

Newburyport Affordable Housing Trust  
Meeting Minutes

Meeting Date: Thursday, April 1, 2021  
Meeting Location: Online  
Members in Attendance: Judy Tymon, Madeline Nash, Karen Wiener, Mayor Donna Holaday  
Staff Present: Katelyn Sullivan , Andy Port  
Members of the public: Tiffany Nigro, Pettengill House and Lou Minicucci, MINCO

Emergency Rental Assistance Program Update

Affordable Housing Trust (AHT or Trust) Chair Judy Tymon called the meeting to order at 6:30pm and went over the agenda. Chair Tymon introduced Tiffany Nigro from the Pettengill House. Chair Tymon confirmed that the Pettengill House staff sent over a status update before the meeting. To date twenty-five (25) families have been assisted totaling just under \$70,000 in rental assistance. There are six (6) pending applications and staff is awaiting paperwork to complete the processing of these applications.

Nigro reported to the Trust that overall the program is still functioning well. The feedback is positive and residents are thankful for the program. Tymon understands there are six (6) applications pending and asked Nigro how the process with RAFT was going. Nigro answered that that process is going well and faster than in previous months. Member Madeline Nash commented that it sounded like the program has been successful in responding to local needs and that programmatic tweaks are not needed and asked Nigro if that sounded accurate to her. Nigro responded that her staff has done a great job with administering the program and will continue to provide outreach. Tymon said that it sounded like program activity has been consistent. Nigro agreed. Nash commented that perhaps we will not need to add more funding to this program but only time will tell. All agreed. Nigro commented that she hopes to get applicants reengaged in employment and her staff promotes self-sufficiency and creative solutions. Member Karen Wiener thanked Nigro for all of her work and said that it sounded like the program has been responsive to needs and able to help a lot of people. Mayor Donna Holaday added that she could not thank Nigro enough. While it took a while to get the program off the ground, the fact that twenty-five (25) families have been helped with \$70,000 in rental assistance is significant. This program has helped the community.

Mayor Holaday also communicated to Nigro that her office would welcome additional conversations with the Pettengill House about additional programming related to affordable housing once more is understood about how the new stimulus funding will work. If there is money there that can be used to support additional programs for those in need she would welcome those conversations. Approximately \$5 million is coming to Newburyport over two payments that could help support additional programming and support for affordable housing would be a good use of the money. There is \$1 billion coming to the state as mentioned by Senator Warren at a meeting with other mayors from around the state and we need to be ready with ideas for programming.

General Rental Assistance Discussion

Chair Tymon reported to the group that she, Sullivan and Nigro held a working group discussion around the creation of a new general rental assistance program. Tymon said that the Trust has not yet specified amount that would be awarded to each applicant and we have not yet set the maximum. We also have not finalized guidelines for assets. Tymon said that providing security deposit might be problematic as it

would have to be put in a specific bank account and those are some of the things that were talked about. Tymon reported that Sullivan reached out to the property manager at MINCO about timing and what the manager would be requiring up front from tenants.

Sullivan reported that she had a conversation with the Newburyport Crossing (new rental property at One Boston Way) property manager and applicants will be required to pay \$1,000 security deposit for move-in and first month's rent. Additionally, the property manager is sending over leases about 2-3 weeks prior to their move-in dates with leases expiring from March 2020-October 2022. First move-ins will be next week on 4/1. Sullivan indicated that she had a conversation with Lou Minicucci and he had an idea as to how he could be helpful.

Chair Tymon recognized and introduced Lou Minicucci from MINCO. Minicucci said he would be in a position to take a letter of guarantee from the Trust that the Trust would post the security deposit for the tenant if needed. The amount of security deposit required is dependent on the credit of the tenant and varies on a scale. Minicucci would agree to use of a promissory note for applicants "enrolled" in the Trust's General Rental Assistance Program.

Minicucci also provided an update that occupancy was granted for the building today at One Boston Way and that as of April 1 there are nine (9) affordable rental unit applications approved. There are also ten (10) more units that they are processing applications for. Chair Tymon said the currently approved applications are as a result of the lottery. Minicucci confirmed that the approved tenants are from the lottery process. Wiener said that she is intrigued by the idea that Minicucci has brought to the Trust and that it is an interesting proposal. Chair Tymon said that the Trust could provide up to 75% of the security deposit and provide a promissory note so that the applicant has "skin in the game" to be responsible for the remaining 25% of the deposit. Wiener asked how this would be communicated to the tenant and commented that with the Trust being able to provide a promissory note may mean that the tenant would not need to provide the funds up front which may help them get into the unit.

Chair Tymon said that additionally the Trust would need to determine eligibility and determine asset limits. Wiener said Pettengill could administer the program and work to qualify the applicants although perhaps the property manager could do this. Minicucci said they screen all tenants and could alert tenants about the local Trust program at the time of applying for a unit and provide them with an application and could process in house if it was a simple process. Wiener said that processing applications by the property manager could save tenants from a two-step process. However, the tenants may benefit from the holistic approach Pettengill takes when determining eligibility. Nash asked Minicucci if the unit was not an affordable unit, do you charge first, last and security deposit. Minicucci responded that it is the same up-front requirements for the market rate units.

Chair Tymon said to Minicucci that you have accepted nine (9) applications for units, but what is the timeframe for when people have to provide you their security deposit. Minicucci answered that by the time they move in the security deposit would have to be submitted. Minicucci said there may have been people that did not apply for a unit because they couldn't come up with the security deposit and first month's rent. This new program could potentially encourage more people to apply.

Nash said there is another housing project nearby that has been permitted, correct? What is the timing of that? Minicucci responded that is correct and that he spoke to the building inspector today and he is going in for a foundation permit next week and hope to start by July 1 and it will hopefully be done in two years. All 160 units will count towards the SHI. All rental housing is affordable housing per the state.

Tymon said that Newburyport does need more rental units in Newburyport. Minicucci said Smart Growth Districts are extremely helpful in adding affordable housing. The Trust members thanked Minicucci for his work and attending the meeting.

Tymon asked the Trust members how they felt about talking over program parameters tonight or should they continue the discussion to the May meeting. The Mayor asked the group if there had been a conversation yet about using CPA funds for rental assistance. Nash commented that the Trust was initially thinking about using HOME funds for the program but there is a sense those funds might have too many layers of reporting attached. The Mayor suggested that the Trust form a subcommittee to look into the parameters of the program.

Nash asked for clarification regarding if this program would be limited to those renting deed restricted units or be available to residents that meet income requirements of the program for units city-wide. There are not many deed restricted units in the city. Wiener said that she thought we were just talking about deed-restricted affordable units at least at the start of the program. To open it up the way you just described, could be a huge expense as we were trying to save Trust money for actual development. That being said, Wiener said she also feels rental assistance is very important. The Mayor said she agrees with Wiener and we have ventured into this new partnership with Pettengill and it has been a significant program but wants the new program to use CPA funds appropriately. Even if we need to bring in legal consultation we should and we have to find a way to develop a long term program to serve the people of Newburyport and set up a subcommittee. Tymon said that she was envisioning a program that would be for those that were income qualified seeking a rental unit city-wide. Wiener said that if an opportunity came up for let's say the Brown School we could help subsidize that project. The Mayor said yes, but right now there is more that we can do and particularly for seniors who are struggling and want to downsize. How can we work to support them in terms of getting them into rental units and we can do more.

Wiener asked what the scope would be if we opened it up to all rentals in the city. The Mayor said there is not a tremendous amount of rental units. It is going to take some time to set up a whole new program and come up with the parameters but first start to work with MINCO. The Mayor asked Sullivan to do some research as to what other communities are doing and report back to the group at the next meeting.

#### Chair Tymon's Recommendations for Trust Priorities

Chair Tymon gave an overview of her Trust recommendations which came out of the Planning Board effort to focus on affordable housing and it's her high level wish list to start the conversation as to what the long term plan is to create affordable housing in the city. Education is imperative as are collaborations and zoning changes, and it is up to you all as to how you want to proceed.

Nash said it was a thoughtful and ambitious list and asked if the thought was that a committee would be formed to collaborate and look at these ideas and others as a way to start to respond to local needs?

Tymon said that yes, a committee with interested parties would be a place to start. More outreach and education is needed to residents, representatives and City Council. We are coming into an election year and this should be an election issue. Affordable housing is a crisis situation. Wiener wondered how the committee would be set up. Tymon said that we need to establish communication with the Planning Board which is the first step. Perhaps there could be a joint meeting with the Planning Board as a first step. Director Port and Sullivan said that they would look to the Planning Board schedule to find a time to have a conversation.

Wiener made a motion to approve the minutes of 3/4/21. Nash seconded the motion. All were in favor.

The next meeting date will be 5/6/21 at 6:30pm.