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LYNNWAY DEVELOPER TO GIVE CITY \$3M

BY CHARLIE MCKENNA | June 6, 2022

LYNN — The City of Lynn Development Team and Second Street Properties, which is proposing a 218-unit mixed-use project at 811 Lynnway, have agreed upon a \$3 million payment to be used for affordable housing.

The Development Team — consisting of Mayor Jared C. Nicholson, Ward 6 Councilor Fred Hogan, Inspectional Services Director Michael Donovan, EDIC Executive Director James Cowdell, Community Development Director James Marsh, City Planner Aaron Clausen, LHAND Executive Director Charles Gaeta, Jeff Weeden of LHAND and Danya Smith of the Mayor's office — stressed with the developer that affordable housing is a priority for the city.

Under current zoning regulations, the developer is not obligated to include affordable units in the project, which will be built on the site of a former used car lot, adjacent to Starbucks on the southbound side of the Lynnway. The project is seeking a parking variance from the Zoning Board of Appeals, a petition that is supported by the Development Team.

The ZBA is set to discuss the petition for a variance at its meeting Tuesday.

The city will place the money in an affordable housing trust fund, an option that was strongly recommended in Housing Lynn, the city's housing production plan, which is expected to be adopted by ordinance as soon as next week. The city is also working on adopting an inclusionary zoning ordinance that would require certain projects to have an affordability component and is working to negotiate voluntary participation from developers in the interim.

“We have really high aspirations for development that is inclusive,” Nicholson said. “We appreciate this developer coming to the table with this project and being willing to make this investment that will support our affordable housing initiatives.”

This marks the first time a developer has contributed funds that will be restricted for affordable housing, the mayor said.

“I live in the area and I am very aware of the struggles people are having,” Hogan said. “I am a strong advocate for affordable housing. In this case, we didn’t give the developer a tax break; instead he contributed \$3 million for affordable housing. That’s huge for the city.”

Gaeta said the contribution is a significant milestone in the establishment of an affordable housing trust fund.

“As the seed money adds up, it will go a long way in getting projects off the ground,” he said. “We don’t even have an ordinance yet and the developer stepped up and made this offer.”

The housing production plan lists as an alternative to including affordable units in a project a contribution to an affordable housing trust fund. For the 811 Lynnway project, the \$3 million is in line with the rental gap method, whereby the difference, or gap, in the rent amount for a market rate unit and the rent amount for an affordable unit is calculated over a 20-year period.

“We are excited to partner with the city to create a successful project that works for everybody,” Jacob Vance and John Sullivan of Second Street Properties said in a statement.

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