

Town of Needham, Massachusetts
Community Preservation Committee
Meeting Minutes
March 15, 2023

Place: Hybrid Meeting, Charles River Room, 500 Dedham Avenue, Needham
The Board will attend in person. The public may attend in person or via Zoom.

Present: Chair, Peter Pingitore; Vice-Chair, Robert Dermody; Dave Herer, Jeanne McKnight

Remote: Reg Foster, Laura Dorfman, Stacey Mulroy, Rick Zimbone

Absent: Joe Barnes, Dina Hannigan

Staff: Cecilia Simchak

Call to Order

At 7:00 p.m., Chair Pingitore called the meeting to order, read the Open Meeting Law statement, the rules for commenting, and disclosed the meeting is being video recorded.

PUBLIC HEARING - FY2024 CPC PROJECT FUNDING REQUESTS

INTRODUCTION - CHAIR

Chair Pingitore reviewed the funding process through the Community Preservation Act.

PROJECT PRESENTATIONS: QUESTIONS AND COMMENTS FROM PUBLIC

**FY2024 - CPC Appropriate to Community Preservation Fund Supplement (2022 and 2023)
And**

FY2024 - CPC Increase in Funding of Community Housing Restricted Fund from 11% to 22%

Presenter: Rick Zimbone, CPC

Mr. Zimbone summarized the two Warrant Articles.

- CPA Funding Sources for FY2024 (Property Tax Surcharge Receipts and State's CPA Trust Fund Distribution) were discussed.
 - Property Tax Surcharge Receipts - \$3,212,000
 - State's CPA Trust Fund Distribution - \$1,131,787
 - FY2024 Total of Community Preservation Fund Revenues = \$4,343,787
- CPA Reserve Balances - (as of February 2023) for were discussed.
- The annual appropriation to the reserve accounts was discussed.
 - Reserve Accounts are: Community Housing, Open Space, and Historic Resources. CPC is required to allocate 10% of receipts to these three Reserve accounts.
 - Annually, CPC allocates 11% to assure sufficient funds for these three Reserve categories.
 - For FY2024, CPC is considering doubling the appropriation to the Community Housing Reserve. The CPC recommended doubling the appropriation the past two

years and the Committee is considering doubling the appropriation this year as well. The reason for this appropriation is:

- The 3-5 year future CPC Capital Plan indicates significant requests for Community Housing.
- CPC brought the idea to Town Meeting in the two prior Town Meetings that the amount be doubled and Town Meeting agreed.

Town Meeting Article Appropriate to Community Preservation Fund Supplement (2022 and 2023)

- CPA Reserve Account Adjustments were reviewed.
 - For FY2022 and FY2023, the Town received additional State matching funds after the fact.
 - Appropriations in FY2022 and FY2023 to Reserve accounts (Community Housing, Open Space, and Historic Resources) were insufficient to satisfy 10% requirement.
 - To meet legal requirements, CPC will recommend a transfer from the General Reserve to the 3 Reserve categories.
 - CPC will request that the supplemental appropriation to Community Housing bring the total appropriation to 20% of the CPA receipts.

Questions and Comments from the Public including CPC Funding Priorities - There were none.

FY2024-01 - Needham Housing Authority, Linden Chambers Redevelopment

Liaisons: Laura Dorfman, Bob Dermody, Rick Zimbone
Presenters: Reg Foster, Chair of Needham Housing Authority (NHA) Board of Commissioners
Stephen Merritt, NHA Interim Executive Director
Margaret Moran, NHA Project Consultant

Liaison, Mr. Dermody described the project:

- A key objective of the NHA Preservation and Redevelopment Initiative is redevelopment of the Linden Street and Chambers Street properties that currently provide 152 deeply affordable studios for elderly, disabled households.
- During 2023, an architectural engineering firm will complete the schematic design for the overall redevelopment and secure zoning and other approvals.
- Architectural engineering services are partially funded by a \$1,000,000 Needham FY2023 CPA funding award which was estimated cost of the services. Other expenditures brought the total FY 2023 appropriation to \$1,386,000.
- This project will be done in phases to accommodate temporary resident relocation.
- The architectural engineering team will prepare documents and provide administration services for construction Phase 1 currently envisioned to be either one of two options:
 - A smaller 62 unit project where 28 units at Linden are demolished and replaced and 32 units are added at a total of \$32,400,000.
 - A larger 128 unit project where all 72 Linden Street units are demolished and replaced and 56 new affordable units are added at a cost of \$70,000,000.

- In calendar year 2023, NHA must also secure financing commitments for a construction Phase 1 redevelopment project currently estimated to cost \$37,400,000.
- Working with Cambridge Housing Authority as consultants, NHA has developed a conceptual proforma finance plan which includes 4% low income housing tax credits, a mortgage, additional CPA funding, and additional State funding (grants and soft loans).
- This conceptual financing plan must be turned into reality during calendar year 2023 and the application submitted to the DHCD and other agencies.
- \$1,165,000 application request of FY2024 CPA funding for services needed:
 1. Complete the remaining Linden Chambers pre-construction activities, construction documentation, administration and other tasks leading up to actual construction on Phase 1. The updated predevelopment budget for these actions is \$2,600,000.
 2. Develop and secure the financing of Construction Phase 1.
 3. Demonstrate Town of Needham support, financial and otherwise, to incentivize the award of the State funding necessary to complete Construction Phase 1.

CPC has discussed several issues with NHA and continues to research as part of due diligence.

- Timeline for the project and timeline of each phase
- Scope of the project and ultimate number of units built
- Sources of financing for the project
- Total CPA requests for the life of the project
- Zoning issues required
- Project oversight capabilities of NHA, CPC, and the Town altogether
- Comparative costs of projects in other local communities

Presenter, Mr. Foster described the Needham Housing Authority.

- NHA's purpose is to strive to be an excellent landlord for 336 units.
- Preserve and create new affordable housing
- NHA formed at Town Meeting in May 1948 (75th anniversary)
- 123 Section 8 vouchers made available to individuals to find rental housing in private market

The Preservation & Redevelopment Initiative (PRI) started in 2019 with completion of the Facilities Master Plan which outlined a blueprint of the strategy for either completely renovating or tearing down and redeveloping all 336 units. It divided the 5-10 year program into 5 discreet projects. This application is for redevelopment of the 152 units at Linden and Chambers Street.

- Redevelop its 72 Linden Street and 80 Chambers Street units.
- Completely preserve its 46 Seabeds units for elderly/disabled residents.
- Completely preserve its 30 Captain Robert Cook family units.
- Redevelop its 60 High Rock Estates single family units to 60 duplexes or 120 family units.
- Build 61 additional new units of senior housing on underutilized NHA land.

PRI has potential for approximately \$250,000,000 in improvements to NHA's housing portfolio.

The Linden Street and Chambers Street project was described as NHA's number one priority.

- Units built in the 1950's and 1960's are completely worn out.

- Very small, substandard, 450 square foot studio
- Deeply affordable; renters pay no more than 30% of their income
- Poor physical conditions, lack of accessibility, poor energy efficiency
- Laundry facilities are on the second floor which is inaccessible to disabled (no elevators)

The timeline and funding of the Overall Goal, Complete Redevelopment was described. For Linden Street, two Phase 1 Construction Scope scenarios and timelines were described. The CPA grant covers conceptual and schematic design which determine zoning changes. Cost and sources of funding were discussed.

- The 62 unit project is estimated in the \$37,390,000 range.
 - CPA development funding (inclusive of awards to date) is estimated at \$5,000,000.
 - CPA leverage of State and Federal funding - \$7.48 for every CPA \$1
- The 128 unit project is estimated in the \$70,004,000 range.
 - CPA development funding (inclusive of awards to date) is estimated at \$6,400,000.
 - CPA leverage of State and Federal funding - \$10.95 for every CPA \$1

Current Budget Summary:

- Reasons for the FY2024 request for additional funds in comparison to FY2023 CPC request:
 - Increased cost, additional scope
- Phase 1 Project Schedule comparing FY2023 to FY2024

The Phase 1 Construction project schedule including construction administration was reviewed.

In summary, requested CPA funding from Needham includes:

1. Estimated \$1,386,000 for FY2023-02 grant by Spring 2022 Town Meeting for:
 - Schematic design master plan for full redevelopment of Linden-Chambers site
 - Gain Town zoning approval
2. *Estimated* \$1,165,000 for FY2024-01 request to CPC and Spring 2023 Town Meeting:
 - Actual cost increase of doing #1 above (based on 11/2022 fixed price contract with BH&A)
 - Create construction drawings and bid documents, RFP process and bidder selection, complete pre-development tasks needed to close on Construction Phase.
3. +\$2,500,000 - \$3,900,000 future CPC/Town Meeting request for Phase 1 Construction funding
4. \$5,000,000-\$6,400,000 Total CPA funding support from Town of Needham

FY2024-01 *Estimated* Benefits to the Town were highlighted:

- Top Town priority in the 2007 Affordable Housing Plan and December 2022 Housing Plan
- Why needed?
 - Replace existing obsolete housing
 - Build additional affordable housing
- Benefits:
 - 62 unit project at Linden will potentially preserve 28 state housing units, and
 - Potentially create 34 net new affordable units,

OR

- 128 unit project will potentially preserve 72 state housing units, and
- Potentially create 56 net new affordable units
- All replacement and new units are subject to long-term affordability restrictions
- This will potentially leverage CPA funds of \$7.48 - \$10.95 benefit for every CPA \$1 dollar

Questions and Comments from the Public including CPC Funding Priorities:

Penny Kirk of 204 Fair Oaks Park

- Nineteen residents gathered and sign or verbally supported a petition for substantial improvements/upgrades to buildings in various neighborhoods and hope the CPC will respond enthusiastically.
- Four residents expressed hope to never move again.

Steve Merritt

- The project is popular among residents.
- Residents expressed concern about moving.
- The smaller 62 unit project allows residents to remain in Needham.
- The buildings are too small. None are up to code for handicapped accessibility.
- He commended NHA, Mr. Foster, CPC members and the Town for prioritizing the project.

Rachel Crimlisk of 22 Seabeds Way, #7

- She agrees with the resident petition.
- She strongly supports the larger 128 unit project for financial reasons.
- She empathizes with residents who will have to move.
- The community should come together to assist residents to pack up and move.

Paula Dickerman of 20 Burnside Road

- She appreciates the due diligence in looking at all the factors involved.
- The Town owes it to all residents to provide quality housing.
- The housing is mostly funded by the State and Federal governments.
- CPC funds have not been used to support this housing until recently.
- At 20% of our allocation, \$800,000-\$900,000 yearly, we're being asked for \$6,400,000 over 5 years. The Town has the funds. It would be shameful not to support this project.
- The Town's Affordable Housing Trust is not well funded to support this project.

Ross Donald of 25 H Chambers Street

- Many initiatives present a density goal of 250-300 units pending testing for success.
- In the past, the average density goal was 8 units per acre. The MBTA goal is 15 units per acre. The 152 units now existing on 5 acres provide 30 units per acre so we are doing well.
- Comments on project design that denigrate the current buildings (cluster housing is chicken coops).
- He thinks the current design is excellent with progressive architecture.

- Current buildings are described as old, contaminated (oil, mold, asbestos). They can be restored.
- Asbestos can be removed prior to demolition or construction.
Current Buildings are described as a poor energy performer. He described the present building design and why there is no need for air conditioning in center units insulated by outer units, recent roof foam insulation, solar gain from light.
- Buildings are described as small. Perception depends on design features (low light or ceilings)
- In successful cluster housing, you have a private front and rear doors, high ceilings, lots of light, cross ventilation, shade overhangs, tree canopy overhead provides cooling.
- Microclimate and design features should be reviewed.

Oscar Mertz of 67 Rybury Hillway

- Enthusiastically supports this project as overdue and important.
- He is constantly surprised that CPC funds cannot be spent on maintenance.
- Deferred maintenance has clearly exacerbated the condition of these units.
- The project should be pursued with speed and an aggressive funding approach.
- The leverage potential for the larger project will be good.
- He supports zoning changes in advance of this project.
- He suggests keeping an eye on ownership possibility as well as rentals.
- He supports development partnerships that add economic diversity.

Chair Pingitore clarified that the use of CPC funds not being used for maintenance is not a local CPC discretionary call but a statutory restriction.

Two residents expressed relocation concerns via the Zoom chat feature to the Chair.

Relocation Services were described by Margaret Moran of Cambridge Housing Authority.

- The Housing Authority is bound by State and Federal authorities to provide relocation assistance to any resident who would have to move as part of the redevelopment.
- Whether the small or larger project, only a small group of buildings will be impacted.
- On-site relocation resources would be provided for residents moving to a new unit on-site.
- A written relocation plan for residents moving to a temporary or permanent home in a later construction phase will specify:
 - Responsibilities of residents and the Housing Authority
 - Outline options, describe available assistance
 - Residents will work one-on-one with an on-site relocation advisor to understand individual needs and packing assistance needs.
 - The Housing Authority would secure the services of packers to assist and moving company services to relocate residents to their temporary or permanent, new home.

FY2024-02 - Needham Housing Authority Seabeds Cook Preservation

Liaisons: Laura Dorfman, Bob Dermody, Rick Zimbone

Presenters: Reg Foster, Chair of Needham Housing Authority (NHA) Board of Commissioners
Stephen Merritt, NHA Interim Executive Director
Margaret Moran, NHA Project Consultant

Laura Dorfman introduced the request for \$241,052 to be used towards pre-development costs involved in the Seabeds Cook Preservation and Redevelopment project.

- Repair and preservation of two Federally subsidized developments consisting of 46 senior, one-bedroom apartments at Seabeds Way and 32 two-, three-, and four-bedroom townhouses for families at Captain Robert Cook properties.
- Properties are over 40 years old and in dire need of major repairs.
- Total cost once the project is completed is estimated to be close to \$40,000,000
- Key objective of the NHA Preservation and Redevelopment Initiative is the redevelopment of the NHA's housing portfolio.
- NHA is working on a repositioning of these two Federal properties from the HUD Section 9 Public Housing Program to the HUD Section 8 Project Based Voucher Program which would:
 - Generate substantial increase of approximately \$919,000 in operating revenue from HUD
 - Additional revenue will provide key operating subsidy funding to finance the preservation of the Seabeds and Captain Cook properties.
 - NHA has engaged architectural firm, Dietz & Co., to prepare property condition reports for both properties including detailed findings and estimated direct costs of major repairs.
 - Total project costs include direct construction costs, soft costs, financing fees, tenant relocation fees, and other miscellaneous costs required for this type of project.
 - At this point in time, the NHA does not expect to need further CPA funding for this project.
 - Funding sources for this project include a permanent mortgage, a 4% low income housing tax, credit equity and an NHA acquisition loan.
 - CPC has worked with NHA to obtain project costs, funding sources, construction timeline
 - Expected timeline for the project to begin in March 2023 and extend through June 2026.

Mr. Foster represented the applicant, Needham Housing Authority.

- Preservation and Redevelopment Initiative (PRI) goals for CPA funding for 72 Linden Street and 80 Chambers Street units
- Completely preserve its 46 Seabeds units for elderly/disabled residents.
- Completely preserve its 30 Capt. Robert Cook family units.
- Construction other issues for both Seabeds and Captain Robert Cook units was described.
 - Units built in the 1980's require major modernization or gut renovation (no tear down)
 - Elevators need to be added to allow residents to age in place
- New source of Federal funding as a Section 8 program results in
 - \$919,000/year in additional annual operating subsidy for Cook and Seabeds
 - \$524,000/year of additional Federal operating subsidy could be used for Linden Chambers redevelopment
- Estimated cost for preservation and repair totals \$23,635,401
- Application to reposition the project to the new funding program (Section 8) was described
 - Project services for architect, engineering, and design are estimated to cost \$1,134,375

- Applying DHCD rules, only 21.25% of the cost is eligible for CPA funding
- FY2024 CPA funding request of \$241,052 (21.25% of \$1,134,375)

Summary of Needs and Benefits for Seabeds Cook:

- Repair and preserve existing obsolete housing
- Support ongoing operation and maintenance costs
- Preserves the 76 deeply affordable units until 2065 and beyond
- Annual housing subsidy used for these units can be repurposed and transferred to Linden and Chambers Street development. There is no other place this funding is available.
- This project unlocks the value hidden in our Federally subsidized units (financial potential)

Questions and Comments from the Public including CPC Funding Priorities:

Mr. Steve Merritt

- When Cook's Bridge development opened, the NHA sued as construction was not up to standard.
- Units lasted 40 years but are in need of refurbishment.
- The little money requested would be of great assistance in moving the project forward.

Sue Biasizzo of 46 Seabeds Way

- Hopes the organization will seriously consider both Linden and Chambers, Seabeds and Cooks
- Contact the Board of Health to learn of sick residents due to environmental problems
- The biggest issue in Town is lack of access to public transportation.
- Capt. Robt Cook and Seabeds do not need to be torn down but completely renovated.

FY2024-03 - DeFazio Playground Design

Liaisons: Jeanne McKnight, Peter Pingitore

Presenter: Stacey Mulroy, Director of Park & Recreation

Introductory comments were provided by Peter Pingitore:

- This request is for design funds for the redesign and rehabilitation of the DeFazio Tot Lot.
- Funds this year will be for \$35,000 design costs
- Projected cost of construction of DeFazio Playground is \$435,000. Park and Recreation has informed CPC that it intends to seek construction funding from CPC the fiscal next year.

Stacey Mulroy presented the project:

- A 2021 Playground Assessment identified which of 18 playgrounds need the most renovation.
- Because of safety concerns, all future playground renovations will include PIP (rubberized) surfacing and other ADA & MAAB requirements.
- Park & Recreation commits to specific maintenance plans including high and low frequency inspections, assessments and audits when applicable.

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- Playground life cycle is 15-20 years; this playground is approximately 26 years old.
- Photos of deterioration were identified.
- Planning and Budget Cycle stages were described:
 - Summer 2023 - design awarded
 - Early Fall 2023 - work on project scope, design and costs
 - Late Fall 2023 - apply for construction funds late Fall 2023 through CPC
- Projected funding costs:
 - \$35,000 design funds for renovation
 - Low estimate of \$200,000 for playground project
 - High estimate of \$400,000 for full renovation (PIP surface, fencing, new equipment)

Ms. McKnight asked for clarification of the intended playground location.

- The application references the design with appropriate plantings.

Ms. Mulroy clarified the current playground covers approximately 15,000 square feet.

The intent is to consolidate and move the Tot Lot to the top elevation, in the corner of the current playground utilizing current trees for shading.

Rick Zimbone shared a clarification:

- At last week's meeting before the Finance Committee, a member suggested the playground is under jurisdiction of the Select Board. That is not the case.
- A result of investigation confirms the playground is under jurisdiction of Park and Recreation.
- School Superintendent, Dr. Gutekanst, sent a letter to Park and Recreation confirming he is more than happy to see the Tot Lot placed at DeFazio Field.

Questions and Comments from the Public including CPC Funding Priorities:

Rachel Crimlisk at 22 Seabeds Way

- She moved to Needham with two small children in 1994 and never knew about DeFazio playground until today.
- Signage in the center of Town or at the Town Hall could identify the location.

Ms. Crimlisk inquired where can community members find the location of various playgrounds in Needham?

Ms. Mulroy responded

- Town Park & Rec web site is the best resource or at NeedhamPrograms.com
- Playgrounds are also listed in the quarterly Park & Rec brochures, currently in Spring
- Downloadable from the Park & Rec web site or call to ask Park & Rec to mail to you

Chair Pingitore closed the discussion of CPC funding applications.

NEEDHAM CPA PLAN UPDATES and NEEDHAM CPA APPLICATION AND PROCESS UPDATES

Presenter: Peter Pingitore, Chair of CPC

Public Hearing of proposed amendments to the CPA Plan (materials in the meeting packet):

- Purpose of CPA Plan
 - Informational document describing CPA as it applies to the Town of Needham
 - Community Goals - Priorities for CPA funding
 - Factors for consideration in reviewing applications for CPA funding
 - Procedure by which CPA will be administered
- The CPA Plan History was described (responsible for Open Space/Recreation, Historic Preservation, Community Housing).
- The process was described for proposing amendments to the 2023 Plan.
- Overall themes of the amended Plan were described:
 - Plan structure remains the same
 - More detail on CPA statutory language
 - Additional defined terms (tracking the Statute) additional terms added to the Glossary
 - The Amendments include updated data:
 - Total CPA State distributions received
 - List of all CPC funded projects
 - CPC grants by eligible categories
 - The Amended Plan includes live links to allow access to data and other information
 - Updated general factors for consideration in determining grant requests
 - Updated specific factors for consideration under specific funding categories of Open Space and Recreation, Community Housing, and Historic Preservation
- Specific Highlights of the amended CPA Plan include:
 - CPC Committee (formation and responsibilities (makeup and committee duties, page 5)
 - CPA funding requirements (page 6)
 - Detailed description of how CPA funds can be used (pages 7-8)
- General review of substantially revised factors for consideration (pages 9-10)
- Open Space and Recreation (page 11)
- Community Housing - significantly revised, drawing from Community Housing Plan (pages 14-15)
- Historic Preservation - substantial revision to list of historic properties (page 16)
- CPA Procedures document substantially revised to provide step-by-step guide for applicants

CPA Plan comparison (2014 to 2023) including red line edits are available on the Town web site.

Questions and Comments from the Public including CPC Community Needs and CPC Funding Priorities - There were none.

- Questions or comments may be emailed to csimchak@needhamma.gov

Chair Pingitore closed the public hearing.

MOTION: J. McNight moved to close the public hearing.

SECONDED: R. Dermody

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VOTE: R. Dermody, aye; L. Dorfman, aye; D. Herer, aye; R. Foster, aye;
J. McKnight, aye; P. Pingitore, aye; R. Zimbone aye. None opposed.

MOTION CARRIES: 7-0

CHAIR UPDATES - There were no updates.

NEXT MEETING: March 22, 2023

Matters not reasonably anticipated by the Chair 48 hours in advance - There were none.

MOTION: R. Dermody moved to adjourn the meeting at 9:00 pm.

SECONDED: J. McNight

VOTE: R. Dermody, abstain; L. Dorfman, aye; D. Herer, aye; R. Foster, aye;
J. McKnight, aye; P. Pingitore, aye; R. Zimbone aye. None opposed.

MOTION CARRIES: 7-0

ATTACHMENTS: Information for 2023 CPC Public Hearing

The packet with meeting materials for this meeting is available at this link:

<https://www.needhamma.gov/Archive.aspx?AMID=&Type=&ADID=9566>

Respectfully submitted,

Dale Michaud
Recording Secretary