Watertown Housing Partnership
Meeting Minutes
October 17, 2017
Watertown Administration Building

Members In Attendance
Fred Reynolds (Chair), Cliff Cook, Brian Costello (Watertown Housing Authority), David Leon, Helen Oliver, and Andrea Adams (Senior Planner, Department of Community Development & Planning (DCDP))

Others in Attendance: Elizabeth Valenta, HOME Consortium Administrator, City of Newton

I. Review of Draft Minutes: September 19, 2017

Mr. Reynolds asked for a motion to approve the Minutes of the September meeting. Mr. Cook moved to approve the draft Minutes as presented. Mr. Costello seconded, and the Minutes were unanimously approved.

II. Affordable Continuum of Care Facilities: Discussion with Elizabeth Valenta, City of Newton

Mr. Reynolds and the rest of the Partnership members introduced themselves to Ms. Valenta.

Ms. Valenta described the process by which the City of Newton implements compliance with Section 5.11.11 of the City's Zoning Ordinance. This section requires facilities that are classified as "Elder Housing with Services" to provide a 2.5% of the facility's annual gross revenue. These monies are then used to support low and moderate income households to live in the facility.

Ms. Valenta noted that the first issue with respect to Continuum of Care (Independent/Assisted/Dementia care) facilities, or "Elder Housing with Services" as classified by Newton's Zoning Ordinance, is that the Independent and Assisted Living types of units count towards the denominator when determining a community's affordable housing stock. However, they don't count as "affordable" when considering the numerator of the same number, meaning that a community is not able to gain the benefit of such units relative to the Subsidized Housing Inventory.

Ms. Valenta noted the state Department of Housing and Community Development (DHCD) will sometimes accept such units as affordable units, but to do so, the tenants must be income qualified. The difficulty is that the income guidelines from DHCD for apartment-affordable units is set at 30% of 80% of Area Median Income (AMI). The cost to live in an Independent or Assisted Living unit is closer to 65% of 80% AMI. Another issue is that if one uses the HUD or DHCD income certification methods, there is a distinction between income and assets. Ms. Valenta noted that assets don't count, except via a minimal imputed value of less than one percent. This means that an individual could have minimal income but significant assets and theoretically still qualify as eligible for an affordable unit.

Ms. Valenta addressed the monitoring component of 5.11.11. She noted that the staff burden to annually monitor compliance with 5.11.11 for the two facilities in Newton that have been subject to it (via a Special Permit granted by the Aldermen) is significant. Issues have included how to determine that the facilities are contributing 2.5% of gross annual revenue. Overall, the monitoring component is not spelled out.

Ms. Valenta noted the facility in Newton with the longest compliance/monitoring history is a Benchmark facility with 80 units, permitted in 2000. She noted this facility has recently provided approximately $150,000 in funding which has been split between 4-5 units. She noted that because the allocation is 2.5% of annual gross revenue, the number of units given supportive funding varies year to year. She said the number of subsidized units changes based on "move outs" or deaths.

Ms. Valenta noted the Newton Housing Authority helps find income-eligible unit occupants. This lead to a discussion of how to have the units count if potential occupants were drawn from Housing Authority wait lists or existing tenants who need more services. If this is done, the units cannot count towards the Subsidized Housing Inventory, because to count, units must be filled via a lottery.

Ms. Adams noted that DCDP staff had recently met with a developer interested in finding a site for a new Assisted Living facility in Watertown. She noted the developer seemed inclined to provide units as affordable, including the housing and services. Ms. Adams noted the developer had said this was similar to a requirement imposed on a similar facility in Dracut, Massachusetts. Ms. Adams said she would follow up with Dracut, to determine what the Town had in fact required.

Mr. Cook said another issue was that a facility must be certified to accept Group Adult Foster Care, which reimburses at a lower rate; perhaps at 50% or 30% AMI.

Mr. Reynolds asked Mr. Costello what the vacancy rate is in the Housing Authority's senior living facilities? Mr. Costello noted the vacancy rate in elder housing is around 10% largely due to natural attrition. In contrast, the vacancy rate in the family housing units is much lower, in part because some Housing Authority tenants are "over housed." This means they may only need a Single Room Occupancy, but there are none available, or could move on to "traditional" affordable unit if the rent was kept low enough. Mr. Costello also noted that the Housing Authority is able to provide services similar to Assisted Living because Authority staff includes a behavioral specialist. He noted these services could be more efficient if the Housing Authority had staff, because privacy laws create difficulties in case management.

Mr. Reynolds summarized the next steps:

1. Explore the issues around Group Adult Foster Care and facility certification
2. Follow up with Dracut Massachusetts
3. Explore the possibility of reserving funding for the Housing Authority

Adjourn

Mr. Reynolds asked for a motion to adjourn the meeting.

Mr. Leon moved to adjourn the meeting, and Mr. Cook seconded the motion, which was unanimously approved. Meeting adjourned at 7:00 PM.