36 Court Street
Springfield, MA 01103
http://www.springfieldcityhall.com

Kathy Calvanese

Tuesday, September 6, 2022 | **6:00 PM** | **Utilizing Remote Collaboration Technology**

I. Call to Order

6:00 PM Meeting called to order on September 6, 2022 Utilizing Remote Collaboration Technology, (online), Springfield, MA.

II. Public Portion

Springfield Community Preservation Committee

September 6, 2022

Due to the Covid-l9 Pandemic and pursuant to the Governor's Executive Order concerning the Open Meeting Law, the Springfield Community Preservation Committee will continue to meet remotely until further notice. A video recording of this meeting can be viewed here: *https://www.facebook.com/Springfield CommunityPreservationCommittee/ <https://www.facebook.com/Springfield%20CommunityPreservationCommittee/>*

Public comments can be mailed to Community Preservation Committee, City Hall Room 412, 36 Court Street, Springfield, 01103 or e-mailed to cpc@sprinigfieldcityhall.com <mailto:cpc@sprinigfieldcityhall.com>

Present:

Robert McCarroll, Chair (Springfield Preservation Trust) - Juanita Martinez (Conservation Commission Representative) - Gloria DeFillipo (Planning Board Representative) Clinton Harris (Park Board)-Willie Thomas (Housing Authority Representative) - Rhonda Sherrell - (Neighborhood Representative) Lamar Cook (Neighborhood Representative) who joined later

Not present: Judy Crowell - (Historical Commission) -Ralph Slate (Neighborhood Representative) -

Guests: Jasper McCoy, Home City Development (Gemini Homes)

Geraldine McCaffrey, Springfield Housing

Agenda

Approve Minutes of August 2

Discussion with Gemini Homes proponent on affordability restriction

Administrator's Contract Extension

Extension request from Springfield Museums for work on the Kilroy House restoration

Historic Homes Program

Administrator's Updates

Other Matters

Next Meeting-**Annual Public Hearing October 11**

Approval of the August second minutes. Gloria moved and Juanita second the motion. Roll Call.

Gloria DeFillipio: yes, Juanita Martinez: yes, Clinton Harris: yes, Rhonda Sherrill: yes, Willie Thomas: yes, and Robert Carroll: yes.

Discussion with Gemini Homes proponent on affordability restriction

Gemini Homes is a forty unit new construction project slated to be built around Central Street and sold as owner occupied affordable housing. Home City Development asked for a discussion on the reasoning for a 30-year affordability restriction (the other sources of funds are fifteen years). Jasper McCoy began by thanking the committee and stated the increased need for housing in Springfield. Gemini Townhouses will give home ownership opportunities to the people in the South End and Springfield in general. There is a fifteen year restriction that will allow the first generation to pass off their equity to the second generation. The thirty year restriction will limit it from the first generation to the third generation. The people in our area who were affected by rules and guidelines of red lining and mortgage discrimination back to the early sixties into the eighties created a wealth gap of black and brown people in areas in Springfield, Mass. The Commonwealth Mass Housing program is concentrated on building wealth for people who are within a certain area median income. Mr. McCoy asked how and additional 15-year requirement would benefit our community.

Robert stated to Jasper that in the past, the committee has asked for fifty years on various projects. The committee felt that it would like to see a longer term and you raised the concern that a thirty year restriction runs contrary to the goals of the wealth builder program. If I am correct, Mass Housing is putting Ten Million Dollars for that project. Is that correct? Jasper agreed.

Robert stated that he contacted Stewart at the Community Preservation Coalition and he suggested a conversation with Shelly Goehring of Mass Housing Partnership. Ms. Goehring said the Wealth Builder Program is new in the Commonwealth and there aren't a lot of CPA communities who are exploring it and offered several options: 1) view this as the creation of new affordable housing in which case we don't have to require a restriction and can simply defer the restriction to that of the other funders 2) we can see whether the developer will accept some degree of restriction, or 3) we can be adamant about it and the developer may decide that they don't want our money.

Discussion. CPC is contributing one percent of the project. Can we live with a restriction on one unit rather than the 40 units?

Juanita stated that she hasn't thought of it that way. Mr. McCoy makes a very good point about how the generational gap works. Jasper explained how the initial investment will enable homeowners to build wealth for people in our area that we typically don't see. Getting into this program and being able to use it in the time frame for your next generation is super important. What I will say is we are open to another option but the 30-year restriction is something that we are not open to.

Geraldine McCaffrey from Springfield Housing can speak a little bit to the city's understanding and introduced herself as the Director of Housing for the City and stated Springfield is investing in this project with federal home funds as well as American Rescue Plan Act Funds. Springfield's contribution is about One Point Six Million Dollars. The restriction that we are looking for is fifteen years and there are a few reasons; 1) Jasper has talked about and we are firmly supportive of thinking of affordable home ownership programs as being wealth building as responding to decades of red lining and under investment in neighborhoods and really trying to give back to people who are locked out of home ownership in for generations. 2) The other piece that I want to speak to is we look at affordable home ownership as a way to build stability in neighborhoods that have been very low income. Most of the housing in the South End is income restricted so when we have a lot of housing that is income restricted we try to balance it out by including other housing that is not income restricted and to rid the restriction as soon as possible. We are looking to build up values in the South End and a restriction depresses the value of the property and it is also worth less because it has that restriction. We are trying to consciously build the value of homes in very low income neighborhoods to increase the stability of those neighborhoods. It is sort of a two fold thing and we really want to think about how we are helping the particular people who are buying those homes. We also want to think about it as an opportunity for neighborhood stabilization. I will say again the restriction that we are looking at is fifteen years and I would urge the Community Preservation Committee to match that or allow the other funders to go forward with their restrictions that otherwise we are imposing both ourselves and Mass Housing. With that if you have any questions for me I would be happy to take anything.

Robert stated that let me ask this question for you Gerry or for you Jasper. If this Committee were to agree to defer the other major funders for a fifteen year restriction will there still be something in place fifteen years that says this owner cannot sell it to an investor owner. It has to be passed on to another owner occupant, or are we looking at whatever the market will bear to whomever the seller wishes to sell?

Will we find that in fifteen years units in the Gemini Homes are bought by some New York investor who turns them into rental housing? Where is the protection for the long term owner occupancy nature of this complex?

Jasper stated that he understands the point and Home City Development plans to build a lot more ownership in that time period. In comparison, the way that rental deals are funded is through federal funds, and state funds and things of that nature need to be held on to longer perpetuity to give people an opportunity for that affordable living style. Home ownership, you have the money now and you want to continue to build that back. These forty units are a tax bracket and in Springfield they are going to bring up the housing value because they are brand new homes. The idea of those fifteen years will be new homeownership affordable units being built in. The part of our strategy as a development firm is to continue doing this so other people can benefit from it.

Gerry said we are talking about an affordability restriction and how long it needs to be affordable. You were talking about a restriction to homeownership which is not the same thing and which I don't know that the CPC has the ability to impose. I would say that I would think the way to boost homeownership is to boost neighborhood values and the quality of housing in the neighborhoods so that we have people that want to move into these houses and buy and live in them as homeowners.   So I actually think in terms of our long term goal we are working it through neighborhood stabilization and we are working with neighborhood stabilization by enabling these values and the surrounding values to increase so that it can increase so it can feel like a neighborhood that is about home ownership. Jasper then stated that he finds it hard to answer because it is a total line of morality and it is to say, can somebody sell something they rightfully have owned outright for whatever benefit they need. For themselves and their family because now after fifteen years beforehand it is not appropriate for our city or our town. It would be the question when you bought your home, or you could sell it to an investor out of New York you had free freedom to do so as you please. Would we be saying to people who are buying Gemini have any less rite to that option.

Robert stated that he has to say I think frankly that with such a degree of government subsidy it’s the project that making sure that it stays owner occupied to me would be a priority. Not that it has to be affordable, owner occupancy in fifteen years but it should still be owner occupancy. When you buy into certain condo complexes they have rules that you have to live there. You cannot rent it out. I would suggest that the condo complexes that have that rule have fared better than the condo complexes where you can sell to anyone including the investor owners. I’m looking further down in the line to make sure that this project that you're making stays owner occupied as opposed to changing over time to non-owner occupancy. Juanita stated she lived in the Forest Park area. In the eighties when people from out of state bought, the quality of those houses went down. Now there is a push on owner occupancy or they are buying and changing property in a positive way. When these investors came in and bought the two family houses they really didn’t do anything to them and just bought them and really didn’t maintain them. The quality of the neighborhood went down as well. Not for the people who lived in the neighborhoods but for the upkeep of the houses by the homes. Now there is a trend going in the opposite direction and you can actually see the difference. You can almost point out which ones are owner occupied and those that are not. Gerry stated that she would like to make the case the factors that go into the trend reversing are from a stable neighborhood and the investing in the neighborhood is it a carrot or a stick and I think that the sort of the things that build a neighborhood are what are important together to get there as to oppose to put restrictions on things. Restriction from fifteen years from now when we have no idea what the market will be like. Jasper stated that the last thing that I want to add is Home City Development is dedicated to making sure that we are on the Condo Board Association. So I've already committed that I will be on that Condo Association to make sure that things are done appropriately. Whether or not we have any rules in our condo association the by laws as to whether or not is homeownership will be decided at the time with the homeowners.

According to our funding sources through Mass Housing, Commonwealth Builders have the right as first refusal, which means after fifteen years they can impose a number of years beyond fifteen as the max. So if the city sees fit in fifteen years they have the option to impose another additional fifteen years. We do have an option for thirty but right now in this current market I can't see why you would oppose that without knowing or exactly as to what will happen in fifteen years.

Robert then asked if anyone had any questions. Gloria stated that it is not a question it's a comment. I understand what both Gerry and Jasper are saying. I could agree with the fifteen years but I have problems not having some sort of a restriction that says if after that you sell it has to be an owner or occupied. Because I live in a neighborhood that goes up and down and I would like to see some more stability in my neighborhood and that comes from the owner being occupied. The other part is do we have to make this decision tonight?

Robert then stated that we should have a decision before we go before City Council. We have recommended funding. We have put on the income restriction. My own feeling is that if we are going to take it off we should take it off sooner than later. Clearly it would have to be resolved before we go into contract assuming the City Council approves the recommendation. With luck we might be on the City Council agenda this month in which case we would be looking at contracts perhaps that December or January or they don't take action until next month and that moves everything back. It is something that has to be decided in the next couple of months.

Gerry then stated that the other thing to think about is the amount of funding an issue here which is a tiny portion of the funding for this project. The project is following rules from multiple funding sources and lots of rules that have been thought about Neighborhood Stabilization. I would just keep in mind that aside from this project the usefulness of CPC funding for housing will depend on developers feeling like they can have some assurances that the money is going to work like other forms of affordable housing money work. I think to make it look different it's going to have an impact on the development world and where the development world in general will seek and be able to use CPC funds. So I want to put that out for other reasons to support going with home and ARPA and Mass Housing are imposing. Juanita asked if all of those programs are also funded at fifteen years? That is correct.

<u>Clinton made a motion to rescind our requirement of a thirty year restriction and defer to the fifteen year restriction that the other funders wanted, seconded by Rhonda Sherrell</u>.

Robert stated that a motion to remove the restriction of thirty years has been made and seconded it. Now we will have a discussion. Rhonda stated that after listening to Jasper and Gerry in more detail I do feel that it's a restriction that we should not impose. Financially and growth wise I think that we have to be fair and we won't know what the housing will be like in fifteen years. To some degree it is kind of unrealistic at this point to put a thirty-year restriction. Gloria: It is clear to me that we CPA is outstretching our boundaries and they have fail safes in place already that are very functional. Robert asked for a vote.

Clinton Harris: yes, Rhonda ….yes, Juanita Martinez: yes, Gloria DeFillipo: yes, Willie Thomas: yes, Lamar Cook: yes, Ralph Slate: yes, Robert McCarroll: yes

Robert then stated that we will take that off as a requirement and it will be fifteen years.

Jasper thanked the committee and stated that they appreciated this will be our Historical project

for Springfield

Administrator's Contract Extension

Robert stated that as you know we are going through the process of readvertising the administrator's position because it is a contractual position and the longest you can have it is three years and then you have to go out and advertise it again. However, the existing contract with Karen expired on August 15th. In order for us to have an administrator to get paid until we finish going through this procurement process we have to vote to extend the contract. Kathy Breck of the Law Department has drafted a contract that will take us through and if needed the end of October. We need to have a motion and it agrees to extend the contract. Cathy drafted the wording so I think probably that we should be using it. Juanita made a motion to approve an amendment number three to the Community Preservation Coordinator contract with Karen. Extending the term of the contract from 8-15-22 to no later than 10-28-22 increasing the hours up to thirty hours per week at $26.50 an hour with a total increase of Eight Thousand Seven Hundred Forty Five with the new maximum dollar amount contract at $42 thousand twenty dollars to authorize the Chairman of the CPA to sign amendment number three on behalf of the commission. Clinton second the motion. Robert asked if there were any questions of committee members or any comments or discussions? We will start with a vote:

Juanita Martinez: yes, Clinton Harris: yes, Gloria DeFillipo: yes, Rhonda Sherrell: yes, Willie Thomas: yes, Lamar Cook: yes, Ralph Slate: yes and Robert McCarroll is a yes.

Extension request from Springfield Museums for work on the Kilroy House restoration

Robert then stated that the next item on the agenda is an extension request for Kilroy House. Karen stated that they requested an extension from November 30th, 2022 to 2023 due to additional issues with the asbestos removal. Robert asked if someone would like to make a motion that we extend the contract on November 30th, 2023? Gloria accepted the motion. Ralph second the motion. Robert asked, are there any comments or suggestions from committee members? Ralph stated that he had one question: what funding year did we award this? Robert stated that it was last year. Ralph thanked Robert for that information. Robert stated that we gave them money in year number two to fix the roof and to study how to fix the stucco. That project was completed and now this is when they came in money to help to do the actual stucco exterior renovation. That project was completed and this is now when they came in and wanted money to help do the actual stucco exterior renovation. Robert stated that we will take the vote.

Juanita Martnez: yes, Clinton Harris: yes, Gloria DeFellipo: yes, Rhonda Sherell: yes, Willie Thomas: yes, Lamar Cook: yes, Ralph Slate, yes, Robert McCarroll, yes

Robert asked Karen if she had a Historic Homes Program Update. Karen stated yes but before I start that the rest of these extensions from the Park Department and the East Springfield Library reading room are looking for extensions as well.

Robert stated that given this was not on the agenda that there was only one extension request on the agenda I am going to put this off until October. Which is still enough time we can extend it past their November 30th.

Historic Homes Program Update

Karen presented an assessment of the Historic Homes Program and offered a chart to illustrate the details of both the current program and the pilot program. on the right, run by the Planning Department. Our program made two improvements 1) the homeowner is given a comprehensive overall condition of their home and an overall estimate to repair the home should other resources become available. The Planning Department relied on an individual contractor to develop the scope of the work. The cost to repair was based solely on the covered items of the grant. In both programs only the covered items are considered for a grant but the benefit of the comprehensive analysis is the homeowner can prioritize goals as resources become available over the course of time. The second improvement is the analysis done by our preservation planner who prepares recommendations according to the Secretary of Interior Standards for how the work should be handled. With these two improvements to the pilot program, the homeowner has an estimate of the cost and scope of the work before selecting their own contractor. Also, when the time comes to go in front of the Springfield Historic Commission for any additional work that is not included in the covered grant they will have the necessary material.

After speaking with each of the grantees and reviewing the home assessments I think our program offers the flexibility for the Homeowner to select items covered in the grant that best serves the individual home condition whether it was written on the application or not.

The chart indicates more than half of the grantees in both programs have, or had a ticket or citation or a violation regarding the home or in some way came to the attention of the city. Not noted on the chart are the several homes that either were purchased in foreclosure or flipped or sold in a short sale or other transfer and are now owned by the grantee. We can draw three reasonable assumptions: firstly, these are homes in many cases that were purchased because the property values fell due to delayed maintenance and the home was affordable because of its condition. Second: since our grant is based on being income qualified it is likely that many of the applicants did not put twenty percent down when the home was purchased and there is little equity available. Lastly, each of the applicants took the initiative to apply to the Historic Homes Program but if our grantees can't meet the entry requirements of a homeowner share it effects participation. These assumptions together with the violations and the homes having existing maintenance issues is reflective of the purchase price as an affordable choice. As we know, the cost is higher to repair a Historic Home, suggesting that we reconsider the purpose of why we have the homeowner share requirement in the first place. In addition, once the home was purchased it benefited the city since the house is no longer vacant, and from a historical resource point of view, in general, an occupied home contributes to the streetscape of the Historic District.

The management of the program will be less complicated and will remove the barriers to participation if 1) we apply a flat grant to the homeowner, as we do with all our grantees, and 2) create a similar contract agreement that is used with all our grantees that doesn't include a Promissory Note and Mortgage Lien. It becomes easier to manage the program since the award is for a predictable amount and, again it contributes to neighborhood stabilization, as Jasper talked about earlier.

Given this HPP program review, I am suggesting to the committee that we maintain the sliding scale but use it to determine the amount of a flat grant rather than using the sliding scale to determine an expected homeowner share (i.e. drop the homeowner share requirement).

Ralph asked if this issue was on the agenda? Robert stated that the Historic Homes program was on the agenda, Ralph stated that he would like to raise an objection. We've had this discussion a number of times in this committee and voted many times, both this committee and the sub-committee. I do not believe this is appropriate for the administrator of the program to request a change like this after we actually voted multiple times on this matter. Robert stated that I have to say Ralph, that I think the committee can make the decision again as to whether or not to require an owner occupant share based on income level given additional information. Ralph asked, aren't we talking about a program that is currently in effect and has already been approved by the City Council? Robert then stated that Ralph's point is well taken and asked to view the summary of the project that went before the City Council last year and, if indeed if it talks about a homeowners share, I guess I would agree with Ralph that we probably shouldn't be changing the current program that City Council approved. Ralph stated that he agreed with that point. Robert suggested that they take a moment to look up the presentation. Karen then stated that it is was not part of the presentation to the City Council in the Fall but rather it was a special recommendation after we got the extra large disbursement from the Department of revenue, it was presented as a stand alone recommendation.

Ralph then said to Robert that he is a little bit flabbergasted. We advertised to the public a program with certain guidelines and to change that program retroactively is irresponsible of us. Karen asked the reasoning behind continuing a flawed program if we can make it better initially? Why make it cumbersome and then try to fix it along the way? No contract agreements have been signed at this point. Ralph stated "you can't change the rules of the game" along the way. Bob I would like to raise an issue here. I don't want to debate the administrator on this. Karen, no offense you are a paid employee of the CPA and I don't think I should be debating this with you as a commissioner. I hate to say it that way but this has been a long going issue I don't think it is appropriate. Karen stated you are paying me to investigate and to come up with a program and you're paying me to do this job. Ralph stated that we had a subcommittee and the subcommittee was very clear many times. You're trying to push a personal agenda because you didn't like the structure of the homeowner share from the beginning and you were very clear about that up front. The program is very clear and it is an income scale not just a $30,000 award to everybody and anybody. I can't believe that you try to change the program at this point and try to justify it this way. People already put in their application knowing what the program was and now we are saying you know what even though you are going to have to contribute before and now you don't have to, we are just going to give you money. I can't believe that you would contemplate doing this for a program that has already been processed.

Juanita stated that this can be revisited the next time around. I have to agree with Ralph, it has already been done, it has already been presented, if we want to revisit the next round of funding we can but not for the current group that is already done. It could be for the next historic homes program once we go in front of the City Council in a couple of weeks. Ralph said he doesn't like it but I think it is reasonable to discuss a change for the 2023 program because that is when the bulk of work will take place. I don't think it is appropriate to retroactively change the parameters of the current program. Karen asked if it's not a problem to change it retroactively would you want to do it? Ralph's reply was no. Gloria stated that she also agreed. We can move forward but we can't go back. Also, Karen it looked like you had some type of a report written out. Was that sent to us? No, I can send it to you. Gloria stated that it can help because my head is going like this trying to put everything in place. Karen stated that she can send this chart as well so you can look at it a little bit closely. Gloria thanked Karen.

Robert then stated that we have no motion on the table so we really have nothing to discuss so the issue is we can either decide that we want to discuss the issue now and have a vote. Or, we can decide that there will be something on next month's agenda that talks about the program that is going before the City Council. What we were just talking about now will not apply to the program that is already underway. Gloria and Juanita agreed. Juanita stated that anything new, applications, future stuff but not the stuff that has already been done. Robert asked do any other committee members who haven't said anything on this yet have an opinion as to whether this discussion should be put off to a later date and will affect only the program coming up or do you want to have the discussion to affect the program as it currently is being operated.

Willie stated that he would rather put it off for a future date and a future discussion. Clinton then stated that he felt that it wouldn't work anyway so I would have voted against it anyway so yes, we can postpone it so we can go forward with a good solid option for the potential homeowner owner. Let's postpone it.

Robert asked if anyone else had a comment before we moved on. Robert stated that next month after the hearing it might affect the program that is before the City Council for their approval.

Administrator Updates

Ralph stated that he had one question on the administrator updates I'm not sure if we that there was that letter from Colony Hill. Robert stated that we don't have to take action on it so we can talk about it if people want to talk about it but there will be no votes taken. The only thing that I wanted to bring up is that I do have sympathy for the Colony Hills there and it leaves me to wonder if the city is biting more than they can chew with this project. Can't get a project that was awarded in two thousand nineteen completed. Juanita stated that it is a small project. Ralph stated that if it was a private company we would probably be on them and say that you aren't doing your prior work why should we give you more money. Robert stated that this is a discussion to have when we are talking about what we are recommending for the next funding cycle. I don't know if there is anything we can do about it.

Just an F.Y.I. The Atwater fountain triangle which we also funded in two thousand nineteen only has the ground breaking in the last couple of weeks. Colony Hills has the ground dug up so there are indeed other projects that are not moving rather rapidly. I think you raise a valid concern but at this point what we can do about it. Ralph asked if we could possibly give them a heads up by writing a letter saying we were concerned about this. We would suggest to them if you have too much work we would recommend holding off on applications so you could catch up. Robert stated we can but we are not going to be discussing that tonight because that is a motion and we aren't taking a motion tonight. My suggestion is that Committee members look for the Park Department Update that Karen sent to you and the time extensions requested and we will discuss that at the next meeting.

Classical High Condos Karen stated that the exterior facade project has a new project manager now and it appears to be ready to go. The Preservation Planner has sent her information in. It's moving along finally.

The Drama Studio project is 75% done.

Trinity House has managed to obtain the fundraising share of the grant requirement.

There is no word on the Re-Green Project and you have all the Park Projects and they will be returning Fifty Seven Thousand Two Hundred and Ninety Dollars and sixty five cents from projects that are completed.

Robert asked Karen have we heard from 2612 Main Street yet? Can you follow up with them and see where they are? We don't even have a contract with them because last we heard we did not yet receive the property from the City of Springfield. 2612 Main Street is a vacant deteriorated apartment building on the corner of Main Street and Arch Street. It was a tax foreclosed building that had been awarded to, but not yet transferred to private developers to fix twelve units of housing.

Robert stated that the last piece of business we normally meet on the first Tuesday of the Month and the October meeting is our annual public hearing to solicit citizen comment on needs and opportunities. October the fourth is also the beginning of Yom Kapor, therefore we really need to seek a different date and is the Committee available if we move to October 11th?

Robert stated that after the public hearing we'll have some items to vote on that will require a quorum and the consensus was that most members were able to attend. Ralph asked if there is any value in having a hybrid meeting on that date so the public can show up in person. Karen agreed to contact Focus Springfield to ask if they will host the meeting. If not, we will move forward for October 11th and it will be by zoom unless Karen and Steve work out another alternative no later than the sixteenth of September.

A motion to adjourn: Gloria made the motion to move and Clinton second the motion. All in favor.