

**Minutes of the Joint Meeting of the Special Commissions on Accessible, Extremely Low-Income, and Senior Housing**

Date: May 29, 2025

1:00 – 2:30 PM

John W. McCormack Building

One Ashburton Place, 2<sup>nd</sup> Floor, Conference Rooms C&D

Boston, MA 02108

*Note: attendance for the 5/29/25 Joint Meeting of the Special Commissions on Accessible, Extremely Low-Income, and Senior Housing is hybrid.*

**Members Present**

Sec. Ed Augustus  
Aaron Gornstein  
Alma Balonon-Rosen  
Amy Schectman  
Andrew DeFranza  
Ann Jochnick  
Betsey Crimmins  
Bill Grogan  
Bran Shim  
Carolyn Villers  
Chris Norris  
David Gillespie  
Emily Cooper  
Emily Haber  
Jeffrey Sacks  
Jennifer Maynard  
John Yazwinski  
Libby Hayes  
Megan Mulcahy  
Sen. Pat Jehlen  
Rachel Heller  
Roberta Rubin  
Sarah Byrnes  
William Joyce  
Rep. Adrienne Ramos (virtual)  
Betsy Connell (virtual)  
Brian Bickford (virtual)  
Catherine Boyle (virtual)  
Elissa Sherman (virtual)  
Gretchen Van Ness (virtual)  
Jennifer Maynard (virtual)  
Kim Brooks (virtual)  
Michael Muehe (virtual)  
Ryan Berard (virtual)  
Rep. Thomas Stanley (virtual)  
Danna Mauch (virtual)

**Members Absent**

Rep. Brad Jones  
James Fuccione  
Jeffrey Sacks  
Sen. Julian Cyr  
Matthew Steele  
Rep. Richard Haggerty  
Sen. Peter Durant  
Valerie Fletcher

**EOHLC Staff Present**

Gina McLaughlin  
Jack Burke  
Matt Walsh  
Josh Cuddy  
Ben Bryant

**Others Present**

Emily Levine  
Joyce Tavon  
Mark Teden

### **Call to Order**

Secretary Ed Augustus (Chair) called the meeting to order at 10:05. Matt Walsh called the roll and the Chair read the names of members participating remotely.

### **Development Costs: Components, Data & Trends**

The Chair noted that the agenda for the day was very full and thanked members for being present before turning to Gina McLaughlin for an introduction of the presentation on development costs. Gina noted that understanding cost pressures on development, particularly for the communities on which the Commissions focus, would be critical in achieving the Commissions' mission. She followed that the goal of the presentation was to build a shared foundational understanding of these pressures in order to make policy changes that maximize our resources. Gina then presented briefly on the findings of the Unlocking Housing Production Commission.

Gina then turned to Mark Teden to present on development costs. Mark introduced himself and explained that MassHousing typically provides late-stage financing and thus does not always encounter the challenges faced in early-stage financing. Mark gave an overview of federal, state and locally driven development cost drivers. He noted that total development costs are high, to which the Chair responded that many deals have had to return for additional funding as a result of cost escalations. Mark noted that insufficient materials supply, financing complexity, and enhanced requirements of buildings are also driving up costs. He further noted that most projects undertake considerable debt, up to 50% of total project cost, and that there are many hidden costs to development.

Gina noted that while enhanced requirements increase costs, they also offer benefits. Emily Cooper noted that, in particular, spending on supportive services for seniors can provide significant cost savings to health insurers.

Mark concluded that the complexity of financing deals with many funding sources leads to high legal costs.

### **Developer Context: Case Studies & Discussion**

Amy Schectman presented, noting that 2Life's model is based on providing a lifelong community for residents with supportive services and sufficient affordability. She noted this is achieved through 24/7 staffing, resident service coordinators, community spaces, and adaptable units. She noted that senior incomes decline over time, and that LIHTC does not adequately support development for the lowest income seniors, while supportive services are often not covered for seniors in the LIHTC income range. She closed that the scale of developments is key to making this model work.

Andrew DeFranza presented on the context of Harborlight's development, which is typically in smaller suburban communities, and on a more moderate scale. He discussed the business impacts of locally driven delays in development, particularly driven by anti-housing neighbors. He noted that legal costs are a significant concern because of these litigious neighbors. He further discussed how costly infrastructure installation or upgrades can significantly burden projects as well.

Aaron Gornstein noted that POAH faces similar challenges to the prior presenters. He noted that the heightened requirements of development provide benefits but do add cost that municipalities and other funding sources often won't provide, leaving the burden of funding these improvements to the Commonwealth. He noted that the development cost on his projects can increase by as much as 20% between launch and completion, and that construction loan interest has become an increasing cost because of how long projects take.

Bill Grogan focused on POUA's redevelopment of Constitution Inn in Charlestown, noting that supportive services provided in partnership with St. Francis House were a major cost driver. He noted that providing these services requires cash reserves, because funding to support them is competitive and may not always come through as expected. He noted that these high operational costs make it difficult for POUA to take on significant debt, as the services take a significant portion of revenue which could otherwise be used for debt service. He noted that philanthropic funding is key to funding necessary services.

### **Next Steps**

Gina McLaughlin briefly noted that the Commissions would next meeting separately in June to begin work on recommendation development.

### **Adjournment**

The Chair noted that the agenda was completed and asked for a motion to adjourn. William Joyce made the motion, seconded by Andrew DeFranza. Members voted unanimously (36-0) to adjourn at 11:30.