

CITY OF NEWTON

IN BOARD OF ALDERMEN

FINANCE COMMITTEE REPORT

MONDAY, DECEMBER 10, 2012

Present: Ald. Gentile (Chairman), Linsky, Rice, Blazar, Fuller and Lappin

Absent: Ald. Ciccone and Salvucci

Also present: Ald. Albright and Crossley

City officials present: Alexandra Ananth (Senior Planner), Maciej Konieczny (Project Manager; Public Buildings Department), Bruce Proia (Fire Chief), Howard Mintz (Police Chief), Elizabeth Dromey (Director of Assessing), Trisha Guditz, (Housing Programs Manager; Planning Department); Robert Muollo, Jr. (Housing Planner; Planning Department), David Wilkinson (Comptroller), and Maureen Lemieux (Chief Financial Officer)

Reappointment by His Honor the Mayor

#410-12 JEFFREY SILTON, 120 Cherry Street, West Newton reappointed as a Constable for the City of Newton for a term of office to expire October 24, 2015. [11/19/12 @ 9:51 AM]

ACTION: **APPROVED 5-0 (Rice not voting)**

NOTE: Jeffrey Siltan joined the Committee for discussion of his reappointment as a Constable in the City of Newton. Mr. Siltan has served as a constable for the past 17 years and is the Deputy Chief of the auxiliary police. All of the appropriate documents including a Constable's Bond have been submitted. Mr. Siltan is well known to all Committee members. Ald. Linsky moved approval of the reappointment, which carried unanimously.

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

#41-10(2) COMMUNITY PRESERVATION COMMITTEE requesting authorization to appropriate the sum of one hundred eighty thousand dollars (\$180,000) from the Community Preservation Fund for the purpose of providing supplemental funding for the Newton Community Farm Barn Rehabilitation Project.

PUBLIC FACILITIES APPROVED 7-0 on 12/05/12

ACTION: **APPROVED 6-0**

NOTE: Senior Planner Alexandra Ananth reviewed the request for authorization of supplemental funds from the Community Preservation Fund to rehabilitate the interior of the barn at Angino Farm. Ms. Ananth provided the attached handout to the Committee. The project received \$568,000 from the Community Preservation Fund in March 2010 for design and construction of the interior of the barn. The Farm Commission and Newton Community Farm, Inc. also leveraged \$230,000 in private funding to contribute to the rehabilitation project. When the project was 90% designed, it became apparent that additional funds were needed for unanticipated work related to building code and underestimated budget items. The operator of the farm and Farm Commission have reviewed the budget and eliminated any part of the project

that did not affect the core intent of the project. Therefore, Newton Community Farm, Inc. is requesting an additional \$180,000 from the Community Preservation Fund in order to maintain the core intent of the project. The operator is prepared to continue fundraising to reach \$220,000 to build out the kitchen, including appliances and equipment, build the 3-season porch and the office loft, which were value engineered out of the project.

The Committee members were pleased that the Farm Commission and Newton Community Farm, Inc. had provided a substantial amount of private funding and were planning to continue to raise funds for the interior barn rehabilitation. The farm is a self-sufficient operation and with the addition of a rehabilitated barn, the farm will be able to generate additional money from programs and events held at the farm. Angino Farm is a wonderful city resource.

There were questions regarding why the project was delayed over two years. Ms. Ananth explained that the design work took some time, that the project management had changed from the Engineering Division to the Public Buildings Department and it took time to determine what budget cuts could be made to the project without seriously affecting the project. The Committee requested regular updates on the progress of the project. The Chair of the Community Preservation Committee explained that the Community Preservation Committee requires the Public Buildings Department to respond promptly to any requests for updates. The City's Project Manager Maciej Konieczny reviewed the project schedule with the Committee. The project is expected to go out to bid in late February, the contract should be executed in late March, and the construction should begin in April, and be complete in November.

After reviewing the operating budget for the Farm, Ald. Fuller noted that there is only a limited amount of money provided for ongoing maintenance and she is concerned that it is not enough to maintain the interior of the barn in the future. Peter Barrer, President of the Board of Directors for the farm stated that funding is carried for maintenance of the farm and that there is a reserve for funding the maintenance. He added that once the barn is rehabilitated, the farm's revenues are expected to increase. Ald. Fuller suggested that a distinct line item for maintenance be included in the farm's operating budget. Ald. Blazar then asked what would happen to the project if the farm does not meet its goal of raising \$220,000 to complete the project. Mr. Barrer responded that the farm would use a portion of its reserve, if necessary.

Committee members questioned the need for \$75,000, as contingency is usually set at 10% of the requested funding. It was explained that the \$75,000 contingency is 10% of the funding for the entire project. The contingency will be used to address any unforeseen construction issues. If the bids come in lower than anticipated, the extra money would be used to fund items that were value engineered out of the project. The Community Preservation Committee would review any additional work that is outside of the project as currently proposed.

Ald. Lappin moved approval of the item, which carried unanimously. Ald. Fuller asked for notification of the start of the project and a breakout of the total project budget. Ms. Ananth and Mr. Konieczny agreed to supply the requested information.

REFERRED TO LAND USE AND FINANCE COMMITTEES

#413-12 **COMMUNITY PRESERVATION COMMITTEE** recommending that the sum of two hundred fifty-five thousand dollars (\$255,000) be appropriated from the Community Preservation Act Fund, to the control of the Planning and Development Department for the purpose of supporting a project that will create two units of perpetually affordable rental housing at 54 Eddy Street West Newton, as described in the proposal and supporting materials submitted by Citizens for Affordable Housing in Newton Development Organization (CAN-DO).
[11/20/12 @ 9:19 AM]

LAND USE APPROVED 7-0 on 12/04/12

ACTION: **APPROVED 6-0**

NOTE: Housing Planner Rob Muollo provided the attached handout, which presents an overview of the proposed Citizens for Affordable Housing in Newton Development Organization (CAN-DO) Project to create two affordable units of rental housing at 54 Eddy Street in West Newton. The Community Preservation Committee has recommended that \$255,000 of Community Preservation Act (CPA) funding be used to rehabilitate the two-family house. The project is eligible for CPA funding, as it creates affordable housing. The house contains a two-bedroom unit and a three-bedroom unit. The plan is to rent the two-bedroom unit at up to 50% of the area median income and the three-bedroom unit at up to 80% of the area median income. The units would be perpetually affordable after the state has approved the project. Until the state approval is given, the units would have a 30-year term of affordability. It is anticipated that the State will approve the units, as the project meets all of the guidelines for affordability.

The proposed rent for the 2-bedroom unit is \$1,200 per month and \$1,500 for the 3-bedroom unit. The rents assume that the tenants would pay the utilities. The units will be rented to low and moderate income households with priority given to homeless families in Newton. CAN-DO operates transitional housing in Newton, which is where the initial pool of potential renters would be sought and then it would look to rent to homeless veterans.

The handout also included a development budget for the project. The total estimated cost of the project is \$1,115,250, which is to be funded through \$690,000 in Community Development Block Grant (CDBG) funds, \$225,000 from CPA funds, \$50,000 from a foundation grant and a \$120,000 mortgage from Village Bank. The public subsidy of the project is approximately \$450,000 per unit. The proposed operating budget was provided and it states that the effective annual income is \$30,780 less operating expenses of \$19,721, which results in a net operating income of \$11,059. \$8,040 of the operating income will be used to pay the debt service on the mortgage leaving a net cash flow of \$3,019.

The scope of construction work includes deleading, asbestos removal, kitchen and bathroom renovations, roof repairs, driveway repaving, roof repair, and repair to the roof, driveway, retaining wall, masonry and garage. The heating system would be converted from steam to forced hot water, which creates a more efficient system. The majority of the windows in the house were recently replaced but it is anticipated that there will be additional window replacements, because of the deleading.

The long -term operating projections assume a 1.5% per year increase in income and a 3.5 % increase in expenses, which results in a net increase of expenses of 2% per year. The operating expense cushion for the project will deteriorate further each year and at year ten, the owner would refinance to reduce expenses by reducing the cost of debt. The projection assumes that interest rates continue to be low in ten years. The assumptions are conservative and the owner is continuing to pay down the mortgage over the ten years. It was pointed out that CAN-DO has a portfolio reserve and would draw on the reserves if there were a problem.

Committee members questioned whether CAN-DO and the City should be looking for accessible houses and/or houses with more than two units. It was pointed out that it is often difficult to find tenants that require accessible housing. The last two CAN-DO projects included accessible units that ended up being rented to people that did not require accessible units. It is very difficult to find multi-family homes in the City of Newton.

The City's Planning Board continues to work with CAN-DO on their operating budget. The Planning Board recently reviewed CAN-DO's financial statements, which looked good. The Finance Committee Chair suggested that if the project comes in under budget that the savings be used to pay down the principal of the loan, as the project would remain financially healthier in the end.

Ald. Fuller moved approval, which carried unanimously.

REFERRED TO PUBLIC SAFETY & TRANS. AND FINANCE COMMITTEES

#414-12 HIS HONOR THE MAYOR requesting that the sum of one million dollars (\$1,000,000) be appropriated from bonded indebtedness for the purpose of purchasing a new ladder truck for the Newton Fire Department to replace Fire Ladder #1. [11/27/12 @ 12:45 PM]

PUBLIC SAFETY APPROVED 5-0 on 12/05/12

ACTION: **APPROVED 6-0**

NOTE: Fire Chief Proia presented the request for one million dollars to purchase a new ladder truck to replace a 16-year old truck at Station #2 located on Commonwealth Avenue. The new truck is part of the Fiscal Year 2013 Capital Improvement Plan. The million dollars would be used to fund the purchase of the truck and provide all new equipment for the new truck, such as Jaws of Life, air bags, and hand tools. The National Fire Protection Association standard is to replace any front line fire vehicle over 15 years of age. With the replacement of this truck, the trucks will all be within the 15-year standard for the next few months. The City has no spare ladder truck and the replaced ladder truck would be used as a spare vehicle.

Chief Proia has met with three or four truck vendors and has received quotes, which all exceed \$900,000. All of the quotes include an extended warranty of seven years. Chief Financial Officer Maureen Lemieux added that the City would attempt to set up an early payment discount with the vendor that could save some money. With that, Ald. Lappin moved approval, which carried unanimously.

#399-12 HIS HONOR THE MAYOR requesting authorization to transfer the sum of twenty-one thousand six hundred thirty five dollars (\$21,635) to replace a police cruiser that was damaged beyond repair in an automobile accident as follows:

From: Budget Reserve	
0110498-5790	\$11,081
P.S. Supplies	
0120112-5580	\$5,554
Cty Asses Forfeitures	
13C201C	5,000
To: Automobiles	
0120108-58501	\$21,635

ACTION: **APPROVED 6-0**

NOTE: Police Chief Howard Mintz explained that the requested funds would be used to purchase a police cruiser damaged beyond repair in an accident on October 2, 2012, while responding to a call. The cruiser is assigned to the busiest area in Newton in terms of police incidents.

The Police Department is currently using a car with over 70,000 miles on the odometer, which is not suitable for a police car. The purchase of the car will be partially funded through the City's budget reserve, which would leave approximately \$20,000 in Budget Reserve. The remainder of the funding would come from transfers within the Police Department's budget and a transfer of funds from the City's Asset Forfeitures Account.

Ald. Rice moved approval of the item, which carried unanimously.

#398-12 HIS HONOR THE MAYOR requesting authorization to appropriate the sum of one hundred seventy-nine thousand one hundred thirty-nine dollars and thirty cents (\$179,139.30) from the November 9, 2012 Declaration of Overlay Surplus as declared by the Chairman of the Board of Assessors to pay the 8% statutory interest from the time Verizon New England, Inc. paid its FY 2009 tax bill until the day the Treasurer/Collector issued a refund check for an abatement given by the Board of Assessors on October 30, 2012. [11/13/12 @ 5:12 PM]

ACTION: **APPROVED 6-0**

NOTE: The request is to appropriate \$179,139.30 from Overlay Surplus as declared by Elizabeth Dromey, Chairman of the Board of Assessors, on November 9, 2012. The City of Newton owes Verizon New England statutory interest from a recent decision of the Massachusetts Appeals Court related to taxation of poles and wires over public ways prior to Fiscal Year 2010. The City lost the appeal and had to refund Verizon's Fiscal Year 2009 payment plus interest on October 30, 2012. However, a portion of the interest was not paid. Once this interest is paid, there is no further exposure to the City related to the court decision for this case. However, there are still issues related to the pole and above ground conduit that could be brought to the courts. The City must pay the interest; therefore, Ald. Lappin moved approval, which carried unanimously.

#411-12 HIS HONOR THE MAYOR requesting approval of a Loan Order to refinance outstanding bonds for interest cost savings. The proposed language for the order is as follows: **Ordered:** That in order to reduce interest costs, the Treasurer, with the approval of the Mayor, is authorized to provide for the sale and issuance of refunding bonds under Massachusetts General Law Chapter 44, Section 21A to refund all or any portion of the remaining principal of and redemption premium and interest on any bonds of the City outstanding as of the date of adoption of this Order, and for the payment of all other costs incidental and related thereto, and that the Mayor and the Treasurer are each authorized to take any and all other action necessary to carry out the purposes of this order. [11/27/12 @ 1:13 PM]

ACTION: **APPROVED WITH CONDITIONS 6-0**

NOTE: Chief Financial Officer Maureen explained the request is for blanket authorization for the Treasurer with approval of the Mayor to refund the remaining principal, redemption premium, if any, and interest on any outstanding bond as of the date of adoption of the above order. Interest rates continue to fall and the City has opportunities for advance refunding on a bond from 2005 and a bond from 2006. Refunding of a bond is similar to refinancing a mortgage where the homeowner obtains a new mortgage with a lower rate to pay off the older, more expensive mortgage. Similarly, the city would seek to lower its interest payments by paying off bonds that were previously issued with newly issued refund bonds that pay interest at a lower rate than the original bonds. The attached Massachusetts General Law provides the legal requirements for refunding bonds.

Chief Financial Officer Maureen Lemieux, Comptroller David Wilkinson, and Treasurer/Collector Jim Reardon are meeting with First Southwest Company on December 14, 2012 to discuss the refunding opportunities. The Committee requested that the Administration provide information on how refunding bonds impacts the City tax wise and fee wise. In addition, the Committee would like clarification that it is necessary to revoke the authorization should the administration wish to refund additional bonds.

Cinder McNerney, Managing Director at First Southwest Company provided the attached e-mail summarizing the refunding opportunities and potential budgetary savings if the bonds are refunded. The savings is in the debt-service for the bonds and not a cash savings.

The Committee members felt strongly that if the authorization is approved it should have conditions requiring that a formal approval process that includes review and majority approval by the Chief Financial Officer, Treasurer/Collector, and Comptroller is established; and that the Treasurer/Collector provides a formal notification to the Board of Aldermen of any bonds that have been refinanced including a complete financial analysis supporting the decision to refinance. With that, a motion for approval with the two proposed conditions was made and approved unanimously.

#280-12 ALD. CROSSLEY, ALBRIGHT, JOHNSON & MERRILL requesting that (A) the City accept G.L. c. 59 section 5N of the Acts of 2012 and (B) create an ordinance establishing a program to allow veterans to volunteer to provide services in exchange for a reduction in real property tax obligation. [09-10-12 @ 6:44 PM]

ACTION: NO ACTION NECESSARY 6-0

NOTE: Shortly after this item was filed, His Honor the Mayor filed a request for five acceptances related to establishing programs for tax exemptions for veterans and senior citizens, including acceptance of Massachusetts General Law Chapter 59, Section 5N. The Board Aldermen approved the Mayor's request on December 3, 2012; therefore, the Committee voted unanimously to support a motion for no action necessary.

The Committee adjourned at 8:40 PM and all other items before the Committee were held without discussion. Draft Board Orders for the above items that are recommended for Board of Aldermen action are attached.

Respectfully submitted,

Leonard J. Gentile, Chairman

CITY OF NEWTON
IN BOARD OF ALDERMEN

2012

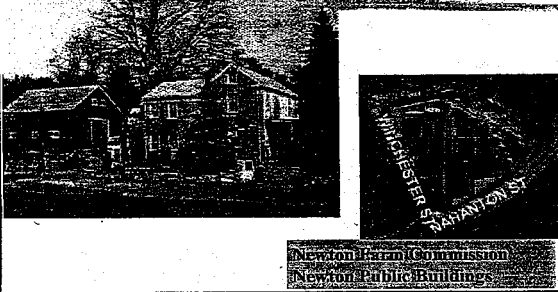
ORDERED:

That in accordance with the recommendation of His Honor the Mayor and with the confirmation of the Honorable Board of Aldermen, be it known that JEFFREY D. SILTON is hereby re-appointed as a CONSTABLE for a term of office to expire October 24, 2015.

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON, City Clerk

Angino Barn Rehabilitation
Community Preservation Proposal for
Supplemental Funding



Angino Barn Rehabilitation

Currently Seeking Supplemental Funds to complete *Phase II*, to Rehabilitate a Historic Resource (Barn)

- Structural repairs in lower level working bays to support farm operations
- Build out main floor (bathrooms and kitchen) as public use facility that supports farm programming
- Accessibility improvements (site & building)

Angino Barn Rehabilitation

Funding for Phase 2:

- Received \$568,000 from CPC in 2010, *leveraged by \$230,000 private funding*
- \$568,000 included design and construction costs for interior
- Completed 90% Design and received cost estimate
- Value engineering reduced cost of project
 - ┆ Finishes
 - ┆ Lighting
 - ┆ Tractor bay
 - ┆ Reduced HVAC system
 - ┆ Reduced site work
 - ┆ Loft office
 - ┆ 3-season porch

Angino Barn Rehabilitation

Request for Funding:

- Need to seek an additional \$180,000 for Structural and Code work not anticipated
- Operator prepared to leverage supplemental funding request with \$220,000 privately raised funds in two parts
 - Part A - (current project) - \$120,000 for build out of kitchen including appliances and equipment, cooler, produce washing station, A/V and internet, restoration of main flooring
 - Part B - \$100,000 to complete 3-season porch and office loft

Angino Barn Rehabilitation

Change Increase / Decrease	
Structural structural supports for building frame, footings, concrete floor, level and strengthen floor, hurricane clips	\$70,000
Fire protection required by City more extensive than anticipated	\$35,000
HVAC system costs greater than anticipated	\$30,000
Extra costs for lower bay doors, partitions	\$35,000
Construction contingency	\$75,000
Project delay --inflation	\$25,000
Costs shifted to Newton Community Farm	(\$120,000)
Project Management	\$30,000
Total supplemental request	\$180,000

CITY OF NEWTON

IN BOARD OF ALDERMEN

2012

ORDERED:

That in accordance with the recommendations of the Community Preservation Committee, through its Chairman, Leslie Burg; the Public Facilities Committee, through its Chairman, Alderman Anthony J. Salvucci; and the Finance Committee through its Chairman, Alderman Leonard J. Gentile, the sum of one hundred eighty thousand dollars (\$180,000) is hereby appropriated and transferred from the Community Preservation Fund Historic Resources and General Reserves to be expended under the direction and control of the Commissioner of Public Buildings to provide supplemental funding to renovate the interior of the barn at Angino Farm, as described in the Community Preservation Committee’s recommendation dated October 24, 2012.

FROM:	Fund Balance – Historic Resources (21-3497).....	\$180,000
TO:	Angino Farm Barn Rehabilitation (21B11517-52407).....	\$180,000

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor

Date: _____

Department of Planning and Development

1

54 EDDY STREET AFFORDABLE HOUSING PROPOSAL



Board of Aldermen Finance Committee
December 10, 2012

2

54 Eddy Street

Overview

Location

Project Cost / Finances

Affordability Goals

Scope of Work

- Rehabilitate a two-family property built in 1914 to create two permanently affordable rental units
- 2-BR unit affordable to households **at up to 50%** of the area median income
- 3-BR unit affordable to households **at up to 80%** of the area median income
- Project eligible under the Community Preservation Act as the creation of affordable housing



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54 Eddy Street

Overview

Location

Project Cost /
Finances

Affordability Goals

Scope of Work

5		DEVELOPMENT BUDGET for 54 EDDY STREET	
<p>54 Eddy Street</p> <p>Overview</p> <p>Location</p> <p><i>Project Cost / Finances</i></p> <p>Affordability Goals</p> <p>Scope of Work</p>	USES		
	Acquisition		\$ 660,000
	Construction		
	Direct Construction Costs, incl. lead/asbestos removal	\$	257,700
	Contingency	10%	21,270
	General Development		
	Architecture, Engineering, Survey	\$	22,000
	Building Permits, Legal, Title, Etc.	\$	15,617
	Taxes & Insurance	\$	14,051
	Mortgage Loan Interest	\$	25,000
	Contingency	10%	\$ 7,667
	Developer Overhead/Fee	8%	\$ 81,945
	Capitalization of Replacement Reserve		\$ 10,000
	Total		\$ 1,115,250
SOURCES			
City of Newton - CDBG (incl. lead/asbestos removal)	\$	690,250	
RECOMMENDED CPA FUNDS	\$	255,000	
Charlesbank Homes (Foundation Grant)	\$	50,000	
Village Bank Mortgage (after write-down)	\$	120,000	
Total		\$ 1,115,250	

6		Proposed Operating Budget	
<p>54 Eddy Street</p> <p>Overview</p> <p>Location</p> <p><i>Project Cost / Finances</i></p> <p>Affordability Goals</p> <p>Scope of Work</p>		<u>Annual</u>	
	Gross Effective Income	\$	30,780
	<i>Less</i>		
	Operating Expenses	\$	19,721
	<hr/>		
	Net Operating Income	\$	11,059
	<i>Less</i>		
	The Village Bank Debt Service (\$120,000 @ 5.25%)	\$	8,040
	<hr/>		
	Net Cash Flow	\$	3,019
<hr/>			
Debt Service Coverage Ratio:		1.38	

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54 Eddy Street

Overview

Location

Project Cost /
Finances

Affordability Goals

Scope of Work

- Consistent with FY11-15 *Newton Consolidated Plan* and *FY13 Annual Action Plan* for Housing and Community Development:
- **Priority #2:** Deeper development subsidies in affordable housing projects so that very low income renter households have a greater range of housing choices
- **Strategy:** Continue to support making deeper public subsidies per unit (CDBG and HOME funds) available to sponsors who provide at least one of the following: ... units for households that do not have rental assistance
- Supported by Newton Housing Partnership (Citizen Advisory Committee)

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54 Eddy Street

Overview

Location

Project Cost /
Finances

Affordability Goals

Scope of Work

			Affordable Rents		Neighborhood Market Comps*	
Bed-rooms	HH Size	% of AMI	Max. Rent Limit	54 Eddy Proposal	Low	High
3	4	70%	\$1,804	\$1,500	\$1,975	\$3,400
2	3	70%	\$1,624	\$1,200	\$1,600	\$2,200
Annual Total			\$41,136	\$32,400		

*Source: Zillow.com, newtonpads.com as of 12/10/12

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54 Eddy Street	<ul style="list-style-type: none"> • \$257,700 construction budget, including deleading and asbestos removal
Overview	<ul style="list-style-type: none"> • \$21,700 construction contingency
Location	<ul style="list-style-type: none"> • Estimated at \$97/square foot
Project Cost / Finances	<ul style="list-style-type: none"> • Inspection Report, Newton Housing Partnership, Housing Rehabilitation Coordinator / Construction Mgr.
Affordability Goals	
<i>Scope of Work</i>	<ul style="list-style-type: none"> • Upfront investment to extend useful life; minimize viability risks

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54 Eddy Street	<ul style="list-style-type: none"> • Deleading, asbestos removal
Overview	<ul style="list-style-type: none"> • Kitchen renovations in 3-BR unit
Location	<ul style="list-style-type: none"> • Add ¾ bathroom in 3-BR unit
Project Cost / Finances	<ul style="list-style-type: none"> • Exterior repairs (roof, driveway, retaining wall, porches, masonry, garage)
Affordability Goals	<ul style="list-style-type: none"> • Interior repairs (painting, insulation, electrical)
<i>Scope of Work</i>	<ul style="list-style-type: none"> • Conversion of heating system from steam to forced hot water

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54 Eddy Street

Overview

Location

Project Cost /
Finances

Affordability Goals

Scope of Work



12

54 Eddy Street

Overview

Location

Project Cost /
Finances

Affordability Goals

Scope of Work



13

54 Eddy Street

Overview

Location

Project Cost /
Finances

Affordability Goals

Scope of Work



Staircase to 3rd floor

14

54 Eddy Street


Overview

Location

Project Cost /
Finances

Affordability Goals

Scope of Work



3-BR Unit; 3rd floor

CITY OF NEWTON

IN BOARD OF ALDERMEN

2012

ORDERED:

That in accordance with the recommendations of the Community Preservation Committee, through its Chairman, Leslie Burg; the Land Use Committee, through its Chairman, Alderman Ted Hess-Mahan; and the Finance Committee through its Chairman, Alderman Leonard J. Gentile, the sum of two hundred fifty-five thousand dollars (\$255,000) is hereby appropriated from the fiscal 2013 Community Housing and General Reserves of the Community Preservation Fund to the control of the Planning and Development Department to create two affordable units of rental housing at 54 Eddy Street, West Newton as detailed in the Community Preservation Committee’s November 27, 2012 funding recommendation to the Board of Aldermen; be and is hereby approved as follows:

FROM:	CPA Fund Balance – Community Housing (21-3321C)..... \$255,000
TO:	54 Eddy Street Housing (21C11419-5797)..... \$255,000

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor

Date: _____

CITY OF NEWTON

IN BOARD OF ALDERMEN

2012

ORDERED:

That for the purpose of paying costs of purchasing a new ladder truck for the Fire Department (to replace Fire Ladder No.1), and for the payment of any and all costs associated therewith, there be and is hereby appropriated and authorized to be borrowed under and pursuant to Chapter 44, Section 7(9) of the General Laws, as amended and supplemented, or pursuant to any other enabling authority, the sum of one million dollars (\$1,000,000).

Under Suspension of Rules
Readings Waived and Adopted

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor

Date: _____

CITY OF NEWTON

IN BOARD OF ALDERMEN

November 21, 2011

ORDERED:

That, in accordance with the recommendation of the the Finance Committee through its Chairman Leonard J. Gentile, a transfer of twenty-three thousand dollars (\$21,635) from FY2011 Free Cash to purchase eleven automatic emergency defibrillators for nine police cruisers and two locations in police headquarters be and is hereby approved as follows:

From:	Budget Reserve	
	(0110498-5790).....	\$11,081
	Police Expenses	
	(0120112-5580).....	\$5,554
	Federal Asset Forfeitures	
	(13C201A-5901).....	\$5,000
To:	Police Capital Outlay	
	(0120108-58501).....	\$21,635

Under Suspension of Rules
Readings Waived and Adopted

(SGD) DAVID A. OLSON

City Clerk

(SGD) SETTI D. WARREN

Mayor

Date: _____

CITY OF NEWTON

IN BOARD OF ALDERMEN

August 13, 2012

ORDERED:

That, in accordance with the recommendation of the Finance Committee through its Chairman Alderman Leonard J. Gentile, the sum of one hundred seventy-nine thousand one hundred thirty dollars and thirty cents (\$179,130.30) be and is hereby appropriated from the Overlay Surplus to the Interest on Tax Refunds Account for the purpose of funding the statutory interest charges incurred by the City of Newton beginning from the time Verizon New England, Inc. paid its FY2009 tax bill until the day the City of Newton Treasurer/Collector issued a refund check for an abatement issued by the Board of Assessors on October 30, 2012

FROM:	Overlay Surplus (01-3497).....	\$179,130.30
TO:	Interest on Tax Refunds (110774-5763).....	\$179,130.30

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor

Date: _____



PART I ADMINISTRATION OF THE GOVERNMENT
(Chapters 1 through 182)

TITLE VII CITIES, TOWNS AND DISTRICTS

CHAPTER 44 MUNICIPAL FINANCE

Section 21A Refunding bonds; issuance; present values

Section 21A. The city council of a city, the board of selectmen of a town, the school committee of a regional school district and the prudential committee, if any, otherwise, the commissioners of a district may provide for the issuance of refunding bonds or notes of the city, town, regional school district or district for the purpose of paying or refunding all or any designated part of an issue of bonds or notes then outstanding, including the amount of any redemption premium thereon; provided, however, that no such refunding bonds shall be payable over a period longer than the period during which the original bonds or notes so refunded shall be paid pursuant to law. The first annual payment of principal on account of an issue of refunding bonds or notes shall not be later than the earliest stated principal maturity date of any of the bonds or notes being refunded and the annual payments thereafter shall be arranged in accordance with the provisions of section nineteen; provided, however, that any annual payment earlier than the date on which the first annual payment is required to be made, may be in any amount. Except as otherwise provided in this section, the issuance of such refunding bonds or notes shall be governed by the applicable provisions of this chapter. Refunding bonds or notes issued under this section shall be subject to the same limit of indebtedness, if any, as the bonds or notes refunded by them; provided, however, that upon the issuance of such refunding bonds or notes, the bonds or notes refunded shall no longer be counted in determining any limit of indebtedness of the city, town or district under this chapter or any other applicable provision of law. If such refunding bonds or notes are issued prior to the maturity or redemption date of the original bonds or notes refunded, an amount of the proceeds of the refunding bonds or notes and other moneys then available or to become available to the city, town or district, which moneys may include income to be derived from the investment of such proceeds, sufficient to pay or provide for the payment of the principal, redemption premium, if any, and interest on the bonds or notes so refunded to the date fixed for their payment or redemption shall be held in a separate fund and in trust solely for the payment of such principal, redemption premium and interest. The funds so held may be invested pursuant to section fifty-five and the income derived from such investment may be expended by the treasurer to pay the principal, redemption premium, if any, and interest on the bonds or notes refunded until they are paid or redeemed; provided, however, that notwithstanding any limitations on the maturity of investments under section fifty-five, any such investment may have a maturity not later than the date fixed for the payment or redemption of the bonds or notes refunded.

The present value of the principal and interest payments due on refunding bonds issued under this section shall not exceed the present value of the principal and interest payments to be paid on the bonds to be refunded. The city, town, or regional school district shall notify the department of education in the event that bonds or notes issued for an approved school project under chapter six hundred and forty-five of the acts of nineteen hundred and forty-eight are refunded under this section and the amount of the state construction grant payable to the city, town, or regional school district shall not be affected by any increase in the amount of interest payable on the refunding bonds or notes, but shall be affected by any decrease in the amount of interest payable on the refunding bonds or notes for school building projects approved after July first, nineteen hundred and ninety-five. Upon receipt of notification from a city, town or regional school district of a decrease in the amount of interest payable related to such projects, the department of education shall recalculate the amount of the state construction grant that is payable to such city, town or regional school district.

CITY OF NEWTON
IN BOARD OF ALDERMEN

2012

ORDERED:

That in order to reduce interest costs, the Treasurer, with the approval of the Mayor, is authorized to provide for the sale and issuance of refunding bonds under Massachusetts General Law Chapter 44, Section 21A to refund all or any portion of the remaining principal of and redemption premium and interest on any bonds of the City outstanding as of the date of adoption of this Order, and for the payment of all other costs incidental and related thereto, and that the Mayor and the Treasurer are each authorized to take any and all other action necessary to carry out the purposes of this order.

Approved, subject to the following conditions:

A formal approval process that includes review and majority approval by the Chief Financial Officer, Treasurer/Collector, and Comptroller is established; and

That the Treasurer/Collector provides a formal notification to the Board of Aldermen of any bonds that have been refinanced including a complete financial analysis supporting the decision to refinance.

Under Suspension of Rules
Readings Waived and Approved

(SGD) DAVID A. OLSON
City Clerk

(SGD) SETTI D. WARREN
Mayor

Date _____

CITY OF NEWTON
IN BOARD OF ALDERMEN

2012

ORDERED:

That, in accordance with the recommendation of the Public Facilities and Finance Committees through their respective Chairmen Anthony J. Salvucci and Leonard J. Gentile, the following item be and is hereby voted NO ACTION NECESSARY:

#280-12 ALD. CROSSLEY, ALBRIGHT, JOHNSON & MERRILL requesting that (A) the City accept G.L. c. 59 section 5N of the Acts of 2012 and (B) create an ordinance establishing a program to allow veterans to volunteer to provide services in exchange for a reduction in real property tax obligation.

Under Suspension of Rules
Readings Waived and Item Voted NO ACTION NECESSARY

(SGD) DAVID A. OLSON, City Clerk