SPECIAL NHA BOARD MEETING
MEETING MINUTES
Monday, June 30, 2025, 2:30 PM

COMMISSIONERS:
Reginald C. Foster, Chair
Jim Flanagan, Vice-Chair
Amanda Berman, Treasurer
Janice Bennett, Resident Commissioner
Geoff Engler, Commissioner

NHA STAFF:
Cheryl Gosmon, Exec. Director & Secretary

GUESTS:
Matt Zajac, CHA
Chris Moyer, CHA

Chair Foster called the meeting to order at 2:35 PM. He called the Roll of Commissioners with four (4) commissioners reporting present, except for Commissioner Flanagan who was absent, on Monday, June 30, 2025. He noted the presence of a quorum and of NHA Executive Director Cheryl Gosmon.

Chair Foster stated that the Secretary of the Needham Housing Authority (NHA) provided adequate notice of this meeting by preparing a Public Notice dated June 26, 2025, setting forth the date, time, and place of this meeting. Said notice was filed with the Clerk of the Town of Needham and provided to people requesting it.

Chair Foster noted for the record that the meeting is a Virtual-Only meeting, as allowed under Chapter 107 of the Acts of 2022, "An Act Relative to Extending Certain State of Emergency Accommodations," public bodies may continue to hold meetings remotely without a quorum of the public body physically present at a meeting location as long as they provide "adequate, alternative" public access to such remote meetings.

1. **Chair's Announcements** (Including matters that could not be reasonably anticipated before the meeting): **No Chairman's Announcements.**

2. **The NHA Executive Director, Ms. Cheryl Gosmon, provided a brief update on the unreported income of tenants.**

   Ms. Gosmon provided a brief update on unreported income of specific tenants.

3. **Review and Approve Agenda Items**

   Chair Foster presented the Agenda items that were discussed:

   - **Recommended lenders to finance the Seabeds Way (SBW) Modernization Project.**

     Cambridge Housing Authority (CHA) staff members, Mr. Matt Zajac (Deputy Director for Planning) and Mr. Chris Moyer (Project Manager), were guests who presented the CHA Memorandum's recommendation to the NHA for lender selection to finance the Seabeds Way (SBW) Modernization Project. This memorandum recommended that the NHA Board of Commissioners authorize the NHA to select lender JPMorgan Chase Bank (JPMC) as the provider of the construction loan and Massachusetts Housing Partnership (MHP) as the provider of the permanent loan for the Modernization of SBW Project, and authorize the Executive Director to negotiate and enter into a letter of intent (LOI) with both parties.

The NHA Board of Commissioners, Mr. Zajac, Mr. Moyer, and Ms. Gosmon discussed the experienced lenders with good reputations, each lender's proposal(s), and related additional information via the below-listed Attachments:

A. Massachusetts Housing Partnership (MHP) Proposal
B. Barings Proposal
C. JPMorgan Chase Bank (JPMC) Proposal
D. Scenario Comparison Sheet
E. Proforma Based on Recommendation of JPMC Construction Loan and MHP Permanent Loan
F. Debt RFP and Addenda.

Moving forward to a financial closing in 2026 for the Modernization of SBW Project, a debt partner(s) was discussed to be selected and the NHA issued a Request for Proposals (RFP) for lenders in May 2025 (Attachment F). This RFP solicited lenders for specific products and amounts that were discussed.

The above-mentioned CHA recommendation memorandum and the proposals from the lenders were reviewed, compared, and discussed. Despite the limited number of proposals received, CHA's staff members, Mr. Zajac and Mr. Moyer, relayed the CHA believes that the NHA received competitive proposals. The RFP was sent to the lenders and the above-mentioned lenders provided their proposal(s). Each proposal from MHP (Attachment A), Barings (Attachment B), and JPMC (Attachment C) were discussed in detail.

JPMC was the only lender to propose construction financing for the project, which the CHA believes its proposed terms are competitive. Accordingly, CHA recommended that NHA negotiate with JPMC and enter into a LOI to serve as the construction debt lender.

Regarding Permanent Debt Financing, three permanent debt proposals were evaluated and the CHA compared the net benefit of three different scenarios, each of which pairs JPMC's construction debt proposal with one of the three permanent debt proposals. Based on the three scenarios, CHA recommended that NHA negotiate with MHP and enter into a LOI to serve as the permanent debt lender. The updated proforma (Attachment A) based on this recommendation was provided and discussed.

No proposals were received for pre-development financing. CHA will continue its work to secure pre-development funding outside of the RFP process.

While the CHA hoped that it would receive proposals from local lenders, but Needham Bank informed NHA that it chose not to submit a proposal because it could not meet the project's 1.10 DSCR target.

Comments from the NHA Board of Commissioners were made. Commissioner Engler agreed with and said yes to both.

Motion and Vote

Upon a motion duly made by Commissioner Foster and seconded by Commissioner Bennett to approve moving forward with JPMC for the construction debt and MHP for the permanent debt for the Modernization of Seabeds Way project, and negotiate a separate LOI for the JPMC proposal and MHP proposal.

Chair Foster called the roll of Commissioners in favor of this motion:
Commissioner Foster votes aye; Commissioner Bennett votes aye; Commissioner Engler; Commissioner Berman votes aye; and Commissioner Flanagan absent.
The motion carried. The vote was 4-1-0.

- **Bargmann Hendrie + Archetype, Inc. (BH+A) Contract Amendment**

Cambridge Housing Authority (CHA) staff members, Mr. Zajac and Mr. Moyer, also presented and discussed CHA's Memorandum for Architecture and Engineering (A/E) Contract Amendment #1 and #2 for the Modernization of Captain Robert Cook Drive and Seabeds Way Project; Notice to Proceed to 25% Construction Documents (CD) Phase for BH+A.

This memorandum was discussed in detail and CHA recommends that the NHA Board of Commissioners authorize the NHA Executive Director to approve Amendment #1 and #2 for the A/E Contract with BH+A for the Modernization of Captain Robert Cook Drive (CRCD) and Seabeds Way (SBW) project.

Amendment #1 relates to extended Schematic Design (SD) scope performed by BH+A between October and December 2024. Amendment #1 increased the A/E basic services fee by $7,488. An invoice related to Amendment #1 has already been paid due to a clerical misunderstanding.

Amendment #2 relates to NHA's decision to pursue construction at SBW first. Amendment #2 reflects a reduced scope for SBW only for the Construction Documents (CD) phase onward and reduces the A/E basic services fee by

$311,200. The price for design of CRCD scope for the CD phase onward will be renegotiated in the future.

This memorandum also provided information regarding NHA's estimated sources to pay for predevelopment until construction loan closing, including fees for BH+A and CHA. This information is intended to assist NHA's decision to provide BH+A with a Notice to Proceed (NTP) to the 25% CD Phase. The below-listed Attachments were discussed:

1. Board Decision Memorandum Awarding A/E Engagement to BH+A for the Modernization of Captain Robert Cook Drive and Seabeds Way Properties 8/16/2023
2. BH+A Contract for Professional Design Services, 9/7/2023
3. Amendment #1 to the BH+A A/E Contract for Extended SD Phase
4. Amendment #2 to the BH+A A/E Contract for SBW Only
5. Pre-Development Budget Until Construction Loan Closing
6. Draft Letter to HUD Responding to Questions Received Regarding Request for Use of Public Housing Funds for SBW Project
7. Notice to Proceed to 25% CD Phase

Regarding the Pre-Development Budget Until Financial Closing, Attachment 5 provides a breakdown of anticipated sources and uses for the project until financial closing. Amounts for NHA pre-development sources are based on NHA estimates.

CHA recommends Amendment #1 and Amendment #2 to the A/E Contract with BH+A reflect appropriate changes to the contract based on changes to the project scope as directed by NHA. It is noted that the additional fee of $7,488 for Amendment #1 has already been paid by NHA. Amendment #2 reduces the remaining project scope to cover SBW only, and reduces the project fee by $311,200 for the project moving forward.

With approval of Amendment #1 and Amendment #2, the total project fee is $1,495,288 and reflects a scope of services as follows for CRCD and SBW: Master Planning, Existing Conditions, and SD; and as follows for SBW only: CD, Bidding, CA & Completion.

CHA recommends that the NHA Board of Commissioners authorize the NHA ED Ms. Gosmon to execute Amendment #1 and Amendment #2 to the Modernization of CRCD and SBW A/E Contract with BH+A. Accordingly, CHA recommends that the NHA Board Commissioners adopt the first motion and second motion. The first motion that the NHA Board of Commissioners authorize Ms. Gosmon to execute Amendment #1 and Amendment #2 to the Contract for Designer Services for the Modernization of Captain Robert Cook Drive & Seabeds Way with BH+A, Inc. The second motion that the NHA Board of Commissioners authorize Ms.

Gosmon to provide BH+A, Inc. with a Notice to Proceed to the 25% Construction Document phase.

Comments from the NHA Board of Commissioners were made on BH+A's A/E Contract Amendment #1 and #2 for the Modernization of Captain Robert Cook Drive and Seabeds Way Project.

Regarding Notice to Proceed, Chair Foster made comments on fair cloth to support the Linden Project.

Motion and Vote
Upon a motion duly made by Commissioner Foster and seconded by Commissioner Bennett to approve BH+A's A/E Contract Amendment #1 and #2 for the Modernization of Captain Robert Cook Drive and Seabeds Way Project, and Notice to Proceed as well.

Chair Foster called the roll of Commissioners in favor of this motion:
Commissioner Foster votes aye; Commissioner Bennett votes aye; Commissioner Engler; Commissioner Berman votes aye; and Commissioner Flanagan absent.
The motion carried. The vote was 4-1-0.

- **Authorization to Proceed to SBW Project Construction Documents Phase**

  Chair Foster introduced this item and provided background information. CHA stated it had one (1) development partner for the SBW Project.

  Comments were made by the NHA Board of Commissioners for authorization to proceed to SBW Project's Documents Phase.

  Commissioner Engler and Commissioner Berman requested for a 5-year Agreement to be sent to each of them.

  Motion and Vote
  Upon a motion duly made by Commissioner Foster and seconded by Commissioner Bennett to approve authorization to proceed to the SBW Project's Construction Documents Phase.

  Chair Foster called the roll of Commissioners in favor of this motion:
  Commissioner Foster votes aye; Commissioner Bennett votes aye; Commissioner Engler; Commissioner Berman votes aye; and Commissioner Flanagan absent.
  The motion carried. The vote was 4-1-0.

4. **Review Briefing**

- **Background on the current 2021-2026 Cambridge Housing Authority Intergovernmental Agreement (IGA)**

- **Need for new 2025-2030 IGA and SBW Modernization Project Task Order**

  <u>Motion and Vote</u>
  Upon a motion duly made by Commissioner Foster and seconded by Commissioner Bennett to approve the need for a new 2025-2030 IGA and SBW Modernization Project Task Order.

  <u>Chair Foster called the roll of Commissioners in favor of this motion</u>:
  Commissioner Foster votes aye; Commissioner Bennett votes aye; Commissioner Engler; Commissioner Berman votes aye; and Commissioner Flanagan absent.
  The motion carried. The vote was 4-1-0.

5. **NHA Internal Control Over Financial Reporting Policy**

   Comments were made by the NHA Board of Commissioners on internal controls over financial reporting policy.

   <u>Motion and Vote</u>
   Upon a motion duly made by Commissioner Foster and seconded by Commissioner Bennett to approve the Internal Controls Over Financial Reporting Policy.

   <u>Chair Foster called the roll of Commissioners in favor of this motion</u>:
   Commissioner Foster votes aye; Commissioner Bennett votes aye; Commissioner Engler; Commissioner Berman votes aye; and, Commissioner Flanagan absent.
   The motion carried. The vote was 4-1-0.

6. **The NHA IT Department will deactivate all user accounts associated with any departing employees within two (2) Business Days.**

   The NHA Board of Commissioners discussed making a change to the current NHA Internal Control Policy to strengthen it, specifically for the NHA IT Dept. to deactivate all user accounts associated with any departing employee(s) within two (2) Business Days.

   Comments were made by the NHA Board of Commissioners. The NHA Board agrees to approve this change to the NHA Internal Control Policy for NHA's IT Dept. to deactivate all user accounts associated with any departing employee(s) within two (2) Business Days.

   Commissioner Berman stated she preferred forty-eight (48) hours, not seventy-two (72) hours, as a more reasonably practical and prudent period of time for NHA's IT Dept. to deactivate user accounts of any departing NHA employee. Commissioner Bennett stated that she preferred two Business Days.

   <u>Motion and Vote</u>

Upon a motion duly made by Commissioner Foster and seconded by Commissioner Bennett to approve a change to the NHA Internal Control Policy for NHA's IT Dept. to deactivate all user accounts associated with any departing employee(s) within two (2) Business Days.

Chair Foster called the roll of Commissioners in favor of this motion:
Commissioner Foster votes aye; Commissioner Bennett votes aye; Commissioner Engler; Commissioner Berman votes aye; and Commissioner Flanagan absent.
The motion carried. The vote was 4-1-0.

7. **Adjournment**

Motion and Vote
Chair Foster moved to adjourn the June 30, 2025, Special Board Meeting. The motion was seconded by Commissioner Bennett.

Chair Foster called for a roll-call vote to approve the adjournment NHA Special Board Meeting at 4:08 PM.
Chair Foster votes Aye
Vice-Chair Flanagan votes Absent
Treasurer Berman votes Aye
Commissioner Bennett votes Aye
Commissioner Engler votes Aye
The motion carried. The vote was 4-1-0.

Respectfully submitted:
Cheryl Gosmon