COMMUNITY PRESERVATION COMMITTEE
TOWN OF NEEDHAM, MASSACHUSETTS

Minutes of Meeting
February 12, 2025

LOCATION: Hybrid Meeting – Charles River Room, 500 Dedham Avenue, Needham, and via Zoom

PRESENT: Dave Herer (Chair), Maureen Callahan (Vice Chair), Paul Dawson, Adam Block, Marshall Davis, Reginald Foster, Jim Rosenbaum, Keith LaFace

STAFF: Lauren Spinney

GUESTS: Anne-Marie Bajwa, President and CEO, Charles River Center
Hilary Ryan, Vice President of Development, Charles River Center
William Grogan, President, Planning Office for Urban Affairs
Phil Crean, Project Manager, Planning Office for Urban Affairs
Emily Achtenberg, Affordable Housing and Finance Consultant

D. Herer called the meeting to order at 7:00 p.m. All members of the Committee were present, as were staff and guests as noted above.

MEETING MINUTES

A. Block moved to approve minutes from the meeting of February 5, 2025. P. Dawson seconded the motion. Motion carries (8-0).

FY2026-03 CHARLES RIVER CENTER: EAST MILITIA HEIGHTS DEVELOPMENT.

This application by the Charles River Center requests $3,500,000 for construction costs associated with the development of 86 new affordable housing units at 59 East Militia Heights Drive under the CPA category of Community Housing.

M. Callahan welcomed Anne-Marie Bajwa, Hillary Ryan, William Grogan and Phil Crean.

A Bajwa shared that the Charles River Center (CRC) is a non-profit agency providing services for people with developmental disabilities. It has operated in Needham for 69 years and is currently a $43 million-dollar operation with 33 group homes in and around the area. CRC also provides family and in-home support programs, community-based day services, respite services, employment training, etc. Its primary funding is through Medicaid and the Department of Developmental Services. They are accredited by the Autism Research Foundation and licensed by the Department of Developmental Services.

CRC acquired the property at 59 East Militia Heights in 2023 in hopes of addressing the unmet housing needs of individuals with autism and intellectual disabilities. This project will provide an integrated housing and education complex where adults with intellectual disabilities can live side by side with people without intellectual disabilities. The target population are individuals that need some form of intermittent staff support to help them build skills (<30 hours per week), but do not require 24-hour group home care. CRC will provide a full spectrum of wrap around services empowering residents to live independently, achieve their personal goals, and actively participate in their communities. Services include remote support for overnight monitoring, clinical support including medical, health and safety, college navigation, employment and career exploration, training and job support, adult companion and peer support, and transportation services.

The project will create 86 new units of housing for households earning at or below 30% to 80% of Area Median Income. Approximately half of the units will be available through a closed referral system. Five units will be set aside for CRC staff who will live on site and provide after-hours support. The remainder of the units will be available to households earning at or below 30% to 80% AMI, but will not be restricted to individuals with intellectual and developmental disabilities. The integration of adults with and without disabilities is a critical component of the CRC model and is mandated by both federal and state law, which require such individuals to have access to the greater community and receive support in the least restrictive, and most typical setting possible.

The project will include a 4,400 sq. ft. community center that will be open to the public. Plans for the community center are still fluid but may include amenities such as a commercial grade kitchen and dining space for events, office space, a recreation room, computer stations and/or gym. The project will also include green space such as walking trails and/or a covered garden.

CRC partnered with the Planning Office of Urban Affairs (POUA) as its developer and retained The Architectural Team, civil and traffic engineering firm, VHB, and landscape architect, RBLA Design.

W. Grogan shared that POUA was formed by the Archdiocese of Boston in 1969 with the mission of developing high-quality housing where people can live with dignity and respect in homes that they can afford.

P. Crean explained that the concept-level project design includes a four-building campus with 61 parking spaces. Building A will be three stories with 68 units (15 studios and 10 one-bedroom) with common areas for CRC residents, as well as 33 one-bedroom units and 10 two-bedroom units for non-CRC residents. Building A will house the lobby, office space, community center, computer room, recreation room, etc. Buildings B, C and D will be one-story buildings, each housing 6 studio apartments and common areas for CRC residents. The project will be all electric. CRC intends to employ a sustainability consultant.

Cost estimates are currently based on POUA projects of similar size and scope. As they advance with design they will put the project out to bid. They are factoring in a 5% cost escalation.

Seventy-five units will be Low Income Tax Credit Units (LIHTC). Of these, 43 studio and one-bedroom units will be assisted by MRVP project-based subsidies. Another 7 two-bedroom units are proposed to be assisted with Section 8 Project-Based Vouchers. The remaining 26 LIHTC units will be available to households with incomes at or below 60% AMI. Another 5 units will be available to households with incomes at or below 80% AMI, and 5 market units will be provided to CRC staff.

Total development costs are estimated at $50.1 million. With respect to funding sources, they intend to apply to the Executive Office of Housing and Livable Communities (EOHLC) for competitive funding in Fall 2025, apply for a construction to permanent loan from MassHousing, and grants from the Department of Energy Resources and MassSaves. The project also received a $5 million earmark in the Commonwealth's recently enacted Economic Development Bill. They anticipate a financial closing in Q1 2027 and completing construction in Q2 2028.

H. Ryan shared that CRC's community outreach efforts have included group and one-on-one meetings with stakeholders, as well as community meetings to engage residents, provide project updates, answer questions, and gather feedback. They are creating a dedicated page on the CRC website to provide information about the project and timeline, and will push information out through social media, CRC's in-house listserve, and mailings to over 200 nearby residents. Neighbor concerns thus far center on traffic and drainage.

A. Bawa reports that CRC retained a communication consultant and will launch a $5 million capital campaign in about a year to fund enhancements to the project such as assistive technologies, remote monitoring and security systems, community room amenities and green space enhancements.

E. Achtenberg raised questions/areas for potential cost savings:

With respect to the staff units, E. Achtenberg asked if they considered that these units may be eligible for Low Income Housing Tax Credits under the "income averaging" option, at EOHLC's discretion. She estimates that this option could generate approximately $856,405 more in equity, reducing the need for CPA funds by the same amount. W. Grogan explained that they did not assume income averaging in the current proforma because they do not want to be in a situation where there is a funding gap, but will discuss that option with EOHLC prior to submitting an application.

Also, with respect to the staff units, E. Achtenberg asked why they are carrying a $2M reserve against the rent for the staff units (5 units x 12 months x 15 years) rather than thinking of these as zero-rent concession units, as is more typically done for live-in staff. Putting the annual cost of the rent concession as an operating expense would eliminate the reserve while reducing the amount of supportable debt, which could result in an estimated cost savings to the project of approximately $400,000. W. Grogan explained that they structured it this way based on conversations with potential lender-investors during initial underwriting. They can explore this alternate approach during the formal RFP process and find out if lender-investors are comfortable with this alternative.

DISCUSSION WITH EMILY ACHTENBERG, AFFORDABLE HOUSING AND FINANCE CONSULTANT

E. Achtenberg explained that including staff units as a zero-rent concession instead of having a $2M reserve is perhaps less advantageous to a developer because a developer will get unused reserve funds back. If a developer underwrites the staff units as an operating expense it is a cost to the project, but less expensive to funders, like the CPC.

The income averaging savings is perhaps the more reliable savings option as it is her understanding that EOHLC allows it routinely.

R. Foster inquired if the Charles River Center's proposed timeline/schedule for zoning compliance is reasonable such that they will be ready to submit an application to the EOHLC in the Fall. L. Spinney will follow up with Lee Newman and Daphne Collins regarding this question.

UPDATES ON FY2026 PROJECTS

FY2026-04 NEEDHAM HOUSING AUTHORITY PRESERVATION OF SEABEDS WAY AND CAPTAIN ROBERT COOK DRIVE

D. Herer shared that the Town received the CPC's inquiry regarding the potential for bonding in relation to the Seabed- Cook project. He and M. Callahan met with Dave Davison to discuss, and D. Davison is waiting for information from the Needham Housing Authority (NHA). D. Herer shared that he and M. Callahan also requested a chairs' meeting with the Select Board to discuss a bonding option, which is scheduled for February 20.

With respect to the Seabeds-Cook project, the total request for CPA funds is $9.95M. At the last meeting, the NHA brought up the concept of a phased approach whereby proceeding with Seabeds only would free up enough subsidy to allow Linden Chambers to move forward. R. Foster shared that the NHA is performing a more detailed cost analysis of separated projects so the request for a Seabeds only phase may change based on that more detailed analysis and what aspects of the Seabeds project are eligible for CPA funding.

ISSUES NOT REASONABLY ANTICIPATED BY THE CHAIR WITHIN 48 HOURS

The Chair invited Representative Joshua Tarsky to address the Committee. Representative Tarsky was in attendance to learn more about happenings within the Town. R. Foster brought the issue of the declining state match to Representative Tarsky's attention.

UPCOMING MEETING SCHEDULE

Upcoming CPC meetings are scheduled for February 26, March 12, and March 19.

ADJOURNMENT

A. Block moved to adjourn the meeting at 9:22 p.m. K. LaFace seconded the motion. Motion carries (8-0).

For more information, meeting materials are available at:

https://www.needhamma.gov/Archive.aspx?AMID=&Type=&ADID=13521

Respectfully submitted,

Lauren Spinney
Administrative Coordinator