



Affordable Housing Trust Fund Board of Trustees

Meeting Minutes

Wednesday, August 30, 2023, 6:00 PM

Esther Howland Chamber, City Hall

Affordable Housing Trust Fund Board of Trustees Present:

Victor Agudelo-Ortiz, Chair
James Brooks, Ex-Officio
Johanna Hampton Dance
Benetta Kuffour
Jason Pincomb
Gabriel Rodriguez (remote participation)
Xaulanda Thorpe

Affordable Housing Trust Fund Board of Trustees Absent:

Lucelia DeJesus
Francisco Valdes

Staff Present:

Jeanette Tozer, Affordable Housing Trust Fund Manager

1. Call to Order

Trustee Agudelo Ortiz called the meeting to order with a roll call at 6:01 PM.

2. Approval of Minutes from June 21, 2023 and July 26, 2023 Meetings

Trustee Pincomb made a motion to approve the minutes from the June 21, 2023 and July 26, 2023 meetings. Trustee Brooks seconded the motion, and the motion passed 7-0 on a roll call.

3. AHTF Application Review and Approval – Worcester Lagrange LLC, Lagrange Lofts - Request for \$2,000,000 for Affordable Rental Housing Development Project

Trustee Agudelo Ortiz introduced the agenda item. Ms. Tozer reintroduced the application from Worcester Lagrange LLC, who is seeking \$2,000,000 for the adaptive re-use of four contiguous historical mill buildings on Lagrange Street into 63 units of mixed-income rental housing. Ms. Tozer then directed the Board to their packet, which included a summary of the scores that the Board of Trustees gave to the Lagrange Lofts application. Based on the scores submitted, the average total score was 126.6 out of a possible 150 points, or 83.3% of the potential points.

Taylor Bearden, representative from Civico Development, provided a brief update to the Board regarding the Lagrange Lofts project. The meeting was opened for public comment. Hearing none, Trustee Brooks made a motion to close public comment. Trustee Hampton Dance seconded the motion, and the motion passed 7-0 on a roll call.

Trustee Agudelo Ortiz motioned that the Affordable Housing Trust Fund authorizes its chair to execute a letter of conditional commitment to Worcester Lagrange LLC, for funding in the amount of \$2,000,000 for the Lagrange Lofts affordable rental housing development project. The conditional commitment shall be valid for nine months and subject to the approved Affordable Housing Trust Fund requirements. Trustee Hampton Dance seconded the motion. The motion passed 7-0 on a roll call.

4. Applicant Presentation – The Community Builders, Inc. – Merrick at the Square

Trustee Agudelo Ortiz introduced the agenda item. Ms. Tozer provided an overview of the application from The Community Builders, Inc., who have applied to the AHTF for \$1,800,000 for the construction of 49 units of affordable rental housing. The applicant is proposing to restrict 11 units for households earning 30% or less of the area median income and 38 units at 60% area median income. The applicant also stated that 7 units will ADA accessible. Staff completed a review of the application and determined that it meets the minimum threshold criteria as described in the AHTF Application Review Guidance.

Julia Scannell, representative from The Community Builders, presented the Merrick at the Square project. The meeting was opened for public comment. Hearing none, Trustee Thorpe made a motion to close public comment. Trustee Kuffour seconded the motion, and the motion passed 7-0 on a roll call.

The Board engaged in a discussion with Ms. Scannell. Trustee Agudelo Ortiz made a motion to place the application for the Merrick at the Square project on the next Affordable Housing Trust Fund agenda to review Trustees' scoring of the project and vote on a recommendation of funding, which was seconded by Trustee Hampton Dance. The motion passed 7-0 on a roll call.

5. AHTF Application Resubmission Moratorium

Ms. Tozer noted that the AHTF Application Resubmission Moratorium was held at the last meeting to ensure more Trustees could weigh in on it. The AHTF does not have a policy in place regarding the resubmission of project proposals after the Board of Trustees has declined an application. Given this policy gap, it is recommended that the Board of Trustees amend the Affordable Housing Trust Fund Development Request for Proposal to include the application resubmission policy proposed in the memo included in the Board packet. The proposal reads as follows:

“An applicant may resubmit a project proposal, but only after 1) it has undergone substantial revision and 2) more than one year has elapsed since the application was declined. This moratorium allows applicants sufficient time to revise/restructure the declined proposal accordingly. Please note that a submission the City of Worcester considers too similar to a previous proposal under the moratorium period may be returned without review. A resubmitted proposal that has not taken into account the major comments or concerns resulting from the prior AHTF Board of Trustees review may be returned without review. The City of Worcester and the AHTF Board of Trustees will treat the revised proposal as new, subject to the standard review procedures.”

Trustee Agudelo Ortiz made a motion to amend the Affordable Housing Trust Fund Development Request for Proposal adopted August 8, 2022, and most recently amended on April 19, 2023, to include the following application resubmission policy for the AHTF:

An applicant may resubmit a project proposal, but only after 1) it has undergone substantial revision and 2) more than one year has elapsed since the application was declined. This moratorium allows applicants sufficient time to revise/restructure the declined proposal accordingly. Please note that a submission the City of Worcester considers too similar to a previous proposal under the moratorium period may be returned without review. A resubmitted proposal that has not taken into account the major comments or concerns resulting from the prior AHTF Board of Trustees review may be returned without review. The City of Worcester and the AHTF Board of Trustees will treat the revised proposal as new, subject to the standard review procedures.

Trustee Hampton Dance seconded the motion, and the motion passed 7-0 on a roll call.

6. AHTF-Funded Projects Status Update & 7. Financial Update

Chair Agudelo Ortiz noted that agenda items 6 and 7 would be taken up together. Ms. Tozer walked the Board through the AHTF-Funded Projects Status document that contains information about the five projects that have been awarded funding prior to the August 30, 2023, meeting. In addition to brief updates on each project in the notes column, the document shows the number of units in the funded projects (totaling 290 units with the Lagrange Lofts project), the number of units being supported by the AHTF (totaling 164 units with the Lagrange Lofts project), the number of ADA accessible units in each project (totaling 37 units with the Lagrange Lofts project), and the breakdown of the affordability levels. The update shows that approximately \$7M of AHTF funding is supporting nearly \$194M of housing development, with an average of about \$43,000 of AHTF dollars per affordable unit. Approximately \$7.9M of ARPA funding remains in the AHTF.

8. Potential Future Agenda Items

The Board discussed the following future agenda items: information about other Housing Development Division funding programs, prioritizing types of projects using future non-ARPA funding, contingency planning to ensure that ARPA dollars are expended within the required timeframe, and future funding opportunities related to residential rehabilitation and three-deckers.

9. Adjournment

There being no further business, the meeting adjourned at 6:52 PM.