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OPINION

ULI PERSPECTIVES

Boosting Workforce Housing Production: Learning From Our Gateway Cities

Ash's Success In Chelsea A Hopeful Sign For Statewide Housing Development

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SPECIAL TO BANKER & TRADESMAN

Nearly every report on housing in the commonwealth these days comes to the same conclusion: We need more. But how we build more housing that is affordable to the workforce, near public transit and near job centers is a much harder conclusion to draw. For insight and lessons on how successful workforce housing can be built, we should look to Gateway Cities, like Chelsea and Haverhill.



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Chelsea's Box District

The story of Chelsea's Box District begins in 2004. After an extensive public planning process and the necessary zoning revisions, the commonwealth and city of Chelsea partnered to install granite curbs, street lighting and new utilities down a blighted industrial street called Gerrish Avenue.

Once that was completed, the first development in the Box District was the office of The Neighborhood Developers (TND), in many ways one of the commonwealth's most successful community development nonprofits. Their new offices and ground floor retail showed what was possible in the Box District. TND then went on to build 99 affordable homes, establishing a streetscape down

Gerrish Avenue. Mitchell Properties, a for-profit development partner followed, building another 149 homes – a majority of which rent at market rates, but are more affordable to the workforce than those found in Boston, Somerville and Cambridge. The city added a beautiful new public park, and the MBTA plans to extend the Silver Line in March, connecting Chelsea and the Box District directly to the Seaport and South Station.

The Box District transformed this part of Chelsea and has now been recognized as a national model for how to build workforce housing. Recently it received the Urban Land Institute's Jack Kemp Excellence in Affordable and Workforce Housing Award.

Haverhill's Historic District

A decade ago, a similar planning process was launched in Haverhill. Thanks to a partnership between state, federal and local officials, developers built a state-of-the-art parking garage on a former brownfield site, which sits next to the commuter rail station and within the historic downtown. The garage was an important first step for redeveloping the downtown area because, for years, Haverhill was plagued by parking shortages.

With the garage in place, Forest City and Beacon Communities successfully developed a mixed-use property featuring several mixed-income, multifamily homes and commercial space. The project, called Harborplace, is led by a partnership of the com-

monwealth, city of Haverhill, the Greater Haverhill Foundation and the Planning Office of Urban Affairs. The first phase will deliver a seven stories of commercial space, ground floor retail, riverfront access and a plaza. UMASS Lowell recently announced it will become an anchor tenant in the building.

Lessons Learned

Among the many lessons we can draw from these examples, perhaps the most important is how each city, in concert with the state, can send a clear signal to developers by investing in planning and infrastructure. This demonstrates to developers that an individual project does not have to bear those burdens and that the developer can, instead, focus on building housing quickly and cost-effectively.

Private developers need not turn and run when they find out public facilities and affordable housing are part of a project because, when strategic placement and excellent design standards are factored in, these kinds of developments can serve as tremendous catalyst and guiding force for private investment.

In each of these cases, success was the result of dynamic partnerships between state and local governments, nonprofits, unions and for-profit developers. Expanding existing partnerships, supporting new ones and streamlining the path forward will be critical to building more workforce housing.

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Massachusetts needs to continue supporting nonprofits like TND that invest when few others will. The state should also encourage those municipalities that take proactive steps to solving the workforce housing shortage by providing additional funding for planning and public works; actively seeking the right balance between housing costs and construction wages; and simplifying and aligning the wide array of financial tools available for housing, infrastructure, historic preservation and cultural facilities.

Applying these lessons is no easy task, but the selection of Jay Ash as the next secretary for housing and economic development demonstrates how Governor-elect Charlie Baker is taking a great first step. Ash's leadership as Chelsea's city manager was critical to the Box District's success, and we are optimistic he will draw upon that experience to scale up housing production across the commonwealth.

We can't predict what the state of workforce housing will be four years from now.

But if the Baker Administration is able to encourage proactive planning and new public-private partnerships to invest in infrastructure, housing, and education, the commonwealth's middle class should have many new choices for where to live. ■

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