

October 20, 2025 Special Town Meeting
Article 5
Appropriate for Stephen Palmer Lease Expiration
Frequently Asked Questions



Q: Why is the Town taking back ownership of the Stephen Palmer Building?

A: The Town entered into a 50-year ground lease with Stephen Palmer Associates on May 3, 1977 for the Stephen Palmer building and property that included the sale of the building for not more than \$100. The ground lease terminates on May 3, 2027 at which time ownership of the entire Stephen Palmer property (including the building) reverts to the Town.

Q: Why can't tenants stay? What is happening with the building?

A: The Town has not yet determined the future use of the building or the property. The Select Board has established the Stephen Palmer Development Review Committee to engage the Needham community to envision the future of this site. There will be opportunities for community input throughout this process. The Committee will be supported by Town staff and consultants, whose services include providing an existing conditions assessment to understand the implications of retaining or demolishing the building as well as developing three land use scenarios for consideration by the Committee. The Committee will ultimately make recommendations to the Select Board about the property.

The Stephen Palmer Development Review Committee had its first meeting on Wednesday, October 15th. More information on the Committee can be found on the Town's website: www.needhamma.gov/stephenpalmer.

Regardless of which option the Town chooses as the future use of Stephen Palmer - housing or otherwise - the implementation of that decision cannot be completed before May 3, 2027. The Town is not set up to operate as a landlord for the intervening years or even for a short period of time. Thus, the Select Board has entered into this agreement with Stephen Palmer Associates to responsibly wind down the existing residential use before the building reverts to the Town. This approach allows the Town to provide tenants with substantial advance notice, clear communication regarding next steps, and meaningful relocation assistance—including financial support and professional services from HousingToHome to help ensure a smooth transition.

Q. Why are tenants' leases not being renewed? Why can't the tenants stay until the termination of the ground lease on May 3, 2027?

A: The Town is not structured to operate as a residential landlord, even temporarily. In preparation for the ground lease expiration, Stephen Palmer Associates will conclude all existing tenancies by October 31, 2026, allowing time for an orderly and well-supported process. This date was chosen because there are no active leases set to expire after October 2026 and residents whose leases end earlier can remain on a month-to-month basis until this same date. All tenants will be treated fairly and consistently, regardless of individual lease terms. The Town's goal is to make this transition as smooth and respectful as possible for every resident.

The October 31, 2026 date ensures that all existing annual leases are honored, all tenants are provided 12 months' notice and provides a time allowance for final coordination to transition the property and a vacant building from Stephen Palmer Associates to the Town.

Q: Can tenants end their residency early?

A: Yes. Stephen Palmer Associates has agreed to allow early termination without penalty to provide flexibility during the relocation process.

Q: Will tenants receive relocation assistance?

A: Yes. Assistance will include housing search support and relocation guidance as well as financial reimbursement up to \$10,000 per unit for specified costs associated with the move. The Town has contracted with HousingToHome (HTH) to provide relocation assistance and individualized support for all residents. HTH is a MetroWest-based resident engagement firm that has extensive experience providing relocation assistance to residential tenants across the nation. HTH will set up one-on-one meetings with each tenant to complete an assessment about their housing needs, priorities, and future plans. They will help identify available units and assist in applying for waiting lists as well as filling out forms.

HTH provides accommodations unique to each individual including talking with and meeting with residents numerous times; providing translation services for a language that is not English; including friends and family in the process at the request of the resident; including and meeting with third parties at the residents request such as social workers; putting information into writing; identifying and coordinating vendors such as moving companies, and more.

HousingToHome is available to begin working with Stephen Palmer residents as of November 1, 2025 subject to the passage of Article 5.

Q: What are the details of the financial assistance?

A: The Select Board will seek Reserve Fund Transfers from the Finance Committee to allow the Town to reimburse up to \$10,000 per Stephen Palmer unit for eligible relocation costs including: the rent differential between their future and current rent for up to four months, security deposit, moving costs, and application fees.

Q: Why is the relocation assistance funding being offered as a reimbursement? How are the tenants supposed to pay for these costs up front?

A: The relocation assistance is being provided as a reimbursement because, under state law, the Town is not permitted to issue advance payments to individuals for expenses that have not yet been incurred or verified. All municipal disbursements must be supported by documentation, such as receipts or invoices, to ensure compliance with state financial and auditing requirements.

The Town recognizes that paying for relocation costs up front may create challenges for some tenants. To help address this, the Town's contracted relocation consultant, HousingToHome, will work directly with tenants to provide guidance, explore available community resources, and

assist with any administration requirements. Tenants can submit for multiple reimbursements, as soon as an eligible cost is incurred. The Town will make payments directly to tenants in a timely fashion.

Q: Are there federal and state laws that require that displaced tenants be provided with relocation assistance?

A: Yes, there are federal and state laws that require that tenants receive relocation assistance under certain circumstances, including if their housing is affected by a project that uses federal or state funding for acquisition, rehabilitation, demolition or redevelopment. At this time, the Town does not know what the future use of the Stephen Palmer property will be or whether any federal or state funds will be used. Town Counsel and HousingToHome have stated, respectively, that requirements under M.G.L. c.79A and the federal Uniform Relocation Act do not apply at this time.

Q: What happens if Town Meeting doesn't approve the request for funding for the negotiated agreement between the Town and Stephen Palmer Associates?

A: The agreement between the Town and Stephen Palmer Associates will become null and void. The Select Board will have to explore alternative options for how to transition the building prior to the May 3, 2027 lease expiration. While the funds for HTH appropriated at the October 2024 Special Town Meeting may be used to offer advice and counsel to tenants for relocation planning, the Town would need to determine whether any relocation financial support for tenants is possible. Without this agreement, Stephen Palmer Associates is under no obligation to keep a unit vacant when a current resident moves out.

Q: Why wasn't the proposal between Stephen Palmer Associates and the Town discussed publicly or brought before Town Meeting?

A: The Open Meeting Law allows for public bodies to meet in executive session (i.e. meetings of a public body that are held in private) under specific circumstances, including in this instance when meeting in open session may have had a detrimental effect on the negotiating position of the public body. This agreement was discussed and voted on in open session at the Select Board's October 14, 2025 meeting. The agreement is subject to appropriation of funds by Town Meeting. The appropriation request of \$385,000 is on the October 20, 2025 Special Town Meeting Warrant under Articles 5. If Article 5 is adopted, Article 6 proposes to amend the Fiscal Year 2026 Operating Budget, including a reduction to line item 10 Reserve Fund of \$385,000, to provide the funding to support Article 5 within the Town's existing FY2026 operating budget total approved by the 2025 Annual Town Meeting.

A year ago, Special Town Meeting approved funds to begin planning for the return of the building to the Town and to create a framework for tenant relocation assistance and support. Upon approval, the Town sent a letter to all Stephen Palmer residents noting that the 50-year ground lease would expire in May 2027, and the Town was beginning the development of transition plans.

Q: If the future use of the Stephen Palmer Building is housing, will the current tenants get priority for these units?

A: In conjunction with HTH, the Town is researching state and federal housing regulations which govern eligibility thresholds and tenant selection processes. The decisions about specifically what type of housing (e.g. eligibility based on income or age criteria, rental vs. homeownership, etc.) may also impact whether a current tenant would be eligible.

Q. Would tenants who relocate out of Needham be considered “Needham Residents’ under Local Preference?

A. Local preference, which provides priority to residents of the community for subsidized units, is strictly regulated by MassHousing to ensure compliance with affirmative fair housing regulations. The Town will be communicating with MassHousing to secure a definitive response to this question.

Q: May tenants receive priority for existing subsidized housing when it becomes available?

A. Due to the nature of these units, the Town does not know whether individual residents are income-eligible for subsidized housing and, if they are, at what level. Tenants who meet HUD-established income thresholds are eligible for subsidized housing. However, tenants may not receive priority over other applicants. Vacant subsidized units are typically filled via a lottery process. HTH is available to assist any tenant with filling out applications for inclusion on waiting lists of existing subsidized housing. A list of affordable housing developments has been provided to HTH by the Town. The Town will also work with the Needham Housing Authority to understand its eligibility requirements and application processes to facilitate HTH's support to the tenants.