

NEWTON HOUSING PARTNERSHIP

Newton Housing & Community Development Program
492 Waltham St., West Newton, MA 02465. Phone 617-796-1156. TDD/TTY 617-796-7089

MAY 9, 2007 MEETING MINUTES

Date: May 9, 2007
Time: 7:45 a.m.
Location: City Hall, Room 202

Members Present: Phil Herr, Deb Crossley, Josephine McNeil, John Wilson, Jeanne Strickland, Andrew Franklin, Maritzie Rudden, Dan Violi, David Stein, Henry Korman, Ellen Feingold, Peter Macero, and Bart Lloyd

Staff: Trisha Guditz, Steve Gartrell, Margaret Siciliano

Minutes prepared for the Housing Partnership by Margaret Gibbs Siciliano, Housing Development Planner

Introductions: Peter Macero was introduced as a new member of the Housing Partnership.

March 14, 2007 minutes: Minutes from the March Housing Partnership meeting were approved.

Establish Nominating Committee for annual election of Chair and Vice Chair: Josephine McNeil and Dan Violi volunteered for the Nominating Committee. They will report back to the Housing Partnership next meeting with nominations.

Conflict of interest: Steve Gartrell began the discussion by explaining the conflict of interest policy to the Housing Partnership. He explained that the Housing Partnership is not governed by city or state conflict of interest provisions since it is an advisory body. However, it is covered by the federal provisions since the Partnership participates in funding decisions for the city's HUD-funded projects. The City is ultimately responsible to HUD for the enforcement of the conflict of interest provisions.

The conflict of interest policy states:

Any housing or community development advisory committee member who has a financial interest in a Newton HUD-funded program will be in violation of HUD's conflict of interest rules if they participate in discussions and in making recommendations about the use of Newton's HUD funds for their own or other programs in competition for that funding.

The policy applies to advisory committee members who have a "financial interest" in a HUD-funded program. Members with a financial interest should recuse themselves. Non-paid board members or volunteers who do not have a financial interest in a Newton HUD-funded program are not subject to this policy. Having a financial interest includes being paid by a HUD-funded program

as a staff person, contractor, or consultant. The rule applies whether the financial interest is for the committee member, or someone with whom they have business or immediate family ties, during their tenure or for one year thereafter. The policy applies if you have participated in discussions about policy or use of HUD and CDBG funds.

Committee members who have a financial interest in an agency, project, and/or program eligible to receive HUD funding may participate in discussions and recommendations concerning non-HUD-funded programs and policies and may participate in discussions and recommendations concerning HUD-funded programs and policies for which the agency, project, and/or program in which they have a financial interest will not be in competition.

Phil Herr opened the discussion up to the Partnership as a whole.

Phil Herr asked if members or directors who are paid by donations are covered by the policy as well. He also asked if Steve Gartrell had asked HUD this question.

Steve responded that he asked Gayle Smalley this question and she said yes but he didn't bring this question up to HUD.

Dan Violi asked at what point are you in a conflict, once you receive funding or during discussions?

Steve Gartrell responded you are in conflict once you receive the funds.

Ellen Feingold pointed out that according to the policy almost everyone on the Housing Partnership is in conflict. The people who know the most about Newton policy and needs can't be part of discussions.

Henry Korman commented that given the mission of the Partnership it is hard for us to function in the way we are created. The mission and membership specifically asks for persons from nonprofits who would receive funding to sit on the Partnership.

Steve Gartrell responded that this is HUD's policy and we have to enforce it.

Henry Korman asked, "Are Newton's HUD funds allocated on a rolling basis or is there a funding cycle?"

Steve Gartrell responded that it's done on a rolling basis.

David Stein stated that the issue is full disclosure. I think it would be enough if people recuse themselves at the vote.

Steve Gartrell responded that Gayle Smalley's interpretation is these are open public meetings. HUD recommends people not even participate in discussions.

Andrew Franklin asked, "What prompted this?"

Steve Gartrell responded that the city has not had a formal policy and funding is getting tighter and there is more opportunity for conflict.

Andrew Franklin asked, “Is this a hot button issue for HUD?”

Steve Gartrell stated that HUD is concerned about this and we would like to be more flexible but we can't be.

Henry Korman asked what other involvement in HUD funds does the Partnership have?

Steve Gartrell responded the Consolidated Plan and housing policies.

Bart Lloyd clarified that if you're in a decision-making process for a policy today but then down the road apply for funds then we'd be in conflict even if we didn't know we'd apply for funds.

Henry Korman had an idea that the Partnership could craft its own policy and request a waiver from HUD. Henry continued by explaining that in all cases a member should not participate when they are an applicant and should disclose on their application any conflict of interest there may be so people know it up front.

Ellen Feingold asked, “Is this a proposed policy?”

Steve Gartrell responded that it applies now but if this group wants a waiver he'd be happy to forward it onto HUD.

Henry commented that the Partnership is a grassroots group but there is a potential for real conflict.

Ellen Feingold added that she has been uncomfortable for years about who sits at the table and who receives funding. A conflict of interest policy is valuable but this one is too flatfooted. I think several of us would just resign than risk a conflict.

Bart Lloyd clarified that members must recuse themselves from decisions for the funding year they are applying for.

Trisha Guditz pointed out the issue of what happens if members don't know they are going to seek funding for that year and they've already participated in discussions.

Henry Korman asked, “Should a conflict policy be broadened? Does it make a difference that we aren't a decision-making body?”

Steve Gartrell stated that the Partnership is in a decision-making role.

Bart Lloyd asked, “Can we define ‘participate’ as ‘voting’?”

Andrew Franklin stated that the policy is already in effect so we have to adhere to it. He recommended the Partnership request a waiver from HUD. He asked, “What are the immediate implications on the Partnership?”

Steve Gartrell replied that at this point the policy would look forward not back. So far in FY08, NCDF is the only organization seeking funding (for Warren House).

Josephine McNeil said she is still unclear what “discussion” she could participate in. What about projects related to CPA, inclusionary zoning, and 40B?

Steve Gartrell responded that the policy applies to any project with HOME or CDBG funds.

Deb Crosseley asked, “Have other Housing Partnerships had this problem?”

Phil Herr responded that he asked this question to Connie Kruger and she didn’t know of any.

Josephine McNeil stated that this issue has not been raised by HUD but when the Advocates proposal came in front of the Partnership.

David Stein asked, “Have other communities received waivers from HUD?”

Steve Gartrell said he would ask HUD about this and find out if other communities have experienced this. Steve Gartrell promised he would follow up on the Partnership’s questions and concerns after speaking with Gayle Smalley and HUD and present his findings at the next meeting. Specific questions included:

1. Does the policy apply to discussion of funding as well as votes?
2. Does the policy apply to discussions of funding policy?
3. Where is the line of financial interest? Would a banker that provides funding to a project receiving HUD-funds be in conflict?
4. Is there a limit of time (i.e. if a member votes on recommendations for FY07 funding does that taint FY08, if that member hasn’t participated in that FY08 funding round)?
5. Can the Partnership request a blanket exception from HUD? Why or why not?

Project review-related items:

NWW and the Newton Highlands MBTA station: NWW was not selected for the site. The Partnership was asked to provide a letter of support but the Partnership wasn’t going to meet in time. Phil Herr spoke to the two committee chairs.

Derby Street: Derby Street is in the 20 day appeal period. No appeals are expected.

Covenant Residences: The development has received building permits and site work has started. The application deadline for the lottery is June 11th. Lottery materials are online. Mass Historic Commission has issues and is holding up the process.

Warren House: The Planning Board approved the HOME funds. NCDF is working with engineers for the roof project. They plan to seek FY08 HOME funds and are still meeting with MassHousing. The inclusionary zoning funds needs to be docketed with the Board of Aldermen.

Elm Street: This a new inclusionary zoning project which will be five units and is choosing the cash in lieu of units option.

Programs and Policies related items:

Planned Business District zoning text proposal (Chestnut Hill Square): Planned Business District zoning would require a housing component. The hearing is already closed. Ellen Feingold suggested the Partnership send a letter of principle to the Board of Aldermen which states the Partnership's policy to support the zoning amendment.

Inclusionary Zoning related to building height proposal (Alderman Parker): This proposal would require any project that is more than 30 feet high needs to include 20% affordable housing. The Partnership does not see a nexus between height and affordability.

Policy and Programs Committee proposed inclusionary zoning revisions: The committee needs to reach out to staff, aldermen and community.

Accessory Apartment Incentive Program: The AAIP has been in place for 1 year. CLN has been administering the program and has received 300 requests of interest but none have proceeded due to program and zoning limitations. There is going to be suggestions on changes to the zoning and program regulations and a request to extend the funding.

Other Business

Fair Housing Event: The Fair Housing Task Force has really made an impact. The event was a success because the realtors were involved. Josephine McNeil voiced her frustration that many members of the Partnership are not out in public and involve themselves in issues beyond themselves.

Selection Preferences: The Task Force has developed a selection preference policy which the Partnership wanted to adopt but couldn't because there wasn't a quorum.

Adjourn