



The City of **WORCESTER**

**Affordable Housing Trust Fund
Board of Trustees**

**Meeting Minutes
Monday, September 26, 2022 5:30 PM
Levi Lincoln Chamber, City Hall**

Virtual/remote participation via Webex:

To join by phone: 1-415-655-0001 **Access Code:** 2314 266 0196 #

To join the meeting virtually:

<https://cow.webex.com/cow/j.php?MTID=m163929aa4db9e6f99a25c0f2af70454d>

Present:

Affordable Housing Trust Fund Board of Trustees

Victor Agudelo-Ortiz , Chair
James Brooks, Ex-Officio
Lucelia DeJesus
Jackson Restrepo
Xaulanda Thorpe
Keith Krikorian

Staff

Jeanette Tozer, Affordable Housing Trust Fund Manager

1. Call to order

Chairman Agudelo-Ortiz called the meeting to order with a roll call at 5:34 PM.

2. Approval of minutes from August 8, 2022, meeting

Mr. Brooks made a motion to approve the minutes. Mr. Agudelo-Ortiz seconded the motion. The minutes were approved 6-0.

3. Establishment of regular meeting schedule for AHTF Board of Trustees

Ms. Tozer stated that the item's purpose is to establish a monthly meeting schedule for the Board of Trustees to provide predictability for applicants. Chairman Agudelo-Ortiz motioned to schedule

the regular meeting of the AHTF Board of Trustees at 5:30 PM on the third Wednesday of the month starting November 16, 2022. Ms. DeJesus seconded the motion.

4. Review of scoring matrix for Affordable Housing Trust Fund Developer Application

Chairman Agudelo-Ortiz introduced the agenda item to review the Affordable Housing Trust Fund Developer Application scoring matrix. Ms. Tozer noted two documents in the Board packet – a scoring matrix and scoring guidance. She further noted that the applications would be accepted on a rolling basis and, therefore, would not be reviewed and evaluated on a comparative basis. Ms. Tozer then walked the Board of Trustees through the Affordable Housing Trust Fund Scoring Guidance, which outlines the review and approval process, minimum threshold criteria, and competitive scoring criteria.

Chairman Agudelo-Ortiz inquired about the definition of substantial rehabilitation and whether a habitable unit would be eligible. Mr. Brooks clarified that cosmetic improvements would not meet the definition of substantial rehabilitation, and the goal is to bring new affordable units online. Chairman Agudelo-Ortiz also asked for clarification about the financial feasibility evaluation. Ms. Tozer and Mr. Brooks responded that proposed projects would be reviewed based on baseline construction and residential development data.

Mr. Restrepo inquired whether the applicant must provide a market study or if they can reference existing market studies and data that demonstrate the need for the proposed housing. Mr. Brooks responded that applicants could provide their own market study or reference existing studies, such as a housing report by the Worcester Regional Chamber of Commerce.

Ms. DeJesus asked for clarification about the funding sources. Chairman Agudelo-Ortiz responded that the goal is to ensure that the AHTF is one of several funding sources being leveraged to build the proposed project. Ideally, an applicant will require AHTF funding that is less than 25 percent of the total development cost. Mr. Brooks further clarified that development projects usually have several sources, including developer equity, a construction loan, and potentially the AHTF funding to fill a gap and provide affordable units.

Chairman Agudelo-Ortiz inquired about defining proximity to amenities such as healthcare and parks. Ms. Tozer responded that applicants would identify this in their narrative, and staff would also help evaluate proximity. Mr. Brooks further clarified that the City has reference maps that can be used to identify amenities near proposed projects.

Ms. DeJesus inquired about what the Board of Trustees can do to help promote the AHTF application. Ms. Tozer responded that the RFP would be rolled out the following week, a webpage would be established on the City's website, and the Trustees are encouraged to share that information. Mr. Brooks added that the City of Worcester Housing Division would host an affordable housing workshop on October 13 at 5:30 PM in Levi Lincoln Chamber.

Mr. Restrepo inquired about a minimum score for applicants to award funding. Ms. Tozer responded that there is no set minimum, but based on the proposed matrix, a project scoring below 91 points will require additional scrutiny to ensure it is feasible and meets the intent of the

AHTF. Further discussion focused on using the scoring matrix to work with applicants to strengthen their proposals.

Mr. Krikorian inquired about increasing the 10 percent threshold for ADA units to address the tremendous need for accessible housing in Worcester. Mr. Brooks responded that State law requires a minimum of 5 percent accessible units, and at the previous meeting, the Board agreed to double that requirement to 10 percent for the AHTF. Chairman Agudelo-Ortiz further elaborated that the additional points for ADA units above and beyond the minimum requirement are sufficient to encourage the creation of accessible units, and the Board agreed.

Additional discussion focused on further incentivizing the creation of ADA units and units restricted at 30 percent or less of Area Median Income. The Board agreed that the best way to do so is not to count the bonus funding against the cap of 25 percent of the total development cost (TDC).

Mr. Brooks proposed an amendment to the Affordable Housing Trust Fund Request for Proposal (RFP) to specify that the 25 percent of the TDC limit does not include any bonus funding.

Mr. Brooks made a motion that the Board of Trustees approve the scoring matrix for the AHTF Developer Application and authorize the release of the Affordable Housing Trust Fund RFP through various channels, including the City website, social media, and other readily available methods, as well as to amend the RFP to state that bonus funding does not have to be included in the 25 percent of the total development cost calculation. Mr. Krikorian seconded the motion. The motion was approved 6-0 on a roll call.

5. Potential future agenda items

Chairman Agudelo-Ortiz stated that a potential future agenda item will be to review an increase in the bonus funding for ADA units and units restricted to 30 percent or less of the Area Median Income after the first round of applications are received.

Chairman Agudelo-Ortiz made a motion to schedule the next AHTF Board of Trustees meeting for November instead of October. Ms. Thorpe seconded the motion.

6. Adjournment

There being no further business, Mr. Brooks made a motion to adjourn the September 26, 2022, AHTF Board of Trustees meeting. Chairman Agudelo-Ortiz seconded the motion at 6:33pm.