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Community Preservation Committee

MINUTES

14 January 2016

The meeting was held on Thursday, 14 January 2016 at 7:00 pm in City Hall Room 204.

Community Preservation Committee (CPC below) members present: chair Jim Robertson, vice chair Jane Sender, Don Fishman, Jonathan Yeo, Beryl Gilfix, Laura Fitzmaurice, and Rick Kronish. Members Mike Clarke and Joel Feinberg were absent.

Community Preservation Program Manager Alice Ingerson served as recorder.

City Archives Strategic Plan (City Clerk & City Archivist, \$20,000 appropriated) –
final project report & discussion of future funding request

City Clerk David Olson thanked the CPC for addressing the City's need to preserve its many large collections of historical records currently stored at multiple locations, many of which fall far short of archival standards. The dispersion of these records also makes them difficult to find and access.

Olson distributed copies of the completed City Archives Strategic Plan, by consultant Aaron Cohen Associates. Cohen Associates worked closely on the Strategic Plan with Jackson Homestead executive director Lisa Dady and archivist Sara Goldberg and with Newton Free Library director Phil McNulty, but also visited almost every City department.

The Strategic Plan built on the foundation of the CPA-funded City archives inventory done in 2011 by Nancy Kougeas, who subsequently became Newton's City Archivist. In response to Jane Sender, Olson explained that each City department still manages its own records, but Kougeas's coordination and evaluation work has freed up significant storage space by eliminating duplication among departments and setting up a regular schedule for shredding those records the City is only required to retain for a finite period.

In response to questions from Don Fishman, Beryl Gilfix and Laura Fitzmaurice, Olson said the CPA funding for past archival projects work had been instrumental in the City's decision to fund a full-time person to scan records, starting with the plans and permits held by the Inspectional Services Department (ISD), the earliest of which date from about 1911. These scanned records are being entered in the City's Community Plus database, so inspectors can consult them in the field. Rolled-up plans must be sent out for professional digitization. The original ISD records must still be retained permanently after scanning, however, and are currently held in the basement of City Hall.

The Strategic Plan suggests that the City could meet its archival needs through a smaller facility than once thought necessary, using compact, vertical storage. The City will therefore develop a plan for such a facility, to be shared by all departments. Olson has not yet heard back from the state about location requirements, but he assumes the facility must be located on City-owned property, at or near City Hall.

(Minutes continue on next page.)

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Olson anticipates requesting CPA funds to design the new facility, perhaps in fy18. In response to Ingerson and Rick Kronish, he estimated that design would cost approximately \$100,000 and construction approximately \$1 million, which he hopes will be entirely CPA-funded. Though there are some state funds for libraries, there are none for archives.

Cherry Street (West Newton) affordable housing

CAN-DO, discussion of pre-proposal for potential \$3,000,000 request

Josephine McNeil, CAN-DO Executive Director, explained that the plans outlined in the submitted pre-proposal were under revision. The project is intended to serve the homeless population currently living in hotels or motels.

The submitted pre-proposal envisioned remodeling the historic building at 424-32 Cherry Street, which dates from the early 18th century, to create 9 single-person efficiency units and an overnight space for staff (not a full unit for live-in staff); and using new construction to create 3 family units on the site, each with 3 bedrooms. However, the Mayor and his staff have asked CAN-DO to re-focus the project on providing both housing and supportive services for homeless families. This focus is in line with CAN-DO's own primary mission, so the organization is revising its plans to determine how the same building and site could be used for family units. They also need to determine whether and how this design change might affect their planned application for state affordable housing tax credits. Regardless of what else may change about the project, CAN-DO still intends to request the same \$3 million in CPA funds listed in the submitted pre-proposal. McNeil said she would prefer not to discuss the revised project at length until more of its details have been worked out.

The critical first step is finding out whether the state will accept a full tax credit application for the project. The state's Notice of Funding Availability (NOFA) has been issued, and CAN-DO has submitted that program's required equivalent of a pre-proposal. The state Dept. of Housing and Community Development (DHCD) gauges the readiness of projects partly by whether they already have all required permits. CAN-DO has asked whether this requirement could be waived for the Cherry Street project and hopes to hear back from DHCD within two weeks.

In response to questions from Beryl Gilfix, McNeil explained that CAN-DO's executed Purchase and Sale (P&S) agreement for acquiring the property allows CAN-DO up to 150 days to confirm financing for the purchase, which is unusual, but that schedule is contingent on reaching specific milestones in the funding and permitting process. CAN-DO is not assuming the P&S can be renegotiated if those milestones cannot be met, unless CAN-DO can give the seller other evidence of strong certainty for both financing and permitting. CAN-DO anticipates very high legal fees for the project as a whole.

Ingerson asked about the provisions in the P&S making potential extensions contingent on additional payments that would be forfeited to the seller if the sale did not go through. McNeil clarified that CAN-DO intends to use the requested CPA funding primarily to write down its mortgage and will seek initial acquisition funding from Massachusetts' Community Economic Development Assistance Corporation (CEDAC), which offers very favorable interest rates. No CPA funds would be spent prior to completion of the sale. Ingerson asked that the specific intended uses of CPA funds be explained clearly in the next, revised pre-proposal.

McNeil also noted that an appraisal had been commissioned for the bank from which CAN-DO is seeking a possible private acquisition loan, as an alternative to CEDAC funding. The bank will also commission an "as built" appraisal once the details of the construction plan are clear.

Jim Robertson felt that the limited information provided with the pre-proposal made it difficult to analyze – for example, it did not include a preliminary site plan, gross square footage or building square footage. Ingerson asked that the revised pre-proposal include some kind of site plan.

Kronish considered the total development cost per unit in the submitted Cherry Street pre-proposal appropriate, but said he would like to see less CPA funding requested per unit.

Jonathan Yeo noted that this project would face significant competition for state tax credits. Kronish felt that some competing applications would be considered readier to proceed than this one.

Mr. Michael Lepie asked whether the CPA funds requested for this project would be used for the \$576,000 developer fee to CAN-DO listed in the pre-proposal. Robertson assumed that fee would be divided among the project's funding sources in proportion to their share of total project costs. Kronish felt it would be useful to know how CAN-DO had established the developer fee, overhead and profit for the project budget. Based on state standards, he considered a ceiling of about 15% of total project costs appropriate for the combination of these budget lines.

Robertson noted that at \$3 million, the potential Cherry Street request was equivalent to about 3 years' worth of the annual target allocation for affordable housing envisioned in the current *Community Preservation Plan*, so the CPC would need to consider the request carefully. In lieu of repeating her review of all known future funding requests at the CPC's November and December meetings in 2015, Ingerson noted that this list included at least one other large potential housing request from the City of Newton for a project at the Crescent Street property that previously served as Parks & Recreation Dept. headquarters.

Since CAN-DO was not requesting a specific CPC decision on the pre-proposal as submitted, Robertson closed discussion of this item.

COMMITTEE BUSINESS

Following up on Robertson's comment about the Community Preservation Plan's targets for affordable housing, Kronish and Yeo also asked Ingerson to put on the next agenda a discussion of the CPC's criteria for evaluating and funding affordable housing. The City's Housing Strategy, to be issued in the next month or two, should also be a useful context for future CPC decisions. However, given recent turnover and attrition on both the Newton Housing Partnership and the City's Housing staff, Ingerson also asked the Committee to consider issuing an RFP for technical assistance from one or more professional affordable housing consultants over the next few months. Robertson and Kronish agreed to review Ingerson's first-draft scope of work for this purpose; Ingerson said she would also send it to absent member Joel Feinberg for his comments. The resulting second draft would then be discussed as a public document at the next CPC meeting.

In response to further questions from Kronish, Yeo, and Fishman about the Crescent Street potential project, Ingerson reported that the City's Planning & Public Buildings Depts. intended to submit a pre-proposal soon. Though she did not yet know details, Ingerson also believed this pre-proposal would request off-cycle consideration of a full proposal. Sender felt the Committee should be more reluctant in general to accept proposals off-cycle, because considering projects side-by-side at the annual deadline was helpful for evaluating their relative costs, benefits and urgency.

In response to Ingerson's recommendation, the Committee agreed to remove from the CPC's website the City of Newton Parks & Recreation Dept.'s internal criteria for its own proposals to the CPC. The CPC originally requested this policy in 2011-12, to help it understand how Parks & Recreation proposals would be prioritized. However, having a policy on the CPC website that was not written by the CPC has been confusing for the public.

Ingerson, Robertson and Sender updated the Committee on the status of its December 2015 vote recommending the appropriation of \$2.5 million in construction funds for Newton Highlands Playground. Though Ingerson docketed that amount with the City Council in December, at the request of Parks & Recreation she has not submitted the actual CPC recommendation to the Council because Parks & Recreation notified her in mid-January that they now plan to submit a revised funding request to the CPC.

At the request of the City's Public Buildings Commissioner, Ingerson has removed the 2012 City Hall Windows pre-proposal from the list of potential future projects in the CPC's online "Currently Available Funds" report. Should the City wish to submit a full proposal, it would now need to submit a new pre-proposal.

Ingerson also summarized the current status of some projects in the CPC's online "Active Funded Projects" report, including: Farlow Park Pond and Bridge, which is evaluating new Engineering tests on the soils under planned supports for the new bridge; and the Newton Homebuyer Assistance Program, which is on hold for evaluation in the context of the City's soon-to-be-released Housing Strategy.

The Committee unanimously authorized Ingerson to pay Newton's \$7,900 annual 2016 dues as a member of the statewide Community Preservation Coalition.

Based on a motion by Gilfix, seconded by Yeo, the minutes of the 10 December 2015 meeting were approved as submitted by a vote of 7-0.

The Committee adjourned by consensus at 8:05 pm.