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Testimony of Cambridge Housing Authority Executive Director Gregory P. Russ

Regarding the City of Cambridge's Distribution of Community Preservation Act Funds July 28, 2010

I am speaking today as a representative of the Cambridge Housing Authority and would like to urge the CPA Board to continue to allocate 80% of the CPA funds to be used for the creation and preservation of affordable housing.

Need for Affordable Housing in Cambridge:

The City of Cambridge has always been a place where people want to live. As a result, even with the recent economic downturn the Cambridge housing market is still prohibitively expensive for low to moderate income households. As you know, the CHA is the front-line response in dealing with the housing needs of the portion of the City's population with limited income and limited housing choices. I think it's important to understand what a huge task we're facing as we strive to incorporate economic diversity within a City that has always made a point of finding room for those with a wide variety of needs.

Currently the CHA assists 5,662 households through both our site-based and voucher programs (2,554 in public housing & 3,108 using vouchers). As of our last count in November of 2009, there are 13,502 households on our waitlists seeking assistance. That means that for every household we've been able to house there are two more waiting behind them for a safe, affordable place to call home. Clearly we need to preserve the valuable resources we now have and we need to find ways to create more affordable housing to help those seeking assistance.

The Value of the CPA in Helping to Preserve and Create Affordable Housing:

CPA funds that have gone into the Cambridge Affordable Housing Trust have become an incredibly valuable resource not only for their direct use in making housing affordable but in their role as "seed funding" for the complex and expensive project financing packages that are needed to create and preserve affordable housing in Cambridge. Like the rest of the network of non-profit affordable housing developers in the City that have played such an important role in helping to meeting housing needs, the CHA and its affiliates have been able to succeed because the Cambridge Affordable Housing Trust provides funding and support to our efforts.

Over the last 8-9 years CHA and its affiliates have created over 350 affordable rental units because of the valuable resources made available by the Cambridge Affordable Housing Trust. These invaluable community resources wouldn't exist without the Trust's funding and support. In each CHA sponsored project, the CHA has been able to use Trust funds to help leverage other public and private resources. This leveraging benefit is best illustrated by a recent CHA project that I mentioned the last time the CPA Board met but is worth repeating. Thanks to the Trust's generous contribution, CHA is beginning the revitalization of Jackson Gardens and Lincoln Way that will transform two, chronically under-funded state family public housing developments into brand new, high quality, modern, federally-funded housing developments that will serve 115 families for generations. When the work is finished, these developments will be housing that anyone would be happy to call home.

The Trust's early commitment of \$7.1 million was a key step in our fund raising efforts that ultimately resulted in CHA securing over \$50 million in other public and private resources to accomplish our community-supported goal of transforming these two outdated developments into energy efficient, modern homes.

The work begun at Jackson Gardens/Lincoln Way in shaping the future of CHA and resources needs to continue if we are going to realize the community's goal of revitalizing our entire affordable housing portfolio over the next 8 to 10 years. As the CHA and its affiliates continue to look at ways of preserving and creating affordable housing throughout the City, its success will be linked to the continued funding and support offered through CPA funds made available to the Cambridge Affordable Housing Trust.

Again, we urge you to continue to make affordable housing the top priority and continue to distribute the CPA funds in the same allocation as previous years.

Thank you.