

CAMBRIDGE AFFORDABLE HOUSING TRUST
MEETING MINUTES
October 26, 2023 at 4:00 p.m.

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

Trustees Present via Zoom: Yi-An Huang, Chair; Florrie Darwin, Peter Daly, Bill Tibbs

Trustees Present in Person: Elaine DeRosa, Jim Stockard, Susan Schlesinger

Trustees Absent: Gwen Noyes, Elaine Thorne

Staff Present: Iram Farooq, Assistant City Manager for Community Development; Chris Cotter, Housing Director; Janet Haines, Housing Planner; Cassie Arnaud, Senior Manager for Housing Development; Christine Yu, Associate Housing Development Planner; Anna Dolmatch, Senior Manager for Homeownership

Others Present via Zoom: Catiana Jean-Pierre, Lara Plaskon, Carl Wilson

The meeting was called to order at 4:03 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.

MEETING MINUTES

Upon a motion moved and seconded, by roll call of seven in favor and two absent (Ms. Noyes and Ms. Thorne) to approve the minutes for the meeting of September 28, 2023.

PROJECT UPDATE

HomeBridge: There are currently 10 applicants in this program looking for a home.

Resale Program: There are 16 resale units in process.

JP Federal: CHA is beginning the construction closing process; demolition is underway and full construction will begin in 2024.

52 New Street: JAS working to close on construction financing by the end of the year.

35 Harvey Street: Closing is underway, with construction beginning immediately thereafter and is expected to begin as early as late October.

Walden Square: WinnCompanies held its final AHO community meeting on September 14th and are preparing to begin the Planning Board advisory design review, to be scheduled.

New Homeownership Lottery: Last month, staff received over 400 applications for 4 homeownership units. Staff are going through the process of selecting residents for those units.

Ms. Schlesinger asked what the percentage of applicants were Cambridge residents. Ms. Dolmatch answered that about 15% of the applicants were non-Cambridge residents and provided insight into how high the demand was for these units. Mr. Daly asked if the selected applicants would meet the income requirements. Ms. Dolmatch said that applicants were not screened for income prior to the lottery to increase access. Staff will analyze the outcomes of this approach to determine best practices for future lotteries.

Neville Place: Staff is working with Neville to form a working group to review tenant selection.

1627 Mass Ave: HRI is preparing for a second Planning Board advisory design review meeting, to be scheduled.

87-101 Blanchard Road: B'nai B'rith is proposing a new building for seniors and had their first AHO community meeting on Wednesday, October 4th. There will be a second meeting in November.

OTHER UPDATES

Incentive Zoning Contributions: The City recently received \$10.5M in incentive zoning contributions totaling to almost \$23.0M since July.

Affordable Housing Overlay (AHO) Changes: The new changes to the AHO have been approved by the City Council and are now in place.

Affordable Housing Trust vacancy: Staff is reviewing applications and interviewing potential candidates for an upcoming vacancy on the Trust.

Trustees and Mr. Cotter discussed what projects are in the pipeline and what kind of barriers are making development difficult. Mr. Stockard mentioned how his students have been interested in Cambridge housing development.

NEW BUSINESS

Print Shop Condominium Request for Funding

Mr. Cotter introduced a request for approval of up to \$3,000,000 for rehabilitation and preservation of the Print Shop Condominium. Located at 125 Harvard Street, the Print Shop is a 24-unit all-affordable condominium developed by CASCAP and completed in 2008. Since completion, the building has experienced escalating issues with water penetration. Staff have been talking with the condo Trustees about the need to address these issues to ensure the building is sustainable in the long term. It is anticipated that the scope of work will involve a full roof replacement and some work on the exterior siding. Determining the full scope of the exterior project requires additional analysis.

The request is for an immediate commitment of \$820,000 and a conditional approval for the remaining \$2,180,000. The first phase will include roof replacement and further analysis for the exterior cladding project. The second phase will address the exterior cladding. Once the scope of the cladding project is finalized, staff will bring a final request for the remaining funds.

Many affordable homeownership projects have received funding for rehab either through the HIP program or on turnover through the Resale Fund. This is the first time that funding for homeownership preservation has been requested directly from the Trust. In this case, the issues are persistent and significant, and are beyond what an association of affordable unit owners can reasonably address with reserves and assessments.

Staff noted that if the Trust required oversight of the funding by an experienced project manager, Just A Start (JAS) has offered to be an option. They have experience with all-affordable condo developments and have expressed a willingness to work on the project if needed.

Mr. Stockard asked what kind of financial assistance this would be. Ms. Dolmatch answered that the recommendation is a loan to the condo association with zero percent interest. A grant could potentially have tax implications. Ms. DeRosa asked about how extensive the water damage is to the units. Mr. Cotter mentioned that there was one unit that was severely impacted, but the immediate issues have been addressed. Ms. DeRosa asked if the solar panels will be replaced. Ms. Dolmatch answered that the panels are no longer functional and will need to be removed, and the condo had not indicated they were interested in replacing them.

Ms. Schlesinger mentioned that the Project Review Committee discussed this and recommended that the Trust provide funding to address these issues. She noted that this is similar to the need for rental buildings to recapitalize to address rehab needs which are cyclical in rental buildings. Mr. Stockard asked about the reserves and condo fees. Ms. Dolmatch answered that the condo fees are high and recently went up significantly due to increased insurance costs, and that they have already spent thousands of dollars addressing immediate issues with localized repairs and patches. While the reserves are strong, a project of this scale could not be funded by fees or assessments without losing affordability.

Ms. DeRosa asked what the relocation plan will be like. Ms. Dolmatch answered that long-term relocation is not needed, but short-term relocation may occur depending on the final scope for exterior work.

Trustees and staff discussed that there are likely to be additional requests in the future to assist all-affordable associations, and it will be important to have policies for reviewing these requests. Guidelines were previously developed for assessing requests from resident-controlled housing; these should be further expanded.

Upon a motion moved and seconded, by roll call of seven in favor and two absent (Ms. Noyes and Ms. Thorne), it was:

VOTED: to approve the request of up to \$3,000,000 for rehabilitation and preservation of the Print Shop Condominium, with \$2,180,000 conditionally approved.

35 Cherry Street Designation

Chair Huang left the meeting prior to the discussion of this matter.

Mr. Cotter informed the Trust that the Cherry Street Request For Proposals (RFP) Review Committee had met to review the one response to the RFP. That response was submitted by Just-A-Start (JAS). The

Committee and determined that JAS meets the qualifications outlined in the RFP, scored highly on other enumerated criteria, and should be designated developer for 35 Cherry Street. It was also noted that JAS has extensive homeownership development experience in Cambridge.

Mr. Tibbs asked if the RFP is a public document, to which Mr. Cotter answered that it is. Mr. Tibbs noted that it was useful to clarify that the proposed designs which JAS included in their submission are only conceptual, and that the actual designs for the site will be developed in consultation with the Trust, staff and community.

Upon a motion moved and seconded, by roll call of five in favor, one abstaining (Mr. Stockard) and three absent (Chair Huang, Ms. Noyes, and Ms. Thorne), it was:

VOTED: to approve the recommendation by the Cherry Street Request for Proposal (RFP) committee to designate Just A Start (JAS) as the developer for 35 Cherry Street, as described in more detail in the Trust briefing materials and RFP documents.

ADJOURNMENT

Upon a motion moved and seconded, by roll call of seven in favor and two absent (Ms. Noyes and Ms. Thorne) to adjourn the meeting.

The meeting adjourned at 4:47 p.m.

The next meeting is scheduled for December 7, 2023 at 4:00 p.m.

Meeting Materials:

- Agenda
- Minutes from the Trust's September 23rd, 2023 meeting
- Project Update
- 125 Harvard Street/Print Shop Condominium Building Envelope Memo
- 35 Cherry Street – Developer Designation Memo