



CITY OF NEWTON, MASSACHUSETTS

Newton Housing Partnership

AGENDA

Meeting Date: October 22, 2024
Location: Zoom
Time: 5:00 – 7:00 p.m.

Ruthanne Fuller
Mayor

Barney Heath,
Director, Planning &
Development

Shaylyn Davis-Iannaco
Housing Program
Manager

Members

Marva Serotkin, Chair
David Rockwell, Secretary
Marc Caggiano
Eliza Datta
Bryan Decker
Lizbeth Heyer
Ann Houston
Mike Lozano
Nicole Stewart

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This meeting will be a virtual meeting that will take place via Zoom. To view and participate <https://newtonma.gov.zoom.us/j/83475791624> or dial +6465588656

1. Review and Approval of September Meeting Summary
2. Northland Needham Presentation
 - a. Presentation from Northland team regarding recent updates to the project
3. Resident Services
 - a. Member discussion
4. Mitigation Fees
 - a. Presentation from David Rockwell and Shaylyn Davis-Iannaco
5. FY26-30 Consolidated Plan Needs Assessment
 - a. Staff presentation
6. Strategic Planning
 - a. Brief Priorities Group presentation
 - b. Member discussion about potential in-person meeting in November
7. Project Updates
 - a. 78 Crafts St.
 - b. 41 Washington St.
 - c. Walker Center
8. Upcoming Meetings
 - a. November 19, 2024 (tentative)
 - i. Inclusionary Zoning Presentation with RKG
 - b. December 17, 2024 (tentative)
 - i. Strategic Planning Session
9. Adjournment

The location of this meeting is wheelchair accessible and reasonable accommodations will be provided to persons with disabilities requiring assistance. If you need a reasonable accommodation, please contact the city of Newton's ADA/Sec.504 Coordinator, Jini Fairley, at least two business days in advance of the meeting: jfairley@newtonma.gov or (617) 796-1253. For Telecommunications Relay Service, please dial 711 or call City Hall's TTY/TDD line at 617-796-1089.

Newton Housing Partnership

DRAFT Notes from September 24, 2024 Meeting Zoom Meeting 5:00pm-7:00pm

D Rockwell

DRAFT #2, 10/2/24

Partnership Members:

- Marva Serotkin (chair), David Rockwell (secretary), Lizbeth Heyer, Ann Houston, Bryan Decker, Nicole Stewart, Mark Caggiano, Michael Lopazo (new member; first meeting)

Others in Attendance:

- City of Newton Staff:
 - Planning: Barney Heath, Director of Planning; Jen Caira, Deputy Director; Shaylyn Davis-Iannaco, Housing Program Manager; Allison McIntyre, Housing Development Planner
 - Health and Human Services: Shin Li Yao, Director of Public Health Services
 - Commission on Disability: Jini Fairley, ADA/Section 504 Coordinator
- City Councilors: Andreae Downs, Julia Malakie, Rena Getz
- Economic Mobility Pathways (EMPath): Gamuchirai Madzima, Mobility Mentor and Director of Newton Thrives; Michaela Perry, Mobility Mentor; Ashley Winning, VP Research and Evaluation
- UMass Donahue Institute: Christina Citino, Senior Research Manager
- RKG Associates: Kyle Talente, Managing Partner; Jason Mazurovski, Market Analyst
- Members of the Community: Josephine McNeil, Sarah Vergura

Decisions taken, and follow-up items assigned, are shown in bold.

1. Minutes of the July 23, 2024 Meeting

Approved by a vote of 7-0 with one abstention (Michael abstaining, was not a member at the time and was not present). David made motion; Bryan seconded.

2. Newton Thrive

Marva asked Barney to introduce the guests from the Newton Thrive (NT) program, being delivered to Newton by EMPATH Inc. (Economic Mobility Pathways). Barney asked the EMPATH staff to make their presentation, which was done by Gamuchirai Madzima. Under the overall EMPATH theme of “disrupting poverty”, Gamuchirai described the program as seeking to build bridges to self-sufficiency for 50 income-eligible Newton residents through case managers known as “mobility mentors”, step-by-step goal-setting, and celebration of clients for goals achieved. She mentioned that EMPATH is a 200-year-old non-profit that serves about 1,100 persons annually both through their system of family homeless shelters and the type of mobility mentoring upon which Newton Thrive is based.

Gamuchirai presented a brief power point and her main points were:

- The \$1.5 million 3-year program was allocated to NT from Newton's \$63 million ARPA funding, a funding for which she thanked the Mayor for her efforts. First of three years spent in recruiting, evaluating and selecting the participants, followed by two years of direct services.
- There were 130 applicants to NT for 50 slots, whose eligibility criteria are household income at or below 50% AMI, at least one child under 18 years of age, and ability to work. NT selected 50 participants by January 2024, and all had begun their mentoring programs by April (many earlier than that).
- Demographics: all are of incomes at or below 50% AMI; 69% are non-white or multi-racial; 15% came without English language skills.
- 63% of the group showed at least one challenge to their economic stability: lacking adequate childcare, physical or mental health challenges, owed back rent or utilities.
- Program includes a \$251/mo cash stipend for all participants who honor their monthly meetings with mentors; all have done so.
- Changes between Sept 2023 and March 2024 in economic stability factors:
 - Participating in education or training: up from 41% to 51%
 - Paying down debt: up from 41% to 71% (Gamuchirai emphasized the reduced stress coming with feeling able to manage debt)
 - Experiencing adequate childcare: up from 60% to 85%
- Participant feedback has been very positive.
- Program now entering its 2nd year, with all 50 participants still in the program, and next elements will be monthly economic mobility workshops; training in digital technology; setting participants' long-term goals, and planning for beyond the 2nd year.

Discussion:

- Ann asked about longevity of the program, and Barney indicated the Planning Department doesn't yet have a funding plan beyond the ARPA allocation, but plans to evaluate the program's effectiveness and how to keep it going. Ashley added that EMPATH is able to extend program services sometimes by partnering with other agencies.
- David asked about housing characteristics of the incoming participants, and Gamuchirai indicated most of them are in public housing in Newton.
- Nicole asked about staffing ratios, and Gamuchirai indicated two mentors each have 20 participants, and she herself has 10.

Marva thanked the EMPATH team for their work and the presentation.

3. Inclusionary Zoning Ordinance Review

Marva asked Barney to introduce the topic. Barney noted that the City has hired RKG Associates to evaluate its Inclusionary Zoning Ordinance (IZO), and noted RKG was involved in the previous review of the ordinance in 2019, and is familiar with similar ordinances in other communities in greater Boston. He introduced Kyle Talente, managing partner.

Kyle introduced his colleague Jason Mazurovski and noted RKG had begun meeting with City leaders and stakeholders, including the City Council Zoning and Planning Committee (the previous evening) and several individuals knowledgeable about affordable housing.

Kyle presented a Power Point with the following main points:

- Outline of RKG's past experience with Newton and with planning and zoning since its founding in 1981.
- Three components of the IZ contract: (1) assessment of the IZO's effectiveness, (2) research into choices for requiring resident services, and (3) proposed enhancements or modifications to the IZO, if any.
- Importance of balancing IZ goals with what is financially feasible for developers.
- Explanation of RKG's financial feasibility model, used to evaluate feasibility of projects as affected by various IZ policy choices, and the feasibility measures of Return on Cost, Cash on Cash and Internal Rate of Return. He noted that in general developers are looking for Return on Cost in the 6 to 6.5% range and Internal Rate of Return in the 14 to 16% range. He said RKG will turn the model over to the City for its own use in testing policy choices.

Discussion:

- Lizbeth noted that for deeply affordable projects, there are state and federal subsidies and tax credits, and requested that RKG's analysis include those programs in its evaluation. Ann supported that request and urged conversation with Lizbeth through her work at 2Life Communities and Mike through his work at Trinity Financial (both affordable housing developers).
- Mark asked about independent and assisted living as special cases given the cost of embedded services, and the implication for the payment-in-lieu policy for these projects. Mark added that location is more important for these projects than for conventional affordable housing.
- Marva asked if RKG will be bringing information from IZ activities in other communities, and Kyle responded affirmatively.
- David noted that NHP members had offered their thoughts on IZ review at the July 23 meeting, which are included as Appendix 1 in the notes for that meeting. **Shaylyn said those notes will be forwarded to RKG.**
- Marva asked if RKG's PowerPoint can be made available to NHP members, and **Shaylyn said she would make it available to NHP members.**

Next Steps:

- Kyle said he will be meeting soon with Barney, and **will let NHP know when RKG would appear before NHP a second time.**

4. **Strategic Planning Session** *[note: Marva moved this agenda item to the end of the meeting, but the notes are indicated here]*

Marva noted she hopes to have a strategic planning session in person in November. Planning for this is underway.

5. Project Updates

Shaylyn referred to the enclosed Project Update form, included with the agenda package, and highlighted the following:

- West Newton Family Navigation Center: has closed on its financing, and is finalizing the allocation of CDBG funding for an accessible path to the street.

- Two public hearings last week: Shaylyn indicated public hearings have closed for two proposed 40B projects – 78 Crafts and 41 Washington.
- Shaylyn referred to David for updates for the Riverside and Northland Needham Street projects, noting he had provided in the agenda packet brief summaries of revisions under consideration by the developers for both projects. David said the developers for each project – Northland Investments for Northland Needham Street, and Mark Development for Riverside – were eliminating all or most of the proposed commercial or lab space due to changing market conditions, with offsetting increases in the number of housing units. He noted that each proposed revision needs City Council approval of changes to the previously issued Special Permits. **Marva asked staff to arrange for presentations from each developer at the October meeting.**

6. Upcoming Meetings

Marva referred to the topics noted on the agenda under Upcoming Meetings:

- Resident Services – Marva indicated this subject has been **referred to Bryan and Nicole for research**
- Mitigation Fees – **David and Shaylyn to report on their findings at October meeting**
- IZ Compliance – **Shaylyn said she can report on this subject at either the October or November meetings**
- Newton Housing Priorities Group – Ann said the data research is nearly complete, and that she and David will have a report on the data at the October meeting, when they will seek NHP members' reactions. She mentioned the research has included the relationship to affordable housing production of IZ and 40B as permitting paths.

Meeting concluded at 6:15pm.

Respectfully Submitted,

David Rockwell
10/1/24

Revised Proposed Plans for Northland Needham Street

D Rockwell
9/12/24

Main point:

Northland Investments is seeking an amendment to the Special Permit approved 12/2/19 by the City Council, in response to the collapse of the office market. The amendment eliminates all the office space, retains the retail space, and adds 22 units of housing, resulting in 822 units instead of 800. They hope to get to Land Use Committee soon, and to City Council in October.

Key Changes

Original Proposal	New Proposal	Difference
22.7 acres on three lots	22.7 acres on three lots	No change to site
193,200sf office	Zero office space	-193,000sf (-100%)
115,114sf retail	115,114sf retail	No change
800 total housing units	822 total housing units	+22 units (+2.7%)
660 market-rate units	678 market-rate units	+18 units (+2.7%)
140 affordable units*	144 affordable units**	+ 4 units (2.8%)
15 new buildings, adaptive re-use of mill for office	10 new buildings, adaptive re-use of mill for housing	Eliminate 5 small buildings, reduce footprint of two others, more open space
1,350 parking spaces (surface and underground)	1,050 parking spaces (none underground)	300 fewer spaces (23% reduction); 125 new spaces in rear where five small buildings would be eliminated

*120 units at average of 65% AMI (15% of total units), 20 units at between 80 and 110% AMI (2.5% of total units)

**Precise affordability targeting still being studied, likely to be in same ratio as with original proposal

Other developer commitments unchanged:

1. \$5.0 million for traffic mitigation measures
2. \$1.5 million for Countryside Elementary School
3. \$1.0 million for a public splash park
4. \$1.85 million for Inflow and Infiltration (I&I) fees (could be scaled down due to smaller project size)
5. Environmental commitments (Passive House for all buildings, all electric, EV stations, removing invasive species and clean-up and protection of South Meadow Brook, extensive landscaping, removal of dirty soils) all unchanged
6. Sitework has already cost developer \$73 million, paid to date out of pocket
7. Connection to transit – shuttle not being eliminated, but reduced to a level which developer will determine, with oversight from Planning Department, based on actual demand once about 50% of the planned units have been built and occupied.

Newton Housing Priorities Task Force

- preliminary findings -

REPORT TO THE HOUSING PARTNERSHIP

OCTOBER 22, 2024

Newton Housing Priorities Task Force

What? A Task Force of representatives from Newton's housing boards and commissions – the Partnership, Fair Housing Committee, Housing Authority, and Trust Fund – formed to develop a shared understanding of Newton's housing needs and priorities, in order to better target and leverage resources to meet our housing needs in the current unparalleled housing crisis.

Who?

- **Fair Housing Committee: Josephine McNeal and Tatjana Meschede**
- **Housing Partnership: David Rockwell and Charles Eisenberg (recently termed-out Partnership member)**
- **Newton Housing Authority: Vince O'Donnell**
- **Housing Trust: Susan Albright and Ann Houston**

Product: We will produce and share a report that looks at ongoing housing need in Newton and in the Greater Boston Metropolitan area, analyze the existing affordable housing stock and the tools that encouraged its development, and propose priorities to meet housing needs in Newton.

Drivers of Affordable Housing Production

- **Subsidized Financing:** federal, state and local grants, deferred payment mortgages, and favorable investments and loans, at both the capital (related to the building) phase and the operating phase. Typically deeply affordable housing, with more than 50% of the units restricted to low- and moderate-income residents. Examples include Newton Housing Authority portfolio and 2Life Golda Meir homes.
- **Permitting:** Chapter 40B Comprehensive Permits and Inclusionary Zoning trade permitting for affordable housing production (many financing-driven developers use 40B as a zoning tool, but their affordable units are not created in response to 40B requirements).
- **Land:** Occasionally the City provides land to a developer at below-market cost in return for affordable units. Examples include the Armory (to be built on Washington Street) and the Warren School on Washington Street.

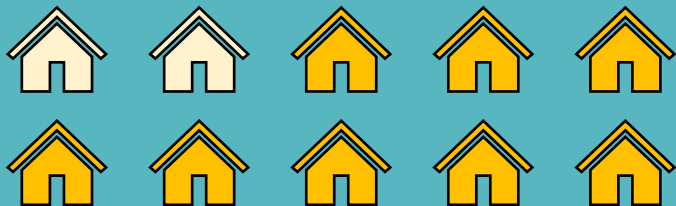
Newton Housing by the Numbers

 = 1,000 units; lighter portions are affordable)

HOMEOWNERSHIP



RENTAL



33,320 units of housing
2,003 are affordable

Affordable Units include housing in construction

- 23,465 are Ownership housing (70.4% of total) of these, 84+ are affordable (0.31% of HO)
- 9,866 are Rental housing (29.6% of total) of these, 1,919 are affordable (19.4% of Rental)

Newton's Existing and Pipeline Affordable Housing

	Total	SHI	Affordable	% of Aff
Rental	4,078	3,547	1,790	96%
Homeownership	311	71	73	4%
Sub Total	4,389	3,618	1,863	100%
Affordable Units NOT on SHI				
Rental, existing	21	-	21	
Homeownership in Construction	78	39	11	
Rental in Construction	335	108	108	
Sub total	434	147	140	
Total Existing & in Construction	4,823	3,765	2,003	7.5% growth

Definitions:

- **Total** = from Assessor's Database
- **SHI** = currently on SHI
- **Affordable** = Deed restricted on SHI
- **Rental count reflects the official SHI count**, which includes 528 Boylston and Dunstan East. However, Allee on the Charles is listed on the SHI with 0 Units in SHI while awaiting CofO; we included the all of Allee's units).

Affordable Units NOT on SHI

- **Rental, Existing** = 8 NHA properties with no use restrictions (the units are not qualified for the SHI)
- **Rental in Construction or Finance Closing, includes:**
 - Opus, 777 Winchester Street
 - The Beacon, 1114 Beacon Street
 - Dante Capasso, 15-21 Lexington Street
 - West Newton Navigation Center, 1650 Washington Street
 - West Newton Armory (construction start Q12025)
 - Benchmark, 280 Newtonville

Drivers of Housing Production in Newton

Senior housing production is driven by deep subsidies

- 95% of affordable Senior units are in deep subsidy projects and 5% by permitting
- 78% of Senior housing (1,033 units) are affordable and 22% (286 units) are market rate

Any Age housing production on the SHI is driven by permitting

- 28% of affordable Any Age housing is in deep subsidy projects and 72% are permit driven.
- 35% (701 units) of the Any Age housing are affordable and 65% (1,322 units) are market rate

	RENTAL			% of Aff
	Total	SHI	Affordable	
Deep Subsidy	609	606	549	55%
Permit driven (no deep sub)	1,895	1,895	445	45%
TOTAL	2,504	2,501	994	100%
Senior				
Deep Subsidy	1,099	1,099	985	95%
Permit driven (no deep sub)	314	220	48	5%
	1,413	1,319	1,033	100%
Any Age				
Deep Subsidy	483	217	197	28%
Permit driven (no deep sub)	2,126	1,806	504	72%
	2,609	2,023	701	100%
Supportive				
Deep Subsidy	56	205	56	100%

Overview of Existing Affordable Rental Units

RENTAL UNITS	Total	SHI	Affordable	% of Aff on SHI
Any Age	2,609	2,023	701	39%
Senior	1,413	1,319	1,033	58%
Supportive	56	205	56	3%
Total	4,078	3,547	1,790	100%

Supportive Affordable count: some supportive group homes listed on the SHI are not deed restricted in compliance with affordable housing requirements, but are affordable for tenants; therefore the SHI number more accurately reflects the available units at an affordable price, though not deed restricted. Bedroom Count and income restrictions are similarly skewed.

RENTAL UNITS	SRO	Studio	1 Bdrm	2 Bdrm	3 Bdrm	4 Bdrm
Any Age	31	19	153	323	153	22
Senior	23	18	789	192	8	3
Supportive	56	-	-	-	-	-
Total	110	37	942	515	161	25
	6%	2%	53%	29%	9%	1%

Rents @ AMI Incomes	30%	50%	60%	80%	80-110%	Supportive & DV
Any Age	-	183	15	477	26	-
Senior	24	461	207	331	10	-
Supportive	-	-	-	4	-	52
Total	24	644	222	812	36	52
	1%	36%	12%	45%	2%	3%