

CAMBRIDGE AFFORDABLE HOUSING TRUST  
MEETING MINUTES  
July 24, 2014

Ackerman Room, City Hall  
795 Massachusetts Ave.

Trustees Present: Richard Rossi, Chair; Peter Daly, Michael Haran, Cheryl-Ann Pizza-Zeoli, Susan Schlesinger, William Tibbs

Trustees Absent: Gwen Noyes, Florrie Darwin, James Stockard

Staff Present: Brian Murphy, Assistance City Manager for Community Development, Chris Cotter, Housing Director; Cassie Arnaud, Housing Planner; Anna Dolmatch, Housing Planner; Linda Prosnitz, Housing Planner

Others Present: Elaine DeRosa; James Williamson; Andre White

The meeting was called to order at 4:05 pm.

Upon a motion moved and seconded, it was voted to approve the minutes from the June 26, 2014 meeting as submitted.

#### **PROJECT UPDATE**

**Jefferson Park State Public Housing** – The CHA received award of DHCD HILAPP funding and is now preparing for zoning process. Closing is expected in late fall.

**Putnam Square/2 Mt Auburn** – Construction closing is underway with work to begin shortly.

**131 Harvard Street/Port Landing** – Received award of DHCD funds and planning to close in early 2015.

**117 Rindge Ave.** – Construction is underway, with completion anticipated for summer 2014.

**Bishop Allen Apartments (aka Norstin)** – Construction closing is underway with work to begin shortly.

**Chapman Arms** – Construction is nearing completion.

**Temple Place Apartments (5 Temple Street)** – Construction is underway with an anticipated completion in 2015. Building has received its own street address; YWCA will retain the 7 Temple Street address.

**Inclusionary Housing Update** – Leasing of VOX Apts. and first phase of Atmark is nearing completion and leasing of 165 Cambridge Park Drive to begin soon. There have been 50 turn over units this year and this summer a family will be moving in to the 500<sup>th</sup> IZ unit created since the adoption of the Inclusionary Ordinance. Trust and staff agreed that there should be some kind of tribute to mark the occasion.

## **New Business**

### **Briston Arms**

#### **MOVE TO EXECUTIVE SESSION**

The Chair indicated that the next item for discussion before the Trust pertained to details regarding the potential acquisition of real estate, and that continuing in open session might have a detrimental effect on the negotiations. At 4:10 PM, the Chair entertained a motion to go into Executive Session to discuss this matter, and indicated that the Trust would resume in Open Session at the conclusion of the Executive Session.

Upon a motion moved, seconded and approved by a 5-0-1 roll call with Mr. Daly abstaining, the meeting went into executive session. Mr. Daly left the room for the discussion of Briston Arms.

At 4:45 the Trust reconvened in Open Session.

### **Development Challenges**

Staff presented an overview of ongoing challenges to creating new affordable housing through new development or purchase of existing multi-family buildings. Challenges include continually escalating acquisition costs, scarcity of sites that are available and feasible for affordable housing development, high construction costs, DHCD development costs caps, and properties changing hands without any public offering in a very competitive market. In terms of site availability, staff explained that the local non-profits are no longer able to successfully compete with market purchasers in the current Cambridge real estate market. This applies to both land where development of 6 or more new units would be feasible and increasingly to multi-family buildings that have traditionally been a resource for creating new affordable units. The types of properties which are priced at levels attainable by affordable developers are now typically smaller buildings with smaller units which in many cases require substantial rehab. Despite ongoing assessments by both staff and the housing developers of potential sites and, in many cases, submitted offers to purchase, it has been four years since non-profits have been able to successfully purchase developable land.

Trust members and staff discussed these challenges at length, including possibilities for city-owned parcels, new zoning tools to advantage affordable housing, revisiting some of the Trust's informal traditional development cost limits, and the need to potentially prioritize Trust spending as the cost of housing development and preservation continue to increase. It was agreed that the Trust and staff would continue these discussions in the coming months at upcoming Trust meetings.

### **Other Business**

#### **Incentive Study**

Staff informed the Trust that a consultant had been selected to complete the nexus study and make a recommendation on contribution rate changes based on current economic impacts and

other recommended changes and updates to the Incentive Zoning Ordinance. They expect to have the final report complete no later than January 2015.

The meeting adjourned at 5:20 p.m. The next meeting is scheduled for Thursday, August 28 at 4 p.m.

#### **OTHER MATERIALS**

- Meeting Minutes from the Trust's June 26, 2014 meeting
- Development Challenges memo
- Project Update