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**AMHERST MUNICIPAL AFFORDABLE HOUSING TRUST**  
**PUBLIC MEETING**  
**Thursday, April 23 ,2020**  
**7:00 P.M.**

**Virtual Zoom meeting. Video recording available at:**  
<https://www.youtube.com/watch?v=Pi9dfv4MDQ>

**In Attendance**

**Members:** Paul Bockelman, Rob Crowner, Sid Ferreira, Tom Kegelman, Carol Lewis, Will Van Heuvelen (6)

**Staff:** Nate Malloy, Rita Farrell, John Page

**Guests:** Craig's Doors Shelter Executive Director Kevin Noonan, Town Councilor Evan Ross, Planning Board Member Janet McGowan, and Community Member Maura Keene

Absent: John Hornik, Erica Piedade (2)

Prepared by John Page.

Meeting called to order at 7:03PM. Vice Chair Tom Kegelman chaired meeting.

**1. Announcements** — None.

**2. Approve Minutes from February Meeting**

**VOTE: To approve 2/13/20 meeting minutes.**

**MOTION: Sid**

**SECOND: Carol**

**VOTE PASSES unanimously, 6-0-0** (*Bockelman – Y, Crowner – Y, Ferreira – Y, Kegelman – Y, Lewis – Y, Van Heuvelen– Y*).

**3. Report From Craig's Doors**

Chair rearranged agenda, taking item 4. Planning for a Short-Term Emergency Rental Program first, as Kevin Noonan was not yet present. Craig's Doors Shelter Executive Director Kevin Noonan shared that on Tuesday, April 28<sup>th</sup> they would test shelter guests and staff for COVID-19. Those who test positive, will be offered MEMA-funded housing at the Quality Inn in Northampton to isolate. Those who have been exposed but do not test



positive will be quarantined at Dakin Hall at Hampshire College. The overnight shelter will close in the First Baptist Church and operations will move to Hampshire. Kevin explained that 100% of positive cases at the Pine Street Inn homeless shelter in Boston were asymptomatic. Noting that while the shelter does not have anyone exhibiting symptoms at the shelter, the community should expect a bump in positive cases in Amherst as a result of Tuesday's testing.

When asked, Kevin reported that the shelter remains full (at 22-bed capacity) in part due to the closure of a warming center in Greenfield, as well as closure of the Grove Street Inn in Northampton which is being consolidated into a temporary facility setup in Northampton High School.

Paul thanked Craig's Doors staff and specifically Kevin Noonan for their work noting that this is a particularly vulnerable population in this public health emergency because of shelter guests cohabitating in close proximity. He also thanked Hampshire College for opening up their dorms for quarantining individuals experiencing homelessness at no cost to the Town saying it showed a real commitment to the community.

#### **4. Planning for a Short-Term Emergency Rental Assistance Program – Discussion and Questions.**

Rita prepared the following documents for review at the meeting:

- Contractor Minimums Qualifications
- Contractor Scope of Services
- Draft Program Guidelines

Rita shared that she was recently on a 400+ person Webinar call with CHAPA on utilizing CPA funds for rental assistance programs across the state, saying that COVID-19 has exacerbating existing issue of housing security among low- and moderate-income renters and communities are responding in kind.

Rita explained that her draft guidelines intentionally focused on tenants that cannot receive federal and state RAFT funds. She used the requirements used in LITC as parameters. Concerning the eligibility of students, for example, a single individual student with no dependents is not eligible for LITC.

Rita explained that those in public housing or utilizing a Section 8 voucher can, and should, apply for income reverification if their income has been reduced or they have lost their job as a result of COVID-19.



Will inquired how the program administrator would validate the income criterion when so many people are not making what they were, even a few weeks ago. For some, he explained, 2019 or 2020 annual income or tax returns will not be reflective of their current situation. He shared that as the owner of a small catering company, he just hired several people and now had to furlough them. Their income was much higher and might not have qualified for this assistance at that level, however, now they have *no* income.

Rita explained that under these circumstances, income certification should be done looking at the present and projecting forward three-months in the future rather than looking backwards because many individuals were gainfully employed and now are laid off and unable to pay rent. In terms of gauging edibility, they would still be comparing these income projections to 2020 AMI levels.

Regarding income verification and eligibility requirements, Rita explained the two competing schools of thought 1) making eligibility requirements and applying as quick and simple as possible to make it accessible and 2) utilizing public funds for those with the greatest need.

Rob suggested make the first round of assistance, covering three-months, easy, with recertification at three-month marking confirming the household can continue the program. Tom concurred asking if households could self-certify via an affidavit, streamlining the process noting that the bulk of the burden of verification and compliance with Fair Housing standards falls on the contractor.

Rita clarified that certain documentation *does* need to be provided upfront. Specifically,

- Documentation that they are living in Amherst and what their rent is now, and
- What was their income or how has it changed?

Emphasizing time is of the essence, Tom inquired to procurement requirements for this service and turnaround time. Responding, Rita explained that procuring a service under \$50,000 the turnaround can be pretty quick. This requires the contract remains below \$50,000 for administration fees. Nate confirmed most administrators will charge a percentage cost anywhere from 20-30%. For example, if the Trust allocates \$400,000 for local rental assistance it will need an additional \$80,000 for the contractor to carry out the program. Nate emphasized the need to decide on an administrative fee cap. Tom suggested a \$50,000 limit because of the less strenuous public procurement requirements. He acknowledged the investment by an agency to launch a new program and hoped an experience agency would step up and add this to their portfolio. Carol concurred with the \$50,000 cap chalking it up to simplicity and need for a quick turnaround to get this money in the hands of residents that need it. Rita shared that she and John are gauging interest among agencies to add this to existing their existing infrastructure and funding matrices.



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Paul suggested examining what other Towns are doing, saying let's not reinvent the wheel. He emphasized benefit of simplicity for quick execution. However, he differentiated between the contract which is fairly standard, and the criteria which the Trust *does* need to decide on. Rita elaborated explaining the Trust need to be proscriptive enough that the public funds are used the way the Trust wants. She stated the draft guidelines are probably as barebones as they can get. Otherwise you turn it over to the administrator and they make those decisions. Regarding other town's concurrent exploration of this, Rita said that Lenox and Great Barrington in the Berkshires have successfully launched a program but have not responded to questions she sent. Paul suggested looking at Quincy as well for guidance. Referencing the CHAPA call on the topic, Carol noted that Newton, a community that was on the forefront on this, is not expected to start receiving applications until July 1.

Nate shared his reflections saying these program guidelines framework for the administrator to execute. They provide the contractor with parameters. Addressing a timeline, he was optimistic for quick turnaround because the Trust has money in the bank, saying its nimbleness and ability to pivot is precisely the reason communities should form and fund municipal housing trusts. He also noted that compliance with Fair Housing practices may require selection by lottery rather than on a first-come-first-serve basis

Rita explained the rationale for subsidy limits based on number of bedrooms as a matter of breadth vs. depth saying this program is meant to be a bridge, not necessary cover the full rent of a household. The proposed duration is three-months. The subsidy would be paid directly to the landlord, not the tenant, as required by CPA statues. Tom demonstrated with \$400,000 and a three-bedroom subsidy limit of \$850 per household you could serve approximately 150 three-bedroom households for three-months, covering approximately 50% of their rent in a market rate unit. If the Trust sought to fund their entire rent each month, he rationalized, the program could only serve 75 families for three months.

Carol expressed concern that these limits would ensure residents stay in their homes giving market-rates rents and whether the administrator would be able to negotiate rates with landlords.

Rita explained that law that was just passed – the Massachusetts Eviction and Foreclosure Moratorium (H.4647) – temporarily prohibits most evictions and foreclosures during this period including stopping any evictions during the COVID-19 State of Emergency and extending 120 days from signing of law or 45 days from end of emergency declaration. However, the household is still responsible for paying. Rent is not forgiven; it is simply differed. Rita expressed that the Trust's program must work in conjunction with other strategies and that is why it is important to hire an administrator that provides an array of services and can refer clients to various programs based on their situation.

Regarding rent forgiveness and reductions, Nate shared that Town staff have initiated that conversation with landlords as a separate issue, however, the administrator of this program would not have that burden. They *could* negotiate with landlords and often do engage in an amended lease process, but such negotiations would not be *required*. Concerning landlords' willingness to be flexible, Rita shared that Nancy Schroder had surveyed landlords and thus far received two responses, from Rolling Green & Pat Kamins of Kamins' Real Estate. They expressed concerned of students that have moved out and not paying rent.

Carol asked the Trust to discuss exactly how much Trust funds they are willing to use. Nate and Rita explained their recommendation is utilizing \$200,000 from Trust, which is available immediately, and requesting an additional \$200,000 from CPAC which will require approval from Town Council. Nate clarified that the Trust has approximately \$300,000 in unrestricted capital funds and could be used for this purpose, noting that at least \$70,000 is earmarked for consulting.

Carol requested updated balance sheet for clarity and advocating for spending as much as responsible to ensure long-term stability for the residents the program supports. Paul emphasize any action or vote would have to be based on funds the Trust has now, while it pursues additional funds from CPAC.

In summary, Trust members discussed the following questions:

- Regarding breath vs. depth via subsidy caps: Are these subsidy amounts enough when compared to rents to keep residents in their homes or simply delay eviction?
- Regarding selection: Would this be conducted via lottery? The recommendation from Rita and consensus of Trust was selection by lottery.
- Regarding a fee cap: What is our cap for admin costs on this contract? Consensus formed around \$50,000, given typical administrative fees and the simpler public procurement process of bids \$50K and below.
- Regarding funding level: What amount of Trust funds can the Trust commit to the first round (three-month long) program? Trust members came to a consensus on moving forward with funds we *do* have.
  - Paul asked for an allocation to be brought to a vote next meeting if possible.
- Regarding the use of CPA funds: How much CPA funds can be allocated to this purpose? John hoped for \$200K, Trust members agreed that made sense and Trust needs to start process with CPAC and Town Council.
  - Nate reminded Trust members that they cannot award a contract with funds that are not allocated to the Trust. Thus, moving forward with \$200,000 in Trust funds and simultaneously pursuing additional CPAC funding.



- Carol raised the difficulty of subsidizing high rents in Amherst noting that subsidy caps may not even prevent the person from accumulating debt and ultimately being evicted and suggested empowering the contract administrator to negotiate with landlords. Members agreed but Tom, Rita, and Nate explained requiring negotiation would put an undue burden on the administrator. Rita noted that application guidelines do ask whether a tenant has asked their landlord for rent extension/reduction. The landlord doing so or not doing so, however, cannot be a criterion for eligibility. Rita cited financial strain and thus likely unwillingness of landlords to reduce prices unless the market shifts, as expressed by two responses from a survey of landlords by Nancy Schroder.
- Trust concluded that work outside of this process should be done to encourage landlords to amend leases to reduce rents or enter payment plans to enable people to stay in their homes – ultimately an advantage for the landlord if the market pressure is reduced due to remote learning and decreased students population.

**VOTE: To empower staff to develop and present a final draft of program design for an emergency rental assistance program that includes selection by lottery, a procurement cost limit of \$50,000 and a discrete amount of Trust funds to be allocated at the next meeting of the Trust.**

**MOTION: Carol**

**SECOND: Rob**

**VOTE PASSES unanimously, 6-0-0** (*Bockelman – Y, Crouner – Y, Ferreira – Y, Kegelman – Y, Lewis – Y, Van Heuvelen – Y*).

## 5. Updates

- East Street School Assessments** — Nate reported that during the winter he requested had Hazardous materials and wetlands delineated be conducted in the Spring, however, they have not been completed yet. Nate noted that the wetlands delineation may be able to be conducted at this time despite the coronavirus because the work is outside.
- Hickory Ridge** — Paul shared that negotiations are continuing with the landowner. Tom inquired if the COVID-19 crisis effects this negotiation and Paul explained while it would not impact negotiations, it will affect the Town Council's willingness to allocate additional funds, given the budgetary constraints presented by COVID-19.
- Residential Development on the UMass Campus** — John's correspondence with Tony Maroulis, Executive Director of External Relations and University Events at UMass is included in the packet. Tom described John's email pushback to UMass's unwillingness to define what affordability in the RFI for North Apartments and Lincoln Apartments. Nate clarified that Tony's



assertion in the email correspondence is correct that UMass is not *required* to define affordability levels or include affordable units because the funding mechanism does not include any public housing subsidies, nor is the University bound by municipal zoning laws or permitting. However, he explained that does not prohibit us from asking the University to define affordability or commit to including affordable units. Tom asked if the Town has any leverage to apply pressure to the University. Tom suggested inviting Tony to provide an update to the Trust at their next regular meeting. Sid clarified that at our February meeting, the Trust made that request for the March meeting, which was cancelled, and the aske the request be renewed for Tony to provide an update to the Trust.

- d. Valley CDC Project at 132 Northampton Road** — Nate reported that Valley CDC received their project eligibility letter (PEL) from the Department of Housing and Community Development (DHCD) enabling them to file their comprehensive permit at their convenience. Normally, a 40B comprehensive permit would be expedited, however, under Governor Baker’s Emergency Order timelines are alerted and communities are wrestling with how to engage in public processes at this time.
  - e. Legislative Update** — Rita mentioned that passage of Massachusetts Eviction and Foreclosure Moratorium (H.4647) on Monday. No other updates at this time.
  - f. 40R Smart Growth** — Nate reported that the consultants had planned on coming to present design guidelines prior to COVID-19 emergency. At this point, consultants plan to present at May 6 or May 20<sup>th</sup> virtual meeting of the Planning Board (PB). They have writing the zoning bylaws and design guidelines in such a way that they can be adopted that night if the Planning Board chooses. It may table to decision or chose to rewrite the suggested guidelines.
- 6. Public Comment** — During item 4. Janet McGowan, speaking as a member of the public, advocated for talking to landlords about reducing their rents. Noting that the possibility of on-campus classes not resuming in the Fall means increased vacancy rates. That changes the incentive structure, encouraging landlords to seek 70-80% of current rents instead of 0. She suggested Town staff use mediators to engage in negotiations.
- 7. Next Meeting** — The next meeting of the Amherst Municipal Affordable Housing Trust (AMAHT) was set for Thursday, April 30<sup>th</sup> 7PM via Zoom with one agenda item – discussion and vote on a Rental Assistance Program. Rita asked Trust members to review the draft scope of services and minimum requirements and send



any feedback to Nate directly. The Trust also set a regular meeting of the Trust on Thursday, May 14<sup>th</sup> 6PM via Zoom.

**8. Meeting adjourned at 8:48PM.**

**VOTE: To adjourn.**

**MOTION: Sid**

**SECOND: Paul**

**VOTE PASSES unanimously, 6-0-0** (*Bockelman – Y, Crowner – Y, Ferreira – Y, Kegelman – Y, Lewis – Y, Van Heuvelen– Y*).