Location: Conducted via remote participation

- Trustees Present: Karen Kelleher, Jaclyn Pacejo, Jack Nagle, Neal Mongold, Eric Helmuth and Beth Elliott

- Town Staff Present: Sarah Suarez

- Other Attendees: Rebecca Gruber, Kerry Sheehan, Lucia and John Musilli, Lori Leahy and Rob Costello.

Karen called the meeting to order at 7pm.

Action Plan Implementation

Goal: Create More Affordable Housing

a. Update on Acquisition, Creation, and Conversion Program Update and Funding Recommendation

Sarah provided an overview of the ACC application submitted by Lucia Musilli to restrict 2 units, with \$500,000 in subsidy. She also reviewed the conditions that the Trust would recommend that the Town Manager impose on the award. Karen expressed her appreciation for the application, as did Eric and Neal. Eric asked about the term of the restriction, and Neal asked if the applicant had any information about the lead paint status of the property. Lucia replied that they have been engaged in de-leading process on other properties and would be looking to make the property lead safe. Jaclyn asked about income qualifications.

Karen made a motion to recommend approval with exceptions to the stated conditions to allow 100% AMI for the current tenants, with the AMI level to be reduced after they end their tenancy, plus recommending 30 years. She noted that the Town Manager has the authority to vary the conditions. Eric seconded the motion. The voting members of the Trust approved the motion unanimously through a roll call vote. Sarah explained to the Musilli's that she would follow up with the Town Manager.

Sarah then described the next application, which is for 80 Broadway, for 1 unit at \$250,000. This development is currently under construction, and the owners are proposing to provide one affordable unit in addition to the unit required by Arlington's Inclusionary Housing ordinance. They are expecting to complete construction this December. The proceeds would be used to reduce the permanent debt on the building. The conditions parallel those for the prior transaction.

Neal noted that because this is an elevator building, the units need to be adaptable for accessibility, which is a great benefit that is not provided in different housing types and would help us achieve our accessibility goals. Jaclyn also commented that she appreciated that this unit would be in a new building, but that she would prefer that the income cap be at 60% AMI rather than 70% AMI. Sarah reported that she had received a message from the applicant that he would be joining shortly, so the matter was tabled.

b. Upcoming Community Engagement Opportunities

Karen reported that there would be a discussion on October 17 regarding strategies for creating more affordable housing in Arlington. Karen invited the Trustees to attend and Sarah indicated that the session would be posted as an AHFT meeting as it appears that a quorum of Trustees could be present.

c. Update on Projects. Karen noted that we had a full report at last week's meeting and that there were no updates at this time.

Goal: Build the Financial Strength of the Trust

a. Treasurer's Report.

Jaclyn informed the Trustees that she would provide this report at the next regularly scheduled meeting

b. CPA Preliminary Application-Due Oct. 11, 2024.

Karen reported that she had met with the co-chairs of the CPA committee about the Trust's application, and they were very receptive. Karen made a motion to increase the amount of the pre-application from \$500,000 to \$750,000 in order to advance projects consistent with the Action Plan. Jack commented that the application should leave flexibility for preservation projects as well as new construction activities. Eric seconded the motion. The motion was approved unanimously on a rollcall vote.

a. Update on Acquisition, Creation, and Conversion Program Update and Funding Recommendation

Mr. Rob Costello joined the meeting at approximately 8:10.

Upon Mr. Costello's arrival, the Trustees returned to consideration of the 80 Broadway application. Mr. Costello described the need for the funding for financial feasibility of the project. Karen noted that the application requested 70% AMI and 25 years, which is a bit higher and shorter, respectively, than the Trust prefers. Karen asked if they would be able to accommodate a lower level of affordability and a longer term, and Rob indicated that they would

need to evaluate the financial impact of that change. Sarah then described that the Trust would be voting on whether to make a recommendation that the Town provide a conditional commitment and outlined the proposed conditions.

Eric departed the meeting at 8:19.

Neal asked about accessibility of the 80 Broadway building, and Mr. Costello confirmed that the units are adaptable. Neal also asked about whether there is a requirement for affirmative fair marketing that the units be marketed to those needing accessible units. Sarah agreed to follow up with EOHLC to confirm what the requirements are. Karen noted that the recommendation would be for a 30-year restriction, but that the Town Manager would have the ability to make changes. Neal made a motion to approve the funding recommendation, which Jacyln seconded. The Trustees approved unanimously to approve the recommendation on a roll call vote.

2. Engaging the Affordable Housing Advisory Committee. This topic was not discussed.

3. Other updates and new business

Karen invited any members of the public to speak. Mr. Costello asked how many applications have been received. Karen indicated that this information will be made public when the process is complete. Mr. Costello also asked about the timing of award funds. Sarah reported that the Commonwealth will need to approve the affirmative fair housing marketing plan and deed restriction, only after which COs can be issued for the affordable units.

4. Approval of Minutes from Prior Meetings. This topic was deferred to the next regular meeting.

Upon a motion duly made and seconded, the Trustees voted unanimously by roll call vote to adjourn.

The meeting was adjourned at 8:39 P.M.