

**LOCAL GOVERNMENT AND POLITICS, NEWS**

# **POSITIVE ‘DEVELOPMENTS’ SEEN IN LYNN**

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BY GAYLA CAWLEY | February 23, 2020

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LYNN — While many residents fear planned high-end developments will push people out and lead to gentrification, several developers behind major housing projects in the city say that’s not the case.

Some community members have expressed disapproval over new developments that won’t create any affordable housing units.

“Sometimes, people give development a bad rap,” said developer Charles Patsios, who is planning to build a \$500 million transit-oriented neighborhood off the Lynnway at the former General Electric Co. Gear Works property.

“In this case, it’s a good thing for Lynn,” he said.

Patsios said the new market-rate housing that will be created through developments like his and ones that have already started downtown on Munroe Street and at the former Beacon Chevrolet site on the Lynnway won’t create gentrification.

That’s because those projects are creating “brand-new housing,” on largely vacant sites, rather than replacing existing affordable housing, Patsios said.

Patsios said new developments could be beneficial for residents who already live downtown. Those residents may choose to move to the newer apartments when construction is completed, which would force landlords to lower their rents to avoid long-term vacancies, he said.

“With all this new housing coming on, it actually creates competition that drives prices down,” said Patsios. “At the same time, we’re also creating a tax base which helps for the schools (and) helps fund ... programs with revenue that didn’t exist before.”

Michael Procopio, co-owner of the Procopio Companies, the Lynnfield based-team that’s in the midst of constructing a 10-story building with 259 market-rate apartments on Munroe Street, had similar sentiments.

“I would dispute that it pushes people out of the city,” said Procopio. “It’s hard to argue that there’s direct displacement from a development that goes on at parking lots or run-down buildings.”

For instance, Procopio said his company is redeveloping a portion of a parking lot behind Munroe Street that formerly housed a community garden.

Developing those vacant parcels generates a substantial increase in tax revenue, which will allow the city to invest in neglected issues, such as its infrastructure. For a site that has been bringing in about \$3,000 worth of property taxes annually, the development will generate about \$1 million in taxes each year, Procopio said.

While Procopio disputes claims that development pushes people out, he acknowledges that it does create some degree of change. The argument then becomes whether that change is mostly good or bad, but he said the perception that market-rate housing is geared toward “rich, white people” is disingenuous and untrue.

“From our perspective, we try to build homes that people want and to the (best) extent possible, we want them to be affordable,” said Procopio. “We don’t see ourselves as pushing change or pushing policy. We see ourselves responding to the change and policy the city sets. I think it’s disingenuous to blame developers when the city has (set) the framework very clearly and we’re operating within that.”

Patrick McGrath, who is planning to redevelop two waterfront properties on the Lynnway, said he has built affordable units in other cities, but he doesn’t have to adhere to that requirement in Lynn because the city is above its state-required affordability threshold.

“I don’t do any affordable because mine are all condominiums,” said McGrath. “I think it’s important to have market-rate taxable property for the better(ment) of the city. They’ve got to build schools and they’ve got to come up with money.”

McGrath is planning to redevelop the former Porthole Restaurant into 74 luxury condominiums. He plans to transform the Lynnway Mart Indoor Mall & Flea Market into 550 market-rate apartments.

As McGrath alluded to, 12.5 percent of the city’s units are considered affordable by the state’s Subsidized Housing Inventory, which exceeds the state’s 10 percent requirement under Chapter 40B.

However, some residents and community leaders remain concerned about a shortage of affordable units and rising rents in the city, which has been called a “housing crisis.” Statistics shared by a city consultant last month showed that more than 42 percent of Lynn households are in a home they cannot afford.

A 5-year comprehensive plan aimed at increasing the city's affordable housing stock is being developed by Lynn Housing Authority & Neighborhood Development and the Metropolitan Area Planning Council, and will be discussed at Tuesday's City Council meeting.

Isaac Simon Hodes, an organizer with Lynn United for Change, said creating luxury housing in working-class neighborhoods leads to big rent increases and displacement in surrounding areas, even if the new projects don't tear down existing homes.

Hodes said the new development will benefit wealthy people from out of town, rather than existing residents. He argued that residents will not benefit from city services created through tax revenue from "luxury housing developments" if rising rents force them to move out of the city.

"(Instead), developers could include apartments affordable for working-class Lynn residents while still making a profit and increasing the tax base," said Hodes. "New development that's more inclusive could bring the city together. This gentrification-focused development will divide us by creating big profits for developers, but higher housing costs, displacement and dangerous working conditions for others."



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