



**Watertown Housing Partnership
Meeting Minutes
Tuesday, February 16, 2016
Watertown Administration Building
3rd Floor**

Members In Attendance

Fred Reynolds (Chair), Cliff Cook, Brian Costello (Watertown Housing Authority), David Leon, Judge Paul Menton, and Andrea Adams (Senior Planner, Department of Community Development and Planning)

Others in Attendance

Jennifer Van Campen (Metro West Collaborative Development), and Helen Oliver (Resident)

I. Approval of Meeting Minutes: Draft January 19, 2016

Mr. Reynolds asked for a motion to approve the draft Minutes as presented. Mr. Costello moved to approve the draft Minutes. Judge Menton seconded the motion, which passed unanimously.

II. Update on MassHousing Partnership's *Get the Lead Out!* Program

Ms. Adams updated the Partnership on the status of Watertown re-activating participation in MassHousing's Get the Lead Out! loan program. She noted that Mr. Magoon, Director of the Department of Community Development & Planning and Assistant Town Manager had had a conference call with Deanna Ramsden of MassHousing, where she explained the outline of the program. The program works by MassHousing using its funding to provide loans to home owners (homeowner occupied units or "investor" units/landlords) to de-lead. MassHousing also uses municipalities and other agencies, such as nonprofits, to act as administrators for the loans, helping the loan recipients process the necessary paperwork. The loan administrators can charge fees for service, up to 4.5% of the loan amount, or a maximum of \$1,000, whichever is less. The minimum fee to the loan administrator, called a Local Rehabilitation Agency under this program, is \$200.

Ms. Adams said she'd contacted Salem, MA and Brookline, MA to discuss with their staff what it was like to administer a Get the Lead Out! loan. Unfortunately, the feed-back was uniformly negative. Both staff persons said the program was cumbersome, and time-consuming. The key criticism, unlike the Community Development Block Grant (CDBG) program, which also allows or in some cases, mandates lead abatement, is the same person who has direct control of the loan monies is working with the potential loan recipient. In the Get the Lead Out! program, the Local Rehabilitation Agency can only serve to "hand hold" the loan recipient. It is the loan recipient's obligation to fill out the required paperwork, get estimates, and have the abatement completed. Also, the loans are handed off to participating private banks. This, in the opinion of the staff contacted at Salem and Brookline, complicates the loan administration. The end result is that the program is time-consuming, and the municipalities are not fully reimbursed for staff time expended to start, manage and finish a loan.

Mr. Cook asked Ms. Van Campen if MWCD had any interest in the Get the Lead Out! program?

Ms. Van Campen said no, in large part because the funding for the loan program at the state level is uneven. One year, the program will have a decent level of funding, the next year, there will be hardly any allotted to it. She said this means a participating agency or nonprofit may have to "staff up" the program in one year, only to find that it must lay that person off the next year, when state funds are reduced. She said this doesn't make it cost-effective for most nonprofits to participate in the program, the low reimbursement rate notwithstanding.

Mr. Reynolds noted that to be effective, the program would also need active participation by Watertown's Health Department staff, and that seems unlikely in the near future, as the Health Department is still dealing with other critical issues, such as the opioid crisis.

III. Financial Report #4: Sources of Housing Monies

Ms. Adams noted a copy of a spreadsheet showing the Town's sources of Housing-related monies was included with the Partnership's packet. She noted how much HOME funds the Town had, based on the HOME allocation from Newton as part of the Consortium, and from repayments of old American Dream Downpayment Assistance Loans. Ms. Adams also noted the balance in the Affordable Housing Development Fund, which receives monies when private developers choose to "buy out" the unit set-aside allocation under Watertown's Inclusionary Zoning. She noted how much money had been collected as a result of old CDBG housing-related grants and loans, and other miscellaneous sources. She noted use of the HOME funds would be dictated by the parameters of the HOME program.

IV. Update on Regional Mixed Use District (RMUD) and Partnership's Amendment

Mr. Leon noted that the Town Council and Planning Board were scheduled to hold a joint hearing on the RMUD on Wednesday, March 2, 2016 beginning at 6:00 PM at Watertown High School. He urged his colleagues to attend, and to discuss the proposed Amendment with their District Council Member.

Ms. Adams outlined the proposed Amendment for the benefit of Ms. Oliver, noting that it recommended increasing the affordable housing set aside percentage in the RMUD District from 12.5% to 15.0%.

Mr. Leon noted that changing the percentage to 15% was warranted in the RMUD, because it was being created out of Industrial-3 zone, a zoning district that currently did not allow housing units. He also said the new joint hearing had been scheduled in part due to inclement weather, and the notice now included language relative to the Partnership's proposed amendment.

Mr. Reynolds suggested that increasing the affordable housing percentage in the RMUD would not negatively impact the proposed development, nor the proposed Developer's pro-forma.

Mr. Cook noted that adding housing to the RMUD District would actually increase the value of the land, by allowing a use that was not allowed by the I-3 zoning district.

V. Ways to Generate More Affordable Housing

Mr. Reynolds, noting the amount of money that Town had at its disposal to create affordable housing, suggested a main focus for the Partnership should be how to create more affordable units. He asked Ms. Van Campen to comment on the prior proposal for a HOME funds "bank" idea as discussed at the October 2015 meeting.

Ms. Van Campen said that she'd given the idea more consideration, and given the state of funding in the HOME Consortium, and the cost to purchase raw land or units, it did not make sense to go forward with this idea. She noted all of the Consortium municipalities are experiencing exorbitant prices to buy units on the open market and convert them to affordable units. She said municipalities are also experiencing difficulty or lack of interest in Tenant-Based Rental Assistance (TBRA) programs. The difficulty is that to use HOME funds, the program sets a maximum cap on the amount of assistance, and that amount is too low to offset the cost to rent on the open market. She also noted that TBRA programs typically end in a

couple of years, and if the renter's situation has not changed in the interim, the renter will still be left with a potential problem that may mean they will face eviction as rents continue to increase. To combat this, some TBRA programs are looking at a self-sufficiency model, where some critical factor in the recipient's life will change and therefore obviate the need for the rental support. An example might be that the TBRA recipient is going college for a degree, and the TBRA support would carry through graduation, then end.

Mr. Reynolds asked all the members to try to think of ways to leverage Watertown's housing-related funds to generate more affordable units. He asked that this topic be carried over to the March Partnership meeting.

Adjourn

Mr. Reynolds asked for a motion to adjourn the meeting.

Mr. Costello moved to adjourn the meeting, and Judge Menton seconded the motion, which was unanimously approved.

Meeting adjourned at 7:45 PM.