



DANVERS AFFORDABLE HOUSING TRUST

TOWN HALL, DANVERS, MASSACHUSETTS 01923
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Minutes June 17, 2015

Danvers Affordable Housing Trust: Gardner Trask, Don Gates, Sally Calhoun, Stacey Bernson, John Alden, Carla King and Tish Lentine

Staff: Susan Fletcher and Francine Butler

Also Attending: Corey Jackson, Executive Director of Citizens for Adequate Housing

Minutes of April 15, 2015

A motion was made, seconded and unanimously voted to approve the minutes of April 15, 2015.

Potential Partnering with Citizens for Adequate Housing – Corey Jackson, Executive Director.

Trask welcomed Corey Jackson from Citizens for Adequate Housing to the meeting. Trask asked him if he had been before this Board before, and Jackson said he was at the meeting for the Housing Production Plan. Trask told Corey that the Trust has been successful in their early endeavors and are looking to see what their next actions will be. He said that they are going around to civic organizations to see how they can support a common goal. Their goal is to increase affordable housing in Danvers. They have found that affordable is not 80% of median income, and they are turning their interest to 60% or lower of median income. They would like to hear what Citizens for Adequate Housing does and what programs they offer.

Jackson said that he has been with Citizens for Adequate Housing for two years. His father was one of the founders due to one of their neighbors became homeless with a child in the 1980s. There were no options for families in that situation. His father and others banded together and founded the Inn Between. Citizens for Adequate Housing have grown from one family to thirty families in two shelters. In addition, they have 15 rental units scattered throughout Peabody which are affordable units. All of their families are below the 30% of median income level, which makes it very difficult for them to exit from shelter to home. He said their Board is waiting for recommendations that will come in July from their strategic committee. Jackson said that they are looking to expand what they do. They strongly believe that their model is superior to housing in a hotel or motel. Citizens for Adequate Housing wants to be able to provide more both in capacity and strategy. They are also looking at their next steps. They have homes in their portfolio which they manage. The rents in these Peabody rentals are between \$800 to \$1,000 per month, and they are seeing families struggle in that model. Their strategy is to look

at permanent supportive housing or transitional housing. They are looking at all models across the state to see if one is a match for them. They may come out of the process saying that they want to do it themselves or partner with others. They offer permanent supportive housing. Inn Between and Inn Transition are shelters. The shelter should be a safety net for people until they can get them into permanent housing.

Fletcher asked what the populations were. Jackson said the only difference is that families that live at Inn Transition have been through an addiction treatment program. He said both have the same demographics. Calhoun asked how many families were being served, and Jackson responded 30 families.

Calhoun asked Jackson to describe the buildings. Jackson said that Inn Between was a congregate shelter. It was a colonial home consisting of six rooms with a common space, kitchen, playroom, bathrooms on each floor, computer set-up and office space in the basement. Inn Transition had 14 rooms that had kitchenettes and bathrooms in each room. This was a difficult place to raise a family.

Gates asked Jackson to describe permanent supportive housing. Jackson said this is project based vouchers attached to a unit, not the person. The person does not take the voucher should they leave. There is a case manager working with these families, which is the supportive part. They felt that if they can support the families, they can get them back to self-sufficiency.

Trask asked if there was a way to make an economic case to the DHCD for these types of housing instead of the costly motels. Jackson said that the DHCD have created a lot of units. It is on their radar and is a priority.

Gates confirmed that Citizens for Adequate Housing do not want the people there forever. After three to five years, these people may be on their own and presumably they can survive on their own.

Jackson said if you implement your model and your own rules, you could make a time limit. The State likes the housing model to be followed.

Calhoun said that Housing First is a federal program.

Jackson said that public housing does not provide the support that many of these families need. If Citizens for Adequate Housing sees negative patterns in families, they try to help with what is happening.

Fletcher said there is no funding for supportive services, and Jackson confirmed this. Fletcher said that this makes it more difficult for housing agencies to provide services without funding.

Jackson said that the DHCD funds some money. They provide the project based voucher. The tenant is responsible to pay 30% of their income for rent. The State picks up the rest.

Gates asked if the new units for permanent supportive housing were new construction. Jackson responded that they were a mix of new construction and rehab. Jackson pointed out the fact that permanent supportive housing includes housing for families, individuals and seniors.

Gates asked if all their housing was in Peabody. Jackson said that right now all the housing is in Peabody, but the housing could be located anywhere.

Lentine asked what the minimum requirements were for a new property. Jackson said that they try to go no lower than a three unit property because three and four unit properties are the best to make it work financially. Jackson said that last year the State was heavy on shelter expansion to drive down the hotel numbers, and they increased money on diversions. If the State starts to ramp this up because they are diverting money to hotel expansion, this type of location would be ideal.

Gates asked if they reduced the number of families in hotels and Jackson confirmed this. Trask said that they have been averaging housing 166 families a month for the last three years. Jackson said that they drastically funded shelter expansion. Gates felt that this was less expensive than housing in the hotels. Jackson said in his view this was better. There is a case manager and an organization around that supports the people and assists them to find permanent housing.

Trask asked if they have purchased the properties they have rehabbed. Corey confirmed this and said the funds came from the HOME funds. Trask asked who sets the rental rates and Jackson said it was a standard across the state.

Trask asked Jackson if they hoped for full occupancy to maintain a property. Jackson said that with the Citizens for Adequate Housing being a 5013C, they fundraise for a lot of their programs. He pointed out that with Inn Transition, they are not being paid to find housing for families. They are being paid to house those families.

Corey said that HOME Funds were used as seed money. This came with an affordable housing restriction for a number of years.

Gates asked how much money was derived from fundraising, and Jackson responded \$319,000. The funds come from individuals, companies, an annual gala and other foundations. He confirmed that Citizens for Adequate Housing also submits grant applications to various foundations.

Calhoun asked if the Trust could use HOME funds to subsidize a project in Peabody. Bernson said that you could, but the Town would not like it. Jackson said that the City of Newton might be very interested to have their HOME funds exported.

Jackson said that NSCAP and Citizens for Adequate Housing are taking care of families from Danvers. They could come from anywhere in the State, but a majority come from the Northshore.

Trask pointed out the McKinney-Vento Act which says if you have permanent residency in one town, shelter in another town, a child can go to school in the original town where they had permanent residency. The cost of bussing would be split between the two communities. Calhoun confirmed that they had the right to continue to go to their 'home school'.

Gates told Jackson if they were going to collaborate with Citizens for Adequate Housing, the Trust might be able to provide them with seed money to rehab a site and put it on-line.

Jackson said this would work if you had property or land in Danvers. Trask explained how they had worked with Habitat for Humanity for a site in Danvers. He asked Jackson how it would work with them. Jackson said that they would partner with a construction company. Trask asked if that had been done in the past. Jackson said they had a significant renovation of the Inn Transition site.

Alden confirmed that Citizens for Adequate Housing were the landlords that owned properties. He confirmed that the rates are set by governmental agencies and the tenant pays 30% of their income for rent and the rest is a voucher. He confirmed that they were not allowed to turn a profit. Jackson responded that the profits have to be for a charitable purpose. Alden said that they must be able to grow money to reseed another project and Jackson said that was correct.

Trask asked if they could use unexpended funds for the expansion to other areas. He asked if Inn Transition was location based. Jackson said they can keep 5% of their government contracts each year. They roll that money into a new project. Jackson said that capital expenses are funded through fundraising.

Alden asked Jackson if the Trust could convey property to Citizens for Adequate Housing, could it be allowed to restrict it to a Danvers resident? Jackson said that they can have a local priority. Bernson pointed out that this could be tricky when we are talking about families that are homeless.

Fletcher pointed out that this was different than a first time homebuyer program.

Trask asked Jackson about the use of HOME funds. Jackson said that these funds were given as a loan that goes away. There is an affordable housing restriction. In some cases, the loans were forgiven, removed or extended.

Calhoun asked Jackson if they do anything with affordable housing trusts in other communities. Jackson said no, but they do get money from the City of Salem for first month's rent, last month's rent and security deposits. He said this can work if the families are in good shape already.

Calhoun said that they have discussed first, last and security. Jackson said that this is more flexible. There is a pool of money to spread out as a rental subsidy. He said being able to provide to families in a flexible way would be helpful. Jackson said if there were more subsidies and vouchers, it would be very helpful.

Jackson said that they have a stabilization team to work with families for a year when they move out of the shelter. The goal is placing these families and getting them into a permanent situation. He said that they placed 30 families this fiscal year. The stabilization team works with the families. Two families did return to the shelter. He pointed out the numbers are even more dramatic because the stabilization team worked with families that exited out of motels, so it was more like 70 families. These families are only being tracked for a year, and it is important to know if the ultimate model is successful.

Jackson said that they are piloting a co-sheltering program by putting two families in one apartment. The families can double their impact and be able to afford a rent if they go into the apartment together. They can be supportive with childcare and transportation. The families start in the congregate and then are transferred to that unit. Jackson said that they are renting apartments in Salem.

Calhoun asked Jackson what type of supportive services they provide. Jackson said they have Inn Transition which provides substance abuse counseling and mental health counseling. They do workshops five days a week. They provide parenting and nurturing classes. There is one case manager per family. Jackson said they have a lot of volunteers helping with childcare and cooking. Corporate entities help as well.

Trask asked if participation by the tenants is required, and Jackson responded no. Their requirement is to get back on track. We want the families focused on staying in the apartment.

Fletcher asked if there was any job training. Jackson confirmed this and said they make sure every resident gets signed up with Mass Rehab right away.

Gates said that it sounds like a great model. He asked if there were any other chapters of Citizens for Adequate Housing. Jackson said that there are a lot of organizations throughout the state that do this model. House of Hope in Lowell is very similar to them. Jackson pointed out that there are extreme pockets of poverty in the local communities.

Trask asked what the Trust could offer that would make it enticing to look in Danvers. Jackson responded either land or available property. He said that the seed money from HOME is \$60,000 to \$100,000, and that amount can jump start the down payment and some of the work. The rest is financed, or they find charitable funds.

Calhoun pointed out that there are a lot of big buildings around Town, and asked if these could be converted? Trask said that it depended on zoning.

Alden asked Jackson if they have people who are looking for properties for them. Jackson said it was himself and a housing committee.

The Board thanked Jackson for coming to the meeting.

Community Council: Where can we assist?

Calhoun said that she was looking at the language which set forth the purpose of the Trust. “The purpose of the Trust Fund shall be to receive, hold, invest and/or expend funds for the acquisition, rehabilitation, renovation, construction, financing or refinancing of property within the Town of Danvers so that such property will be substantially available as affordable housing and to further provide mechanisms to ensure and increase such use.” She said that it seemed to her that they are dedicated to affordable housing. Trask said that the Trust is real-estate bound.

Calhoun said that the Community Council provides so many things to families in need. Fletcher said that they do provide rental assistance. The Trust funds cannot be used to buy oil for a family, but we can help with rent or a mortgage. Calhoun said that if a person becomes disabled, one can apply for social security benefits but do not get them until six months after the approval.

Trask said that he would be comfortable to have Town Counsel review the Trust to see if funds were given to Community Council for rental or mortgage assistance for low income people, would it be allowed under the language of the Trust. The Trust can use HOME funds for bricks and mortar, and use the Trust’s money for this purpose.

Fletcher suggested finding out the answer.

Alden said if it was allowed, then we can let Community Council know they can come through the Trust. Trask said that they could work out the mechanics after they receive the answer from Town Counsel.

Trask asked for a motion to have Town Counsel review the Trust to see if they had the authority to establish a rental or mortgage program.

Calhoun asked if that really needed to be done, and Trask responded that he wanted to be sure. Calhoun asked if this was a Town Counsel level question. Fletcher said that Town Counsel has regular office hours at Town Hall, and he is coming in next week. Bernson felt the language was vague and was open to interpretation. Alden told Fletcher to tell the Town Counsel their interpretation and look for his approval.

Trask said that he would feel more comfortable asking Town Counsel his opinion about the Trust’s plans. He said he was comfortable setting up seed money in the amount of \$5,000 to \$10,000 for Community Council to use as rental support to keep someone in an apartment.

Bernson said that Community Council documents the needs and this is what the Trust needs to do.

King said that she does not want to see Community Council give \$500 towards rent. This does not help people sustain the ability to stay in the apartment.

Alden said that they can say it is for sustainability factors. Trask said that it would be for low income families and sustainability. Fletcher said that she would have this discussion and she would speak with Town Counsel.

Housing Production Plan: Next Steps (CPA, town owned lots, etc)

This item would be discussed at the next meeting in August.

Update: Possible Zoning Initiatives

Fletcher said that this was on the Planning Board docket.

Updates: 56-58 River Street, 78 Holten Street, 55 Coolidge

Fletcher said that 56-58 River Street would be holding the lottery on Wednesday, June 24th.

Fletcher said that there was someone living in the apartment at 78 Holten Street that has been qualified through the DHCD. She said that the DHCD has been very patient, but they have not put the seal of approval on this property yet. Usually the DHCD approves the process, does their review and then the tenant moves in.

Fletcher said that 55 Coolidge Street is moving along.

Financial Report

Trask pointed out a typographical error on the report.

A motion was made, seconded and unanimously voted to approve the financials with this amendment.

A motion was made, seconded and unanimously voted to adjourn the meeting.

The meeting adjourned at 8:45 p.m.

Tish Lentine
Clerk