

CAMBRIDGE AFFORDABLE HOUSING TRUST
MEETING MINUTES
December 7, 2023 at 4:00 p.m.

Conducted via Zoom and in person (City Hall, Ackerman Room)

- Trustees Present via Zoom: Peter Daly
- Trustees Present in Person: Yi-An Huang, Chair; Florrie Darwin, Bill Tibbs, Elaine DeRosa, Gwen Noyes, Jim Stockard, Susan Schlesinger, Elaine Thorne
- Staff Present: Iram Farooq, Assistant City Manager for Community Development; Chris Cotter, Housing Director; Cassie Arnaud, Senior Manager for Housing Development; Christine Yu, Associate Housing Development Planner; Janet Haines, Housing Planner
- Others Present via Zoom: David Webster, Susan Gittleman, Darryl Wilson, Pasang Lhamo, Raffi Mardirosian, Catiana Jean-Pierre
- Other Present in Person: Teresa Cardosi

The meeting was called to order at 4:05 p.m. Mr. Cotter explained that this meeting of the Affordable Housing Trust would be held in a hybrid fashion pursuant to applicable requirements, that all votes would be taken by roll call, and that there would be no public comment. He then confirmed via roll call that each remote participant could hear the meeting and was audible to others.

Teresa Cardosi, who will be joining the Trust in January 2024 was introduced. This meeting is Mr. Daly and Ms. Noyes last meeting. Staff and Trustees welcomed Ms. Cardosi to the meeting. Trustees thanked Mr. Daly and Ms. Noyes for their roles on the Trust and many contributions to the community through their work on the Trust for many years, and how important it is for this work to continue.

In addition to Ms. Cardosi, the City Council also approved the City Manager's recommendation to appoint Alyson Stein as a member of the Trust. Ms. Stein will also begin her term in January 2024.

MEETING MINUTES

Upon a motion moved and seconded, by roll call of nine in favor to approve the minutes for the meeting of October 26, 2023.

PROJECT UPDATE

HomeBridge: There are currently 12 applicants in this program looking for a home. There has been a huge increase in demand due to the recently implemented changes approved by the Trust, as well as technological advances that make it easier for people to apply.

Resale Program: There are 17 resale units in process.

35 Harvey Street: Construction began in October 2023 and is expected to wrap up in 2024.

New Homeownership Program Amendments: Staff met with homeowners regarding the changes to the homeownership program and will provide the Trust a summary of their discussions.

30 Wendell: HRI completed the acquisition of 30 Wendell Street from Lesley University on November 30, 2023. They will begin a community process in 2024 to review design and development options for the site.

Ms. Schlesinger asked how many units there will be at 30 Wendell. Mr. Cotter said that the plans have not yet been developed.

OTHER UPDATES

Incentive Zoning Contributions: The City recently received approximately \$4.4M in incentive zoning contributions totaling to almost \$27.0M since July.

Homeownership Program Changes: CDD are continuing to gather feedback from owners on proposed changes to affordable homeownership programs and have several sessions scheduled with owners this month to review recommended changes and gather comments for the Trust.

NEW BUSINESS

Update on Development Pipeline and Upcoming Requests

Mr. Cotter provided an update on the development pipeline and anticipated future funding requests. There are currently 13 active Trust-supported developments in various stages. Mr. Cotter summarized some of the challenges that housing developments are facing including the rising construction costs and interest rates, as well as challenges accessing competitive state funding.

Staff are working with JAS and other lenders on closing 52 New Street, and with CHA and other lenders on closing Jefferson Park Federal so that construction can begin on each. Staff are also reviewing 3 new funding requests received in late 2023, and expect 2 additional requests in early 2024.

Mr. Cotter gave an update on 1627 Mass. Ave, which finished their second Planning Board design review meeting on December 5th where working is now underway to secure state funding. Staff are currently reviewing HRI's request for the remaining funding needed from the Trust, which is higher than originally anticipated. Ms. Schlesinger asked about the Planning Board's reaction to the project. Ms. Arnaud and Ms. Farooq answered that the overall project and design refinements made by HRI in response to the Planning Board's initial feedback from the first design review were received favorably by the Planning Board at its second and final advisory design review meeting. Mr. Tibbs asked if the design refinements added substantial costs to the project. Ms. Arnaud said while the project remains expensive (due largely to the higher than typical acquisition cost per unit and to widespread increases in hard costs being experienced more generally), the design changes requested by the Planning Board are not substantial contributing factors.

Mr. Cotter updated the Trust on the current status of WinnCompanies' proposed Walden Square II development, which had been introduced to and discussed by the Trust at several prior meetings. Mr. Cotter said that WinnCompanies has updated their designs, completed the AHO community review process, and is planning for their first Planning Board meeting in early 2024. Staff have received an updated budget from Winn for the redesigned project and Mr. Cotter noted that the Trust funding request has almost doubled since WinnCompanies first came to the Trust for funding. Staff will work with WinnCompanies to understand the new numbers and see what other funding sources may be available to reduce the Trust request. Trustees and staff discussed the community process, community reactions, and the need to thoroughly review the project's costs and design.

Mr. Cotter then introduced a new development being proposed by B'nai B'rith Housing, a Boston-based affordable housing development, which is proposing a 110-unit senior development at 87-101 Blanchard Road. B'nai B'rith Housing (BBH) will be advancing the project under the AHO. They completed the AHO community process in November 2023 and are now preparing for the Planning Board advisory design review in 2024. It was noted that BBH would be new to the Trust and that this would be their first development in Cambridge. Mr. Tibbs asked if staff sat down with BBH to build a relationship and set expectations. Mr. Cotter answered that they did and explained BBH has an extensive history of developing and operating affordable housing in Boston. Ms. Schlesinger mentioned that the Trust does not typically fund senior-only housing so it will be important to understand the demand for new affordable senior housing in Cambridge.

Mr. Cotter informed the Trust that staff are also expecting to receive a request from POAH for an increase in their Trust funding commitment of their 49 Sixth Street development, which completed the AHO process in 2022, and since that time has been on hold as they work to secure the remaining funding needed to begin construction. Development costs have increased since their initial submission, due largely to increases in construction costs. POAH has applied for state funding in the current EOHL round and is expected to submit a request for increased Trust funding in the coming weeks.

Mr. Cotter completed his overview of upcoming Trust requests by sharing that Heading Home may be seeking Trust funding to help convert a former shelter at 109 School Street to permanent supportive housing. Staff have had some preliminary meetings with Heading Home and expect to receive a funding request in early 2024.

Ms. Schlesinger asked for an update on 2072 Mass. Ave, to which Mr. Cotter answered that staff will be meeting with the developer soon to get an update. Trustees and staff discussed the state's role in funding projects before they become too expensive. Trustees also asked for an update on Parkview Cooperative, to which Mr. Cotter answered that renovations are going well with completion expected early in 2024.

Trustees discussed the rise in development costs in Cambridge and what can be done to cut construction prices. Staff mentioned that they will continue to look at all possible ways to reduce costs including exploring newer technologies such as modular construction and cross-laminated timber. Trustees talked about how Cambridge can take a lead on new and different innovations.

Ms. Cardosi asked if there is an opportunity for Cambridge to convert existing office spaces into housing. Ms. Farooq answered that there has been interest in exploring this but despite the interest and many discussions, there may be limited opportunities for that type of conversion in Cambridge as much of the non-residential space is lab which is not physically conducive to residential use. Ms. Farooq said that

building owners interested in converting non-residential space to residential use would likely need to go back to the Planning Board for a permit; she also noted that there is a desire to maintain small businesses in the city.

ADJOURNMENT

Upon a motion moved and seconded, by roll call of nine in favor to adjourn the meeting.

The meeting adjourned at 5:23 p.m.

The next meeting is scheduled for January 11, 2024 at 4:00 p.m.

Meeting Materials:

- Agenda
- Minutes from the Trust's October 26, 2023 meeting
- Project Update
- Trust Development Pipeline Update and Upcoming Funding Requests memo