

CAMBRIDGE AFFORDABLE HOUSING TRUST
MEETING MINUTES
February 25, 2021 at 4:00 p.m.

Conducted virtually via Zoom

Trustees Present via Zoom: Louis DePasquale, Chair; Peter Daly, Florrie Darwin, Elaine DeRosa, Gwen Noyes, Jim Stockard, Bill Tibbs

Trustees Absent: Susan Schlesinger, Elaine Thorne

Staff Present via Zoom: Iram Farooq, Asst. City Manager for CDD; Chris Cotter, Housing Director; Cassie Arnaud, Housing Planner; Anna Dolmatch, Housing Planner; Janet Haines, Associate Housing Planner; Maura Pensak, Housing Liaison to the City Manager; Emily Salomon, Associate Housing Planner

Others Present via Zoom: Jim Eggleston, Bo Fuji, Heather Hoffman, Michael Kennedy, Adrienne Klein, John Lester, Mike Nakagawa, Michael O'Brien, C. Pierola, James Rafferty, Matthew Robayna, James Williamson, Gilbert Winn

The acting chair, Jim Stockard, called the meeting to order at 4:03 p.m. Chris Cotter explained that this meeting of the Affordable Housing Trust would be held virtually pursuant to the temporary emergency orders currently in place, that all votes would be taken by roll call, and that there would be no public comment. Mr. Cotter then coordinated to confirm that each participant was audible to each of the other Trust members.

Trust Chair, Louis DePasquale, Chair joined the meeting at 4:04 p.m.

MEETING MINUTES

Upon a motion moved and seconded, it was voted unanimously by a roll call to approve the minutes for the meeting of Thursday, January 28, 2021.

UPDATE FROM CDD

HomeBridge: This month, the City launched marketing and outreach efforts for the program's expanded eligibility to households earning up to 120% AMI, a programmatic change approved by the Trust in November. There is continued and growing interest in HomeBridge and staff have recently begun to review applications for the expanded eligibility.

Homeownership Resale Program: City staff have modified the resale process to ensure health and safety of all parties due to the pandemic, which include virtual tours of available units. Resale units are now being marketed under this new process.

Frost Terrace: The application deadline to be considered for the lottery was February 12, 2021. Approximately 700 applications have been received so far but the developers are awaiting the final count as applications postmarked prior to the deadline are accepted. The development is under

construction and is anticipated to be complete by early-Spring 2021, with occupancy planned in May 2021.

Vail Court: Litigation continues with no news to report as the case continues.

SquirrelWood: Construction at this site continues and is on schedule to be completed in early 2021. Some units are already online, and others will be phased-in as they are completed.

2072 Mass Ave.: Capstone/Hope is seeking a comprehensive permit for project, which remains under review. The developers presented their proposal to the Board of Zoning Appeal (BZA) on December 10, 2020 after receiving favorable recommendation from Planning Board on December 1, 2020. The BZA continued its hearing to January 7, 2021; the developers received a further continuation to March 2021 and have requested another continuation to return to BZA in April or May 2021.

52 New Street: Just A Start purchased this site a few years ago for affordable housing with assistance from the Trust. They plan to permit the project through the recently adopted Affordable Housing Overlay (AHO). JAS is holding its first community meeting under the AHO tonight, 2/25/2021.

Park View Cooperative: City staff will soon receive additional comments on the Trust's proposed terms/condition and the operating budget from the cooperative members. City staff will update the Trust with more information at a future meeting.

Fresh Pond Apartments: The Cambridge Housing Authority continues to screen residents in BMIR units for enhanced vouchers. Based on income information, staff will be able to finalize the new affordability program at property, the amount of funding to be provided to the owner for 50 years of affordability, calculate rent phase-in needs, and prepare to close loan and finalize 2021 rents for the 166 units. Trust members applauded the efforts of both CHA and Schochet staff, made especially challenging by the pandemic.

Rindge Commons: This is a two-phase project, which received a comprehensive permit for both phases of development. Just A Start has applied for state funding from DHCD and plans to move forward with Phase 1 construction later this year.

305 Webster and St. James Condo: City staff are working with developers of both buildings to prepare to offer new inclusionary homeownership units within next month.

55 Wheeler St and Courthouse on Thorndike: Affordable housing covenants will be signed and recorded in the next few months.

Upcoming hearings: There will be an Ordinance Committee meeting on March 10 to review a home rule petition on establishing a real estate transfer fee on that would generate funds to the Trust for affordable housing. In February, a zoning petition was filed to allow for multi-family housing to be built in residential zoning districts which currently only allow single and two-family dwellings. An Ordinance committee and Planning Board hearing dates will be scheduled. These petitions are early in process and City staff will update the Trust with more information at a future meeting.

REVIEW OF UPCOMING FUNDING REQUESTS

City staff shared preliminary information on development projects in the pipeline which staff expect to bring to the Trust as funding request in the coming months. These projects are just beginning community review, so there may be changes as the projects evolve.

Cambridge Housing Authority - Jefferson Park Federal Redevelopment

After years of planning and discussion with its residents, the CHA is planning to undertake a comprehensive modernization of the federal side of their existing Jefferson Park development on Rindge Avenue. The redevelopment of Jefferson Park Federal will involve demolishing and replacing the 175 existing units and creating a new street grid to better integrate the housing into the surrounding neighborhood. In addition to the 175 rebuilt units, CHA's plan also envisions adding approximately 105 new units for an estimated total of approximately 280 affordable apartments.

While the CHA had originally planned to seek a comprehensive permit for the project, they planning the project to conform with the Affordable Housing Overlay (AHO) requirements. In the coming weeks, the CHA will be meeting with CDD staff to share their proposed plans, seek feedback on their updated proposal, and ensure compliance with AHO requirements. In the meantime, the CHA will be holding its first AHO community meeting on March 2, 2021 to introduce the project to the broader community, as required by the AHO. Comments from a Jefferson Park resident are included with today's meeting materials, which will also be shared with CHA so they can also respond.

The CHA is expected to request approximately \$35 million from the Trust. They also plan to fund the redevelopment project with 4% tax credit equity, State funding, and their own funds.

Just A Start - Broadway Park Homeownership Development

Just A Start is proposing to develop a 15-unit affordable condominium building at corner of Broadway and Windsor St., which will include a mix of 1-, 2-, and 3-bedroom units. This site is currently a JAS-owned parking lot which is used by the residents of the Close Building across the street. If approved, this would be the first 100% affordable homeownership building since the Windsor Street Church condos were completed in 2012.

JAS is finalizing their funding request to Trust, which is expected to be in the range of \$3.8 to \$4.5 million. In addition to the requested Trust funding, the remaining funding for Broadway Park would include funding from MassHousing's new homeownership program and sales proceeds. Before bringing a request to the Trust, staff will review Just A Start's anticipated sources and uses, as well as their proposed designs, with particular attention paid to unit floor plans to ensure adequate livability as homeownership housing for families. Staff will also review the condominium structure proposed to separate the parking from the residential, particularly the parking used by the Close Building.

At 4:29 p.m., Peter Daly recused himself and left the Trust Meeting prior to the next discussion.

WinnCompanies - Walden Square II Infill Development

WinnCompanies is proposing a 100+ unit infill development at the Walden Square Apartments site, an existing 240-unit affordable rental development they own which is located off Walden Street. The new housing would be built on parking lots and green space currently owned by Winn and which is currently part of the existing Walden Square development. Winn plans to permit the new housing under the AHO. They have begun discussion with their existing residents and will be beginning a broader community process next month. Trust members noted that this was a good location for new affordable housing.

City staff are beginning to review a funding request from Winn of approximately \$17 million for the new housing. It was noted that Winn has said that they plan to provide the land at a deep discount and are proposing an acquisition line item of approximately \$50,000 per unit. Trust members asked whether other infill developments have included similar acquisition costs for land they already own. Staff said that acquisition is not a typical cost included in the budget of an affordable development being built on land already owned by the developer, unless the cost brings some financing advantage. The only exception would be cases where carrying acquisition would increase basis for tax credit equity, and thereby reduce subsidy needs. Recent examples cited included both Broadway Park and JP Federal discussed earlier, as well as JAS's 23 units added at SquirrelWood, and the 9 new units HRI was able to add at Auburn Court with no funding needed from the Trust. Several Trust members questioned why we would allow this cost for the benefit of for-profit developers and not for non-profit developers, and whether doing so now would create a precedent for future projects. The discussion concluded with staff agreeing that they would continue discussions with Winn, with a goal of bringing a formal funding request to the Trust at an upcoming meeting.

OTHER

Trust members congratulated the City on the Affordable Housing Overlay being featured as part of a Harvard Joint Center for Housing Studies webinar.

The City Manager thanked the Trust members for their continued service, noting that members with expired terms have been reappointed.

ADJOURNMENT

Meeting adjourned at 4:43 pm upon a motion moved and seconded, by roll call of **six** in favor and **three** absent. The next meeting is scheduled for March 25, 2021.

Materials:

- Meeting Minutes from the Trust's January 28, 2021 meeting
- Project update: Status of Active Commitments
- Memo: Upcoming Funding Requests – JP Federal, Broadway Park, Walden Sq II
- Feb. 24, 2021 Email from Resident with Comments on Jefferson Park Redevelopment