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## CITY OF NEWTON, MASSACHUSETTS

### Newton Housing Partnership

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January 29, 2020

Ruthanne Fuller,  
Mayor

Honorable Mayor Ruthanne Fuller  
Newton City Hall  
1000 Commonwealth Ave  
Newton, MA 02459

Barney Heath,  
Director  
Planning & Development

Dear Honorable Mayor Fuller,

Members:

Mark Caggiano  
Eliza Datta  
Chuck Eisenberg  
John Hennessey  
Lizbeth Heyer, Chair  
Kathy Marchi  
Josephine McNeil  
Marva Serotkin  
Stephen Tise

As our work progresses to provide input into your and the City Council's effort to expand affordable housing opportunities in Newton, we are pleased to write this letter in support of the Newton Housing Authority's (NHA) proposal for CDBG and CPA funds to purchase and preserve CAN-DO's Newton portfolio. Originally developed by the not-for-profit CAN-DO community development corporation, this portfolio provides deeply affordable housing for extremely low-income families and individuals in perpetuity; a rare and highly valuable asset in Newton that should be preserved.

At our January 7, 2020 meeting, the Newton Housing Partnership voted unanimously, with two recusals, to recommend that the City provide the NHA the necessary CDBG and CPA funds to purchase, renovate and stabilize this housing. At the time the proposal was presented to the Partnership, the details of the preservation plan, including the financial structure and capital investment program, were still being finalized. As such, our vote included the following recommendations as the NHA works with staff of the Planning Department, the Planning and Development Board and the Community Preservation Committee to finalize the deal:

1. Consider re-balancing the amount of CDBG, CPA and permanent debt to ensure that adequate funds are provided to complete short and long-term capital needs, while not overburdening the project with permanent debt. We felt the amount of permanent debt proposed was high, especially given the underwriting risks associated with the partial reliance on mobile vouchers to support the extremely low-income units.
2. The NHA should take a harder look at the capital needs budget to ensure that it adequately anticipates the complicated, and therefore costly nature of a phased capital investment program. Members were concerned that while the capital needs assessment may be accurate as to the type and number of components that need repair or replacement, it likely underestimated the contingency funds necessary to cover unexpected conditions and the unique code requirements that can occur in a case-by-case, diverse scattered site portfolio.
3. The Partnership was extremely pleased that the NHA included funds for resident services in the operating budget, but felt that the amount should be higher, especially given the reported needs of the resident population served.

On behalf of my colleagues on the Partnership, we thank CAN-DO for their visionary work to create this unique and highly valuable extremely low-income affordable housing portfolio, and

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offer our strong, albeit contingent support for the NHA's request for CDBG and CPA funds to purchase and stabilize it. The Partnership is also pleased to assist if called upon to help address the recommendations listed above.

Ruthanne Fuller,  
Mayor

Sincerely,

Lizbeth Heyer  
Chair, Newton Housing Partnership

Barney Heath,  
Director  
Planning & Development

CC:

Members:  
Lizbeth Heyer, Chair  
Mark Caggiano  
Eliza Datta  
Chuck Eisenberg  
John Hennessey  
Kathy Marchi  
Josephine McNeil  
Marva Serotkin  
Stephen Tise

Planning and Development Board  
Community Preservation Committee  
Council President Susan Albright  
Councilor Jacob D. Auchincloss  
Councilor Lisle Baker  
Councilor Alicia Bowman  
Councilor Allan Ciccone, Jr.  
Councilor Deborah Crossley  
Councilor Victoria L. Danberg  
Councilor Andreae Downs  
Councilor Leonard J. Gentile  
Councilor Maria Scibelli Greenberg  
Councilor Rebecca Walker Grossman  
Councilor Bill Humphrey  
Councilor David A. Kalis  
Councilor Andrea W. Kelley  
Councilor Joshua Krintzman  
Councilor Marc C. Laredo  
Councilor Alison M. Leary  
Councilor Richard A. Lipof  
Councilor Julia Malakie  
Councilor Christopher J. Markiewicz  
Councilor Brenda Noel  
Councilor Emily Norton  
Councilor Holly Ryan  
Councilor Pamela Wright

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Preserving the Past



Planning for the Future