



Malden Community Preservation Committee

Hybrid Committee Meeting

Hybrid Meeting

Malden City Hall Room #108

Zoom

March 15, 2023 | 6:00 p.m.

Meeting Minutes

Committee Members in Attendance: Lisa Sulda, *Co-Chair*, Rachael Running, *Vice-Chair*, Cameron Layne, Inna Babitskaya, Brenden Brett, Monique Ching (late)

Daniel Koff, CPA Administrator

Committee Members Absent: Eric Henry, *Co-Chair*

1. Meeting Called to Order

Sulda called the hearing to order at 6:07 p.m. and read the provisions of the Governor allowing remote participation at the meeting.

2. Approval of January and February 2023 Meeting Minutes

Running made a motion to approve both minutes from January and February 2023. Seconded by Layne. Approved 5-0.

3. Deliberation and Possible Vote on Applications for FY23 Funding Cycle

3.a) Affordable Housing Trust Fund

Sulda summarized the potential outcomes of the CPC meeting: vote to approve, invite to resubmit, deny, or table a decision on funding to next month.

Sulda introduced the Applicants in attendance, Debbie Burke, Brian Slater and Emily Granoff. Angie Lou is in attendance online.

Running thanked the Applicants for a thorough response to the CPC questions.

Layne inquired whether the applicant would reapply each year. Sulda summarized that the current application is for this one year, but their intention is to return to CPC in subsequent years.

Babitskaya inquired about a perceived discrepancy between the request for the whole amount of the Housing Reserve, versus the current request amount. She advocated for supporting families, and not developers and she would like to see more of a plan for use of the money. Sulda clarified that the CPC may opt to recommend that City Council appropriate less than the amount.

Granoff clarified that the amount of the request is for \$300,000 since that was published as the amount of the Housing Reserve at the time of the application. The Coordinator confirmed that the current amount remaining unencumbered in the Housing Reserve is higher than the previous estimate since it was found that a housing project that had been assigned to the Housing Reserve was actually approved to come out of the Budgeted Reserve instead. The current estimate is that \$370,794 remains unencumbered in the Housing Reserve.

Babitskaya expressed that Malden has a lot of housing, including new construction, but not enough affordable housing. She expressed a discrepancy between what the Trust is offering versus Malden's housing needs.

Burke addressed Babitskaya's concern. She clarified that the Trust would fund developers to create affordable housing that would serve Malden residents. The developer would have to agree to build affordable housing. OSPCD runs a series of affordable housing programs. She expressed thanks to CPC for support during COVID to stabilize housing with additional support.

(Ching arrives)

Babitskaya said that a lot of the new construction is still vacant and that residents are against new construction. Burke responded that OSPCD has been in discussions with ACDC to repurpose a blighted property into 24 affordable housing units. The City also has identified 20 problem properties in the City, for which the City may get title to and rehab, thereby converting them into Affordable homeownership units which people may purchase via a lottery. This project would convert neglected properties into refurbished affordable housing.

Babitskaya inquired about the lottery process. Burke expressed that people need to be income qualified to be entered into the lottery.

Babitskaya inquired as to how many families are low income eligible out of 70,000 residents. Granoff clarified that there are between 10,000-12,000 households that would qualify. Burke clarified that there is more demand than supply of affordable housing.

Sulda inquired as to the foreclosed/problem property program. Burke clarified that there is a rolling notice of funding availability as mandated by the State. The City has not received any responses from the owners of neglected properties that they have reached out to. Burke clarified they are not looking to displace people, but to take properties that are in receivership by banks. The City also has allocated \$2m in ARPA funds to OSPCD to pay into the vacant property program. Burke confirmed that program would be administered by OSPCD. Burke clarified that CPC and other funding sources within the Trust Fund

would be kept separate. However, during the application process, OSPCD can apply funds from different sources into a singular project.

Granoff responded to the question about conversion versus new construction by clarifying that the Trust may acquire properties when they come up for sale. Slater responded to the concern expressed earlier that money would go to for-profit developers. He clarified that the funds are there to incentivize developers to come to Malden to create deed-restricted properties, which limits the profit they make to a fee, as opposed to the goal of maximizing their profit.

Sulda inquired as to the length of affordability, and why the Trust is only offering 15 years of deed restriction on units built and not perpetuity.

Slater clarified that the compliant period is for 15 years as mandated by the state. Afterwards the tax credits go away. After the 15th year the property is sold or refinanced, which allows the developers to exit. Often the properties are sold to a non-profit at that point. The economic value of the property will be depressed for 30 years with the use of tax credits. If the guideline were in perpetuity, then the property value would be depressed indefinitely without subsidy, creating a situation where the property could fall into disrepair because there wouldn't be funding or value in the property to upgrade it.

Burke clarified that the Housing Authority monitors public housing but would not play a role in these developments.

Granoff clarified that some state programs specify that some funds (e.g. Commonwealth Builder) only allows a 15-year affordability requirement on the homeownership side. They established a 15-year requirement to ensure that developments would be able to maximize matched funding opportunities from other sources.

Sulda inquired as to whether the affordability restrictions may be extended. Burke answered in the affirmative and provided an example of the ways that the City can provide vouchers and other assistance to extend affordability restrictions.

Sulda inquired as to how the decision was made for the Trust to be a grantor and not a facilitator of programs as in other cities. Burke clarified that the decision was made to avoid duplicitous services. Social service organizations are providing programmatic support. Sulda expressed that some cities have developed a successful model with the Trust engaged in programmatic support in addition to providing funding for developers and that cities can have more influence in this manner.

Burke expressed that the Trust was created in 2019 and is a new program. They sought to limit their mission to refine what the work would be. Slater confirmed that the Trust sought to limit their scope to their limited capacity as a startup with limited funding.

Sulda asked Slater to explain his role in the Trust. Slater clarified that he is a banker who funds affordable housing projects and has participated in deals in Malden in the past.

Sulda asked Lou to introduce herself and her role in the Trust. Lou expressed that she is the Executive Director of the Asian Community Development Corporation, a 35+ year old CDC that has developed over 500 units of affordable housing, mostly rentals and some affordable condos. She clarified that any project that receives city funding would likely leverage that funding with state funding which requires rentals to have 40-50 year affordability restrictions with an option to renew. When these developments

are developed by non-profits, their goal is to keep them as affordable as possible for as long as possible. She confirmed that ACDC is the developer of the Salvation Army project that is currently in pre-development.

Sulda inquired as to the details of that project. Lou clarified that they are planning approximately 20 units, all affordable. It would be mostly at 60% AMI with a few units at 30% AMI, which is the typical mix of rental project to attract state funding. The plan would be to apply for funding from the city and the state to make the project happen. There is no plan to create market-rate housing on site which would have required in-lieu payments.

Sulda inquired about the startup process for the Trust Fund and whether the Board Members participated in creating the Action Plan. Lou clarified that the first action of the Trust was to have a community engagement process which resulted in the Action Plan from which goals were created.

Sulda inquired about the Trust's answer #4 in reference to the S.M.A.R.T. goals. Per MHP advice, the CPC asked the Trust to consider more specific, measurable goals, as seen in other cities' Action Plans.

She inquired as to whether there are other projects in the pipeline beyond which are mentioned in the response. Slater expressed that the Trust wants to develop more affordable housing since the need is so large in this city. Sulda agreed the need is huge and a roadmap would help Malden fulfill the need.

Sulda expressed that she would have liked to see more quantitative goals in the Action Plan. Burke expressed that there are also qualitative ways to measure efficacy. Lou clarified that having a local funding commitment is a requirement of state funding that can match and leverage local funding.

Burke expressed that the new inclusionary housing requirements will also raise funds for the Trust. For example, there is a project with 60 units that is paying into the Trust.

Brett inquired as to what may happen if CPC funds aren't used. Sulda clarified that the CPC may lay out those terms in the grant agreement. She would strongly advocate for putting a clause in place to return unused funds to CPC after a determined amount of time. He inquired whether ACDC has applied already for funding through the one-stop application.

Granoff clarified that ACDC has not yet applied for Trust funds. If they do apply, Angie would recuse herself from the vote since she is both a Trustee and Applicant.

Sulda expressed that the Housing Coordinator is an important member of the Trust and was disappointed by not seeing her resume. Slater clarified that the Coordinator is young, but formidable. Burke clarified that the Coordinator was hired by the City of Malden for that role and the OSPCD had not been asked for resumes before. Sulda clarified that the resume/CV was requested because this is a new entity and the Housing Coordinator was going to be managing CPC funds. Burke explained that Seng has a background in housing and will be supported by other staff in OSPCD. She is the administrative assistant to the Trust; Granoff clarified that the Coordinator in Malden is not a member of the Trust. Sulda explained that in other cities, the Coordinator has more of an organizational function within the Trust and that is why the request was made.

Sulda expressed that she would like to support the application but is not confident that the way the Trust has been set up is as strong as other Trusts, for example they could be creating other housing programs and not just assisting in new development which are projects that could have applied to the

CPC directly for funding instead of going through the Housing Trust. Brett inquired what other Trusts do. Sulda confirmed that some programs include rental lottery, rental assistance, lottery listing agents reselling units, deed restriction extensions, mortgage assistance, and other programs that a qualified Housing Coordinator could bring to Malden if the Trust were structured differently.

Sulda expressed that the Trust's other funding sources like linkage fees, in-lieu payments, etc. are sources with no other body to oversee them, so having the Trust oversee them makes sense. Residents voted for CPA funds to be managed by the CPC and she is not comfortable handing over that responsibility to another entity. She acknowledged that the CPC process is long, but they do take applications off cycle. Other than a purchase, she does not see urgency as a reason to hand over funds to the Trust. Sulda expressed that in her opinion, encouraging new development is not the best use of the funds. She expressed that she would like to support the application but thought the Trust should be doing more to develop programs that would expand housing assistance opportunities in Malden. Running expressed that affordable housing is a huge issue in Malden. She understands the impulse to see developers as an enemy, but she also sees need for developers to create housing. She acknowledged that she would like to put CPC's money in the hands of experts in affordable housing. It is a difficult field to comprehend, and she trusts OSPCD, especially on a one-year trial basis to see the outcome. She understands that there is more that could be done, but she acknowledged that CPC does not see many applications in this category. She advocated for collaboration and seeing how far CPC funds can go in the hands of the Trust. Running was comforted by the shared goals in the Trust's priorities to support units for people at lower AMI and for longer perpetuity.

Ching also expressed support for the application, and for this one-year trial period. Ching expressed that she has never reviewed a housing project application and she has been on CPC since the pandemic. She likes that the AHTF can leverage state programs such as Commonwealth Builders that CPC cannot access on its own.

Layne believes that the state needs more affordable housing programs. He acknowledged that the application will only fund ½ of a unit of affordable housing, but that it's a lot of money considering CPC's budget. He would like to see more smaller projects such as the rehab project rather than large developments that can have an impact in the neighborhoods. He inquired as to how many affordable units are in the new City Hall complex. Burke confirmed that there are none. Layne would like to see what the Trust can do in a year.

Layne asked if the Applicant would consider applying for more funding or if they would take less. Burke expressed that had they known there were additional funds in the Housing Reserve, they would have asked for it.

Layne clarified that rehabbing small properties would also provide additional tax revenue back to the City. Burke confirmed.

Granoff expressed that although she is not a member of the Trust, she expressed that she believes the Trust would take less so that they can build the relationship with CPC.

Babitskaya agreed with Lisa's concerns that the CPC was created to respond to City needs regarding CPA funds, and not to delegate its responsibility to another entity. She believes the need is great, beyond the capacity of what the Trust can address. She expressed that Malden residents need direct support

immediately, whereas developments take many years to come online. She expressed concern about how to get the money to people in real need so they can stay in the apartments they are currently in and advocated for more research of potential programs the Trust can offer.

Brett addressed a concern that the mission as it stands currently is narrow, especially if CPC housing funds were to go to that purpose in perpetuity. However, he can support the application in front of CPC which is a one year allocation. In future years he would like to see how many units may be helped with CPC's funds, and wants to inquire if the purview of the Trust may be expanded to take advantage of other programs that may need to come up. Currently the Trust won't accept applications for programs.

Sulda inquired if the Mass Housing Partnership (MHP) was consulted in the creation of the Plan. Burke clarified that they had spoken with MHP as far back as 2018, and that Shelley was on Evan's direct dial. Sulda suggested that the Housing Coordinator attend a spring training offered by MHP.

Sulda reiterated the options that CPC has available to respond regarding a vote on the request in this application.

Running made a motion to approve the application as-is for \$300,000. Ching seconds. Motion passes 4-2.

3.b) Trafton Park Construction Phase II

Sulda summarized the application from Joe Gray and Bob Knox was for \$100,000 for construction bid documents through to construction. The total project cost will be \$1,130,000. Past CPC grants include a \$45,000 master plan in 2019 and a \$500,000 award in 2020 for phase I construction. These funds would cover costs for \$77k to refurbish the amenities in the dog and children play area.

Sulda summarized the question at the last meeting regarding the historic nature of the wall. The applicant submitted a report from PARE engineering firm. The application is not for historic restoration of the wall. A letter indicated that CPC funds would not be used for the wall.

The applicant also responded to CPC questions clarifying additional costs to pay for amenities that the CPC inquired about: \$10k for an extra water bottle filler, \$50k for the solar lights, and \$2,500 for art on the electrical boxes (Sulda clarified that art would not be a CPC eligible expense).

Sulda opened the floor for questions from CPC.

Running expressed support for the solar lights and the extra water bottle filler.

Brett made a motion to approve \$160,000 for Trafton Park. Layne seconds. 6-0

4. Start Secure Contract Extension

Sulda summarized that the program extension is ending today. Of the 35 people who applied for the program, 8 people were qualified to be helped. CPC inquired as to what if anything could be changed.

Start Secure expressed a desire for more assistance with outreach although they are doing their best.

Sulda suggested reaching out to rental agents to let them know that this program exists.

Running made a motion to extend the ABCD Start Secure Program for one more year. Ching Seconds. Approved 6-0.

5. CPC Plan Update

Inna agreed to look at the historical section to see if any additional clauses need to be added considering Malden's recently passed demolition delay.

6. FY24 Pre-Application Review

Sulda clarified that CPC would create a clone of the new online pre-application that was developed last year.

7. Other Business

Sulda expressed that CPC has few submissions to the survey and asked CPC members to spread the word about it.

The Coordinator agreed to send the survey to all City Departments along with a newsletter about the recent recommendations on FY23 applications.

8. Adjournment of CPC Monthly Meeting

Brett moved to adjourn the Monthly Meeting. Ching seconded. Approved 5-1.

Meeting Packet:

1. [Start Secure \(ABCD\)](#)
2. [0 GRANITE ST - 2021 Aerial](#)
3. [0 GRANITE ST - Assessor](#)
4. [0 GRANITE ST - Zoning](#)
5. [0002-Affordable-Housing-Trust-Fund-FY23-Application](#)
6. [031022 Proposal for Trafton II 10 Plan](#)
7. [04 Trafton-Park Co-Chair-Questions-Answers 2022.10.14](#)
8. [061722 Trafton Park II.Program](#)
9. [062119 Trafton-Master Plan \(2019\)](#)
10. [080522 Malden Trafton Park II.Existing Conditions Summary](#)
11. [082622 Trafton Park II PROJECT PROGRAM](#)
12. [091222 Trafton II-Concept Sketch.Utilities](#)
13. [091222 Trafton II-Product Material Images](#)
14. [091222 Trafton Park II Prelim Cost Est](#)
15. [092822 Trafton II-Updated Concept Sketch](#)
16. [092822 Trafton Park II Updated Cost Est](#)

17. [101722 Trafton II-Preferred Concept Sketch](#)
 18. [101722 Trafton Park II Updated Cost Est](#)
 19. [171 091222 Trafton Park II Prelim Cost Est 1689](#)
 20. [194 Trafton Phase II Pre-App v2 4687](#)
 21. [203 091222 Trafton II-Concept Sketch.Utilities 538](#)
 22. [220516 Approved CDBG budget implemented contingencies](#)
 23. [ABCD Malden Start Secure Contract Signed 3-15-21](#)
 24. [ADDENDUM1 Start-Secure 2022.03.15 final - signed](#)
 25. [Advocate Pg 1](#)
 26. [Advocate Pg 2](#)
 27. [Affordable Housing Trust Fund Project Narrative](#)
 28. [Book 1950, Pg 576-580 \(1\)](#)
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1. [CDBG Commitment Letter](#)
 2. [Correspondance with Joseph Gray re Trafton Park Application](#)
 3. [Court Fencing](#)
 4. [CPC Follow-up Letter 01.24.2023 Gray Knox](#)
 5. [Deed information](#)
 6. [Dog Park Gravel 2](#)
 7. [EJ Map Trafton 2020v3](#)
 8. [Field Home Plate Backstop](#)
 9. [Field Left Field 1](#)
 10. [FY23 0004 Full-Application Trafton-Park-09-19-2022](#)
 11. [Malden Community Preservation Committee Survey FY24 - Google Forms](#)
 12. [Map-GIS Screenshot](#)
 13. [Mayor C LOS \(1\)](#)
 14. [Satellite view](#)
 15. [SPW Commitment](#)
 16. [SPW Cost Estimate Comments](#)
 17. [Start-Secure program guidelines 1-28-2022](#)
 18. [Street view](#)
 19. [Trafton Park Applicant Response to CPC Questions 11.16.2022](#)
 20. [Trafton Park Meeting Notice June 2022](#)
 21. [TRAFTON PHASE II - TIME LINE](#)
 22. [TRAFTON PHASE II - TIME LINE](#)
 23. [Trafton Structural Report](#)
 24. [Trafton Structural Report-1](#)
 25. [Trafton Structural Report-1](#)
 26. [Ward 6 - 4th - Lay-out 2022-1](#)
 27. [Ward 6 - 4th 2022](#)
 28. [Winslow Response-to-CPC-Co-Chair-Questions 2022.10.03](#)