

City of Worcester, Massachusetts

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Gregory J. Baker, Director
Neighborhood Development Division

**Community Development Advisory Committee
City Hall, Room 401
455 Main Street
Worcester, MA
Tuesday, June 9, 2015
6:00 PM**

MEETING MINUTES

CDAC present: Edward Moynihan (Chair), Mark Borenstein (Vice Chair), Martha Assefa, Dana Strong, Paula Stuart, Daniel Whalen

CDAC absent: Etel Capacchione, Tracey Pakstis-Claiborne, Matthew Yalouris

City Staff: Greg Baker, Steve Hill, Miguel Rivera, Jeanette Roach

1) Call to Order

The meeting was called to order by Chairman Ed Moynihan at 6:40 P.M.

2) Review and Approval of 03/03/15 CDAC Meeting Minutes

There were no changes suggested to the 03/03/2015 CDAC meeting minutes, and a motion was seconded and passed to vote for their approval.

3) Housing Development Division Director Briefing to CDAC on the City of Worcester CDBG Funded Housing Projects

Housing Development Division Director, Miguel Rivera, distributed "Housing Development Division Briefing on City of Worcester CDBG funded Housing Projects FY 2014" to CDAC members. The handout summarizes current and planned CDBG-funded housing projects, including Down Payment Assistance, Rental Rehabilitation, Public Facilities, Owner Occupied Rehabilitation, and Demolition and Board Up. Mr. Rivera walked CDAC members through the handout, which prompted considerable discussion.

4) CDAC Member Questions and General Discussion

There was discussion among CDAC members and city staff regarding the structure and requirements of the various Affordable Housing programs, the structure of the

report for future briefings with CDAC members, and strategic planning for affordable housing programs utilizing CDBG funding.

The status and addresses of Down Payment Assistance applications were discussed, and a forthcoming change in the structure of the program was highlighted. Currently, the program is structured as a deferred forgivable loan, but after 6/30/2015, down payment assistance will be offered as a conditional grant. The new structure reduces the paperwork burden for applicants, and decreases costs for the City associated with implementing the program. CDAC members discussed annual allocations for Down Payment Assistance, and received clarification that down payment assistance is pro-rated for multi-family units to minimize the net impact. It was suggested that the program be redesigned to expand the pool of money.

Mr. Rivera provided a brief history of the Rental Rehabilitation (“Rental Rehab”) program, noting that it is heavily focused in District 4. In addition, he pointed to three projects from prior CDBG years that were stalled due to a HUD audit.

CDAC members requested that future reports incorporate the number of units being assisted in each Rental Rehab project, specify the developer (non-profit versus for-profit), specify the year that the CDBG funding is being drawn from, and note the assessed value of each property before and after completion. It was also suggested that CDAC members tour the projects in person.

Further discussion regarding the Rental Rehab program centered on the need to strategize housing development programs, such as prioritizing demolition or rehabilitation. It was generally agreed that the strategy should be based on costs and hazards associated with different building structures, e.g. the three-decker properties that are prone to snow and fire damage. Moreover, it was noted that the housing strategy should focus on and ensure the long-term viability of neighborhoods.

CDAC members and City staff discussed the high cost of housing rehab projects, and the need to jumpstart private investment in neighborhoods. It was noted that further discussion is needed with regard to the differences in costs and timelines associated with the rehabilitation of properties by private developers versus investing public funds.

The schedule and content of future briefings to CDAC on the City of Worcester CDBG funded housing projects were discussed. It was suggested that the briefings occur every six (6) months, and that the present discussion be revisited as part of the decision-making process for allocating CDBG funding to affordable housing programs.

The next CDAC meeting was tentatively set for October 2015, to include the following agenda items:

- Revisit the status of CDBG-funded Housing Development Division programs
- Administrative tasks including elections and determining the CDAC timeline.

5) Adjournment

As there were no more items for discussion, the meeting adjourned at 7:43 PM.