



CITY OF CAMBRIDGE • EXECUTIVE DEPARTMENT

Robert W. Healy, City Manager

Richard C. Rossi, Deputy City Manager

June 9, 2000

To The Honorable, The City Council:

Please find attached for your information an update on Walden Square, received from Assistant City Manager for Community Development Beth Rubenstein.

Very truly yours,

Robert W. Healy
City Manager

RWH/mec
Attachment



2000 Things 2 Do in 2000



CITY OF CAMBRIDGE
COMMUNITY DEVELOPMENT DEPARTMENT

BETH RUBENSTEIN

Assistant City Manager for
Community Development

MALAINA BOWKER

Deputy Director for
Community Development

MEMORANDUM

TO: Robert W. Healy, City Manager
FROM: Beth Rubenstein, Assistant City Manager for Community Development
DATE: June 5, 2000
RE: Walden Square Status

We have been working since the spring of 1999 with the residents of Walden Square and the prospective buyer of the property, Winn Development, to preserve long-term affordability at the property.

Walden Square is a 240 unit development in Neighborhood 9 that is 100% affordable. The use restrictions that keep the property affordable do not expire until 2014. However, last year CDD was informed that Winn Development intended to purchase the property from the owner, Boston Financial Group, (now LendLease). We saw this as an opportunity to work with Winn and the residents to preserve and extend affordability at the property while at the same time negotiating much needed capital improvements. Winn is now acting as the property manager for the current owner and has developed a good working relationship with the residents. Winn hopes to acquire the property in October, 2000.

Discussions between Winn, the City, and the residents are progressing on key points concerning long-term affordability preservation, an affordable rent structure, clean up of existing environmental contamination, and a \$6,000,000 rehabilitation of the property. The owner has performed an environmental assessment that shows areas of soil contamination on the property. The contamination will be fully remediated prior to Winn's purchase of the property. The residents are in the process of hiring their own environmental engineer to assist them in reviewing the owner's remediation plan and monitoring the remediation.

In the meantime residents, the City's Housing staff, and Winn are working diligently to finalize the financing package and gain the necessary approvals from the U.S. Dept. of Housing & Urban Development (HUD) to preserve an affordable rent structure. Prior to Winn's acquisition of the development, there will be a regulatory agreement which preserves affordability in perpetuity, limits rent increases, and ensures that the \$6,000,000 in planned capital improvements is implemented.

The residents, Winn, and the City meet on a regular basis to review and come to agreement on the key elements of the project. We expect that this preservation effort will be complete by Fall, 2000, when Winn will acquire the development.

1925

1925

Walden Square Status

June 12, 2000