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; 06/20/17 1:03 PM
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;;;Boston City Council 170620

>> GOOD BARELY AFTERNOON,
EVERYBODY.
I'M JOSH ZAKIM.
I'M CHAIR OF THE CITY COUNCIL'S
COMMITTEE ON HOUSING AND
COMMUNITY DEVELOPMENT.
WELCOME TO THE CHAMBER FOR
TODAY'S HEARING ON DOCKET 0800
AND 0802.
WANT TO REMIND EVERYONE, THIS IS
A PUBLIC HEARING BEING RECORDED
AND BROADCAST LIVE ON COMCAST
CHANNEL 8.
RCN 82 AND NEWLY AVAILABLE ON
VERIZON 1964.
STREAM ONLINE.
IF ANYBODY HERE WOULD LIKE TO
GIVE ANY PUBLIC TESTIMONY,
THERE'S A SIGN-IN SHEET BY THE
PANEL TO MY LEFT.
FEEL FREE TO DO SO AND CHECK THE
BOX IF YOU'D LIKE TO TESTIFY.
THE FOLKS VIEWING ONLINE, HAVE
COMMENTS AFTER THE FACT, YOU CAN
SUBMIT TESTIMONY VIA E-MAIL.
YOU CAN TWEET AT US, POST ON
FACEBOOK.
WE'LL MAKE SURE TO GET IT.
PLEASE SILENCE YOUR PHONES AND
OTHER DEVICES.
WELCOME OUR GREAT TEAM FROM THE
DEPARTMENT OF NEIGHBORHOOD
DEVELOPMENT HERE TO OFFER ANY
OPENING STATEMENTS.
PLEASE STATE YOUR NAME AND TITLE
FOR THE RECORD.
THANK YOU.
>> I'LL OPEN IT UP, COUNSELOR.
I'M SHEILA DYLAN.
I'M THE DIRECTOR OF THE
DEPARTMENT OF NEIGHBORHOOD
DEVELOPMENT.
I WANT TO THANK YOU AND THE
COMMITTEE FOR HOLDING THIS
HEARING IN A TIMELY FASHION.
ALSO WANT TO PERSONALLY THANK

YOU FOR YOUR INTEREST IN THE
TOPIC OF HOUSING AND THE -- OUR
CONTINUING TO GET FEDERAL FUNDS
FOR OUR MISSION.

I'M GOING TO AND THIS OVER TO MY
COLLEAGUES AT THE DEPARTMENT OF
NEIGHBORHOOD DEVELOPMENT, BOB
GARRETT, DEPUTY DIRECTOR OF
POLICY AND RESEARCH AND RICK
WILSON, THE DEPUTY FOR
ADMINISTRATION AND FINANCE.

BOB WILL WALK YOU THROUGH THE
VOTES NEEDED TODAY.

RICK IS HERE TO ANSWER ANY
QUESTIONS.

I WANT TO NOTE WE HAVE INVITED
FOLKS IN THE AUDIENCE FROM THE
OFFICE OF ECONOMIC DEVELOPMENT,
THE OFFICE OF WORK FORCE
DEVELOPMENT AND OFFICE OF
NEIGHBORHOOD HOUSING IN CASE YOU
HAVE MORE DETAILED QUESTIONS
ABOUT THE PROGRAMS.

WITH THAT, I'LL HAND IT OVER TO
BOB GARRETT.

>> JOINED BY MY GOOD COLLEAGUE,
MATT O'MALLEY.

>> FOR THE RECORD, I'M BOB
GARRETT FROM THE DEPARTMENT OF
NEIGHBORHOOD DEVELOPMENT.

WANT TO BEGIN BY THANKING YOU
FOR HOLDING THIS.

WE'RE MUCH LATER IN THE YEAR
DOING THIS THAN NORMALLY WOULD
BE.

LARGELY DUE TO DELAYS WITH
CONGRESS AND FINISHING THIS
YEAR'S BUDGET.

THE ORDERS BEFORE YOU, DOCKETS
802 AND 800 AUTHORIZE D&D ON
BEHALF OF THE CITY TO APPLY FOR
AND EXPEND FEDERAL FISCAL YEAR
2017 FUNDING FOR OUR HUD -- FOR
HUD FORMULA GRANTS AND ACCEPTING
AND EXPENDING ADDITIONAL
INCLUSIONARY DEVELOPMENT
RECEIVED BY THE CITY TREASURER.

I'D LIKE TO BEGIN BY CLARIFYING
THE FEDERAL FISCAL YEAR 2017 HUD
FUNDING REFERENCED IN THE ORDER
ACTUALLY CORRESPONDS TO CITY
FISCAL YEAR FUNDING WHICH STARTS
ON JULY 21, TWO WEEKS FROM NOW.
THERE'S BEEN A LOT OF CONFUSION

DUE TO THE PRESIDENT'S BUDGET PROPOSES TO CUT CDGB FUNDS. OUR BUDGET CORRESPONDS TO THE STILL'S FISCAL YEAR 2019, WHICH WILL START ABOUT A YEAR FROM NOW.

SO BASICALLY THE FUNDING THAT WE'RE EXPECTING FOR FEDERAL 17 CITY 18 IS SAFE.

SO THE FEDERAL BUDGET WAS ONLY FINALLY APPROVED ON MAY 5. GENERALLY TAKES HUD BETWEEN 45 DAYS AND 60 DAYS AFTER THAT TO TELL US WHAT THE ACTUAL ALLOCATION AMOUNTS ARE.

THE ORDERS IN FRONT OF YOU ARE BASED ON ESTIMATED AMOUNTS THAT WERE PUT TOGETHER AS NOT TO EXCEED AMOUNTS PRIOR TO OUR RECEIVING THE ACTUAL ALLOCATION AMOUNTS FROM HUD.

THE FUNDS BEFORE YOU TODAY ENABLE D&D TO SUPPORT A WIDE RANGE OF COMMUNITY DEVELOPMENTS PROGRAMS ACROSS EVERY NEIGHBORHOOD IN THE CITY OF BOSTON.

THE BUDGET THAT WAS APPROVED BY CONGRESS PROVIDES VERY CLOSE TO LEVEL FUNDING FOR THIS YEAR'S PROGRAMS.

I'LL SPEAK BRIEFLY ABOUT EACH OF OUR HUD ANNUAL FORMULA GRAND ALLOCATIONS AND PROVIDES HIGHLIGHTS FROM THE FACT SHEETS BEFORE YOU.

IN ORDER TO MEET THE HUD DEADLINES AND ALSO IN ORDER FOR US TO START OUR PROGRAM HERE ON JULY 1, WE'RE HOPING THE COUNSEL CAN MOVE THIS FOR A VOTE NO LATER THAN JUNE 28th MEETING. YOU HAVE THE FACT SHEETS DISTRIBUTED.

COMBINED THESE FOUR HUD SOURCES COME TO JUST ABOUT \$23.6 MILLION AND OVERALL, IT'S JUST ABOUT \$66,000 LESS THAN THE TOTAL AMOUNT RECEIVED LAST YEAR.

THE CDBG FUNDING IS \$15.7 MILLION, A DECREASE OF 1.2% OR \$200,000 COMPARED TO LAST YEAR. FOR THE HOME PROGRAM, WHICH IS A BLOCK GRANT FOR HOUSING

DEVELOPMENT, THE ALLOCATION IS ABOUT \$4.1 MILLION. A CUT OF LESS THAN \$5,000 COMPARED WITH LAST YEAR. THE APPROPRIATIONS AT THE FEDERAL LEVEL FOR THOSE TWO PROGRAMS WERE LEVEL FUNDED. THAT'S WHY THE SMALL DIFFERENCES. THERE'S ONE PLACE WHERE WE RECEIVED AN INCREASE, ABOUT \$280,000 OR 14%. THE ALLOCATION AMOUNT IS JUST UNDER 2.3 MILLION. AND FOR THE EMERGENCY SOLUTIONS GRANT, THE LAST OF THE FOUR, OUR FUNDING IS ABOUT \$1.4 MILLION. A VERY SMALL DECREASE OF \$13,000 COMPARED TO LAST YEAR. IN ADDITION TO THE NEW GRAND AMOUNTS THAT WE'RE RECEIVING FOR HUD, THE BUDGET INCLUDES \$11 MILLION IN PROGRAM INCOME AND FUNDS ROLLED FORWARD FROM THE PRIOR YEAR THAT CAN HELP SUPPORT PROGRAMS FOR THIS FISCAL YEAR. BECAUSE THE ALLOCATIONS ARE ESSENTIALLY THE SAME AS LAST YEAR, THERE'S NO REAL SIGNIFICANT CHANGES IN WHAT WE'RE DOING WITH THE FUNDS. THEY'RE USED TO CONTINUE OUR VERY EFFECTIVE PROGRAM. 60% OF THE HUD FUNDS SUPPORT 13 HOUSING AND HOMELESS PROGRAMS INCLUDING A HOME REPAIR PROGRAM. AFFORDABLE HOUSING PRODUCTION, SUPPORTIVE HOUSING AND HOUSING STABILIZATION SERVICES. CDBG FUNDS SUPPORT OUR ECONOMIC DEVELOPMENT, PUBLIC SERVICE AND PROPERTY MANAGEMENT PROGRAMS, INCLUDING CLOSE TO \$2.7 MILLION FOR PUBLIC SERVICE ACTIVITIES AND JOB READINESS PROGRAMS ADMINISTERED BY THE MAYOR'S OFFICE OF WORK FORCE DEVELOPMENT. AN ADDITIONAL \$3.9 MILLION FOR BUSINESS ASSISTANCE AND MAIN STREET PROGRAMS AT THE OFFICE OF ECONOMIC DEVELOPMENT. A QUICK OVERVIEW OF CDBG. THE OTHER PROGRAM WAS \$2.3

MILLION.

MOST OF THOSE FUNDS ARE USED TO SUPPORT TENANT BASED RENTAL ASSISTANCE.

HUD ALLOCATIONS ARE DECIDED AFTER WE REISSUE THE REQUEST FOR PROPOSALS.

EMERGENCY SHELTER GRANT, I MENTIONED, A SMALL DECREASE. THE MAJORITY OF THE ESG FUNDS, EMERGENCY SOLUTION GRANTS, GO TO HOMELESS PREVENTION AND RAPID HOUSING.

REMAINED IS ON STREET OUTREACH AND EMERGENCY SHELTER.

THAT IS BASICALLY A QUICK OVERVIEW OF THE FOUR HUD PROGRAMS.

SAY VERY FEW WORDS ABOUT THE INCLUSIONARY DEVELOPMENT PROGRAMS AND OPEN IT UP FOR QUESTIONS.

DOCKET 800 ALLOWING D&D TO ACCEPT AND EXPAND \$30 MILLION IN IDG PAYMENTS RECEIVED BY THE CITY RESERVES.

WE CONTINUE TO SUPPORT HOUSING DEVELOPMENT.

ON THE LAST PAGE OF THE HANDOUT THERE, A SHORT FACT SHEET ON IDP.

SHOWS YOU THE PROJECTED REVENUES AND EXPENDITURES AND REFLECT AS STRONG PIPELINE OF HOUSING PROJECTS.

IDP FUNDS SUPPORT DEVELOPMENT HOUSING PROJECTS THAT ASSIST HOUSEHOLDS BELOW THE CITY OF BOSTON.

FUNDS ARE DISTRIBUTED THROUGH A PROPOSAL.

THAT CONCLUDES THE BRIEF REMARKS.

OPEN TO QUESTIONS.

>> THANK YOU, BOB.

I HAVE A COUPLE.

YOU MENTIONED THE HUD MONEY IS FROM THE PRIOR FEDERAL BUDGET. OBVIOUSLY THEY DIDN'T FINALIZE UNTIL LAST MONTH.

THAT MONEY IS THERE.

IT'S NOT WHAT IS SUBJECT TO THE PRESIDENT'S CURRENT CUTS OR PROPOSALS?

>> THAT'S CORRECT.
ONCE IT'S IN OUR LINE OF
CREDIT --
>> DO WE HAVE TO APPLY OR IS
THAT A FORMALITY?
THE MONEY IS THERE OR --
>> IT'S THERE.
WE DON'T HAVE TO DO ANYTHING
FURTHER WITH HUD WITH THAT.
>> THAT'S GREAT.
OBVIOUSLY, YOU KNOW, MOVING
FORWARD NEXT YEAR, WE'RE GOING
TO HAVE PROBABLY MUCH MORE
DIFFICULT GO OF IT.
YOU SAID THIS IS LEVEL-FUNDED
FOR THE MOST PART FROM LAST
YEAR?
>> YEAH.
BASICALLY, YOU KNOW, THE SMALL
REDUCTIONS IN A COUPLE OF THE
PROGRAMS WAS DUE TO THE NEW
CENSUS DATA.
THE APPROPRIATIONS WERE LEVEL
FUNDED EXCEPT FOR HOPRA.
THE ONLY INCREASE IS A
COMBINATION OF TWO THINGS.
ONE IS THAT THE APPROPRIATION
INCREASED SLIGHTLY.
THEY HAVE ALSO ADOPTED A
COMPLETELY NEW ALLOCATION
FORMULA, WHICH I'M PLEASED TO
SAY THAT IT ACTUALLY WORKED TO
OUR ADVANTAGE.
>> THANK YOU.
I WANT TO ALSO NOTE THAT WE'VE
BEEN JOINED BY AT LARGE
COUNCILLOR MICHAEL FLAHERTY AND
MARK CIOMMO.
WELCOME THEM.
MOVING ON TO THE IDP MONEY.
\$30 MILLION.
THAT IS GREAT.
THAT IS OBVIOUSLY MONEY THAT IS
THERE AND TO BE TRANSFERRED.
WHAT IS YOUR ESTIMATE, I
GUESS -- IS THIS MONEY READY TO
GO?
DO WE HAVE PROJECTS LINED UP FOR
THIS OR IS THIS ANOTHER -- A
REQUEST FOR PROPOSALS?
>> SO WE HAVE -- RICK WILSON,
DIRECTOR OF ADMINISTRATION AND
FINANCE, NEIGHBORHOOD
DEVELOPMENT.

OF THE \$30 MILLION WE'RE REQUESTING TODAY, WE HAVE A PORTION OF IT, THE TREASURE HAS COLLECTED A PORTION OF IT. WE ANTICIPATE COLLECTING ABOUT ANOTHER \$17 MILLION OVER THE NEXT TWO FISCAL YEARS. AS YOU CAN SEE ON THE FACT SHEET AT THE BOTTOM SECTION UNDER EXPENDITURES. WE'VE FUNDED TO DATE \$48 MILLION WORTH OF PROJECTS. WE HAVE A PRETTY HEALTHY STRONG PIPELINE OF PROJECTS TOTALLING \$36 MILLION. THE MAJORITY OF THOSE HAVE BEEN COMMITTED OR AWARDED OR AT LEAST IDENTIFIED PROJECTS THAT WE'RE AWARE OF. WE'RE LOOKING AT WHETHER WE CAN DO ANOTHER FUNDING ROUND THIS YEAR. WE TYPICALLY DO THREE FUNDING ROUNDS A YEAR. WE'LL BE IN A POSITION TO DO THAT.

>> GREAT.

THE PROJECTS THAT ARE FUNDED BY IDP, THIS IS OBVIOUSLY -- I DON'T KNOW IF THERE'S ANY RIGHT ANSWER TO THIS. MIGHT BE BEST FOR SHEILA OR BOB. HOW ARE WE LOOKING AT RENTAL VERSUS HOMEOWNERSHIP OPPORTUNITIES AND EVALUATING THAT AND WHAT IS THE COST DIFFERENTIAL FROM THE STANDPOINT OF THE CITY INVESTING AND WHO IS MAKING THAT DECISION? IS IT DEVELOPERS SAYING WE'RE ONLY BUILDING AFFORDABLE UNITS OR SOMETHING THAT WE DISCUSSED WITH THEM AS PART OF THE IDP AWARD?

>> IT'S A GOOD QUESTION AND A COMPLICATED ONE. WE FOCUSED A LOT OF RESOURCES ON RENTAL HOUSING. HOWEVER, AS WE'RE WORKING HARD TO DISPOSE CITY-OWNED LAND, WE'RE GOING OUT TO COMMUNITIES AND SAYING WHAT WOULD YOU LIKE TO SEE? A LOT OF THESE SITES ARE SMALL.

A LOT OF COMMUNITIES WANT TO SEE
THE MIXED INCOME OWNERSHIP.
WE'RE USING THE RESOURCES TO
MAKE IT HAPPEN.

A STRONG COMMUNITY HAS RENTAL
HOUSING, HOUSING FOR
HOMEOWNERSHIP OPPORTUNITIES.
WE WANT TO PUT OUT MONEY IN A
TRANSPARENT COMPETITIVE WAY.
WE DON'T LIMIT IT.

WE SAY BRING GOOD PROJECTS AND
WE'LL MANAGE IT.

RIGHT NOW THE STATE IS NOT
FUNDING A LOT OF HOMEOWNERSHIP
PROJECTS.

BY AND LARGE, WE'RE FUNDING THEM
ALMOST IN THEIR ENTIRETY.

SO IT'S MORE EXPENSIVE FOR US TO
CREATE HOMEOWNERSHIP THAN
RENTAL.

>> I JUST SAY -- I KNOW YOU'RE
AWARE OF THIS.

HOMEOWNERSHIP OPPORTUNITIES ARE
FEW AND FAR BETWEEN.

I'M TALKING ABOUT AT ANY PRICE.
A LOT OF WHAT'S BEING BUILT IS
RENTAL HOUSING, WHICH WE
CERTAINLY NEED A LOT OF IN THIS
CITY AS WE GROW.

OBVIOUSLY FROM A CIVIC LIFE
PERSPECTIVE A COMMUNITY
PERSPECTIVE, WHERE WE CAN
RESPONSIBLY ENCOURAGE THAT, IT'S
VERY IMPORTANT.

>> I AGREE WITH YOU, COUNCILLOR.
IT'S GETTING HARDER AND HARDER
FOR FOLKS TO BUY HOMES.

WHILE WE'RE CREATING
HOMEOWNERSHIP, THERE'S PARTS OF
THE CITY THAT DON'T HAVE LAND.
WE HAVE INTERNING LOOKING AT
WHAT OTHERS DO.

WE'RE LOOKING AT DIFFERENT
MODELS SEEING IF WE CAN INCREASE
HOW FOLKS CAN BUY IN THE MARKET
RIGHT NOW.

MORE TO COME IN SEVERAL MONTHS
ON THAT.

>> WE TALK A LOT ABOUT EXPIRING
USE IN THIS ROOM AND OUTSIDE
THIS ROOM.

IS MONEY FROM THE INCLUSIONARY
DEVELOPMENT FUND AN TO HELP
WHETHER IT'S A COMMUNITY BASED

OR TENANTS GROUPS OR WHOMEVER TO
PURCHASE PROPERTIES THAT ARE
EXPIRING USE OR TO, YOU KNOW,
SOMEHOW SUPPORT THE CONTINUED
AFFORD ABILITY OF HOUSING.
THROUGH THE NHT, WE HAD A GREAT
SUCCESS IN FENWAY.
40 APARTMENTS THAT WE'RE ABLE TO
PRESERVE.
STILL EXPENSIVE FOR THE CDC
THERE.
IS THIS A BUCKET OF MONEY THAT
CAN BE USED FOR THAT?
>> IT CAN BE.
IT'S NOT -- THERE'S NOTHING THAT
IS STOPPING US FROM USING IDP.
WE OFTEN TRY TO FOCUS OUR IDP
FUNDS ON NEW PRODUCTION.
IF A PROJECT IS LOSING AFFORD
ABILITY AND BECOMES MARKET, IN
SOME WAYS WE SEE THE AFFORDABLE
HOUSING.
IT CAN BE USED.
THE VAST MAJORITY IS USED FOR
NEW PRODUCTION.
BUT YOU'RE RIGHT, PRESERVATION
IS A BIG ISSUE IN THE CITY.
WE HAVE A LOT OF TERMS COMING DO
YOU AND WE HAVE THE 1,000
AT-RISK UNITS IN VERY KEY
LOCATIONS.
IMPRESSED WITH FENWAY.
>> THANK YOU.
ONE MORE.
WHAT IS YOUR THOUGHT PROCESS ON
THE INCLUSIONARY DEVELOPMENT
UNITS?
IF THEY'RE NOT ON SITE, HAVING
THEM NEARBY.
IN MY DISTRICT, THAT'S A HUGE
ISSUE.
A LOT OF HIGH RISE HOUSING, VERY
HIGH MARKET RATE HOUSING GOING
UN.
THE INCLUSION PAYMENTS ARE BEING
MADE BUT OFTEN THEY'RE BEING
BUILT IN OTHER PARTS OF THE
CITY.
THAT'S A BALANCING ACT.
HOW DO WE THINK ABOUT THAT?
>> SO WE ARE -- I THINK WE'RE
ALWAYS SEEING MORE UNITS BUILT
ON SITE THAN WE EVER HAVE.
IF THERE'S AN OFF SITE, WE WANT

IT WITHIN A HALF MILE RADIUS.
THE MOST DIFFICULT DECISION
COMES WITH A HIGH-END CONDO
DEVELOPMENT IS OFFERING TO PAY
OUT AND THE PAY-OUT CAN BE
MILLIONS OF DOLLARS PER UNIT.
THE GOOD THAT WE CAN DO WITH
THAT PAY OUT.
THOSE ARE THE HARDEST DECISIONS
WE MAKE.

THE OFF SITES ARE GETTING BETTER
ABOUT TELLING DEVELOPERS THAT WE
WANT TO SEE THE NEW UNITS VERY
CLOSE TO THE MARKET RATE
DEVELOPMENT.

I HAVE TO A PLAY THE BPDA.
THEY'RE RUNNING A TIGHT SHIP
THESE DAYS.

THEY'RE WORKING WITH DEVELOPERS.
THE GUIDELINES ARE CLEAR.
THE NEGOTIATIONS HAVE IMPROVED.
THE PRESENT IT'S RUNNING REALLY
WELL.

>> IN GENERAL, THAT NEEDS TO BE
THE DISCUSSION THAT IS
HAPPENING, THAT, YOU KNOW, WHILE
WE WANT TO INCREASE THE NUMBER,
PRESERVING WHAT ECONOMIC
DIVERSITY THERE IS IN SOME OF
OUR NEIGHBORHOODS, WHICH IS
RAPIDLY GOING AWAY IN A LOT OF
THE NEIGHBORHOODS I REPRESENT,
IF IT'S NOT ALREADY, IT'S REALLY
IMPORTANT.

THEY WANT TO HAVE THOSE
CONTRIBUTIONS.

THANK YOU FOR THAT.

TURN IT OVER TO COUNCILMAN
O'MALLEY.

>> THANK YOU, MR. CHAIRMAN.
GOOD AFTERNOON LADIES AND
GENTLEMEN.

I DON'T HAVE MY QUESTIONS OTHER
THAN ONE.

IT'S REALLY SORT OF LOOKING AT
THIS FROM THE 30,000 VIEW,
PERSPECTIVE.

THIS IS ACTUALLY -- I'M VERY
HAPPY TO HEAR THAT THINGS ARE
SLIGHTLY DOWN FROM LAST YEAR.
JUST SO I HAVE THIS RIGHT, THIS
IS WORK THAT REALLY WAS A
CONCLUSION OF THE PRIOR
ADMINISTRATION?

OR IS THIS -- THE THREATS THAT
HAVE BEEN MADE HAVEN'T QUITE
MATERIALIZED.

>> THIS BUDGET ACTUALLY SURVIVED
A NEW ADMINISTRATION.

I THINK IN PART BECAUSE IN
PARTICULAR, CDBG HAS A LOT OF
SUPPORT ON BOTH SIDES OF THE
AISLE.

YOU MAY REMEMBER THERE WERE TWO
BE CONTINUING RESOLUTIONS.
DURING THAT TIME, A LOT OF
DISCUSSIONS ABOUT POTENTIAL CUTS
TO THE PROGRAM.

I THINK IN PART BECAUSE THEY
NEEDED TO GET THE 17 BUDGET
DOWN.

YOU KNOW, WE DODGED A BULLET
THERE.

THE CONVERSATIONS ABOUT NEXT
YEAR ARE NOT GOING TO BE AS EASY
AS THIS YEAR.

>> I FEAR THAT YOU'RE RIGHT.

THAT IS GOOD NEWS.

IT'S ALSO INTERESTING THAT THESE
STAT SHEETS ARE VERY, VERY
HELPFUL.

THIS IS STAGGERING THAT 1975 THE
CITY OF BOSTON RECEIVED \$32.1
MILLION.

40 PLUS YEARS AGO, THAT IS
STAGGERING TO ME.

I DON'T WANT TO ANTICIPATE
PROBLEMS OR HAVE, YOU KNOW,
EXERCISE OF WHAT IF.

BUT ARE THERE -- SHEILA, IS YOUR
SHOP PUTTING IN CONTINGENCY
PLANS IF WE GET GUTTED FROM
WASHINGTON?

>> I DON'T KNOW IF WE'RE GOING
TO GET A COMPLETE GUT BUT WHAT
HAPPENED WITH A 10, 15 OR 20%
CUT.

WHAT PROGRAMS ARE ESSENTIAL,
ET CETERA, THE MOST VULNERABLE.
WE'RE STARTING TO LOOK AT THE
CONTINGENCY PLANS.

WE HAVEN'T LOOKED AT A COMPLETE
ZEROING OUT.

>> I APPRECIATE THAT.

YOU'VE ALWAYS BEEN TERRIFIC AND
PLAYING CHESS WHEN OTHERS ARE
PLAYING CHECKERS.

OBVIOUSLY MY COLLEAGUES ARE

SUPPORTING YOU AS WE NAVIGATE
THIS VERY DIFFICULT TERRAIN.
SO THANK YOU.

I SUPPORT THIS.

WE'LL BE LOOKING AT THIS.

THANK YOU.

>> COUNCILLOR FLAHERTY?

>> THANK YOU.

JUST GET A SENSE.

WE DIDN'T GET A CITY WIDE
PERSPECTIVE ON IT.

WE DIDN'T HEAR ANY SPECIFIC
PROJECTSES OR NEIGHBORHOODS.
CURIOUS AS TO WHERE MOST OF THE
FUNDS ARE COMING FROM, THE IDP
FUNDS.

>> SO WE CAN GET YOU -- I DON'T
KNOW IF WE HAVE -- WE HAVE VERY
GOOD RECORDS.

WE CAN GET YOU WHO HAS BEEN
PAYING INTO THE FUND, WHAT
PROJECTS.

OUR -- THE PIPE LINE THAT WE'RE

UNDERWRITING, LIKE SOME OF THE
FUNDS ARE NOT OUT IN STREET YET.
WE CAN GET YOU ALL OF THAT
DETAIL.

>> I'D LIKE TO SEE WHERE THE
MONEY IS COMING FROM AND WHERE
MOST OF THE MONEY IS BEING
SPENT.

A HALF A MILE BUFFER IS WHAT
YOU'RE LOOKING AT IF SOMEONE
OPTS OUT.

MAKING SURE THAT THEY'RE OPTING
IN, THE QUALITY OF THE UNIT
IS -- ALSO, WHEN YOU LOOK AT THE
NUMBERS, THE CALLS I GET THE
MOST ARE PEOPLE ARE MAKING JUST
A LITTLE TOO MUCH TO QUALIFY
UNDER THE AMI BUT NOT ENOUGH TO
LIVE IN THE CITY.

WE HAVE RETIREES WORKING THEIR
WHOLE LIFE AND ON A FIXED INCOME
AND IN A WIDOW OR WIDOWER
SITUATION.

ANY FLEXIBILITY THROUGH THE
PROGRAM TO CONSIDER EXPANDING OR
WIDENING THE NET AROUND THE AMI
TO CAPTURE THE PEOPLE AGAIN?

THE PEOPLE THAT ARE JUST MAKING
A LITTLE TOO MUCH TO GET IN THE
GAME WITH YOU GUYS.

NOT ENOUGH TO BE ABLE TO STAY IN THE CITY.

THAT'S SORT OF THE MIDDLE INCOME BRACKET.

THE SENIORS, FIXED INCOME FOLKS REALLY BEING TAXED THROUGH UNPRECEDENTED ECONOMIC GROWTH AND ALL THIS DEVELOPMENT THAT WE'RE SEEING IN THE CITY. THAT SEGMENT IS REALLY BEING CRUSHED.

THE PROVISIONS AROUND AMI AND THE PERCENTAGES ARE STATUTORILY -- DON'T KNOW WHETHER OR NOT THE FLEXIBILITY FROM YOUR PERSPECTIVE, TO RE-VISIT, EXPANDING THEM TO CAPTURE THAT DEMOGRAPHIC THAT IS BEING DISPLACED IN PRETTY SIGNIFICANT NUMBERS ACROSS OUR NEIGHBORHOODS.

>> SO RIGHT NOW THE INCLUSIONARY DEVELOPMENT AND HOMEOWNERSHIP, 100% AMI.

I SHOULD KNOW THE 100% AMI --

>> 103,000.

>> 103,000.

SO --

>> 103 FOR A FAMILY OF FOUR.

WHAT IS THAT LIKE FOR A WIDOW?

>> I'LL HAVE TO GET THAT FOR YOU.

>> THERE'S A DEMOGRAPHIC IN THE CITY.

RETIRED CITY EMPLOYEES, SCHOOL TEACHER, EMPLOYEE.

MAY HAVE TWO INCOMES.

THEY'RE FIXED.

OR SOMEONE THAT RECENTLY LOST A SPACE.

THEY'RE OVERHOUSED.

THEY GET THE KNOCK ON THE DOOR THAT THEIR HOME IS BEING SOLD AND THEY'RE BEING OFFERED A SMALL OPPORTUNITY TO STAY IN THE HOME TO THREE TO SIX MONTHS BUT THEN THEY HAVE TO GO.

THEY'RE MAKING TOO MUCH THROUGH THEIR PENSION AND OTHER BENEFITS TO QUALIFIED BUT NOT ENOUGH TO COMPETE AND GET A RENTAL UNIT AND/OR --

>> THE ADJUSTMENT FOR A FAMILY OF ONE IS 70% OF THAT.

SO IT'S ROUGHLY LIKE ABOUT
71,000.
>> 71,000.
OKAY.
>> THAT'S ON THE OWNERSHIP PART
OF IT.
ON THE RENTAL SIDE?
>> THE OWNERSHIP.
>> WHAT WOULD THE NUMBERS BE ON
THE RENTAL SIDE?
>> INDIVIDUAL TO GET YOU THAT.
IT WOULD BE 70% OF THE 70%
NUMBER.
THE RENTAL IS 70% OF AMI.
THEN A SINGLE FAMILY IS 70% OF
THAT.
>> 50,000.
>> ABOUT 50,000.
>> GOT YOU.
AND THEN JUST A QUESTION ON THE
TIME FRAME FROM WHEN THE FRIENDS
BECOME AVAILABLE AND A SHOVEL IN
THE GROUND AND A RIBBON CUTTING,
ANY CAPACITY IN THAT SHORT LINE?
FRUSTRATION OF RED TAPE AND --
>> YEAH.
>> SO HOW DO WE EXPEDITE THAT?
GET THAT MONEY WORKING FASTER?
>> I SHARE YOUR FRUSTRATION.
SO IF WE'RE GOING TO LEVERAGE --
IF WE'RE GOING TO TAKE OUR CDGB
FUNDS AND LEVERAGE ADDITIONAL
FUNDING, WE HAVE TO GO THROUGH
COMPETITIVE FUNDING ROUTES.
THAT DOES SLOW THINGS DOWN.
WE'RE TRADING SPEED FOR
LEVERAGING A LOT OF THE
ADDITIONAL MONEY.
RIGHT NOW WE'RE PUTTING IN I
WANT TO SAY A SIGNIFICANT AMOUNT
OF MONEY BUT AT A LOWER PER UNIT
COST BECAUSE WE'RE LEVERAGING
FEDERAL AND STATE RESOURCES.
SO IF WE WANT TO FUND 100% OF
THE UNITS, THEY HAVE TO MOVE
MORE QUICKLY.
SO WE DO ASK DEVELOPERS TO
LEVERAGE AND GO AND APPLY AND WE
BEAT THEM UP TO DO THAT.
I'D HATE TO STOP DOING THAT ONCE
IN A WHILE.
IF WE HAVE A PROJECT READY TO
GO.
ESPECIALLY IF IT'S A DEVELOPER

LOOKING TO MEET THE OBLIGATION
THROUGH THAT OFF-SITE
DEVELOPMENT.
THEY CAN MOVE MORE QUICKLY.
BUT BY AND LARGE, WE DO NEED TO
COMPILE LOTS OF FUNDING SOURCES
SO IT DOES THINGS TO SLOW THINGS
DOWN.
THE GOOD NEWS THOUGH, WE'RE NOT
REALLY TAKING PROJECTS VERY
SERIOUSLY UNLESS THEY'VE BEEN
THROUGH A SERIOUS PROJECT, HAD
ARTICLE 80 IN HAND.
WHEN THEY COME TO US, THEY HAVE
TO BE READY TO GO BUT FOR THE
OTHER FUNDING SOURCES.
>> ON AVERAGE, THE COMPETITIVE
FUNDING ROUNDUP, IF YOU WILL,
HOW LONG ON AVERAGE DOES THAT
TAKE?
>> A COUPLE YEARS.
>> DOES IT REALLY?
>> IT DOES.
THE GOOD NEWS IS, WE HAVE A VERY
BIG HEALTHY PIPELINE.
SO WE ALWAYS HAVE NEW PROJECTS
STARTING CONSTRUCTION.
AS ONE IS WAITING FOR FEDERAL
AND STATE FUNDING, OTHERS ARE
STARTING.
SOME CAN WAIT IN LINE FOR TWO
YEARS.
>> WE CAN LOSE THE VALUE OF THE
DOLLAR, TOO.
DOLLAR TODAY IS NOT WORTH WHAT
IT WAS 2 1/2 YEARS FROM NOW.
IS IT FAIR TO SAY THAT WE FUND A
THIRD OF THESE, HALF?
HOW MUCH -- YOU SAID THERE'S
SOME WE FUND 100% ON AVERAGE
WHAT ARE WE CONTRIBUTING TO THE
CAPITOL ROUND?
>> ON AVERAGE, A LITTLE OVER
60,000 A UNIT FOR A BRAND NEW
UNIT.
IF YOU FIGURE THEY'RE SUPPORTING
VERY SMALL AMOUNTS OF DEBT,
WE'RE LEVERAGING THREE, FOUR,
FIVE TIMES THAT.
>> THAT'S THE UNIT, WHETHER IT'S
A RENTAL OR HOMEOWNERSHIP?
>> HOMEOWNERSHIP, YOU'RE ABLE TO
USE THE SALES PRICE.
SO WE'RE TYPICALLY FUNDING THE

DIFFERENCE BETWEEN THE
DEVELOPMENT COSTS AND WHAT
SOMEONE CAN SUPPORT IN A
MORTGAGE.

SO WE'RE OFTEN THE SOLE FUNDER
OF HOMEOWNERSHIP PROGRAMS.
THE SUBSIDY REQUIREMENT IS LESS.
>> IS THERE ANY WAY YOU CAN
ENVISION SPEEDING UP THAT -- THE
COMPETITIVE CAPITAL FOUNDING
ROUNDUP PART OF IT?

HUGE.

>> I SO AGREE WITH YOU.

SO OFTEN, YOU'RE VERY GOOD
SENDING LETTERS AND CALLS AND
MAKES A DIFFERENCE.

WE'RE PUTTING PRESSURE ON THE
STATES TO FUND THE PROJECTS WE
NEED TO.

WE'RE DOING OUR BEST.

>> THANKS VERY MUCH.

I APPRECIATE YOUR EFFORTS.

WE'RE ON CERTAIN TIMES, FAKE
NEWS ASIDE, THERE'S AN
OPPORTUNITY FOR PEOPLE TO TAKE A
LOOK AT THEMSELVES, THEIR OWN
ORGANIZATIONS AND FIND OUT WHAT
IS WORKING, WHAT IS NOT WORKING.
FOR THOSE ON ALL CYLINDERS,
THERE SHOULD BE NO WORRIED.
SHOULD BE ADDED VALUE THERE.
THOSE ARE THE ORGANIZATIONS THAT
WILL FIND THEMSELVES IN A REAL
PRECARIOUS POSITION IF FUNDING
GETS CUT ACROSS THE BOARD,
WHETHER IT'S LOCAL, STATE OR
NATIONAL.

LOOK FORWARD TO SUPPORTING THIS.
IF YOU COULD GET A LIST OF SORT
OF WHERE THE FUNDS ARE COMING
FROM AND ALSO WHERE WE'VE BEEN
SPENDING THE FUNDS.

FOR ME, IT'S EQUITY.

I WANT TO MAKE SURE IT'S BEING
FAIRLY DISTRIBUTED ACROSS THE
CITY.

I KNOW THAT I HAVE TO ASSUME
THERE'S SOME NEIGHBORHOODS THAT
ARE CONTRIBUTING MORE THAN
OTHERS.

IT'S -- THE ONUS IS ON THE BRA
TO LOOK AT OTHER NEIGHBORHOODS
FOR INVESTMENT AND GET MORE
PROJECTS GOING SO IT'S NOT ONE

OR TWO NEIGHBORHOODS THAT ARE
BARING THE BURDEN OF ALL THAT
DEVELOPMENT AND THAT IT NEEDS TO
BE FAIRLY DISTRIBUTED ACROSS OUR
CITY AS WELL AS THE BENEFITS OF
THAT AS WELL.

I APPRECIATE YOUR TIME.

IF.

>> WE'LL GET THAT TO YOU.

>> GOOD LUCK.

>> THANK YOU.

COUNCILLOR CIOMMO.

>> THANK YOU, MR. CHAIRMAN.

I JUST CAME TO PRAISE THE WORK
THAT YOU DO.

HAPPY TO SEE THAT WE'RE AT LEAST
LEVEL-FUNDED FOR THERE FISCAL
YEAR.

I WANT TO ECHO SOME OF THE
COMMENTS FROM THE CHAIRMAN ABOUT
HOMEOWNERSHIP AGAIN.

HE AND I SHARE SIMILAR
DEMOGRAPHICS WITH STUDENT
HOUSING AND SUCH.

IN ANY WAY WE CAN BE CREATIVE
AND PROVIDING MORE EVEN
DEED-RESTRICTED.

WE HAD A GREAT PROGRAM AT
CHARLESVIEW JUST A COUPLE YEARS
AGO.

20 DEED RESTRICTED OWNERSHIPS.
A COUPLE OF THOSE FROM AUSTIN
BRIGHTON WERE WINNERS OF THE
LOTTERY AND THEY HAVE AN
OWNERSHIP STAKE IN THEIR UNIT
AND THE NEIGHBORHOOD AND
BUILDING WELL.

I'M GOING TO KEEP SAYING THAT.
SO IMPORTANT THAT WE GIVE PEOPLE
AS MUCH AS WE CAN, THE
OPPORTUNITY TO BUILD WELL ALONG
THE WAY AND NOT JUST PAY THE
MORTGAGES FOR OUR WEALTHY
DEVELOPERS ALONG THE WAY.
SO GLAD TO SEE THAT YOU'RE
LEVEL-FUNDED.

TOTALLY SUPPORTIVE.

LOOK FORWARD TO THE VOTE
TOMORROW, MR. CHAIRMAN.

>> THANK YOU.

THAT DOES RAISE ONE MORE
QUESTION THAT I HAVE.

ON THE DEED RESTRICTIONS.

IT WAS A YEAR OR TWO AGO AND D&D

WAS LOOKING AT DEED RESTRICTIONS
OR LOOKING AT DOING THAT IN SOME
AREAS AROUND THE CITY.

AM I NOT REMEMBERING THAT
CORRECTLY?

>> I'M NOT AWARE OF US
PURCHASING DEED RESTRICTIONS.
>> DOES THAT MAKE SENSE MOVING
FORWARD, THERE'S NEIGHBORHOOD
THAT ARE -- PRICES ARE GOING UP
AND FOR RESIDENTS AND HOMEOWNERS
AND RENTERS TO SEE WHAT
FEASIBILITY THERE IS WITH THE
LANDLORDS OR EVEN OWNER OCCUPIED
HOMES SINCE FOLKS HAVE I THINK
UNDERSTANDABLY AS PRICE GOES UP
END UP SELLING AND THAT SORT OF
TRIGGER?

>> I THINK MAYBE WHAT YOU'RE
REFERRING TO, WE PUT OUT \$7.5
MILLION LAST YEAR FOR
ORGANIZATIONS TO BUY OCCUPIED
PROPERTIES.

THESE OCCUPIED PROPERTIES DID
NOT HAVE DEED REINSTRUCTIONS ON
THEM.

HAD LOW TO MODERATE INCOME
TENANTS.

WE PUT DEED RESTRICTIONS ON THEM
AND TENANTS WOULD NOT BE ASKED
TO LEAVE.

THEY WOULD LIKE TO STAY.
WE WOULD LIKE TO DO MORE OF THAT
FUNDING PERMITTING.

>> WAS ALL OF THAT MONEY THE
7 1/2?

>> NO.

WE SPENT 3.5, \$4 MILLION.
HOW MANY UNITS, CHRIS?

28 UNITS.

>> SO THAT MONEY, WE SPENT 62.
PROPERTIES ARE EXTENSIVE.
HARD TO FIND.

IT'S A GOOD PROGRAM.

>> IT IS.

IS D&D OWNING THOSE --

>> THIRD PARTY NONPROFITS.

>> WE TRIED TO GET THE
FOR-PROFITS INTERESTED IN THE
PROGRAM.

THESE PROPERTIES ARE SMALL.
THERE WASN'T GREAT INTEREST.

>> OBVIOUSLY ONE TOOL IN THE
TOOL BOX.

WE NEED TO INCREASE SUPPLY.
AS FAR AS NEIGHBORHOOD STABILITY
GOES, THAT GOES A LONG WAY,
PARTICULARLY ON PLACES THAT
WE'RE SEEING ARE CHANGING
RAPIDLY.

>> I JUST WANTED TO SAY, I KNOW
CHIEF DYLAN IS AWARE OF THE
PROGRAM THROUGH HARVARD.
HARVARD IS FUNDING THE PURCHASE
OF MULTI-FAMILIES AND TURNING
THEM INTO CONDOS AND THEN
RESELLING THEM TO OWNER
OCCUPANTS ONLY.
I KNOW THERE'S A SLIGHT LOSS ON
EVERY SALE.
BUT IT SEEMS LIKE A GOOD WAY TO
REALLY ENTICE MORE HOMEOWNERSHIP
IN THE NEIGHBORHOOD.
IF THE COST IS MINIMAL, MIGHT BE
WORTH IT TO SCALE IT.

>> I AGREE.
I GOT BRIEFED ON THAT PROGRAM.
HARVARD IS FINANCING THAT
PROGRAM RIGHT NOW AT THE ALSTON
BRIGHTON CDC.
I'M PRESENTLY SURPRISED IT'S
WORKING.
PEOPLE ARE BUYING THE PROPERTIES
WITH THE DEED RESTRICTIONS ON
THEM AND STABILIZING A PIECE OF
ALSTON AND ANOTHER PIECE OF
ALSTON THEY'RE HAVING A HARD
TIME MAKING THE NUMBERS WORK.
IT'S A WAY TO KEEP THE STUDENT
POPULATION DOWN AND RESTORE SOME
NEIGHBORHOODS.

I'D LIKE TO SEE I REPLICATED.
>> THANK YOU.
>> THANK YOU ALL.
I APPRECIATE THAT.
YOU KNOW, THAT CONCLUDES THE
HEARING ON DOCKET 0800 AND 0802.
THANK YOU FOR YOUR TIME,
EXPERTISE AND EFFORTS ON THESE
ISSUES.