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;;;;BOSTON CITY COUNCIL
;;;;3/5/2018
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BROADCAST LIVE ON COMCAST 8, RCN 2 AND VERIZON 1946 AS WELL AS STREAMING ON THE BOSTON WEBSITE. WE WILL TAKE PUBLIC TESTIMONY AT THE END SHOULD NIP WISH TO OFFER SOME

AND WITHOUT FURTHER ADUE THEN I'LL HAND IT OVER TO OUR ADMINISTRATION REPRESENTATIVE. >> GOOD AFTERNOON, JAMES WITH DEVELOPMENT COUNCIL.

>> DONALD WRIGHT.

>> ASSISTANT DIRECTOR FROM THE CITY OF BOSTON NEIGHBORHOOD AMOUNT DEVELOPMENT.

COUNCILOR I'M HERE BEFORE YOU TO REQUEST THREE PARCELS IN THE BOSTON NEIGHBORHOOD DISTRICT ON ONE.

THESE THREE PARCELS ARE BPDA PARCELS THAT ARE ACQUIRED BY THAT AGENCY.

THEY WERE TRANSFERRED TO THE DEPARTMENT OF NEIGHBORHOOD DEVELOPMENT IN AUGUST OF 2015 FOR DEVELOPMENT AS AFFORDABLE HOUSING AS THEE PARCELS WERE ORIGINALLY ACQUIRED USING INCLUSIONARY DEVELOPMENT FUNDING.

IN JANUARY OF 2017, IN
OFFICIATED COMMUNITY PROCESS
COORDINATION WITH THE EQUAL
HILLS CIVIC TO DISCUSS
DEVELOPMENT OF THESE PARCELS
WITH STRONG COMMUNITY SUPPORT WE
RELEASED RFP FOR THE SITE IN MAY
OF 2017 FOR MIXED INCOME
DEVELOPMENT THAT INCORPORATED
ARTIST WORKSPACE.

WE RECEIVED FOUR PROPOSALS THAT WE TOOK TO THE COMMUNITY FOR PRESENTATION IN OCTOBER OF 2017. AND WE INTEND TO PRESENT A RECOMMENDATION FOR TENTATIVE DEVELOPER DESIGNATION AT THE MARCH 14 PUBLIC FACILITIES COMMISSION JUST AROUND THE

CORNER.

THESE THREE PARCELS IN TOTAL ARE 26,250 SQUARE FEET.

THEY ARE ACROSS THE STREET FROM THE FORMER HESS OIL SITE AT THE BPDA HAS DESIGNATED EAST BOSTON FOR REDEVELOPMENT.

THEY HAVE COMBINED ASSESSED VALUE OF JUST UNDER \$560,000 HAVE APPRAISED VALUE OF 720,000. AND SHOULD THEY BE VOTED SURPLUS AGAIN WE PLAN TO MAKE THE RECOMMENDATION OF THE NEXT PUBLIC COMMISSION.

FOR DEVELOPMENT PROPOSAL THAT INCORPORATES OWNERSHIP AND RENTAL, GOOD MIXTURE OF AFFORDABILITY WITH TWO-THIRD AFFORD WOBBLE ON-THIRD. AND COMMUNITY ARTIST WORKSPACE.

AND COMMUNITY ARTIST WORKSPACE >> GREAT.

EITHER HAVE ANYTHING?

JUST A FEW QUESTIONS FOR CONTEXT
AS I PRESENT THIS BACK TO THE

COUNCIL.
HOW MANY UNITS DO YOU

ANTICIPATE?

>> THE CURRENT PLAN HAS 41 UN UNITS.

>> TWO-THIRDS ARE AFFORDABLE ONE THIRD IS MARKET RATE.

>> AND BY AFFORDABLE, WHICH --S A STRONG AFFORDABILITY IF YOU'RE INTERESTED I CAN READ TO YOU THE MIX.

I'LL DETAIL THE MIX OF OPENER SHIP VERSUS RENTAL.

TOTAL OF 41 UNITS IN TWO BUILDINGS, THERE WILL BE EIGHT SALE AND 33 RENTAL OPPORTUNITIES.

TWO OF THE SALES WILL BE MODERATE INCOME AT 80% OF AREA MEDIAN INCOME.

THREE WILL BE LITTLE INCOME SELLS AT 100% OF AMI THREE WILL BE MARKET RATE SALES.

BE MARKET RATE SALES.
THERE WILL BE FOUR VOUCHER
ASSISTED RENTAL UNITS RESTRICTED
AT OR BELOW 30% AMI THERE WILL
BE THREE AFFORDABLE RENT TALL
UNITS BELOW 60% AMI THERE WILL
BE 17 ARTIST RENTAL UNITS
RESTRICTED AT OR BELOW AMI AND

NINE MARKET RATE RENTAL UNITS.
THOSE MARKET RATE RENTAL AND
OWNERSHIP ARE BEING USED TO
CROSS SUBSIDIZE THE DEVELOPMENT
FOR CITY HAS TO CONTRIBUTE FURY
SOURCE FOR THOSE AFFORDABLE
HOUSING UNITS.

>> IN TERMS OF THE ARTIST
HOUSING, IT'S A LIVE-WORK TYPE.
>> ALL OF THE UNITS ARE
IDENTICAL.

THERE'S NO DIFFERENTIATION
BETWEEN THE UNITS, CERTAIN
PORTION OF THOSE ARE BEING SET
ASIDE FOR THE ARTISTS THEN DOWN
BELOW THERE'S COMMUNITY ARTIST
WORKSPACE AND THEN THE
DEVELOPMENT THAT WE'RE
RECOMMENDING ALSO INCORPORATE
PUBLIC GALLERY SPACE.
GOING TO BE PUBLIC CAN COME IN
AND ACTUALLY SEE WORK DISPLAYED
BY THE ARTIST, IS THAT LIVE AND
WORK THERE.

>> SO BY DESIGNATING AS ARTIST UNIT IT'S THE SAME THAT YOU HAVE TO HAVE THAT CERTIFICATION TO APPLY FOR IT?

>> CORRECT.

>> THEN ARE THERE ANY -- IS
THERE ANY POTENTIAL, I HAD HEARD
THAT SAN FRANCISCO INCREASING
THEIR FEDERALLY SUBSIDIZED
AFFORDABLE UNITS WERE ABLE TO
WORK WITH THE AGENCIES TO HAVE
SOME SORT OF PREFERENCE FOR
VERY, VERY LOCAL RESIDENTS BY
CENSUS TRACK OR SOMETHING LIKE
THAT.

HAS BOSTON EVER -- THIS IS NOT NECESSARILY RELEVANT.

>> RIGHT.

THAT'S BEEN A BRIT OF A CAMMING FOR US AND WE'VE BEEN WORKING EXTENSIVELY WITH THE OFFICE OF FAIR HOUSING LOCALLY TO TRY TO GET THAT.

WE HAVE COME UP WITH SOME RECENT NEW LANGUAGE, WE'RE CALLING IT ANTI-DISPLACEMENT LANGUAGE WHICH PUTS PRIORITY ON TO THE LOCAL NEIGHBORHOODS.

THAT'S VERY KNEW, WE'VE USED IT I THINK ON COUPLE OF OTHER

OFFERINGS WE TRY TO INCORPORATE WHENEVER WE CAN.

>> OKAY.

WILL IT BE A PLACE HERE?

>> IT'S POSSIBLE.

>> AND WHAT WILL THAT --

FTER THE TENTATIVE
DESIGNATION AFTER WE SELECTED A

DEVELOPER WE HAVE ONE-YEAR DILL LENS PERIOD WHERE WE WORK OUT

ALL OF THE ENTITLEMENTS,

PERMITTING, VARIANCES, IT WOULD BE DURING THAT TIME WHEN ALL

THAT HAVE GETS WORKED OUT.

ONCE WE HAVE A DEVELOPER

DESIGNATED THAT'S WHEN WE CREATE FAIR HOUSING PLAN.

IT WOULD BE PART OF THE FAIR HOUSING PLAN.

>> GREAT.

GENERALLY, NOT SPECIFIC TO THIS SITUATION, GENERALLY WHAT DOES THE DISPLACEMENT LANGUAGE DO?

>> BASICALLY PUTS A PREFERENCE

FOR THAT AREA AS BEING --

>> BY NEIGHBORHOOD?

>> THAT NEIGHBORHOOD.

THAT EXACT NEIGHBORHOOD TRYING TO GET FOLKS WITHIN THAT NEIGHBORHOOD WHO WOULD BE MOST IMPACTED BY THAT DEVELOPMENT TO HAVE AN OPPORTUNITY TO LIVE IN THAT SPACE.

AS A MEANS OF TRYING TO PREVENT FURTHER GENTRIFICATION IN ALL OF THE NEIGHBORHOODS.

>> OKAY.

THEN IN TERMS OF THE ACTUAL
DISPOSITION, IS THERE A CONTRACT
THAT HAPPENS, IS IT ALREADY -IS IT KIND OF RENEGOTIATED
THROUGH THE DILIGENCE PETTED?
>> FOLKS HAVE ALREADY BEEN.
IT IS RENEGOTIATED DURING THAT,
THIS PROJECT WILL BE HEAVILY
SUBSIDIZED OUR FOCUS WILL BE ON
KEEPING THE PUBLIC SUBSIDY AS
ITS LOWEST AS OPPOSED TO TRYING
TO GET REVENUES.

ANY ADDITIONAL REVENUE RECEIVE FROM NEGOTIATION, INCREASE IN THE PURCHASE PRICE WOULD BE OFFSET BY INCREASE IN THE SUBSIDY.

>> I GUESS WITH THAT MULTIPLE
BIDDERS BEFORE DESIGNATION MAYBE
YOU DON'T HAVE ALL THE DETAILS,
WHAT IS THE SUBSIDY ABOUT?
>> I DON'T HAVE THAT EXACT
INFORMATION THAT WOULD BE
AVAILABLE ONCE WE DO HAVE A
DEVELOPER DESIGNATION WHICH
AGAIN WOULD HOPEFULLY BE MARCH
14th.

>> OKAY.

IN TERMS OF WHAT WERE CONVEYED TO A DEVELOPER IT WOULD BE THE LAND FOR SOMEWHERE BETWEEN 560, 7 TOE,000 RANGE OF VALUE PLUS AN ADDITIONAL SUBSIDY TO BUILD THE AFFORDABLE UNITS WITH THE MARKET.

>> YES.

JUST FOR CLARITY, THE VALUE BETWEEN 560 AND 720 BUT MOST LIKELY WILL BE CONVEYED AT NO COST AT NOMINAL FEE.
LIKELY \$300, \$100 PER PARCEL GIVEN THAT THE CITY IS PUTTING IN SUCH SIGNIFICANT RESOURCE TO THE PROJECT.

>> THAT'S WHAT I MEANT.
GIVING THEM THAT VALUE PLUS
WHATEVER SUBSIDY HAPPENED.
>> LET ME SEE IF I HAVE ANY
OTHER QUESTIONS BEFORE I TURN
OVER TO COUNCILOR EDWARD.
IS THE PROCESS THAT YOU WENT
THROUGH FOR THIS PARCEL IN TERMS
OF GOING OUT TO NEIGHBORHOOD
ASSOCIATION, HAVING A FIVE-MONTH
PERIOD THERE BEFORE THE RFP THEN
PRESENTATION AND OTHER FOUR
MONTHS AFTER THAT, IS THAT ABOUT
TYPICAL TIMEFRAME?

>> TYPICAL, YEAH.

WE OFTEN WILL ALLOW TIME FOR THE COMMUNITY TO PROVIDE INPUT AND THEN WE ALWAYS LIKE TO FULLY VET THE PROPOSALS THAT WE HAVE RECEIVED PRIOR TO TAKING THEM OUT TO THE COMMUNITY TO GET ADDITIONAL COMMUNITY INPUT. YES, IT WAS VERY TYPICAL. >> COUNCILOR EDWARDS? ANY QUESTIONS?

>> GOOD AFTERNOON.

I JUST HAVE HA -- SERIES OF

QUESTIONS ON THE PROCESS HERE. WHICH -- EAGLE HILL CIVIC ASSOCIATION THEN BY -- IS THIS A RESULT OF IDP FUNDING FROM ANOTHER PROJECT IN EAST BOSTON 124.

>> THAT'S WHERE THESE CAME FROM. THEY WERE FORMER BPDA PARCELS ACQUIRED IN 2007 WITHISH COLLUSIONARY DEVELOPMENT FUNDING THEN THOSE PARCELS ARE ROUTED WITH THE ADP PROGRAM AND 2015. BUT IS THERE A PROJECT IN EAST BOSTON, SOME SORT OF ONE OF THE -- SPECIFICALLY PAID FOR THIS.

>> I WOULDN'T KNOW THAT.
THE BPDA ACQUIRED BACK IN 2007 I
DON'T KNOW IF THEY HAD ANY
PARTICULAR PROJECT THAT THEY
USED TO ROUTE THE FUNDS TO THE
ACQUISITION THAT I'M NOT AWARE
OF.

>> IS THIS ONE OF THE CDCs OR

>> WE WILL BE RECOMMENDING THE 14th OF PUBLIC SERVICE COMMISSION THAT NOA IS THE DEVELOPER THAT'S PENDING APPROVAL BY THE COMMISSION.

- >> HOW MANY UNION SNITS.
- >> 41 UNITS.
- >> ALL AFFORDABLE?
- >> TWO-THIRDS AFFORDABLE COUNCILOR WU RECEIVED A BREAK DOWN IF YOU WANT TO SHARE THAT OR GO OVER THAT AGAIN.
- >> THEN I THINK ONE OF THE
 RECURRING QUESTIONS I'M GETTING
 WHEN IT COMES TO MASS PROJECTS
 IN EAST BOSTON SINCE WE'RE
 DEALING WITH A LARGE
 DISPLACEMENT ISSUE, HOW DO WE
 MAKE SURE, COULD YOU WALK
 THROUGH THROUGH THE PROCESS HOW
 FOLKS GET ACCESS TO THE LOTTERY.
 >> COUNCILOR WU TOUCHED ON THAT
 AS WELL.
- >> SORRY ABOUT THAT.
- >> NO WORRIES.

ONCE WE HAVE THE TENTATIVE DEVELOPER DESIGNATION ON THE BOOKS, ABSOLUTELY.
THEN WE WOULD BEGIN ONE YEAR

DILIGENCE PERIOD THAT CAN CAN EX FENDED DURING THAT TIME WE'LL WORK TO FINALIZE FUNDING, THE FINANCING FOR THE PROJECT ALL OF THE VARIANCE, IS THAT ARE REOUIRED.

ALL OF THE PERMITTING, IT'S AT THAT TIME WE'LL ENGAGE OFFICE OF FAIR HOUSING AND GET THEM TO APPROVE THE FAIR HOUSING PLAN AND ALL OF THOSE MATTERS ARE WORKED OUT.

WE DO HAVE A NEW
ANTI-DISPLACEMENT PROGRAM AT THE
DEPARTMENT THAT IS VERY NEW.
THAT WE ARE PUSHING EVERY TIME
WE GET THE OPPORTUNITY AND THAT
IS COLLABORATED AND COORDINATED
THROUGH FAIR HOUSING.
ONCE WE ACTUALLY DESIGNATED A

ONCE WE ACTUALLY DESIGNATED A DEVELOPER WE CAN BEGIN PROCESS OF WORKING FAIR HOUSING AND DETERMINE WHAT PREFERENCE LANGUAGE IS GOING TO BE ALLOWED FOR THE PROJECT.

- >> IS IT PLANNED VAILING NOW? >> WE CAN FORWARD THAT TO YOU.
- >> THANK YOU.

AND THEN IN TERMS OF THE -- I'M SURE YOU PROBABLY WALKED THROUGH THE SCHEDULE, WHEN IS SHOVELS GOING IN THE GROUND?

>> LIKELY NO TIME SOON TO BE HONEST WITH YOU.

WE'LL DO DESIGNATION ON MARCH 14th, THAT STARTS ONE-YEAR PERIOD IN THESE CASE OF HEAVILY SUBSIDIZED PROJECTS THEY USUALLY HAVE TO GO AFTER MANY SOURCE OFTEN THROUGH THE STATE AS WELL. THOSE HAVE PROCESS THAT USUALLY TAKES SEVERAL YEARS TO GET ALL THE FINANCING TOGETHER. THAT IS JUST AN ESTIMATE,

THOUGH, BASED ON COMMON PRACTICE AND COMMON EXPERIENCE.

ONCE WE HAVE THEM FULLY
DESIGNATED WE CAN GO THROUGH THE
FULL FUNDING PROCESS MAKE FINAL
DETERMINATIONS OF WHERE THOSE
SOURCES OF FUNDING ARE GOING TO
COME FROM.

THERE ARE FEW PROJECTS THAT THE CITY IS SOLE FUNDER ON.

THOSE MOVE QUICKER.
WHEN WE HAVE TO GO TO THE STATE
TO GET FUNDING USUALLY A
PIPELINE, CUE, THEY'VE TO GO
BACK TO THE STATE NUMBER OF
TIMES BEFORE THEY CAN GET THEIR
AWARD.

>> IS THIS GOING TO BE DONE IN PHASES IN TERMS OF THE -- SOME OF THE LARGER PROJECTS IS PHASED AND FUNDED, PHASED AND FUNDED? >> NO.

ONE PHASE PROJECT.

DESIGNATION.

>> WHAT'S THE COST?
>> ACTUALLY HAVE TOTAL
DEVELOPMENT COST WILL BE
\$12,700,000 AND CHANGE.
THAT IS PRELIMINARY BUDGET
THAT'S BEEN PROPOSED BY THE
DEVELOPER THAT WE ANTICIPATE
RECOMMENDING FOR TENTATIVE

SUBJECT TO CHANGE BASED ON THE DEVELOPER THAT ULTIMATELY IS SELECTED AND THEIR FINAL BUDGETS.

BUT THAT'S CURRENT COST.

>> THEY WERE OWNERSHIP OPPORTUNITIES?

>> SOME OWNERSHIP, SOME RENTALS.
>> I'D LOVE TO FOLLOW UP TO

DISCUSS OWNERSHIP OPPORTUNITIES
IN GENERAL ESPECIALLY IN
AFFORDABLE BUILDINGS OR PROJECTS
THAT OUR CDCs ARE RUNNING, I'M
CURIOUS IS THERE ANY ROOM TO
REALLY HAVE A ROBUST DISCUSSION
AND HOW FOLKS CAN REALLY GET ON
PATHWAY TO OWNERSHIP IN AN
ALTERNATIVE WAY.

NOT BEING DISCUSSED ENOUGH.

I JUST FEEL THERE IS SPECIAL

MISSION THAT CDCs HAVE WHEN IT

COMES TO DEVELOPING NEIGHBORHOOD

AND ECONOMIC EQUITY.

TRADITIONALLY DEVELOPERS DON'T

TRADITIONALLY DEVELOPERS DON'T HAVE.

ALSO WE'VE SEEN MANY STUDIES IN THE RACIAL WEALTH GAP AND I THINK OWNERSHIP IS DIRECTLY CONNECTED TO THE ABILITY TO ACCESS WEALTH AND TO PASS IT DOWN GENERATIONALLY.

A LOT OF PEOPLE CANNOT STILL

EVEN IN AFFORDABLE UNITS COME UP WITH THE DOWN PAYMENT. MANY PEOPLE CAN RENT FOR SOME TIME, I'M WONDERING IF THERE'S -- I WOULD LIKE TO SEE ROBUST ANALYSIS ON RENT TO OWN IN THE NEAR FUTURE OR MAYBE WE CAN HAVE FURTHER DISCUSSION HOW THAT CAN BE INCORPORATE. >> WE COULD CERTAINLY HAVE FURTHER DISCUSSION, ONE WE HAVE DEVELOPER MARCH 14 AT THAT TIME WE CAN BEGIN MORE INDEPTH CONVERSATIONS ABOUT FINANCING AND OPENER SHIP STRUCTURES WE'D LIKE TO CONSIDER. >> EXCELLENT, THANK YOU. >> I JUST HAVE ONE FINAL SET OF QUESTIONS ON SORT OF CLIMATE RESILIENCY AND PREPAREDDEDNESS. I KNOW NOAH IS DOING LOT HERE BUT PARTICULAR GIVEN WHAT WE'VE SEEN, WHAT ARE PROVISIONS OR IS THERE ANY STANDARD LANGUAGE THAT THE BPDA WILL BE THINKING ABOUT ADDING JUST REQUIRE CERTAIN LEVELS OF RESILIENCY. THERE'S SOME OTHER CITIES THAT HAVE GONE SO FAR AS TO WRITER AFFORDABLE HOUSING TO BE PASSIVE -- THERE'S LOTS OF MUTUAL BENEFITS OF MAKING SURE OUR AFFORDABLE HOUSING STOCK IS UP TO THE STANDARDS NOT JUST FOR LONGEVITY AND PROTECTION AND RESIDENTS NOT HAVING THE FUNDS TO AFFORD MITIGATION AND AM THE CLEAN THAT YOU COULD HAPPEN FROM DAMAGE FROM CLIMATE CHANGE BUT ALSO UTILITY, LESS COST OF UTILITIES AND NOT HAVING TO SPRING FOR HEAT AND AIR CONDITIONING. >> STANDARD POLICY FOR THE DEPARTMENT OF DEVELOPMENT IS FOR ALL OF OUR PROJECTS TO LEED CERTIFIABLE WE DON'T REQUIRE THEY GO THROUGH CERTIFICATION PROCESS BECAUSE THAT'S ADDITIONAL AMOUNT OF MONEY, THAT DOESN'T REALLY CAKE WHAT IS BEING BUILT JUST BUYS A PLAQUE. WE DO MAKE SURE THAT THEY ARE

BUILT TO THE SAME CERTIFIABLE

STANDARDS.

>> WHICH LEVEL.

>> LEED SILVER FOR THIS TYPE OF PROJECT.

THIS WOULD VERY LIKELY REQUIRE ZONING RELIEF IT WOULD GO THROUGH THE BPDA AND I'M NOT EXACTLY SURE WHAT MEASURES THEY WOULD WANT TO IMPLEMENT OR HOW THEY ARE THINKING ABOUT. >> IS THERE ANY OPPORTUNITY, I WOULD BE CURIOUS DONE ANY COST BENEFIT ANALYSIS OF BUMPING UP THE STANDARDS THERE, AGAIN, I'M JUST LEARNING MORE, NOW TWO MONTHS INTO MY CHAIRMANSHIP OF THIS COMMITTEE, BUT I'M TOLD THAT LEED IS ACTUALLY NOT MOST RIGOROUS ANYWAY, WE HAVE TO HAVE SOME WAY OF JUDGING, BUT IF THERE ARE MORE AGGRESSIVE, MORE PROTECTION STANDARDS WE CAN REACH FOR.

>> US MENTIONED IT'S A COST BENEFIT ANALYSIS, TRYING TO MAKE SURE THAT YOU ARE CREATING HOUSING AS WE NEED AT THE SAME TIME BEING RESPECTFUL TO THE ENVIRONMENT AND TAKING THE FUTURE INTO CONSIDERATION. RIGHT NOW DEPARTMENT HAS SETTLED ON THE LEED SILVER.

NOT TO SAY --

>> HOW LONG HAS IT BEEN THAT STANDARD?

>> PROBABLY A FEW YEARS. CLEARLY UNDERSTOOD.

WE'RE HAPPY TO FOLLOW UP ON THAT WE COULD BRING TOGETHER SOME FOLKS FROM THE BPDA TO HAVE A LARGER DISCUSSION.

>> HEARING ORDER IN OUR
COMMITTEE THIS IDEA OF TRYING TO
FIND THAT SYNERGY BETWEEN CITY
OWNED OR CITY FUNDED
DEVELOPMENT, REDEVELOPMENT AND
RESILIENCY.
WE'LL MAKE SURE THAT IS

WE'LL MAKE SURE THAT IS OUTLINED.

>> A GREAT FOLLOW UP.

>> IS THERE ANYTHING ELSE THAT YOU THINK WE SHOULD KNOW ABOUT THAT WE HAVEN'T ASKED ABOUT? >> I BELIEVE WE'VE COVERED EVERYTHING.

THANK YOU SO MUCH.

WE WILL BE PRESENTING THIS TO THE COUNSEL AT OUR MEETING ON WEDNESDAY.

AND I'M NOT SEEING ANYONE WHO MIGHT BE INTERESTED IN PUBLIC TESTIMONY.

THEN THIS CONCLUDES DOCKET NUMBER 0286 MESSAGE AND ORDER DECLARE SURPLUS CITY OWNED PARCELS IN EAST BOSTON DISTRICT, WARD ONE.

AND THE HEARING ON DOCKET 02 6 IS ADJOURNED.