

**Affordable Housing Trust Fund Board Meeting
Meeting Minutes
August 1, 2023**

A meeting of the Salem Affordable Housing Trust Fund Board was held on Tuesday, August 1, 2023, at a Remote Zoom meeting at 6:40 p.m.

Members present: Councilor Jeff Cohen, Chair Filipe Zamborlini, Council President Megan Stott, Jack Butterworth, Vice Chair Chris Malstrom, Councilor Caroline Watson-Felt

Members absent: Mayor Dominick Pangallo Lynda Fairbanks- Atkins, Mickey Northcutt, James Willis

Members arriving late: None

Members leaving early: None

Staff present: Senior Planner Cassie Moskos, Health Agent David Greenbaum

Vice Chair Malstrom called the meeting to order with a roll call at 6:40 p.m.

NEW BUSINESS

A. Future Items

Councilor Cohen wanted to discuss Boston Mayor Wu's housing initiatives.

UNFINISHED BUSINESS

A. Discussion of Trust Funds

a. Housing Stability Coordinator Update

Ms. Moskos informed the Board that Neighborhood Stability Coordinator Lori Stewart was waiting on additional information and feedback from the legal department on some of her programming ideas, and hoped to be back at the September meeting with additional information for the Board to consider.

b. Certificate of Fitness-Short Term Rental Update

Ms. Moskos summarized the recent history of funding staffing for this area. The Health department currently has someone allotted 9 hours. Mr. Greenbaum had requested through the budget process to increase this person from 9 hours to 19 hours and was hoping to pair those hours with the 1.5 staff allocation from the AHTF/ARPA funds to get to two full time positions. However, through the budget process, the increase in hours was not funded. Mr. Greenbaum was before the board to request an increase in his allocation.

Mr. Greenbaum stated that he understood this was a pilot program for the staffing positions and hoping to show that these positions could be self-sustaining.

Councilor Stott asked about the Health Department's current full-time employees (FTE) and allocation of their time. Mr. Greenbaum responded that he currently has one inspector who

works on Certificate of Fitness/Short Term Rentals (COF/STR) for 50-75% of their time and another who allocates about 25% of their time. The additional staff members would be tasked 100% towards COF enforcement. Councilor Stott followed up asking about data on number of inspections currently completed, establishing a baseline. Mr. Greenbaum responded that on average the inspectors do 500-600 units a year and that number likely comprises about 1% of the rentals in the City. He also indicated that some COF come from tenants reaching out, but the majority of them are landlords complying with the Ordinance. Councilor Cohen gave his experience with the COF process. Mr. Greenbaum emphasized that it is the landlords responsibility to obtain a COF for their properties, but technology has made it easier for landlords to apply for and submit and supply follow up information.

Councilor Stott also asked if Mr. Greenbaum had a plan to equitably enforce the ordinance. Mr. Greenbaum indicated that he would likely follow the model they have been doing with the STR, send out letters to landlords in batches of about 100 at a time. Performing an initial outreach, if no contact then they issue a fine. He stated they don't always collect the fine, especially if a person comes into compliance, because compliance is the main goal.

Mr. Greenbaum went on to say that he was comfortable with a shorter term on his allocation and revisiting slightly down the road. There was a discussion about the number of rental units actually operating in Salem and what the delta was between where he is now and what the delta would be to be considered a complete registry/accounting of the units. Mr. Greenbaum indicated that his goal would be all of them, but he would consider doubling or tripling the certificates in one year a successful program. Ms. Moskos added that it would take years to get a full registry with trend data.

The Board and Mr. Greenbaum agreed to hold his allocation at \$100,000 and he would come back in early 2024 with a status update.

c. Notice of Funding Draft Application

Ms. Moskos stated she was still working on the application and needed feedback from other staff members on content before it would be ready for a vote. She recognized the importance and urgency of this item to the Board and stated it would be back at the September meeting. Hopefully ready for a vote.

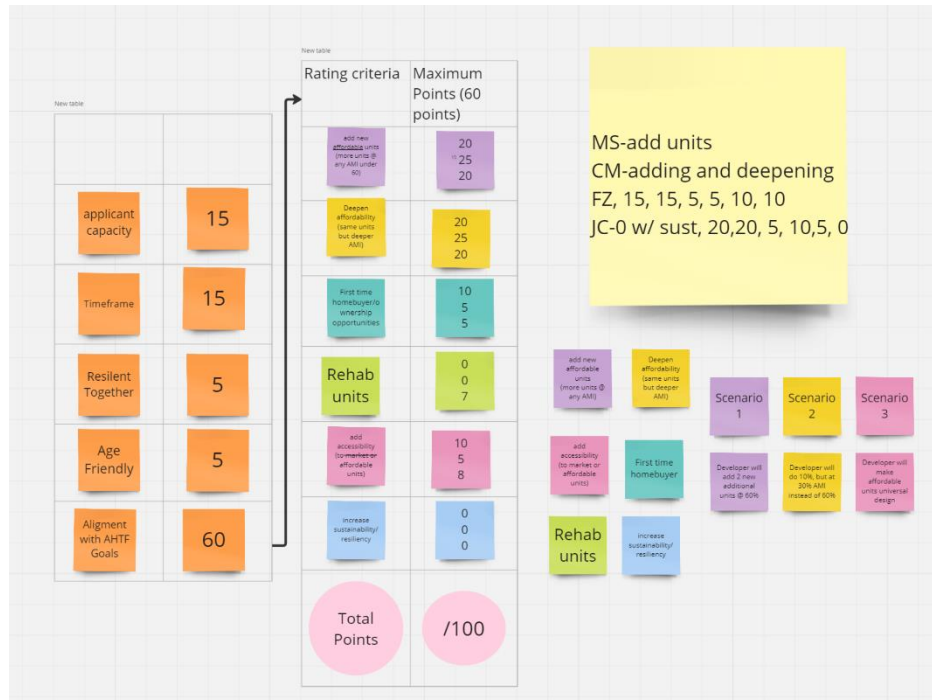
d. Discussion of Scoring Rubric.

Ms. Moskos introduced the topic by showing the Miro Board. Staff drafted point allocations for administrative elements of an application with the bulk of the points being allocated to the Board's priorities (the orange squares in the image below). Staff and the ARPA working group identified six areas for potential projects those in the middle of the image, being

- 1) Adding affordable units at any AMI 60% or below (new units)
- 2) Deeping affordability (deeper)
- 3) Providing homeownership opportunities/First time homebuyers (ownership)
- 4) Rehabbing units (rehab)
- 5) Adding accessibility to affordable units (accessibility)
- 6) Adding sustainability/resiliency to units. (sustainability)

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There are 60 points to allocate between the above 6 topics.
On the right side of the screen are three broad examples for the Board to begin to conceptualize project and how they would prioritize them.



Councilor Stott started the conversation by indicating that her number one priority was adding new affordable units. Mr. Malstrom added that his priority is adding units and deepening affordability, over the other initiatives.

Mr. Zamborlini made the first distribution of points for discussion.

1	New units	15
2	Deeper affordability	15
3	Ownership	5
4	Rehab	5
5	Accessibility	10
6	Sustainability	10

Councilor Cohen stated that sustainability and resiliency should be at zero points because this will be addressed by City and State building codes. His recommendation was for

1	New units	20
2	Deeper affordability	20
3	Ownership	5
4	Rehab	10
5	Accessibility	5

6	Sustainability	0
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Mr. Malstrom agreed with Mr. Cohens reduction of sustainability points. And Councilor Stott added that she would only be ok with money for accessibility going to projects if it was specifically for affordable units. At that time Ms. Moskos struck “or market” from the item.

Councilor Watson-Felt added that she rehab was important as it helps people stay in their owner occupied units and not sell to condo-ize. At that time Mr. Zamborlini amended his allocations to be:

1	New units	20
2	Deeper affordability	20
3	Ownership	10
4	Rehab	0
5	Accessibility	10
6	Sustainability	0

His goal was to point people towards other available funding for rehabbing units and focus on adding units and deepening affordability.

Councilor Cohen amended his allocation to be:

1	New units	25
2	Deeper affordability	25
3	Ownership	5
4	Rehab	0
5	Accessibility	5
6	Sustainability	0

He felt there was a lot of money out there for rehab and keeping units as rental.

Councilor Stott asked if this rubric was just for the \$500,000 already allocated or all future spending. Ms. Moskos responded that this was just for the money already allocated. She would encourage the board to revisit this activity for each round of future funding and for different application types in the future. Councilor Stott went on to say that she felt rehab was very important and small projects are very important as well. This process would get them deed restricted.

Mr. Zamborilini stated that the draft application is geared towards larger developers. Mr. Malstrom added that rehab points would have to be very high in order to score well because they won't score as well in the administrative areas. He added the Board still has \$400,000 to allocate they could allocate some of that money towards a rehab program.

Councilor Watson-Felt asked how the Board got to this point with the application. Ms. Moskos explained the small working group that was formed to create a starting point for the discussions, and the Board generally liked the example application from Worcester because of the background information in it. Councilor Cohen, who was on the working group, added some additional history as well. Councilor Watson-Felt suggested zeroing out homeowner points instead of rehab. Rehab

is important and connected to other development projects. Ms. Moskos added there is a \$50,000 limit before an applicant would need do additional filings with the federal government; its why the ADU grant amounts were structured the way they were. If the Board was interested in supporting small landlords and rehab projects they could structure a program similar to the ADU program.

Mr. Malstrom suggested the following allocation:

1	New units	20
2	Deeper affordability	20
3	Ownership	5
4	Rehab	7
5	Accessibility	8
6	Sustainability	0

Councilor Stott supported this point allocation. Mr. Zamborlini made a motion to adopt this point allocation. Motion was seconded by Councilor Watson-Felt. A roll call vote was taken the motion passed unanimously.

e. Future Spending

Councilor Stott asked for a deeper discussion on other areas of funding for rental assistance, specifically an area that the Council on Aging used to support, but no longer has funding for. Mr. Malstrom suggested some specific numbers for rental assistance. Ms. Moskos added that while Ms. Stewart had suggested a rental assistance program when she attended a few months ago, the administrative lift on that would be too high for her to take on, so if the Board was interested in supporting rental assistance, they would likely need to give money to an existing program or organization. Mr. Zamborlini was interested in knowing more about average rehab costs especially for code violations.

STAFF UPDATES

A. Condo Conversion Ordinance

Ms. Moskos stated that there had been no forward movement on the Condo Conversion home rule petition at the legislature. She went on to add some additional staff updates. MAPC should be returning to discuss the Inclusionary Zoning Ordinance at the September meeting. Lastly, she informed the Board that Elena Eimert, former Planning Board Planner, would be returning to the City of Salem and taking over Ms. Moskos's position.

APPROVAL OF MINUTES

Councilor Cohen made a motion to approve the July 11th meeting minutes. Seconded by Councilor Stott. A roll call vote was taken the motion passed unanimously.

PUBLIC COMMENT

Chris Fuccione, 20 Endicott Street, was present and had several questions for the Board.

- Harborlight would be on the agenda in September, will project representatives be there or is just a presentation from Staff?

- What is inclusionary zoning?
- Are rental inspections just for new or existing units?
- What is David Greenbaum's position?
- What is the sanitary code and what does it all include?
- Is there a list of things that have been inspected already?
- During the rubric discussion for ARPA funding, would Harborlight/Lifebridge be eligible for those funds?

Ms. Moskos indicated that she could answer many of the questions.

- Harborlight would be on the agenda in September, will project representatives be there or is just a presentation from Staff? Project representatives will be at the meeting, the focus of the discussion will be around the affordable housing aspect of the project as that is the AHTF Board's purview.
- Are rental inspections just for new or existing units? The Certificate of Fitness inspections are required for units 3 years or older as new units will have been inspected as part of the construction process.
- What is David Greenbaum's position? He is the health agent and his contact information is available on the City's website.
- What is the sanitary code and what does it all include? A portion of it deals with the livability of residential units, but Mr. Greenbaum and the Health Department would be able to better answer this question.
- Is there a list of things that have been inspected already? The Health Department would be the owners of this information and you can reach out to them to find out what is readily available and the process to obtain that information.
- During the rubric discussion for ARPA funding, would Harborlight/Lifebridge be eligible for those funds? The Harborlight/Lifebridge project would be eligible to apply for funds, their project would then be evaluated by the Board against the rubric and other projects. Eligible to apply does not guarantee an award.

Councilor Cohen gave a brief history of the Inclusionary Zoning Ordinance and what has been going on with the ordinance so far this year.

ADJOURNMENT

Motion to adjourn by Mr. Zamborlini, seconded by Councilor Stott. A roll call vote was taken the motion passed unanimously.

Meeting adjourned at 8:47 p.m.

Approved by the Affordable Housing Trust Fund Board on 9/12/2023.

Respectively submitted,
Cassie Moskos, AICP
Senior Planner