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Community Preservation Committee

MINUTES

10 July 2018

The meeting was held on Tuesday, 10 July 2018 starting at 7:00 pm in Newton City Hall Room 204.

Community Preservation Committee (CPC below) members present: chair Peter Sargent, vice chair Mark Armstrong, and members Dan Brody, Byron Dunker, Beryl Gilfix, Rick Kronish, Susan Lunin and Robert Maloney. The Planning & Development Board appointment to the CPC was currently vacant.

Community Preservation Program Manager Alice Ingerson served as recorder.

[Blue, underlined phrases](#) below are links to additional information online.

Projects & Proposals

[Myrtle Village affordable housing](#)

Myrtle Village LLC, the project sponsor, had submitted a draft final report for review at this meeting. However, Shelby Robinson, the LLC's project manager, reported that the project's general contractor had not begun the final outdoor re-paving required to meet accessibility standards on July 9 as planned. The LLC was working with an attorney to resolve a dispute with the contractor over past change orders. Robinson anticipated getting this work done soon, if necessary with a different contractor. As the CPC would not meet in August, however, Robinson asked the CPC to delegate tentative approval of some final project requirements to the CPC officers and staff, allowing the release of the final 10% of this project's CPA grant, with the understanding that the LLC would present the full final report in person at a future CPC meeting. Funds are available for that work.

Rick Kronish asked Alice Ingerson to seek the advice of the Newton Law Dept. about what the City's role would be, if any, if the LLC could not quickly resolve its dispute with its current contractor.

VOTE Mark Armstrong moved to delegate tentative approval of final project requirements for Myrtle Village to the CPC officers and staff, as requested. The motion was seconded by Kronish and approved 8-0.

[Jackson Road/Haywood House New Senior Housing – revised full proposal](#) requesting \$3 million in CPA funds for 55 income- and age-restricted units of affordable rental housing

Newton Housing Authority (NHA) Board member Vince O'Donnell summarized the changes made in the project since the last time it was discussed by the CPC, including adding a second elevator, based on a recommendation from the state Dept. of Housing and Community Development (DHCD), and converting the market-rate units to income-restricted units affordable to households at the maximum CPA-eligible level of 99% of Area Median Income (AMI). The latter change eliminated the need for extra parking that the Authority believed would be necessary to attract tenants at market-rate rents, but it also reduced the project's operating income and ability to carry debt service.

In response NHA increased its previous CPA request by \$500,000. Other funding sources remained the same, though recent changes in the federal tax code slightly reduced the value of the requested Low-Income Housing Tax Credits. NHA is also investing \$650,000 from its share of Newton's Inclusionary Zoning fund in the project. The developer fee, which is required by lenders and investors as a cushion for unforeseen costs, will be partly

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*Minutes
continue on
next page.*

deferred. NHA will invest its full developer fee, including the deferred portion, in supportive and enrichment services for both the residents of Haywood House and the neighborhood.

Conditional on the Zoning Board of Appeals' approval of the project's request for a Comprehensive Permit, the City Council has approved the change in the previous Special Permit for the surrounding Jackson Gardens development, so this part of that project's original site can be used for Haywood House and the new community center. If the requested CPA funding could be committed this fall, the Authority felt it would be in a strong position to receive tax credits in the next state funding round.

The project's development consultant Chuck Eisenberg explained that construction costs were in the range of \$350,000 per unit. The significant excavation and special foundations required by the project's sloped, filled site made it challenging to meet DHCD's unofficial per-unit cost limit, which is higher than its official limit.

In response to Beryl Gilfix, O'Donnell said that all tenants would be chosen through a lottery, but NHA had asked the state to approve a preference for Newton residents in 70% of the units. Eisenberg explained that the annual income that would qualify a 1-person household for one of the project's 60% AMI units was currently in the range of \$30,000.

Peter Sargent noted that even with the recent project changes, the percentage of total project costs to be covered by CPA funding had remained relatively stable, at about 11%.

Ingerson briefly reviewed the funding conditions in the CPC's [February 2018 funding recommendation](#), which had been placed on hold in April 2018, at NHA's request. The Committee agreed to Kronish's suggestion to change the deadline for securing other funding from 2 years after the CPC vote to 1 September 2020, to align with the state's funding schedule.

VOTE With the noted change to the funding conditions, Armstrong moved to recommend \$3 million in CPA funding for Haywood House. The motion was seconded by Gilfix and adopted 8-0.

[Stanton Avenue Senior Housing / Golda Meir House Expansion pre-proposal](#) requesting \$3.25 million in CPA funds and off-cycle consideration of a full proposal for a development with 69 total units, of which 60 will be income-restricted and 57 will be age-restricted

Lizbeth Heyer and Zoe Weinraub of Jewish Community Housing for the Elderly (JCHE) presented the pre-proposal. They thanked City Councilor Leonard Gentile for his leadership in the RFP process that had designated JCHE to acquire the site of the now-surplus City water tower on Stanton Avenue. The tower will be demolished, and its site will be used for additional Golda Meir House parking.

The project will include 60 income-restricted units and 9 additional units, as follows:

UNIT TYPE	≤ 30% AMI	≤ 50% AMI	≤ 60% AMI	<100% AMI	Market-rate	TOTAL
1 bedroom	8	20	18	8	5	59
2 bedrooms		2	2	2	4*	10

JCHE plans to keep the 9 units without income restrictions affordable to tenants with moderate incomes. They will seek vouchers through the Massachusetts Rental Voucher Program and possibly the Newton Housing Authority to make the 30% and 50% AMI units affordable to tenants well below those maximum incomes.

Between 9 and 12 units will be reserved for individuals of any age who have experienced chronic homelessness. These tenants will receive supportive services through a partnership with [HEARTH, a nonprofit organization working to end elder homelessness](#).

All of Golda Meir's amenities, many of which are currently being renovated, will be available to new as well as current residents, including an expansive program of activities as well as the dining room, computer center, fitness center and store. New amenities added through the expansion will include enhanced outdoor gathering, event and gardening spaces and a 3,000 square foot "wellness center" being developed under the

Affordable Care Act in collaboration with Newton Wellesley Hospital, where 70% of the building's current residents go for at least part of their health care. JCHE also helps to coordinate the health care provided to residents by multiple specialized providers. Finally, JCHE is working with the New England Conservatory (NEC) to place NEC graduate students in two units with 2-3 bedrooms each. These students will pay reduced rents and will receive academic credit for their contributions to resident services and enrichment at Golda Meir House.

Project architects [Prellwitz Chelinski](#) explained that the new units would be split between two wings, connected to the existing building with continuous corridors. Heyer noted that building two wings increased costs but allowed the 7-story wing to be tucked into the site's steep hill, so it would look like a 3-story building from Stanton Avenue. The project's total development cost per unit is about \$445,000, which is under DHCD's informal limit. The requested CPA funds would cover about 11% of total project costs.

JCHE would like its full CPA proposal to be considered this fall, so it can meet the schedule in its response to the City's water tower RFP. In response to Kronish, Heyer and Weinraub said they hoped to receive a site eligibility letter from DHCD in July and to have a hearing on the project's Comprehensive Permit before Newton's Zoning Board of Appeals in September.

In response to Gilfix, Heyer said this project would select tenants through a lottery and would request the same 70% preference for current Newton residents as Haywood House.

Armstrong was glad the additions would be integrated with the existing building's circulation system. Kronish applauded JCHE's commitment to resident services.

Heyer said the design had been informed by several meetings with both neighborhood residents and the abutting Brae Burn Country Club. In response to questions from Sargent and Kronish, she said over 20 people had attended each of the two community meetings, and JCHE had also met individually with neighbors. The current design responded to neighbors' concerns about massing. In response to the challenge of parking along Stanton Avenue, especially in the winter, JCHE had proposed to move the parallel parking spaces on its side of the street onto its property, essentially widening the street. JCHE was also exploring whether staff could park in the Woodland Station MBTA garage. By using the water tower parcel for additional parking, the project will maintain the current building's ratio of 0.4 spaces per unit, which is higher than the residents' actual rate of car ownership.

Kronish was pleased to hear that JCHE had chosen [Colantonio](#) as the general contractor for this project because of that firm's strong reputation for complying with labor standards. This firm is also the general contractor for Haywood House.

Ingerson noted that JCHE had asked to submit its CPA full proposal in early September for a CPC public hearing on 9 October 2018.

VOTE Susan Lunin moved and Kronish seconded consideration of a full proposal that reflected the pre-proposal, on the requested schedule. The motion was adopted 8-0.

[300 Hammond Pond Parkway / Webster Woods pre-proposal](#) requesting \$100,000 in CPA funds and off-cycle consideration of a full proposal for professional services related to the preservation of open space on this site, including potential public acquisition of property rights

Jennifer Steel, staff to Conservation Commission, presented the pre-proposal, as that Commission would hold any property rights that might be acquired by the City. She explained that the site had previously been owned by Congregation Mishkan Tefila, which sold it in 2015-16 to Boston College. It includes a certified vernal pool and is surrounded by permanently protected conservation land, some in City and some in state ownership. Development of this parcel would dramatically alter conservation value of the combined woodland area.

For the back 12 acres or so of 300 Hammond Pond Parkway, the City hopes to negotiate an agreement with Boston College that will both permanently preserve the land in its current undeveloped state and ensure

continued public access. During her campaign, Mayor Fuller committed to protect this section within 2 years if she was elected. There is no public interest in the former Temple building & parking lot fronting on Hammond Pond Parkway. It is unclear whether there is a public interest in the additional rear parking lot and wooded knoll between the main parking lot and the rear wooded portion of the property.

The City would use CPA funds initially for professional assistance to identify and estimate costs for the preferred process to protect this open space. Consultants hired would probably include outside counsel and an appraiser with experience in public acquisition of open space, including through eminent domain. Acting City Solicitor Ouida Young has begun contacting potential consultants. A large acquisition funding request is likely, with a short but currently unknown timeline.

In conclusion, Steel introduced Beth Wilkinson as the chair of the Mayor's Advisory Panel for the project, along with panel members City Councilor Lisle Baker, Conservation Commission member Kathryn Cade, and former CPC vice chair Ken Kimmell.

Lunin described the preservation of this woodland as a rare and urgent opportunity for Newton. Baker described the site as remarkably quiet, given that its proximity to busy transportation corridors (the Green D line, Hammond Pond Parkway and state Route 9/Boylston Street).

In response to a question from Robert Maloney about the \$2,000 annual maintenance cost estimate in the pre-proposal, Steel and Ingerson both considered this estimate reasonable. The site's well-established and heavily used walking trails are to a large extent self-maintaining. Baker noted that the trails were indicated by dotted green lines on the provided maps. He suggested this documented long-term use by Newton citizens might have established a "prescriptive easement" for public access on the site.

In response to Kronish, Steel explained that the current restriction was placed on the site in 1954 and remains in force for about 35 more years. Kimmell said the restriction would not really limit Boston College's use of the site, since all uses by the college would be "educational."

Also in response to Kronish about Boston College's tax status, Baker characterized the college's current annual payment in lieu of taxes (PILOT) to Newton as very small.

Gilfix asked about the status of eminent domain as a possible method for preserving open space on the site. Steel said the City was hoping for a willing sale or "friendly taking" but confirmed that to date Boston College had not indicated whether it was willing to consider these, and that the preferred method had not yet been determined.

Gilfix also asked how the project's timeline would be determined. Sargent characterized this approach as the City being proactively defensive.

Steel noted that the City hoped to submit a full proposal based on the current pre-proposal in August for a CPC public hearing on September 13. Boston College has not provided the City with any master plan for its use of the site but may have begun preparing to challenge any potential use of eminent domain, should the City adopt that method. She felt the City needed to assemble its professional team earlier rather than later. If the City Council votes to use eminent domain, the acquisition must be funded and completed within 30 days. Baker hoped the CPC would consider waiving its normal deadlines and holding an emergency hearing at any point if that seemed necessary.

In response to Kronish's question about estimated acquisition costs, Steel noted that Boston College had paid Congregation Mishkan Tefila about \$21 million for the entire site, and that the City's previously commissioned appraisal had estimated a \$3-4 million value for the rear, wooded portion. Wilkinson thought an acquisition CPA funding request might be about \$5 million.

Kronish asked whether the CPC would consider CPA funds as the sole source for the project or would require some matching non-CPA funds. He would prefer the latter for the acquisition phase. Steel confirmed that the City had not currently committed any non-CPA funds to match a potential CPA request. In response to Ingerson, Kimmell said there were no plans for private fundraising during the pre-acquisition phase, but

private funds might still be raised toward acquisition costs. Baker urged the CPC not to seek matching non-CPA funds. He felt there would not be time to raise such funds for any preservation method other than a willing sale.

Steel explained that the lease on the rear parking lot for use by a commuter shuttle service would expire in the fall of 2018, and that Boston College had proposed new uses for that parking lot, including storage of heavy equipment. To support these changes, the college had also proposed to replace the lot's current lights with narrower downlights and to make drainage improvements. Wilkinson noted that the college could make changes to the site's topography very close to the vernal pool. Baker said the Commissioner of the state's Dept. of Conservation and Recreation (DCR) had given the college the required permission to move heavy equipment along Hammond Pond Parkway, which is owned by DCR.

VOTE A motion by Armstrong, seconded by Gilfix, to consider a full proposal based on the submitted pre-proposal for a public hearing on 13 September 2018 was adopted 8-0.

The CPC asked Ingerson to organize a site visit for its members in July or August.

Committee Business

[New Art Center](#) request to delegate tentative approval of some final project requirements

Dan Elias, Executive Director of the Center, and Ingerson explained that the Center had received most of its CPA grant to create a facilities plan that met the Secretary of the Interior's Standards for the Rehabilitation of Historic Properties. To release the final 10% of the grant, the Center needed to submit the final plan for approval by the City's historic preservation staff and present a final report to the CPC. Since the CPC would not meet in August, they were asking that the Committee delegate tentative approval of the final plan and draft final report to the CPC officers and staff, on condition that the Center present the final report presented in person at the next available CPC meeting.

VOTE Kronish's motion, seconded by Sargent, to delegate tentative approval of the New Art Center's final CPA grant requirements to the CPC officers and staff was approved 8-0.

[Crescent Street](#) – approval of final wording for memo to Mayor Fuller, the City Council and the Crescent Street Working Group summarizing CPC comments and concerns about this proposal

Dan Brody wondered whether the [recent email to the CPC from its consultant Gerry Joseph](#), recommending an approach very similar to the alternative described in the CPC's draft memo, should be attached to that memo. Sargent felt the CPC memo should stand on its own. Ingerson noted that she had added Joseph's final email to the CPC's webpage for the project.

Kronish and Brody agreed the draft memo described the revised proposal on which most CPC members would strongly prefer to vote, with the following differences from the proposal as presented to date:

- g. between 14 and 20 housing units, and
- h. a public-private partnership between the City and an experienced, nonprofit affordable housing provider for the development, ownership and management of the housing
- i. based on project budgets that reflect all of the project's costs to the City, both present and future, whether through funding or the commitment of nonfinancial public resources

Kronish emphasized, however, that the Committee had not clearly decided how it would respond if asked to vote on a proposal without these features, particularly if the project still included only the 8 housing units proposed to date.

City Councilor Leonard Gentile reported that, in response to concerns expressed at the CPC's 21 June 2018 meeting about the project's lack of a committed, qualified property manager, the Newton Housing Authority

was considering managing the property for the City; and the private firm National Development had also offered to put in writing its commitment to accept this role if no other property manager was found.

Councilor Gentile also explained that Public Buildings Commissioner Josh Morse and project architect David Eisen were working on new development and operating budgets, reflecting changes the Crescent Street Working Group was prepared to make in the project's housing component in response to the June 21 CPC discussion:

- making all 8 units affordable at no more than 99% of the AMI, but hoping to include a third unit for households at 60% AMI;
- reducing construction costs by eliminating the elevator and the outside staircases, as the architect believed 2 interior staircases could serve the entire building; and by reducing the 2-bedroom units from 1,000 to 900 square feet and the 3-bedroom units from 1,250 to 1,100 square feet;
- modular companies had told City Point Partners, as the City's Owner's Project Manager (OPM) City that modular construction was not feasible for the current design, but the OPM was re-exploring this option for the newly simplified design; after sharing new schematic drawings with some modular companies, the OPM had estimated a possible savings of \$100,000-\$125,000 per unit, for a savings of \$800,000-\$1 million on the total project

Councilor Gentile preferred that the CPC not transmit its planned memo until new project budgets reflecting these changes had been submitted. He explained that the project could not respond to some preferences in the draft CPC memo unless the Mayor asked the City Council to reconsider the governing Board order 384-11(4) adopted in November 2015. In the meantime, under that order the site plan must be approved by a 2/3 majority of the full City Council. If that approval was not granted, the proposal might not come back to the CPC in any form.

In conclusion, Councilor Gentile was concerned that the CPC's memo as currently worded might be interpreted as indicating that the CPC simply would not vote to fund an 8-unit project. Sargent was confident the memo would not be interpreted in this way.

After a brief further discussion, by sense of the meeting the CPC agreed that the final memo should omit rather than attempt to answer the questions that Ingerson had appended to the draft, about the Committee's likely responses to possible project changes.

VOTE A motion by Armstrong, seconded by Lunin, to transmit [the CPC's Crescent Street memo with its current wording](#), but without the appended staff questions, was adopted 8-0.

Based on a motion by Maloney, seconded by Gilfix, and with corrections noted by Sargent, the minutes as submitted for the CPC's 21 June 2018 meeting were approved 8-0.

Armstrong's motion to adjourn, seconded by Gilfix, was approved unanimously. The meeting adjourned at 8:48 pm.

Newton, Massachusetts Community Preservation Program
CPC Staff *READER'S GUIDE* to New Proposal
Jackson Road/Haywood Housing New Senior Housing

CPA REQUEST:
 \$3,000,000, slightly over 11% of

TOTAL COSTS:
 \$26,106,417

RECOMMENDED CONDITIONS for CPC FUNDING RECOMMENDATION
 (mostly identical to those in the CPC recommendation voted in January 2018)

For attachment to any new CPC funding recommendation to the City Council, the CPC should require submission of updated, corrected versions of the following information:

Haywood House Costs per Square Foot		
use	net square feet	% of gross total sq ft
residential	37,565	67.0%
common areas	3,081	5.5%
operating & administration	2,137	3.8%
(all costs & sq ft below exclude parking)		
total sq ft (net uses above)	42,783	76.3%
total sq ft (gross)	56,080	
total development cost (TDC)		\$26,106,417
total construction cost		\$18,759,200
TDC/sq ft (gross)		\$465.52
construction cost/sq ft (gross)		\$334.51

- In the project timeline, typos should be corrected (for ex. June 6, 2017 should be June 6, 2018) and the major steps for Newton public funding (CPA and CDBG) should be added.
- Based on instructions from the project's development consultant, CPC staff has corrected the \$227 "building cost/sq ft" in the submitted project's "assumptions" spreadsheet as \$335 "construction cost/gross sq ft." The CPC staff summary at left is correct as of 21 June 2018.
- As with the previous CPC recommendation, staff has requested an updated breakdown of per-square-foot costs by these categories: site preparation & foundations vs. nonresidential space vs. residential space. This breakdown allows the CPC recommendation to show that the project's extraordinary costs are due in large part to the first category, and to a lesser degree to the second category.

1. As previously agreed by the CPC and the Housing Authority, any CPC funding recommendation should require **a second CPC vote to authorize execution of a grant agreement**, once tax credits and the funds required from other sources to complete the project have been committed.
2. The Housing Authority should provide the CPC with periodic updates on the status of its Comprehensive Permit and tax-credit application(s), including any changes made to the project's design, costs or funding sources. **If tax credits have not been committed for the project within 2 years of the date of any new CPC recommendation, that recommendation should expire**, and the Housing Authority should re-start the CPA funding process with an updated proposal.
3. All recommended CPA funds should be appropriated by the City Council within 6 months, and **project construction should begin within 3 years, of the date of any new CPC recommendation**. If either deadline cannot be met, the Housing Authority must request a written extension from the CPC, which the CPC may grant at its discretion.
4. The release of CPA funds should be governed by a grant agreement that includes but is not limited to the **usual conditions for the phased release of CPA funds** for housing projects, including a final report to the CPC and return of unspent funds.
5. In addition, in response to recent problems with accessibility construction, the grant agreement should require an independent "**accessibility audit**," including review of 100% plans as soon as these are available, and spot inspection at the rough plumbing/electrical stage of construction.

RECOMMENDED CONDITIONS in CPA GRANT AGREEMENT

Until a grant agreement is executed, any CPA funds appropriated will be reserved for this project but cannot be released or spent.

As a condition for the *initial* release of CPA funds, the grant agreement should require submission of final details for the project (which will continue to evolve during the funding process), including:

- ◆ unit mix and floor plans showing all units by their actual square footage (the proposal includes only average square footage), location/floor within the building, and income level
- ◆ development & operating budgets
- ◆ final affirmative marketing plan

Most if not all of this information will also be required by the project's Comprehensive Permit.

As a condition for the final release of CPA funds, the grant agreement should also require submission of a **capital needs assessment for the Housing Authority's overall portfolio**. See notes below on sponsor finances.