

CAMBRIDGE AFFORDABLE HOUSING TRUST  
MEETING MINUTES  
June 27, 2024 at 4:00 p.m.

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

Trustees Present in Person: Yi-An Huang, Chair; Krissandra Robinson

Trustees Present via Zoom: Elaine DeRosa, Raffi Freeman, Alyson Stein, Susan Schlesinger

Trustees Absent: Teresa Cardosi, Jim Stockard, Elaine Thorne

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

Others Present: City Councillor Sumbul Siddiqui, Sue Reinert, Jarvis Tyner, Lee Farris, Matthew Robayna, Patrick Hayes, Vickey Bestor

The meeting was called to order at 4:06 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.

Mr. Cotter introduced the new Trust members, Raffi Freeman and Krissandra Robinson.

#### **MEETING MINUTES**

Upon a motion moved and seconded, by roll call of six in favor and three absent (Ms. Cardosi, Mr. Stockard, Ms. Thorne), it was voted to approve the minutes for the meeting of May 23, 2024.

#### **CDD UPDATE**

**Jefferson Park Federal:** Staff are working with the CHA on the full construction closing.

**Rindge Commons:** Construction is complete, and tenants have begun moving into the property. Staff are reviewing a funding request for the second phase of this project.

**35 Cherry Street:** JAS held their second AHO community meeting regarding the development of 35 Cherry Street on June 26<sup>th</sup>.

**37 Brookline:** JAS is holding their first AHO community meeting regarding the development of 37 Brookline Street on July 10<sup>th</sup>.

**28-30 Wendell:** HRI held their first AHO community meeting for the combined site at 28-30 Wendell Street on June 20<sup>th</sup>.

**4 Mellen Street/1627 Massachusetts Avenue:** HRI was awarded state funding for their 4 Mellen Street/1627 Massachusetts Avenue project.

#### **OTHER UPDATES:**

**Housing Committee on Multi-Family Zoning:** The Housing Committee held a meeting on June 27<sup>th</sup> to discuss multi-family zoning. Staff and City Councilors talked about how this zoning change would impact housing financing. An analysis was conducted to examine the regional impacts. A second meeting to discuss the potential for city-funded vouchers has yet to be scheduled.

**Housing and Finance Committee on CAHT:** The Housing Committee and Finance Committee will hold a joint public hearing on July 10<sup>th</sup> to review and discuss the CAHT and to discuss the City's relationship with the Trust, consider funding priorities, and ways to fund affordable housing development in Cambridge.

In response to a question on whether there is an update on the potential zoning changes to the Trust, Mr. Cotter answered that the petition remains active and there are no other meetings scheduled at this time.

#### **NEW BUSINESS**

##### **Affordable Housing Trust Fund Report**

Mr. Cotter presented a report outlining the fund balance and FY24 activity for the Trust. He summarized the amount of revenue coming into the Trust, how much has been committed, how much is available to be newly committed, and anticipated upcoming funding requests. Mr. Cotter noted that incentive contributions have been very significant this fiscal year.

In response to a question regarding how much incentive funding can be projected to be brought in the future, staff explained that the incentive payments are made when the project is complete prior to issuance of a certificate of occupancy, so while some projections can be made, it is hard to predict when the funding will come in due to the uncertainty of when these large commercial projects will be completed. It was noted that the City budget funds and Community Preservation Act (CPA) funds are more constant funding streams, and more predictable than the incentive funding which can vary greatly year to year..

Chair Huang mentioned that Cambridge stands out from other cities due to the significant amount of funding the City invests from its City budget for affordable housing. He also noted that the incentive zoning contribution rate is set by the City Council, which is currently at \$33.34 per square foot.

Ms. Schlesinger commented that it is very helpful to have this report but noted that this may be difficult for non-housing people to understand. Staff acknowledged the complexity of the funding picture, given the different types of funding, multiple uses, and the different phases of funding from initial approval and commitments to encumbering to disbursement. Mr. Cotter explained that the Trust often makes a commitment to enable projects to move forward as evidence of local funding commitments, which is

often a threshold requirement in order to apply for state funding. Staff will continue to work on ways to best show these snapshots of the Trust's funding activity. Trust members noted that it is important to have funds available to commit to continue to be active in responding to opportunities for new site acquisitions.

Ms. DeRosa notes that the Trust has been fortunate that the CPA Committee has consistently recommended the maximum 80% of CPA funding for affordable housing. She mentioned the upcoming CPA meetings on July 17<sup>th</sup> and the 31<sup>st</sup> and encouraged Trust members to advocate for the maximum allocation percentage for housing.

### **Walden Square II Funding Request**

Mr. Cotter presented a funding request from Winn Development for \$18,750,000 to assist in the new construction of 95 new affordable rental units at the existing Walden Square site in North Cambridge. The majority of the units (65%) will be family sized and will include much needed three- and four-bedrooms.

Staff shared the history of the Walden Square II development which was initially advanced several years ago as a single 100+ unit building. Winn paused their advancement of the single-building concept based on community feedback during the AHO design review process. They spent the following year focusing on addressing design concerns, as well addressing concerns raised about Walden Square I Apartments. In February 2022, Winn restarted the AHO community process from the beginning with the current two-building scheme. They held two additional AHO community meetings in August and September 2023 and began their Planning Board advisory design review in March 2024.

Staff drew the Trust members' attention to two letters, which were included in the Trust's briefing materials from former Mayor Sumbul Siddiqui and former Vice Mayor Allana Mallon, related to operations at Walden Square, which have been previously shared with the Trust. The first letter, dated January 20, 2022 and addressed to the Trust, describes concerns they had regarding Winn and Walden Square Apartments. The second letter, dated April 13, 2023 and addressed to the Council, provides an update confirming the improvements which Winn has made at Walden Square.

Councillor Siddiqui, who was present at the Trust meeting, said that Winn was responsive to requests and feedback from the residents and the City. She said that she has heard that tenants are pleased that their units have been renovated and that others are looking forward to renovations. Staff said that they had conducted a site visit of Walden Square I to see progress being made and agreed that the renovated units looked good, and that landscaping had been improved. Councillor Siddiqui said that while things currently seem good, the City should continue to monitor conditions at the site.

Staff provided a quick overview of the financing plan for the project. The total development cost for the project is estimated to be \$80,413,447, or \$846,457 per unit. In addition to the funding from the Trust, the other major sources for the development will be permanent debt, 4% LIHTC equity, EOHLC soft funding, MassHousing funding, and Passive House grants. Staff will continue to work with Winn on seeking ways to reduce the overall budget, including the funding needed from the Trust.

Winn will have their second Planning Board Advisory Design Review meeting on July 2<sup>nd</sup>.

In response to a question on what the term of the Trust financing will be, staff responded that the loan has a term of 50 years, but affordability will be permanent.

In response to a question on whether there is an opportunity for Winn to provide any updates on the existing site, staff responded that Winn is actively renovating units and making the site look better on the outside. Additionally, there will be new shared community amenities at the new buildings for all residents. Ms. Schlesinger expressed support in seeing this project move forward given the improvements in the budget and the large number of family sized units.

Upon a motion moved, seconded, and approved by roll call of six in favor and three absent (Ms. Cardosi, Mr. Stockard, Ms. Thorne), it was:

VOTED: to approve the Trust funding request of up to \$18,750,000 from Winn Development to support the construction of Walden Square II, subject to the funding terms and conditions all as further described in the meeting materials.

### **87-101 Blanchard Road AHO Planning Board Report**

Mr. Cotter informed the Trust that B'nai B'rith Housing's (BBH) 87-101 Blanchard Road development had completed the AHO advisory design review process. The Planning Board issued its final AHO advisory design report on June 18<sup>th</sup> after the second of two required advisory design consultations on June 4<sup>th</sup>. The proposed design was largely favorably received by the Board, as explained in the report. BBH is now gearing up to apply for state funding.

Trustees expressed appreciation for the Planning Board review report. In response to a question regarding if this process is typical for all housing developments, Mr. Cotter answered that this is typical for AHO projects as it is a requirement of the AHO for the final Planning Board report to be transmitted to the Trust. Receipt and consideration of the final AHO design report is also a condition of Trust funding. During the process of getting the AHO enacted, one of the goals was to eliminate lengthy permitting processes. However, the community was concerned that if a project had a negative report from the Planning Board, that the Trust should be made aware about it before advancing funds to close on construction financing, so Trust funding for construction of AHO projects is always made conditional on receipt and acceptance of the final design report.

Upon a motion moved, seconded, and approved by roll call of six in favor and three absent (Ms. Cardosi, Mr. Stockard, Ms. Thorne), it was:

VOTED: to accept the Planning Board AHO Design Review Report – 87-101 Blanchard Road.

### **Request for Annual Appropriations for FY2025**

Mr. Cotter presented a request for \$710,115 in Trust funds from the City's budget funds. He summarized the annual request for fiscal year 2025 that will support contracts with non-profits, expiring use and preservation consultants, homeownership programs, legal costs, as well as the operating budget for the Housing Department.

Upon a motion moved, seconded, and approved by roll call of six in favor and three absent (Ms. Cardosi, Mr. Stockard, Ms. Thorne), it was:

VOTED: to approve the Trust appropriation of \$710,115 to support non-profit housing providers affordable housing preservation and development programs, Housing Department staff, and Housing Department program operations in FY2025.

## **ADJOURNMENT**

Upon a motion moved and seconded, by roll call of six in favor and three absent (Ms. Cardosi, Mr. Stockard, Ms. Thorne), it was voted to adjourn the meeting.

The meeting adjourned at 5:00 p.m.

The next meeting is scheduled for August 1, 2024 at 4:00 p.m.

## **Meeting Materials:**

- Agenda
- Minutes from the Trust's May 23, 2024 meeting
- Project Update
- CAHT Funding Report Memo – 6.27.2024
- CAHT Funding Report – 6.27.2024
- Walden Square II Trust Funding Memo – 6.27.2024
- Letters Re: WSQ 1.20.2022
- Letters Re: WSQ 5.15.2023
- 87-101 Blanchard Road – PB AHO Design Review Report Memo 6.27.2024
- 87-101 Blanchard Road – PB AHO Design Review Report 6.18.2024
- Request for FY25 Housing Department Funding 6.27.2024