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### Community Preservation Committee Funding Recommendation for STANTON AVENUE Affordable Housing (Golda Meir House Expansion)

date: 24 October 2018, **updated 12 December 2018**  
from: Community Preservation Committee  
to: The Honorable City Council

**PROJECT GOALS & ELIGIBILITY** This project will add two additions to the existing Golda Meir House at 160 Stanton Avenue in Auburndale, with a net **68** new rental units. Of these units, **57** will be restricted to residents at least 62 years of age, and 60 will be permanently affordable to households varying from 30% to 99% of the federally defined Area Median Income (AMI), including 9 units designated for individuals with disabilities who have experienced chronic homelessness. Project sponsor 2Life Communities (formerly Jewish Community Housing for the Elderly) has requested state approval to reserve the maximum allowable 70% of these units for Newton residents.

The housing units described above are CPA-eligible as the creation of affordable housing. The project's **8** units without income restrictions are not eligible for CPA funding.

**RECOMMENDED FUNDING** On 9 October 2018 by 7 in favor, 1 abstaining (Richard Kronish) and 1 absent (Robert Maloney), the Community Preservation Committee recommended appropriating \$3,250,000 from the Community Preservation Fund to the control of the Planning & Development Department, for a grant to JCHE for any CPA-eligible purposes stated or implied in the summary budget below. **On 11 December 2018, the CPC voted 6-0 (members Kronish, Maloney and Beryl Gilfix absent) to accept the most recent project revisions, now reflected in this recommendation.**

USES		SOURCES	
Acquisition and Construction (incl. 5% contingency)	\$24,366,292	Newton CPA Funds	\$3,250,000
Soft Costs Etc (incl 5% contingency), including:	<b>\$4,892,419</b>	Permanent Mortgage Loan	\$7,770,000
Water Tower Decommissioning	\$500,000	Federal & State Low Income Housing Tax Credit Equity	\$14,298,570
Architecture & Engineering (incl. survey, clerk)	\$1,783,334	Utility Rebates	\$74,800
Interest, Fees, Legal, Accounting, Appraisal, Taxes	\$2,107,225	DHCD Subordinate Debt	\$3,750,000
Relocation, Marketing, FF&E	\$105,000	Private Philanthropy	\$2,546,475
City & State (DHCD) Permitting & Application Fees	\$396,861	Deferred Developer Fee	\$625,000
Developer Fee/Overhead	\$2,500,000	<b>Total Sources</b>	<b>\$32,314,845</b>
Operating Reserve	\$556,133		
<b>Total Uses</b>	<b>\$32,314,845</b>		

website [www.newtonma.gov/cpa](http://www.newtonma.gov/cpa)

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**SPECIAL ISSUES CONSIDERED BY THE CPC**

**Funding leverage & project costs:** The CPC appreciated that CPA funds were requested for only about 10% of total project costs, with federal and state tax credits covering about 44%. The project's residential construction cost of about \$475,00 per unit is the unofficial maximum for state funding but reflects the steeply sloped site and the need for additions to match the existing building's relatively expensive steel and concrete framing.

**Supportive services:** New residents will benefit from Golda Meir's recently renovated and expanded common spaces, strong supportive services, wide array of enrichment programs, and required but subsidized weekday lunch program. [Hearth, Inc.](#), a well-respected nonprofit dedicated to eliminating elder homelessness, will select and provide support services for the 9 formerly homeless residents.

**Accessibility:** The expansion project will add a new at-grade accessible upper entrance, 4 fully accessible units, 2 units adapted for residents with hearing impairments, and 64 units that are adaptable, with wide doorways, showers rather than tubs, existing grab bars plus framing for additional supports, and kitchens that can be reconfigured for roll-in use. The existing elevators will serve the new units.

**Project design & transportation access:** In response to neighborhood concerns about traffic and parking, street parking spaces on the Golda Meir side of Stanton Avenue will be moved onto the Golda Meir property, effectively widening the street. Golda Meir residents can reach the Woodland T stop along an existing accessible path, well away from busy Washington Street.

**Reason for abstention:** CPC member Richard Kronish was concerned that this project was applying for housing tax credits in the same round as another affordable senior housing project to which Newton has committed CPA funds: the Newton Housing Authority's Haywood House. Kronish would have preferred to schedule these projects' local funding to avoid having them compete directly for this state and federal support.

**ADDITIONAL RECOMMENDATIONS** (*funding conditions*)

1. The CPC assumes all recommended funds will be appropriated within 6 months, and project construction will begin within 3 years, after the date of this recommendation. If either of these deadlines cannot be met, 2Life should submit a written request to the CPC to extend that deadline.
2. As soon as practical, 2Life should provide the CPC with a brief written and in-person update on the results of its housing tax credit application(s). If tax credits have not been committed for the project by October 2020, 2Life should re-start the CPA funding process with an updated proposal.
3. Once the project's other required funding sources have been committed, particularly the housing tax credits, 2Life should request a second CPC vote authorizing execution of a grant agreement governing the phased release of CPA funds for this project. That agreement's conditions should include but not be limited to those usual in other recent grants for CPA-funded housing projects, such as permanent affordability, a final report to the CPC, and an independent "accessibility audit" to ensure as-built compliance with accessibility standards.
4. Any CPA funds appropriated but not used for the purposes stated herein should be returned to the Newton Community Preservation Fund.

**KEY OUTCOMES**

The Community Preservation Committee will evaluate this project based on its success in using Newton CPA funds to leverage non-Newton funds, and on its provision of not only income-restricted housing but also the supportive services described in the proposal and revisions submitted by 2 Life in September-December 2018.

**ATTACHMENTS** (delivered to the clerks of the Council's Land Use and Finance Committees)

- ◆ The CPC's 24 October 2018 recommendation, updated on 14 November 2018, was submitted with the original proposal and the presentation made to the CPC's public hearing. To support 2Life Communities' tax credit application, the City Council committees discussed those versions of this recommendation.
- ◆ As of 12 December 2018, this further updated recommendation and all revised submissions are available on the CPC website's page for this project: