



Finance Committee Report

City of Newton **In City Council**

Monday, March 6, 2017

Present: Councilors Gentile (Chair), Ciccone, Norton, Brousal-Glaser, Rice, Blazar, Fuller, and Lappin

Referred to Programs & Services, Land Use and Finance Committees

- #35-17** **Appropriation of CPA funds for design of the Crescent Street Project**
COMMUNITY PRESERVATION COMMITTEE recommending the appropriation of two hundred sixty thousand dollars (\$260,000) from the Community Preservation Fund to the Public Buildings Department for feasibility and design work on affordable housing and playground expansion and improvements at 70 Crescent Street, as envisioned by Council Order #384-11(4) and as described in the December 2016 proposal to the Community Preservation Committee and the Community Preservation Committee's detailed funding recommendation.
[01/23/17 @ 5:19 PM]
Programs & Services Approved 2-0-2 (Hess-Mahan and Leary abstaining) on 02/22/17
Land Use Approved 7-0 (Cote not voting) on 02/28/17
Action: **Finance Approved 8-0**

Referred to Land Use and Finance Committees

- #10-17** **Appropriate \$2 million for development of housing units at 70 Crescent Street**
HIS HONOR THE MAYOR requesting authorization to appropriate two million dollars (\$2,000,000) from the November 16, 2016 Overlay Surplus Declaration for the purpose of funding the City's share of the development of market rate and affordable housing units at 70 Crescent Street. {12/28/16 @ 4:48 PM]
Item split into Part A and Part B:
Part A – Balance of City's Funds for Project Construction \$1,701,500 – HELD
Part B - Project Design Funds \$298,500
Land Use Approved Part B 7-0 @ \$298,500 (Cote not voting) on 02/28/17
Action: **Finance Approved Part B 8-0**

Note: The Committee discussed both items in conjunction. Chair of the CPC, Jane Sender presented the request to appropriate \$260,000 of CPA funds for the design of the Crescent Street Project. The intention is to move forward with the design phase of the project, which includes upgrades to the park, four market rate and four affordable units of housing. The community has expressed concern about the cost of the project, but the City is committed to reducing the costs. Chief of Staff/Chief Financial Officer Maureen Lemieux noted that the City will be bonding the project with tax-exempt bonds and the income from the rental properties will go directly to debt service payments. The Administration is asking that the request for funding from the Declaration of Overlay Surplus be split into Parts A and B. Part A would be the construction funding and Part B, the design funding. The

Council would hold the \$1,701,500 in construction funds until the project reaches the construction phase.

Several Councilors are supportive of the project and are excited to move forward with the project. It is important that the City select the right designers for both the housing component and park component of the project. With that, a Councilor moved approval of #35-17, which carried unanimously. There was also a motioned to split item #10-17 into two parts; A. \$1,701,500 and B. \$298,500 and approve Part B, which carried unanimously.

Respectfully submitted;

Leonard J. Gentile, Chair