

Brookline Housing Authority
Meeting Minutes
June 18, 2020
By Teleconference
4:30 PM

The meeting was called to order by Mr. Jacobs at 4:30 PM. Those present included Ms. Dugan, Ms. Katz, Ms. Sullivan, and Ms. Cohen.

Election of Officers

This being the Annual Meeting, Mr. Jacobs asked the Board to take up the business of electing Board Officers for the next year. **On a motion from Ms. Cohen and a second from Ms. Sullivan, Mr. Jacobs was nominated for and unanimously approved to be Chairman. On a motion from Mr. Jacobs and a second from Ms. Cohen, Ms. Sullivan was nominated for and unanimously approved to be Vice Chairman. On a motion from Ms. Sullivan and a second from Mr. Jacobs, Ms. Dugan was nominated for and unanimously approved to be Treasurer.**

Executive Director Report

Mr. Dober reported the following:

- The BHA made the case last night to the CDBG Advisory Committee for a significant amount of funding to support the state public housing capital program.
- When Town Meeting convenes next week, they will consider Warrant Article #13 which would direct \$6.5 million in funding from the Town to support the redevelopment of Col. Floyd Apartments. Mr. Dober and Mr. Jacobs are scheduled to speak in favor of this Warrant Article.
- The BHA will be placing an affirmation of principles on its website tomorrow which speaks to the issue of intolerable violence against Black men and women in this country and the BHA's commitment to racial and economic justice.

Mr. Jacobs said that the BHA has received an inquiry from a group of Town Meeting Members who are proposing approximately \$1 million in Town funding to support BHA capital improvements.

Consent Agenda

On a motion from Ms. Cohen and a second from Ms. Katz, the consent agenda was unanimously approved and authorized the following: Change Order #1 to the contract with Unicon Inc. in the amount of \$3,801 for the Kickham office renovations, increasing the contract amount from \$113,200 to \$117,001.

Executive Director Interview and Vote

Mr. Jacobs said that the Executive Search Committee worked diligently for several months to come up with a consensus candidate to become the next BHA Executive Director. The Committee was guided through this process by Egmont Associates (EA). Mr. Jacobs introduced Susan Barry from EA.

Ms. Barry reported the following:

- The search included the key elements of leadership, process, and deliberation.
- The process proved to be more difficult than expected due to the pandemic, but these difficulties were overcome by a strong leadership and commitment from the BHA Search Committee and with support from Mr. Dober and BHA Executive Operations Manager, Lisa Brown.

- A nationwide outreach produced 40 applications.
- After screening the applications, recommendations were made by EA to the Search Committee for consideration. The Search Committee selected nine candidates for phone interviews by EA.
- After conducting phone interviews, EA recommended four candidates to the Search Committee of which three were selected for in-person interviews.
- At the conclusion of the in person interviews, Michael Alperin was unanimously chosen by the Search Committee for recommendation to the BHA Board. She believes that Mr. Alperin is an excellent candidate.

Mr. Jacobs said that it is his pleasure to introduce Michael Alperin. Mr. Alperin has deep experience in affordable housing. He has a commitment to serving individuals from disadvantaged backgrounds, as evidenced by his work with Teach for America. He possesses an entrepreneurial sensibility, demonstrated by his founding of an education technology company. Mr. Alperin conveyed a strong passion for social justice to the Search Committee.

Mr. Alperin shared the following:

- He thanked Mr. Dober for his more than eight years of excellent leadership at the BHA, and he looks forward to meeting each member of the Board and staff. The Search Committee deserves much thanks as well for their hard work.
- As a resident of Brookline, he has seen the progress of the BHA in recent years as demonstrated in the development of 86 Dummer Street and the growth of resident supportive services. He hopes to build on this legacy.
- He has lived in Brookline for five years, and participated in Town government as a Town Meeting Member.
- Brookline is a wonderful community with unique cultural institutions and services, and the diversity of BHA resident community is a great asset to the Town.
- He has a passion to fight for social justice. Teaching in Brooklyn was a formative experience.
- He hopes to build on the BHA's foundation of leadership and will work with all stakeholders in this effort.
- He thanked the Board for considering his candidacy.

Ms. Sullivan asked Mr. Alperin about his experience as a member of Town Meeting. Mr. Alperin said that Town Meeting presents challenges and opportunities with its open forum for all types of opinions. He believes that this is an important time for Brookline, with new groups such as Brookline For Everyone pushing for more affordable housing. The BHA is seen as an important partner by the Town, and the BHA can build on this partnership.

Ms. Dugan said that she is impressed by Mr. Alperin's credentials but more impressed after listening to him this evening. She is looking forward to working with Mr. Alperin to advance the BHA's mission.

BHA resident, Ginelle Vasquez, asked about Mr. Alperin's plans to get to know BHA residents. Mr. Alperin said that he expects to regularly meet with residents from all BHA properties. It will be difficult to do so during the pandemic, but he will make a concerted effort. He believes that feedback from residents is important to the formation of the BHA's agenda.

Ms. Katz said that the Brookline Housing Town Wide Tenant Association is separate and independent from the BHA and that it has been a weak link in recent years. She asked Mr. Alperin about his thoughts on the subject. Mr. Alperin said that he will look into the tenant association election process and will help to make the association more effective.

BHA resident, Valencia Sparrow, asked what Mr. Alperin would like to accomplish at the BHA. Mr. Alperin said that he will be committed to the BHA and would like to have a long tenure as its Executive Director. He hopes to build on the strong foundation of resident services and to advance the redevelopment of the aging housing stock. He also hopes to improve day to day operations.

BHA resident, Ellen Freed, asked when residents will once again be able to use the community room. She relies on the resident computer stations located in her building, but hasn't had access to them during the pandemic. Mr. Alperin said that a top priority for the BHA at this moment is the health and safety of residents and staff. Decisions about reopening will involve ideas from stakeholders.

Mr. Dober said that the BHA will open up operations gradually and safely. In the meantime, the BHA will offer to assist Ms. Freed with her computer access needs.

On a motion from Ms. Sullivan and a second from Ms. Cohen, the hiring of Michael Alperin as the Executive Director of the Brookline Housing Authority, and the authorization of the Board Chair to negotiate the terms of an employment contract, consistent with the provisions of MGL c. 121B and Department of Housing and Community Development Guidelines, with such contract to be approved at a later date by the Board of Commissioners, was unanimously approved.

90 Longwood Avenue Closing Resolutions

BHA Director of Redevelopment, Maria Maffei, reported the following:

- Staff is making great strides toward closing on the second RAD conversion at Morse Apartments, in July. To complete the closing, the Board will need to approve a set of resolutions.
- The Board package includes: a set of resolutions; an organizational chart showing the initial and subsequent structure of 90 Longwood LLC, the ownership entity; the GMP Amendment which establishes the guaranteed max price of just under \$18M for the renovation costs; Consent of Manager which provides assurance to the investor and lender that the Manager, effectively BHA, has the authority to close the transaction; and a pro forma which shows the total cost of redeveloping the project, the sources of funds for the same, and how the property will operate over time.
- The Board is asked to approve the resolutions drafted by BHA counsel, Nolan Sheehan Patten LLP, to authorize the BHA to take the actions necessary to close the transaction that will remove Morse Apartments from the federal public housing portfolio and convert it to Section 8 housing under the federal RAD program for the purpose of renovating and preserving it as affordable housing.
- The resolutions authorize the BHA to take actions necessary to effectuate the leasing, financing, development, and operation of the project. Particular actions are spelled out including such things as: taking steps necessary to qualify for tax credits; entering into agreements for seller financing; entering into agreements for subordinate Town financing; entering into a ground lease with the ownership entity; assigning documents to the new ownership entity; and entering into a HAP agreement for Section 8 assistance.

- The transaction for the RAD conversion of Morse Apartments involves many structures and participants that are the same as those used in the O’Shea House transaction, including: the initial and subsequent ownership structure; the participation of a Madison Park Development Corporation affiliate, LRCC, as a member of 90 Longwood LLC; bond financing from Boston Private Bank & Trust Company; tax credit equity from Boston Financial Investment Management on behalf of the ultimate investor, Santander Bank, N.A.; seller financing from the BHA, divided into two components – the Acquisition Loan and the Sponsor Loan – in order to comply with the 50% test; comparable scope of renovation of the apartments and building systems; ground lease from the BHA to 90 Longwood Ave LLC.; BHA serving in the roles of Sponsor, Developer, Property Manager, and Contract Administrator of the Sec. 8 assistance; Colantonio Inc. as Construction Manager; and 69 units of RAD Sec. 8 assistance, 25 units of Sec. 8 provided by HUD under the Section 18 Disposition program, and four units BHA project-based Section 8.
- The Morse transaction differs from O’Shea in the following ways: the Town of Brookline is providing subordinate financing of \$1,350,000; the BHA has hired Garrett Anderson to act as an in-house Owner’s Project Manager (OMP) rather than procuring a third-party firm; the ownership entity will be leasing back the office space to BHA; and the cost of outfitting the office, estimated at \$240,000, is not included in the development costs.
- The total development cost is just under \$50M including acquisition, construction cost and soft costs. Sources of funding include: the equity contribution of \$17,146,879, after reduction in price from \$1.04 to \$1.03 to reflect the later tax credit delivery date; bond financing from Boston Private of \$25,000,000 in construction loan and \$8,000,000 in permanent loan; Town financing of \$1,350,000; seller financing of \$22,125,000; deferred developer fee of \$475,000 due to the drop in tax credit pricing and to COVID-related expenses; the ground lease with annual payments of \$147,274, with a 75 year lease term; and annual payments for seller financing and ground lease returning all net cash flow to BHA.
- The off-budget costs of \$240,000 for outfitting the offices plus the \$475,000 in deferred developer fee brings the total cost of BHA financing for development to \$715,000.
- Staff is optimistic about receiving reimbursement from the LEAN program of at least \$948,950 at the end of construction for the energy efficient HVAC system, which would offset the \$715,000 in BHA financing costs.

On a motion from Ms. Sullivan and a second from Ms. Dugan, the attached Resolutions and consent of Managers prepared by the BHA’s law firm Nolan Sheehan Patten LLP, regarding the financing and ownership structure for the redevelopment of 90 Longwood Avenue and to authorize the Executive Director to execute the closing documents, as further described in the memo from Maria Maffei and Patrick Dober, were unanimously approved.

Other Business

The Board confirmed that the next meeting will be held by teleconference on July 14, 2020 at 4:30 PM.

On a motion from Ms. Cohen and a second from Ms. Sullivan, it was unanimously agreed to adjourn the meeting at 5:40 PM.

**A TRUE COPY
ATTEST**

A handwritten signature in cursive script that reads "Patrick L. Dober".

**Patrick Dober
Executive Director**