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Community Preservation Committee

MINUTES

9 August 2017

The meeting was held on Wednesday, 9 August 2017 at 7 pm in Newton City Hall Room 204.

Community Preservation Committee (CPC below) members present: chair Jonathan Yeo, vice chair Peter Sargent and members Mark Armstrong, Susan Lunin, Jim Robertson, and Beryl Gilfix. Members Dan Brody, Richard Kronish, and Don Fishman were absent.

Community Preservation Program Manager Alice Ingerson served as recorder.

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

PROPOSALS & PROJECTS

[New Art Center](#) – request to extend project completion deadline

Center Executive Director Dan Elias thanked the CPC for recommending the \$72,652 in CPA funds appropriated by the City Council in December 2015. He asked the CPC to extend the spending deadline in the project's grant agreement from 5 June 2017 to 30 June 2018. Completion of the Center's strategic plan took longer than expected, but they have now hired Michael Kaufman of DHK as its Owner's Project Manager (OPM), through competitive bidding overseen by the City of Newton Purchasing Dept. The OPM will help to help hire an architect, who will create schematic preservation and renovation drawings for the building. The Center hopes to have those design services completed by the end of calendar 2017.

Approval of this request was moved by Jim Robertson, seconded by Mark Armstrong, and approved unanimously, 6-0.

[Newton Cemetery, Whipple-Beal Cast Iron Fence](#) (Newton Centre) - continuation of 31 May 2017 pre-proposal discussion, to confirm requirements for a regular-round full proposal due 2 October 2017

Robertson explained the additions he was recommending to this full proposal. In discussion, the CPC clarified and approved these suggestions unanimously by a sense of the meeting, without a formal vote:

1. Include a 1-2 page summary of the Cemetery's strategy for building its endowment to reach eventual self-sufficiency, by expanding on the short explanation in the pre-proposal.
2. Include a 1-2 page summary of the Cemetery's plan for funding the capital needs of other structures owned, as the Whipple-Beal Fence is, by lot owners who are no longer able or willing to assume full financial responsibility for maintenance.
3. Make the already required 10-year maintenance budget for the Whipple-Beal Fence more detailed and realistic than the minimal annual estimates presented in the pre-proposal; the 10-year budget should include estimated costs for Cemetery staff time.

In response to Cemetery President Mary Ann Buras, CPC members clarified that the requested capital needs

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plan for private structures should not cover all such structures, not just other fences, since the pre-proposal had made it clear that the Whipple-Beal Fence was the Cemetery's only remaining fence. Also in response to Buras, the CPC asked that this capital needs plan include some rough estimates of the number and future costs the Cemetery expects to assume for "orphaned" private structures, without including a full inventory of every such structure.

In response to a question from Alice Ingerson, Buras said that if CPA funding were provided for the Whipple-Beal Fence project, the Cemetery would not modify the large bronze signs near its entrances stating that no public funds have been used at the Cemetery, but would install at the Whipple-Beal lot a small permanent sign acknowledging the use of Newton CPA funds to restore the fence. The cost of that sign would be covered by the Friends of Newton Cemetery.

Jackson Road New Senior Housing/Haywood House (Newton Corner), Newton Housing Authority (NHA) – update on planned revision of current \$2 million full proposal

Amy Zarechian, Executive Director of NHA, and NHA consultant Charles Eisenberg, of Housing Partners, explained that after submitting their full proposal for this project in early July, NHA had hired as their Construction Manager at Risk (CMR) Colantonio, Inc., which had worked on a similar infill project for the Brookline Housing Authority. Together, Colantonio and the project designer's independent cost estimator, A.M. Fogarty & Associates Inc., concluded that construction costs for Haywood House would be above \$16 million, compared to the \$12.5 million estimate in the proposal to the CPC. Estimated construction costs alone (excluding design, site preparation, etc.) were about \$390,000 per unit.

Eisenberg explained that as a public entity, NHA must pay prevailing wages and follow Massachusetts Chapter 149 to procure construction services, with filed sub-bids. This is one of 4 projects he knows of for which construction cost estimates received in the last 2 months were about 20% above previous estimates. Another similar-sized job, also paying union wages, cost about \$260 per square foot to construct about 10-11 months ago, compared to the \$350 per square foot in the newest estimates for Haywood House. This partly reflects the current strong demand for construction workers and sub contractors in greater Boston, though construction estimates Eisenberg recently received for an "open shop" project were exactly as expected. This variability in costs is a challenge for project budgeting.

Eisenberg also said that new borings in a full grid across the site, to supplement the test borings done 2 years ago, led the structural engineer to recommend replacing the existing soil with structural fill to a depth of 7 feet, as well as constructing very deep foundations for the building. On the plus side, the site does not contain hazardous waste. Zarechian explained that the high cost of the required site preparation and foundations might require constructing more units to meet the state's required maximum per-unit cost. She also said that as a result of the updated cost estimates, project design must start over again, even though schematic designs were already 100% complete. The project's unit count, unit sizes, and levels of affordability may all need to change, which may in turn change its CPA request.

Robertson confirmed that construction wages in the Boston area were an exception to the rule that wages around the United States have generally not been rising. Peter Sargent said reported increases of 1.5%-2% per month for construction costs in greater Boston had prompted strong interest in "value engineering" to reduce project costs. Robertson and Sargent agreed that Haywood House's required re-start would allow the project to apply for affordable housing tax credits only in fall 2018, rather than in fall 2017 as originally intended. Sargent also explained that as a first-time applicant, NHA was far less likely to receive credits in 2018 than through its second application in 2019. Projects submitted in February 2017 tried to anticipate probable cost increases, but current actual costs will mean even more intense competition than usual. In response to a question from City Councilor Alison Leary, Sargent, Robertson and Jonathan Yeo all thought the soonest this project could break ground would be in 2020.

Councilor Leary supported the project's proposed shared parking, since the transportation services NHA plans to provide should mean each unit does not need its own parking. However, she felt that the neighborhood

might not support a building with as many as 60 or 65 units, in light of other projects being proposed nearby. Some of these might now start before Haywood House, including construction to adapt the former Aquinas School along Jackson Road to serve as the new Lincoln-Eliot Elementary School, and to adapt the current Lincoln-Eliot building as future school swing space. Eisenberg said the project team would run multiple models to find the best one to make the Haywood House project work.

Also in response to Councilor Leary, Eisenberg said the 4 units the now-tabled proposal had targeted for formerly homeless households were intended in part to address the City's obligations to provide 9 such units under its current agreement with the federal Dept. of Housing and Urban Development. However, Eisenberg and Jonathan Yeo said the state independently would also require targeting some units for these households.

Beryl Gilfix praised the project's underlying concept and hoped that it could move forward quickly.

To reduce discussion time for the next version of the proposal, Ingerson asked the Committee for feedback on the questions that had been raised the first version's impact on open space and trees, both by absent CPC member Dan Brody and by the League of Women Voters, and the general questions raised in her "Reader's Guide" for the CPC. After a brief discussion, the full Committee agreed that the next version should include the statistics and cost estimates for tree planting requested by Brody and should answer or address the questions in the "Reader's Guide," including:

- adding the Comprehensive Permit process to the project timeline
- providing consistent information in the proposal text and attachments where there were minor discrepancies in the proposal's first version, about: unit mix, intended use of CPA funds, unit occupancy (what proportion of 1-bedroom units will be occupied by, and generate rents based on, 2-person households?), funding sources (funding listed in one document as coming from the Housing Stabilization Fund was listed elsewhere as coming from programs for transit-oriented development), term of the construction loan (shown as both 18 and 14 months in the first version)
- clarifying the project's real estate tax status: though NHA is generally tax-exempt, the current proposal shows \$20,000 for real estate taxes during development and \$42,000 of annual taxes; Eisenberg explained that this has to do with this particular project's ownership structure
- explaining the source of the project-based housing vouchers assumed in the proposal
- clarifying NHA's commitment to perpetual affordability, which the first version makes "subject to the continuing availability of public funding"
- addressing any potential impacts of the underground "Nonantum TCE plume" – the toxics release drawn to the CPC's attention by absent member Brody
- summarizing the outcomes of recent fair housing complaints against NHA, where the first version summarized only the complaints themselves

To shorten the next version, Ingerson also suggested omitting any long attachments from the first version that did not change and including only short versions of two others: the 2-page "consolidated operating budget" for NHA as an organization, rather than the 14 pages originally submitted, which included program-by-program budgets; and a 1-2 page outline of the project-specific affirmative marketing plan, rather than the 45 pages of state instructions for such plans originally submitted.

In discussion with Ingerson and members of the Committee, Zarechian and Eisenberg agreed that NHA would submit a written update for discussion with the CPC as soon as the basic parameters of the revised project were known, probably by the 25 September 2017 deadline for the 12 October 2017 meeting. If the CPC is willing to consider the revised CPA request described in that update, the Committee will then aim to hold a public hearing on the revised proposal at its next meeting that is at least 1 month after the revised proposal is submitted. From the discussion, it seemed possible that NHA might be able to submit a revised full proposal by October 16 for a public hearing on November 16; and that if the requested funding is recommended by the

CPC and appropriated by the City Council, NHA could have the City Council order in hand when it applies for tax credits in the fall of 2018.

COMMITTEE BUSINESS

Ingerson asked the CPC to consider clarifying its expectations for "CPA appropriateness" and for non-CPA matching funds in the [Community Preservation Plan](#). She noted that the Committee should hold a public hearing on any proposed revisions to the [Plan](#), prior to adoption. After further discussion, the Committee asked Ingerson to draft some proposed revisions, especially for these two issues, for a working discussion at the CPC's September meeting.

Based on a motion by Gilfix, seconded by Robertson, the minutes as submitted for the 31 May and 8 June 2017 meetings were approved by a vote of 6-0.

The Committee then adjourned by consensus at 8 pm.