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March 5, 2024

Adam Block
Chair, Town of Needham Planning Board
Town Hall, 1471 Highland Avenue
Needham, MA 02492

Dear Chair Block,

At the February 27, 2024 Planning Board public hearing for the proposed Affordable Housing District (AHD) to support the Redevelopment of Linden and Chambers Streets, there were several discussion items that would benefit from further clarification.

As the project's owner and sponsor, the Needham Housing Authority (NHA) is submitting this letter and attached Q&A to the Planning Board to respond to questions that were discussed at the meeting. The Q&A discusses affordability and use restrictions in the proposed zoning. In addition, it addresses topics indirectly related to zoning that were raised via public comments, such as tenant eligibility, income requirements, and the tenant selection process. I have also attached the proposed non-zoning warrant article for reference.

Please do not hesitate to contact me via email at chair@needhamhousing.org with any questions.

Thank you for your time,

A handwritten signature in blue ink that reads "Reginald C. Foster".

Reginald C. Foster
Chair, Board of Commissioners
Needham Housing Authority

Cc: Cheryl Gosmon, Executive Director, NHA
Robert T. Smart, Esq.
Lee Newman, Director of Planning & Community Development, Town of Needham
Alex Clee, Assistant Town Planner, Town of Needham

**Response to Questions Raised & Comments Made
at the February 27, 2024 Public Hearing
Regarding the Proposed
Affordable Housing District Zoning Bylaw Warrant Articles**

**Needham Housing Authority
3/5/2024**

1. What is the affordability restriction in the proposed zoning and why? How does this relate to affordability restrictions in the existing zoning for the site and existing residents at Linden and Chambers Streets?

Affordability restrictions can be imposed on a property through various methods. Three common methods of applying affordability restrictions are (1) zoning, (2) recorded documents and (3) statutory and regulatory requirements of the subsidy programs that support the construction or operation of affordable housing. Affordability restrictions for the existing state public housing units at Linden and Chambers are currently in place via the state Chapter 667 public housing program, which allows households with incomes at or below eighty (80) percent of the Area Median Income (AMI) to qualify. This income restriction aligns with the Section 8 housing choice voucher and federal public housing programs and the "...at or below 80% of AMI...", and the definition of an "Affordable Housing Unit" in Section 1.3 of the Town of Needham Zoning By-Law.

There are currently no affordability restrictions for the Linden and Chambers site that are dictated by zoning. Rather, when Town Meeting approved transferring the land to NHA in the 1950's and 1960's, the warrant articles restricted the usage to "housing for the elderly", with reference to the predecessor statute to the current Chapter 121B, and these restrictions were carried over into the documents recorded at the Norfolk County Registry.

The prior condition would change if the proposed Affordable Housing District (AHD) warrant articles are adopted. As presently written, the AHD warrant article language would add an at or below eighty (80) percent of the area median income" affordability usage restriction through zoning by requiring that all units meet the 80% AMI definition of "Affordable Housing Unit" in the Needham Zoning By-Law. As described above, this restriction continues to be in line federal public housing programs to which the Linden and Chambers property is transitioning. Currently this means that a household of one person in Needham with an income of up to \$82,950 would qualify for a 1-bedroom unit in the proposed AHD and a household of two persons in Needham with an income of up to \$94,800 would qualify for a 1 or 2-bedroom unit in the proposed AHD.

It is possible that some funding will require more affordability than the AHD, but that affordability should be established via program requirements and not through zoning. For instance, the Low-Income Housing Tax Credit (LIHTC) program requires that some units be

offered to tenants that make 60% or less of AMI and that some be offered to tenants that make 30% or less of AMI.

While there is an upper income limit of 80% of AMI for subsidized Linden and Chambers units within the proposed AHD, there is no lower limit. This means that the property's management agent can accept households with incomes down to \$0 income provided the unit is subsidized by either the federal or state public housing or voucher program. As a practical matter, most residents within NHA's portfolio, including at Linden and Chambers, have incomes around 30% AMI, in other words \$31,150 for a single person household and \$35,600 for a two person household. When NHA's existing Linden Street tenants move into their new units, their rents will be calculated on a similar basis under the new subsidy programs that will be utilized. The proposed AHD would not only enable these residents to remain eligible for housing at Linden and Chambers, but it would protect the affordability of the property by imposing an affordability restriction through zoning that lasts in perpetuity, even if the property's ownership changes.

Given the complexity of the "financial layer cake" of the subsidies being employed to fund the redevelopment project and their overlapping rules and regulations, we strongly recommend that the Town **not** impose a more restrictive affordability than 80%. Doing so could impair NHA's ability to secure the financing needed for construction.

2. The Linden and Chambers property's use is currently restricted to "elderly" housing. Should this restriction be continued in the new AHD?

No. Imposing zoning usage restrictions to "elderly" housing conflicts with current state policy, which has been most recently expressed via the MBTA Communities Act. An age restriction will be looked upon with disfavor by the Executive Office of Housing and Livable Communities (EOHLC) and could delay or jeopardize NHA's chances of securing construction funding in upcoming competitive funding rounds.

3. When will a temporary tenant relocation plan for the Redevelopment of Linden Street be developed and how will it work? Will the existing 72 Linden tenants be able to return to the project after its completion?

While these questions and question #4 aren't completely within the "four corners" of the purpose of the 2/27/2024 Public Hearing on the proposed zoning articles, here are the answers to these questions.

As presently conceived, Phase 1A construction will affect and require the temporary relocation of 24 tenants. The first strategy employed will take advantage of natural attrition. At the appropriate time, NHA will seek EOHLC permission to pause accepting new applications, and the displaced tenants will be moved into other vacant units at Linden and Chambers.

For any of the remaining affected tenants, CHA will draft a Relocation Plan that details all policies and procedures related to the relocation process and will conform to all applicable state and federal requirements. The State Relocation Bureau will review and approve the Relocation Plan.

The Relocation Plan, in accordance with state requirements, will utilize the services of an approved Relocation Advisory Agent in implementing relocation at Linden; Cambridge Housing Authority is an approved Relocation Advisory Agent.

Once the project's zoning and funding are more certain (possibly in Fall 2024), CHA under NHA's supervision will engage current tenants in planning and drafting the Relocation Plan. The Relocation Plan will be reviewed and approved by the NHA Board and EOHLC. Once procedures and policies are finalized, residents will be assigned relocation coordinators to assist residents with relocation logistics. No tenants will incur any out-of-pocket costs for relocation.

All existing Linden Street residents who will need to temporarily relocate off-site as part of the redevelopment will have the right to return to an apartment in the new Linden Street building.

4. Will existing Linden Street tenants pay the same subsidized rent under the same regulations when they move back after construction completion?

As part of the Redevelopment of Linden Street, the subsidy source that supports the property's rental income will change from the state public housing program to the federal voucher program. Tenants will continue to pay approximately 30% of their monthly income for rent, with the remainder provided by the subsidy. For most tenants, this means that their rents will largely stay the same or decrease slightly. For a potential few cases, if an elder works, there may be an increase in rent, but it would still result in a rent no greater than 30% of their monthly income. This is because the state public housing program and federal voucher program have slightly different definitions regarding what counts as income.

5. Could NHA use the proposed AHD zoning to sell the Linden and Chambers Streets site as-of-right to a private developer who could then build a 4-story multifamily market rate rental or condominium building?

No. Any new owner would be bound by the proposed AHD zoning, which allows a multifamily building, but only if all the units are "Affordable Housing Units" as defined by the Needham Zoning By-Law to be affordable at or below 80% AMI. The AHD as currently proposed does not allow for single-family or two-family use.

Additionally, NHA's ability to transfer ownership of the Linden and Chambers Street properties would require the consent of the Commonwealth of Massachusetts given its history as state public housing.

6. What are the recorded land use restrictions and zoning regulations that are currently in place for the existing Linden and Chambers Streets development? How is the Town addressing this issue?

The existing recorded land use restrictions on the Linden and Chambers Streets property limit occupancy to elderly persons and MGL Chapter 121B requires that they be low income. The recorded restrictions also impose limits on the number of units, the overall height of the

buildings, and the number of stories. These restrictions are not consistent with the Linden Street redevelopment project as planned, which includes housing for disabled residents, more units, and a taller building.

The Select Board would be empowered to remove these restrictions via a proposed non-zoning warrant article that has been planned alongside the AHD warrant articles. The non-zoning article explicitly removes the elderly restriction and enables the Select Board to eliminate other restrictions of record. The non-zoning article also confirms that the existing Linden and Chambers Streets structures on the property may continue to operate as they currently do while the redevelopment is being planned. This protection for the existing buildings is critical because the redevelopment project will take place over the course of several years during which existing buildings will remain even after the proposed AHD comes into effect.

The non-zoning article must be voted upon at Spring 2024 Town Meeting in addition to the AHD zoning warrant articles. Approval of all three articles this Spring is an essential prerequisite that will enable NHA to apply for construction financing via the next annual One-Stop funding round that begins during the Fall of 2024.

7. Why does the AHD enable a 4-story multifamily building for a site that currently has single-story apartments? Are there other sites in Needham where NHA could build a similar project instead?

Purchasing new parcels for development is prohibitively expensive in Needham. As a quasi-governmental agency operating under Chapter 121B with its own budget and ownership of assets that are distinct from the Town, the 11-acre site at Linden and Chambers Streets represents a prime opportunity to replace the existing 152 units and build new units on land that NHA already owns.

Over the last year, NHA has engaged BH+A architects to determine how much to increase density at the site. While several options proposed a larger increase of units, NHA believes that the proposed additional 64 units is appropriate for Linden Street. From a financial perspective, if fewer new units than this are built, the project becomes more challenging to finance. This is because the units that will replace the current Linden state public housing units generate relatively little income. The additional new units are connected to more generous subsidy sources, which help to support loans for the overall project.

The project's design incorporates several architectural techniques to mitigate the visual impact of the buildings. In the current design, setbacks greater than those in the proposed AHD have pushed the Linden Street building well back from the street. The proposed new Linden Street buildings and its associated parking will align with the High Rock Middle School fields across the street, rather than nearby Linden Street abutters. A series of trees and bushes will screen the parking from Linden Street. Lastly, the project is designed with a pitched roof instead of a flat roof to be more contextually sensitive to the surrounding neighborhood.

8. How will increasing density at Linden and Chambers Streets impact local traffic in the area? How are traffic concerns being addressed through the project's development process?

NHA understands that the traffic impact of the proposed AHD is an important concern to the Linden Street neighborhood. A preliminary existing traffic conditions assessment was completed by traffic engineering consultants at the Pare Corporation as part of the concept report for Linden and Chambers Streets. It does not appear that the existing congestion problems (caused by High Rock School drop-off and pick-up) would be materially exacerbated by the proposed Linden and Chambers Redevelopment.

The report will be the basis for a formal Traffic Impact Assessment (TIA) that studies the impact of the 136 units that will be constructed in Phase 1 for Linden Street. The TIA is anticipated for completion in April and will be reviewed as part of the Planning Board's site plan review.

9. How does NHA vet applicants for its housing?

NHA conducts two types of vetting processes to confirm an applicant's eligibility for NHA housing.

- The first is an income verification process to ensure an applicant is eligible for housing. Applicants provide NHA with information regarding their incomes from work, assets, government benefits, gifts and more.
- The second is a background screening process that examines an applicant's past history. This includes a state and federal criminal background check. The federal background check is conducted in coordination with the Needham Police Department through the National Background Investigation Services (NBIS) through the III system.

All verification and screening processes are completed in compliance with applicable state and federal standards.