

Minutes  
WATCH Proposal Committee Meeting  
May 20, 2015

Participants: Daria Gere, WATCH; Walter Maguire, WHA; John Gollinger, WHA; Justin Barrett, CPC; Bob Leblanc, CPC; Randy Leblanc, CPC; and Diana Young, CPC.

The purpose of this meeting was to gather information and input to determine the best options for tenant based rental assistance and associated benefits.

**First/last month's rent and security deposits:**

- The WATCH proposal calls for this benefit for up to 300 recipients whose income is up to 50% of area-wide median income (AMI).
- The City has a first month's rent and security deposit program for those with incomes up to 80% of AMI. (90% at 60% of AMI, 10% at 80% of AMI). The City program uses the HUD fair market rent limits schedule as a maximum rent for the apartment which is too low for the local market. So far, the City has had eight applicants, with one approved.
- CPA housing benefits are not limited by the HUD rent schedule. (Just to be safe, we will need to confirm this.) We discussed using a HUD schedule with an adder for local market conditions. WATCH will do market survey to determine the adder.
- It is essential to make sure that if a first/last/Security benefit is given, the applicant will have the ability to cover the remaining rent expense. The current WATCH proposal calls for vouchers for those at 30% of AMI and first/last/security for those with AMI of 50%. Recipients with AMI between 30% and 50% would not be eligible for vouchers.
- The number of recipients that should be in a final proposal is still open. The general feeling is that there are not enough new units to support a benefit of 200. (Recorder's note – subject to the political concerns of how much to spend, should we give this benefit for one year and use the experience to determine future years?)
- For those receiving vouchers, this benefit may not be needed as a percentage of the first and last month's rent is already guaranteed. It's not clear how many landlords are still collecting security deposits because of legal issues, but it is reported by WATCH they are still seeing this in their housing searches with tenants in addition to broker's fee.

**One-time Emergency Assistance:**

- We need to determine if this benefit is allowed under the CPA statute. Daria will follow-up with Stuart Saginor at the Community Preservation Coalition. If he doesn't know, Diana will send a request for an opinion to the Mass, Department of Revenue (DOR).

**Moving expense including broker's expense:**

- We also need to determine if this benefit is allowed under the CPA statute. Daria will follow-up with Stuart. If he doesn't know, Diana will send a request for an opinion to the Mass, Department of Revenue (DOR).

## Vouchers:

- We agreed that voucher units will be subject to inspection. WHA currently inspects at inception and then biennially. Applicants will be subject to CORI review.
- WHA could do administration for \$75/month/unit plus a start-up cost of an additional \$75.
- MHBP's costs average about \$45/month/unit but they could add inspections for \$75/inspection.
- As with first/last/security, the rent schedule would need to have an adder to meet local market conditions.
- WHA's average voucher cost is about \$1,000/month. WHA clients are weighted to people at the 30% of AMI level (75% of their population), so it is similar to the population targeted in the WATCH proposal. The benefit amount under the WATCH proposal may be higher than the \$1,000 if the rent limit is higher than the limit currently used by WHA for its other voucher programs.
- The WATCH proposal is a flat \$400/month. The group's preferred method is to pay a rent subsidy for the amount of rent in excess of 30% of income. This is similar to other WHA voucher programs.
- WATCH would provide pre-screening, help with housing searches, and case management. The cost needs to be determined – probably based on number of units in the plan. Case management is an allowed expense according to the presentation given by Shelly Goehring at the May 16 CPC meeting.
- Residential preferences for those who live or work in Waltham should be used. Working in Waltham includes those who have an offer to work in Waltham but vouchers are only for Waltham units. There is a need to file paperwork with the Massachusetts Department of Housing and Community Development (DHCD). The City's Housing Department already does these filings for developers and would help with this proposal. A three-year (or any time-based) residency requirement is not legal.

## Selling the Program:

- The overall size of the proposal needs to be set to avoid having the proposal turned down at the City Council. The group agreed to talk to councillors to gather opinions, etc.
- The group discussed a plan to work out a proposal at the CPC meeting on June 9. There was general concern that the proposal could not be approved in time for the Council to act before its summer recess. (Recorder's note – we may be able to get to a preliminary CPC approval in June with a final approval after the details are finalized.)
- There are significant details to be worked to be able to implement a program. The summer would be used to do that work. Contracts between the City and the administrators would need to be written.
- The thought is to do a three year pilot with a review at 6-12 months. Based on the results of the pilot, the CPC would consider adding additional layers to the program.

## Other:

- WATCH is open to partnering with WHA instead of MBHP if WHA wants to administer the program. As part of selling this program, it would be useful to find out if using WHA makes approval more likely.
- It was noted that it will be important to get landlords' buy-in to the program for it to be successful.