



Ruthanne Fuller  
Mayor

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Barney S. Heath  
Director

## Community Preservation Committee Funding Recommendation for the Newton Affordable Housing Trust Fund

**Date:** August 19, 2022  
**From:** Community Preservation Committee  
**To:** The Honorable City Council  
**CC:** Her Honor Mayor Ruthanne Fuller

### PROJECT GOALS & ELIGIBILITY

CPA Community Housing funding is requested to provide the initial funding for the newly established Newton Affordable Housing Trust (NAHT). The Trust was created in December 2021 to provide a more efficient and streamlined process for funding new affordable housing projects in Newton. This funding will be used by the Trust to fund future affordable housing projects which acquire, create, preserve, restore, rehabilitate or support affordable housing in Newton.

The project is eligible for CPA funding as the funds will be used in the future for CPA eligible projects which further the City's existing and future affordable housing goals.

**RECOMMENDED FUNDING** At its monthly meeting on Tuesday, August 9, the Community Preservation Committee unanimously recommended, with a vote of 9 to 0, that \$1,948,056, which represents 35% of the Community Preservation Program's FY23 annual funds, in Community Preservation Act funding be appropriated, with \$556,588 to come from the FY23 Community Housing Reserve Account and \$1,391,468 to come from FY23 Unrestricted Funding Account, to the control of the Planning & Development Department to provide funding to the Newton Affordable Housing Trust for future projects that meet one or more of the CPA's eligible funding categories for Community Housing projects.

Proposed CPA Funding Accounts for the Newton Affordable Housing Trust			
Account Name	Account Number	Amount Currently Available	Proposed Amount for the NAHT
Community Housing FY23 Reserve Account	#58R10498 57900B	\$556,588	\$556,588
FY23 Unrestricted Funding Account	#58R10498 579000	\$3,092,471	\$1,391,468
<b>Total Project Funds</b>			<b>\$1,948,056</b>

[www.newtonma.gov/cpa](http://www.newtonma.gov/cpa)

Lara Kritzer, Community Preservation Program Manager  
[lkritzer@newtonma.gov](mailto:lkritzer@newtonma.gov) 617.796.1144

## SPECIAL ISSUES CONSIDERED BY THE CPC

**Community Needs:** City Council passed the enabling ordinance to create the new municipal affordable housing trust in December 2021 after several years of studying the potential benefits and requirements of these programs. The new Trust will assist the City in meeting its affordable housing goals by creating a streamlined process for funding new projects and developments. This proposal for initial funding of the Trust meets multiple goals listed in the Comprehensive Plan by creating a resource for preserving and creating affordable housing while also strengthening the City's financial resources for these affordable housing goals. Funding of the Trust also addresses the goals of the City's Consolidated Plan for FY21-FY25 by providing a funding resource for projects that produce new units, preserve existing units, support affordable housing, and further Newton's Fair Housing goals.

**Development Uses and Sources:** This proposal will use CPA funds to establish the Affordable Housing Trust Fund and build a reserve fund for future affordable housing projects. Any future project requesting this funding from the Trust will still be required to meet all of the requirements of the Community Preservation Act.

**Project Finances:** CPA funding was noted to be the primary funding source for the Trust Fund during the review process for the enabling ordinance. As part of these discussions, the CPC agreed to set aside its annual target amount for affordable housing, currently 35% of the program's annual funding, to the Trust once it was established. This recommendation is only for FY23 funding and the Trust is required to apply on an annual basis for any future CPA funds. While 35% of annual funding is the CPC's current target for Community Housing funding, a future Committee may choose to change its category funding targets at any time and would adjust future funding recommendations to the Trust accordingly. The Trust may also receive Inclusionary Zoning funds from time to time, but this is not anticipated to be a regular or reliable funding source.

## ADDITIONAL RECOMMENDATIONS *(funding conditions)*

1. Funding is to be used at the discretion of the Newton Affordable Housing Trust (NAHT) for any project which acquires, creates, preserves, rehabilitates/restores, or supports affordable housing as defined in the Community Preservation Act.
2. The CPC shall receive copies of all relevant plans, drawings, schematics, budget and marketing materials, etc. associated with the use of the CPA funding.
3. The CPC shall receive regular updates from the NAHT on the status of the Trust funds, how they are being used, and any plans for future projects or initiatives which might involve CPA funding.
4. Any CPA funds appropriated but not used for the purposes stated herein shall be returned to the Newton Community Preservation Fund.

## KEY OUTCOMES

The Community Preservation Committee will evaluate this project based on its success in furthering the City's goals for affordable housing and in completing projects eligible for community housing funding as defined by the Community Preservation Act.

## ATTACHMENTS

- July 2022 Proposal submitted to the CPC for the July 12, 2022 public hearing

Additional information not attached to this recommendation, including petitions and letters of support, are available on the CPC's website at: <https://www.newtonma.gov/government/planning/community-preservation-program/proposals-projects/newton-affordable-housing-trust-funding>

**Newton, Massachusetts Community Preservation Program  
FUNDING REQUEST**

**436-22**

City of Newton



Ruthanne Fuller  
Mayor

PRE-PROPOSAL

PROPOSAL

(For staff use)  
date rec'd:

Please submit this completed file directly – do not convert to PDF or other formats.

For full instructions, see [www.newtonma.gov/cpa](http://www.newtonma.gov/cpa) or contact us:

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You may adjust the space for each question, but the combined answers to all questions on this page must fit on this page.

<b>Project TITLE</b>	Newton Affordable Housing Trust Funding		
<b>Project LOCATION</b>	Full street address (with zip code), or other precise location. Citywide		
<b>Project CONTACTS</b>	Name & title or organization	Email	Phone
<b>Project Manager</b>	Ann Houston, Chair Newton Affordable Housing Trust	<a href="mailto:lkritzer@newtonma.gov">lkritzer@newtonma.gov</a>	617-796-1144
<b>Other Contacts</b>	Lara Kritzer, Community Preservation Program Manager	<a href="mailto:lkritzer@newtonma.gov">lkritzer@newtonma.gov</a>	617-796-1144
<b>Project FUNDING</b>	<b>A. CPA funds requested:</b> \$1,948,056	<b>B. Other funds to be used:</b> \$0	<b>C. Total project cost (A+B):</b> \$1,948,056
<b>USES OF FUNDS</b>	<input checked="" type="checkbox"/> Rental Assistance		<input checked="" type="checkbox"/> Mortgage Assistance
<b>TARGET POPULATION, TYPE OF HOUSING, SPECIAL FEATURES</b>			
Individuals <input checked="" type="checkbox"/>	Families <input checked="" type="checkbox"/>	Seniors <input checked="" type="checkbox"/>	Homeless/At Risk of Homelessness <input checked="" type="checkbox"/>
Rental <input checked="" type="checkbox"/>	Ownership (including condominiums) <input checked="" type="checkbox"/>	% Area Median Income:	Up to 100% AMI
<b>Project SUMMARY</b>	Explain how the project will use the requested CPA funds. You may provide more detail in attachments, but your PROJECT SUMMARY MUST FIT IN THE SPACE BELOW.		
<p>In December 2021, the City of Newton established its first Affordable Housing Trust for the purposes of preserving the City's existing affordable housing units and creating new units that are affordable to low and moderate income households. During the review process for the ordinance, the Community Preservation Committee expressed its support for the creation of the new affordable housing tool and agreed to support the allocation of 35% of the City's annual CPA funding to the Trust for use in any affordable housing project that is allowable under the Community Preservation Act. This proposal is the Newton Affordable Housing Trust's first application for CPA funding to provide the initial funds to establish the Affordable Housing Trust Fund and begin the work of developing and furthering projects that further the City's affordable housing goals.</p> <p>The Trust is anticipated to be ready to accept new proposals for the use of its funding as soon as the CPA funding is in place. The goal of the Trust is to establish a simplified process for the allocation of these funds so that the funds can be quickly put to use to meet the affordable housing needs of the community. While the Trust has a stated goal of focusing funding on low and very low income households, the current proposal is for the use of the funding up to the 100% AMI allowed by the Community Preservation Act to allow the Trust with the greatest flexibility in using the funds to meet the affordable housing goals.</p>			

<b>Project TITLE</b>	<b>Newton Affordable Housing Trust</b>		
<b>USE of CPA FUNDS</b>		<b>COMMUNITY HOUSING</b>	
<b>(To be completed by CPC staff.)</b>	<b>Acquire</b>	X	
	<b>Create</b>	X	
	<b>Preserve</b>	X	
	<b>Rehabilitate/ Restore</b>	X	
	<b>Support</b>	X	
<b>COMMUNITY NEEDS</b>	From each of at least 2 plans linked to the <a href="#">Guidelines &amp; Forms</a> page of <a href="http://www.newtonma.gov/cpa">www.newtonma.gov/cpa</a> , provide a brief quote with plan title, year, and page number, showing how this project meets previously recognized community needs. You may also list other community benefits not mentioned in any plan.		
The NAHT supports affordable housing as recognized in the following plans:			
<p><b>Comprehensive Plan:</b> Funding of the NAHT meets the goals of the Comprehensive Plan for affordable housing by consolidating the City's available funding resources in a single location which provides affordable housing advocates and developers with a simplified, one-stop process for future funding. The Comprehensive Plan called for CPA funding to be a leading resource in the preservation of existing and creation of new affordable housing (Page 5-9) and the Trust provides the City with opportunities to work with the Plan's Strategic Action for Strengthening Financial Resources (Page 5-16).</p>			
<p><b>Consolidated Plan FY21-FY25:</b> Funding of the NAHT will assist the City in meeting the Strategic Plan Goals for Newton (Page 182) by providing funding for the production of new units and the preservation and rehabilitation of existing units. Trust funding can also be used to support affordable housing units and programs and to further the goals of Fair Housing in Newton.</p>			
<p><b>Community Outreach:</b> The Mayor, City Councilors, and numerous City residents and affordable housing advocates took part in the discussions surrounding the development of the Affordable Housing Trust Ordinance in 2020 and 2021 and its approval in December 2021.</p>			
<b>COMMUNITY CONTACTS</b>	List at least 3 Newton residents or organizations willing and able to comment on the project and its manager's qualifications. No more than 1 should be a supervisor, employee or current work colleague of the project manager or sponsor. Consult staff on the community contacts required for your specific proposal.		
<b>Name &amp; title or organization</b>	<b>Email</b>	<b>Phone</b>	<b>Mailing Address</b>
Fran Godine, Engine 6	<a href="mailto:godine@comcast.net">godine@comcast.net</a>	617-969-2625	
Jeanne Strickland, Exec. Director Newton Community Development Foundation	<a href="mailto:jstrickland@ncdfinc.org">jstrickland@ncdfinc.org</a>	617-244-4035	
Lizbeth Heyer, Chair Newton Housing Partnership	<a href="mailto:lheyer@2lifecommunities.org">lheyer@2lifecommunities.org</a>	617-912-8400	

You may adjust the space for each question, but the combined answers to all questions on this page must fit on this page.  
 Full proposals must include separate, detailed budgets in addition to this page.

Project TITLE	Newton Affordable Housing Trust	
<b>SUMMARY CAPITAL/DEVELOPMENT BUDGET</b>		
<b>Uses of Funds</b>		
To fund future affordable housing projects that acquire, create, preserve, restore, rehabilitate, and support affordable housing in Newton as allowed in the Community Preservation Act Legislation.		\$1,948,056
<b>D. TOTAL USES</b> (should equal C. on page 1 and E. below)		<b>\$1,948,056</b>
<b>Sources of Funds</b>	<b>Status</b> (requested, expected, confirmed)	
CPA funding	Requested	\$1,948,056
<b>E. TOTAL SOURCES</b> (should equal C. on page 1 and D. above)		<b>\$1,948,056</b>
<b>SUMMARY ANNUAL OPERATIONS &amp; MAINTENANCE BUDGET (cannot use CPA funds)</b>		
<b>Uses of Funds</b>		
Not Applicable - Staff Support to come from Community Preservation Act Administrative Funds (Community Preservation Program Manager Position)		\$0
<b>F. TOTAL PROGRAM ADMINISTRATION COST</b> (should equal G. below)		<b>\$0</b>
<b>Sources of Funds</b>		
		\$0
		\$0
<b>G. TOTAL ANNUAL FUNDING</b> (should equal F. above)		<b>\$ 0</b>
Project TIMELINE	Phase or Task	Season & Year
	Application submitted for CPC Public Hearing	August 2022
	CPC and City Council review and approval process	August – October 2022
	City Council vote	September – October 2022
	Funding available for use by Trust	November 2022