



First Program Year CAPER

The CPMP First Consolidated Annual Performance and Evaluation Report includes Narrative Responses to CAPER questions that CDBG, HOME, HOPWA, and ESG grantees must respond to each year in order to be compliant with the Consolidated Planning Regulations. The Executive Summary narratives are optional.

The grantee must submit an updated Financial Summary Report (PR26).

GENERAL

Executive Summary

Program Year 1 CAPER Executive Summary response:

The FY06 CAPER for the City of Newton Community Development Block Grant (CDBG) and Emergency Shelter Grants (ESG) programs and for the WestMetro HOME Consortium HOME Investment Partnerships (HOME) and American Dream Downpayment Initiative (ADDI) programs reports on the first year of the FY06-10 Consolidated Plan. The Consolidated Plan was prepared to describe the use of federal resources for housing and community development activities in Newton and housing activities in the 11 other HOME Consortium communities (the towns of Bedford, Belmont, Brookline, Framingham, Lexington, Lincoln, Natick, Needham, Sudbury and Watertown and the city of Waltham). Since four of these communities (Framingham, Lexington, Natick and Sudbury) were not members of the WestMetro HOME Consortium until FY07, they are not included in this CAPER.

The Consolidated Plan and the subsequent Annual Action Plans, the results of a citizen-driven collaborative planning process, detail how the City of Newton and the members of the WestMetro HOME Consortium will allocate the aforementioned federal funds. The FY06 Action Plan provided details to citizens, public and private agencies, and other interested parties on the program activities that were planned in response to the priority needs identified in the Consolidated Plan. The CAPER provides an assessment at how successful Newton and the Consortium communities were at meeting their goals.

Significant progress was made by Newton housing and community development program staff in FY06. As this report indicates, meeting the goals and objectives of the FY06-10 Consolidated Plan and the FY06 Annual Action Plan was first and foremost in the minds of program staff. Projects are always undertaken with the primary goal of addressing the needs outlined in the Consolidated Plan and the Annual Action Plan. In addition, during FY06, program staff continued to meet HUD funding requirements and expenditure caps.

In FY06, the City of Newton received \$2,543,897 in CDBG funding and expended \$3,269,769 in FY06 and prior year funds. The largest portion of the funds, 42 percent, was directed to Newton's housing rehabilitation program. The City's housing development program expended 15 percent of the CDBG funding, while accessibility, neighborhood improvements and economic development programs accounted for eight, four and one percent, respectively, of the total program year expenditure. As in previous years, Newton allocated 15 percent of the CDBG grant

and 15 percent of the prior year's program income to public service activities, the maximum amount allowed under HUD regulations.

In terms of housing development and housing rehabilitation, work continued on implementing policies to increase the number of affordable housing units and to rehabilitate those homes in need throughout the city. Public service projects continued to reach low- and moderate-income residents with their valuable programs, and neighborhood improvement and accessibility projects made visible changes to the areas of greatest need in Newton and helped residents gain access to both public and private services.

During FY06, \$1,631,029 in HOME funding was allocated to the WestMetro HOME Consortium. Including local and Consortium administration HOME funds, \$319,507 was expended in Newton. HOME funds totaling \$1,010,636 were expended by the other seven Consortium members, and \$103,682 in ADDI funds was expended to assist first-time homebuyers. The total amount of HOME funds expended during FY06 was \$1,433,825.

HOME funds helped in the creation of 39 units of affordable housing in five of the eight WestMetro HOME Consortium communities during FY06. In three of the newest Consortium member communities, groundwork was laid for pending HOME-assisted affordable housing development projects. Four Consortium communities allocated HOME funds for CHDO operating expenses during FY06. Additionally, in Newton, HOME funds were used to fund a fair housing audit for people with disabilities.

Additionally, in FY06, the City of Newton received \$98,748 in ESG funding and expended \$104,502. Seven projects provided assistance to more than 650 people who were either homeless or at-risk of homelessness. The types of assistance ranged from transitional housing for survivors of domestic violence to crisis management for adolescents at-risk of homelessness to mediation services for low-income tenants and their landlords to reach mutually beneficial agreements, thus preventing eviction and possible homelessness.

General Questions

1. Assessment of the one-year goals and objectives:
 - a. Describe the accomplishments in attaining the goals and objectives for the reporting period.
 - b. Provide a breakdown of the CPD formula grant funds spent on grant activities for each goal and objective.
 - c. If applicable, explain why progress was not made towards meeting the goals and objectives.
2. Describe the manner in which the recipient would change its program as a result of its experiences.
3. Affirmatively Furthering Fair Housing:
 - a. Provide a summary of impediments to fair housing choice.
 - b. Identify actions taken to overcome effects of impediments identified.
4. Describe Other Actions in Strategic Plan or Action Plan taken to address obstacles to meeting underserved needs.

5. Leveraging Resources
 - a. Identify progress in obtaining “other” public and private resources to address needs.
 - b. How Federal resources from HUD leveraged other public and private resources.
 - c. How matching requirements were satisfied.

Program Year 1 CAPER General Questions response:

CITY OF NEWTON HOUSING AND COMMUNITY DEVELOPMENT PROGRAM

PROGRAM-WIDE RESPONSE:

FY06 Funds Leveraged with CDBG, HOME and ESG Funds

Program	CDBG Expenditures	HOME Expenditures	ESG Expenditures	Funds Leveraged
Housing Development	\$345,776	\$249,133	-	\$19,585,151
Housing Rehabilitation and First Time Homebuyer Program	\$1,018,874	\$33,682	-	\$1,531,213
CDBG and ESG Homelessness/At-Risk of Homelessness/ Continuum of Care	\$163,159	-	\$104,502	\$3,158,550
Human Services	\$493,858	-	-	\$498,000
Architectural Access	\$269,799	-	-	\$200,500
Economic Development	\$41,406	-	-	-
Neighborhood Facilities	\$120,847	-	-	\$19,642
TOTAL FY06	\$2,453,719	\$282,815	\$104,502	\$24,993,056
TOTAL FUNDS LEVERAGED PER DOLLAR IN FY06: \$11.36				

PROGRAM-SPECIFIC RESPONSES:

HOUSING DEVELOPMENT PROGRAM

The City of Newton housing development program identified five priorities in the FY06 Annual Action Plan. During FY06, program staff was successful in addressing each of these priorities. Thirty-one rental units for extremely low-, low- and

moderate-income residents were completed and occupied during FY06. Additionally, projects which will result in 28 homeownership units for low- and moderate-income residents were either approved or progressed during the program year, and a new Accessory Apartment Incentive Program was funded in FY06.

The following table provides a breakdown of the CDBG and HOME funds spent on activities that meet each goal and objective:

FY06 Housing Development Accomplishments

Active Projects	Funds Budgeted	Total Funds Expended		FY06 Status
		Funds Expended in Prior Years	Funds Expended in Current Year	
45 Pelham Street	\$650,000 CDBG	\$650,000 CDBG	\$17,535 HOME	Former nursing home converted into ten rental units for low-income seniors. The project was completed and occupied in FY06.
248 Elliot Street Linden Green	\$159,447 CDBG \$116,872 HOME	\$159,447 CDBG \$116,872 HOME	\$0	Acquisition and historic renovation of an 18 th -century property to consist of three affordable and two market-rate units. Scheduled to be completed and occupied in FY07.
Nonantum Village Place	\$815,000 CDBG \$50,000 HOME	\$815,000 CDBG	\$0	This project, which provides 34 units for very low-income seniors, was completed in FY05 and fully occupied in FY06.
20-22 Falmouth Road	\$260,978 CDBG	\$200,885 CDBG	\$60,093 CDBG	Acquisition and rehabilitation of a two-family property resulting in two affordable rental units. Completed and occupied in FY06.
163 Jackson Road	\$262,500 CDBG	\$200,000 CDBG	\$62,500 CDBG	Acquisition and rehabilitation of a two-family property into two affordable rental units. Completed and occupied in FY06.
1101 Chestnut Street Millhouse Commons	\$375,000 CDBG \$17,183 HOME	\$375,000 CDBG	\$17,183 CDBG	Acquisition to create two affordable homeownership units. The project is scheduled to be completed and occupied in FY07.

Active Projects	Funds Budgeted	Total Funds Expended		FY06 Status
		Funds Expended in Prior Years	Funds Expended in Current Year	
1751 Washington Street	\$75,000 HOME	\$0	\$75,000 HOME	Acquisition during FY06 to create a group home for four low- and moderate-income individuals with severe mental retardation and physical disabilities.
13-15 Wiltshire Road	\$103,050 HOME	\$0	\$103,050 HOME	Acquisition and rehabilitation to create a group home for five low- and moderate-income individuals with severe mental retardation and physical disabilities. Acquired and occupied in FY06.
11-13 Cambria Road	\$200,000 CDBG	\$0	\$200,000 CDBG	Acquisition and moderate rehabilitation to create two affordable rental units. The property was acquired in FY06 and occupied in FY07.
173 Tremont Street	\$20,300 CDBG \$50,050 HOME	\$0	\$40,500 HOME	Acquisition and rehabilitation to create a group home for eight low- and moderate-income individuals with developmental disabilities. The property was acquired and occupied in FY06 and rehabilitation work will be completed in FY07.
Fair Housing Audit (for people with disabilities)	\$20,600 CDBG \$5,000 HOME	\$0	\$6,000 CDBG	This audit, which began in FY06, is an analysis of discrimination against people with disabilities in Newton's housing market. The audit is scheduled to be complete in FY07. An additional \$600 of the CDBG funds provided a seminar on fair housing for realtors conducting business in Newton.
.CAN-DO Operating Support	\$13,048 HOME	\$0	\$13,048 HOME	Operating funds provided for Newton's only CHDO and active CDC.
FY06 TOTALS: CDBG: HOME:	\$ 2,763,825 \$ 430,203	\$2,400,332 \$116,872	\$345,776 \$249,133	Five projects were completed in FY06.

There was one change made to the Housing Development Program as a result of experiences during FY06. In the past, the demand for federal CDBG and HOME assistance to fund housing development has exceeded the amount of available funds. However, as the overall cost of development continues to increase—particularly the cost of construction—it becomes even more difficult to finance affordable housing projects in a high cost area such as Newton. Due to a decreased demand for available funds in FY06 and feasibility issues related to a proposed project that

ultimately was not funded, housing staff decided to be proactive and “market” the availability of funding assistance. An electronic mail identifying the amount of remaining FY06 and future FY07 funds was sent to all local nonprofit organizations. The electronic mail announced that the City was interested in affordable housing proposals from Newton organizations.

The announcement generated a proposal from Advocates, Inc., a Framingham-based nonprofit, that provides housing and support services to individuals with mental illness. Advocates has successfully developed housing in Newton in the past, and the City is hopeful that the three-unit, scattered site proposal will be approved and the units will be occupied in FY07. Marketing the availability of funds created renewed interest in funding opportunities in Newton and is a tool that the City will use again.

In terms of affirmatively furthering fair housing, over the past year the Fair Housing Task Force has been busy conducting research and gathering information on fair housing issues in Newton. The Task Force intends to use their research to develop a Fair Housing Action Plan. The purpose of the Fair Housing Action Plan is to extend the Analysis of Impediments beyond a discussion of affordability and economic factors and identify other factors that may be at work which limit a person's choice to live in Newton.

Last fall, the City contracted with the Fair Housing Center of Greater Boston (FHC) to conduct fair housing testing in the community. The City's goal was to conduct a fair housing audit of Newton's housing market in order to provide the Fair Housing Task Force with data on housing discrimination in the community and recommendations on reducing discriminatory barriers and furthering fair housing.

During the months of September and October 2005, the FHC conducted 24 paired rental tests at real estate agencies and management companies with units in the Newton area. The tests were designed to reveal whether rental practices showed any signs of discrimination against prospective tenants. The FHC conducted testing for discrimination against four protected classes: familial status, source of income involving Section 8 vouchers, race involving African Americans and national origin with different national origin backgrounds. Overall, rental testing showed discrimination in 11 of the 24 paired tests conducted, or 45.8 percent.

In January and February 2006, the Fair Housing Center conducted ten paired sales tests for discrimination against African Americans and Latinos at real estate agencies listing properties for sale in the city of Newton. Overall, the FHC found evidence of discrimination in four of the ten tests conducted. Three revealed evidence of discrimination based on race or national origin. The fourth test showed evidence of familial status discrimination.

Furthermore, in the fall of 2005, the Fair Housing Task Force was successful in obtaining additional funding to conduct a rental and sales discrimination audit that focuses on equal treatment, reasonable accommodation and reasonable modification for people with disabilities. The Disability Law Center, Inc. was selected to conduct the audit and is expected to release the results in December 2006 as part of a larger community awareness and education event.

In May 2006, the City of Newton applied to the Fair Housing Initiative Program under the Fair Housing Education and Outreach Initiative in order to continue its commitment to implementing fair housing initiatives and reducing barriers to building

diverse and welcoming local communities. If funding is received, the geographic area to be served comprises 14 communities, including Newton, that are members of the WestMetro HOME Consortium, the Brookline-Newton-Watertown Homelessness Consortium (BNW) and/or the MetroWest Homelessness Consortium, which will merge with the BNW Consortium in 2007. The City would allocate three full-time staff members to the development and implementation of the grant, including the housing development planner who would serve as the day-to-day project manager and devote 75 percent of her time to grant-related activities.

In FY06, the City proposed to partner with the FHC to advance its commitment to fair housing choice. The 18-month project consists of 21 training sessions (19 conducted by the FHC and two developed and presented by the City and the Newton Fair Housing Task Force); the development and distribution of educational materials, including three brochures translated into Spanish, Chinese and Russian, training manuals, handouts, etc.; and the development and implementation of a complaint referral system. The project's training modules and educational outreach would target the following stakeholders: municipal staff, boards and commissions involved in fair housing; realtors, property managers and nonprofit organizations that provide counseling services to first-time homebuyers and their clients; housing and social service providers involved in the housing search process; public housing authorities; lenders and mortgage brokers; landlords; and tenants.

Below are the impediments indicated in the FY06-10 Analysis of Impediments to Fair Housing Choice. Also noted below are the actions that the City of Newton took during FY06 to address the impediments and affirmatively further fair housing.

Impediment: Zoning and land use policies limit the availability of land to develop affordable housing.

Actions Taken to Address Impediment:

The City continues to improve and streamline its Inclusionary Zoning Ordinance (IZO), which applies to all two-or-more-unit new development. Three recent IZO developments, the Oxford House, Watertown Street, and Kessler Woods Condominiums have worked their way through the approval process during FY06. Oxford House is nearing completion, and a lottery for the two affordable homeownership units was held in May of FY06. The three recent IZO developments have brought to light the limitations of the current ordinance. In the upcoming year, City staff, in conjunction with the Newton Housing Partnership, will work to clarify and streamline the IZO so that future developments will achieve the intention of the ordinance, and developers will better understand what is expected of them.

The 1-4 Family Purchase/Rehabilitation Program, which provides up to \$100,000 per unit of assistance for projects that do not require a change in zoning, continues to be a successful resource for streamlining funding for eligible projects. The assistance goes directly towards the acquisition of property, which lessens the burden on and provides incentives for developers to create affordable housing units in the City. In FY06, five affordable housing projects were developed through the Purchase/Rehabilitation Program: Falmouth Road, Jackson Road, Wiltshire Road, Cambria Road and Tremont Street. In total, these projects increase the supply of affordable housing in Newton by 19 units.

Impediment: High cost of housing and lack of available land for new development limits opportunities and choices.

Actions Taken to Address Impediment:

During FY06, Housing and Community Development Program staff continued to provide assistance to income-eligible first-time homebuyers purchasing units in the City of Newton. The program offers up to \$90,000 in below-market interest rate loans, as well as up to \$5,000 in the form of a grant for closing cost assistance. This program helps to mitigate some of the existing obstacles that prevent low- to moderate-income families from purchasing housing units.

In FY06, the City developed the Accessory Apartment Incentive Program (AAIP) which is funded with the City's Community Preservation Funds. The AAIP is a new program developed by the City of Newton in partnership with Community Living Network, Inc., a local nonprofit organization that provides housing and support services to Newton seniors. The purpose of the AAIP is to provide Newton homeowners with the financial assistance and technical expertise they need to create an accessory apartment in their home or legalize an existing accessory apartment. The AAIP was launched in August 2006 and has already generated much interest.

The program provides both in-house technical support and financial assistance in the form of grants and loans up to \$90,000. The AAIP program coordinator is primarily responsible for meeting with applicants and helping them through the application and permitting process. The program coordinator works with the City Inspectional Services Department to determine what requirements a homeowner needs to meet in order to create a new accessory apartment or legalize an existing one. The program coordinator also helps homeowners secure the services of a building surveyor, engineer, architect or attorney, if necessary. Newton Housing Rehabilitation Fund staff provide assistance in obtaining a building contractor and oversee the construction process, including processing payment requests.

Impediment: Lack of sufficient monitoring and investigative testing to ensure fair housing practices are being employed.

Actions Taken to Address Impediment:

As previously mentioned, in the fall of FY06, the City contracted with the FHC to conduct a fair housing audit in the community. The FHC conducted 24 paired rental tests at real estate agencies and management companies with units in the Newton. The tests were designed to reveal whether rental practices showed any signs of discrimination against prospective tenants. The FHC conducted testing for discrimination against four protected classes: familial status, source of income involving Section 8 vouchers, race involving African Americans and national origin with different national origin backgrounds. Overall, rental testing showed discrimination in 11 of the 24 paired tests conducted, or 45.8 percent.

The FHC also conducted 10 paired sales tests for discrimination against African Americans and Latinos at real estate agencies listing properties for sale in the city of Newton. The audit offered several recommendations on ways the City can affirmatively further fair housing choice. Results of the audit were publicly released in April at Newton's Fair Housing Month Celebration.

In May 2006, the City contracted with the Disability Law Center, Inc. (DLC) to conduct a rental and sales discrimination audit that focuses on equal treatment, reasonable accommodation and reasonable modification for people with disabilities. Results are expected to be released in December 2006 as part of a larger community awareness and education event.

In FY06, the Board of Alderman approved a revised Human Rights Commission Ordinance (Article IV Sec. 14-34). The revised ordinance is now consistent with state and federal fair housing laws. The ordinance also expands the Human Rights Commission's authority to investigate housing discrimination. Over the next fiscal year, the City will continue to implement and streamline its Complaint Recording and Reporting System for housing complaints. The system allows persons who believe they have experienced housing discrimination to file a complaint with the City of Newton. The complaints are then investigated and handled in-house or referred to the appropriate agency. The City also intends to carry out a public awareness campaign to inform residents and people seeking housing in Newton about the complaint system and other fair housing resources in Newton.

Impediment: Lack of education and outreach, including a lack of awareness by the public regarding fair housing issues.

Actions Taken to Address Impediment:

Before the results of the audit conducted by the FHC were publicly released, the Task Force first reached out to the managers of real estate companies that conduct business in Newton and explained the purpose and results of the audit. This outreach opened the doors of communication between the City of Newton and the real estate community. A group of realtors in Newton have offered to help the City develop and implement strategies for the Fair Housing Action Plan. This group now meets on a regular basis.

The results of the audit were released on April 10th at the City's annual Fair Housing Month Celebration that was sponsored by the Fair Housing Task Force, the Human Rights Commission, Boston Private Trust and Bank and the Village Bank. Newton residents, public officials, service providers, affordable housing advocates and members of Newton's real estate industry, among others, attended the event. The FHC presented the results and recommendations from the audit, and the chair of the Fair Housing Task Force moderated a community discussion on fair housing concerns.

Lastly, the City of Newton hired the FHC to conduct two fair housing training seminars for Newton realtors. The trainings focused on realtor's responsibilities under federal and state fair housing laws. Training curriculum included information about applicable laws (protected classes, exemptions, prohibited acts); tenant screening and application process; the complaint process; and special topics as appropriate, including the lead paint law, disability law and Section 8 Housing Choice vouchers.

In order to help address obstacles to meeting underserved needs, the Accessory Apartment Incentive Program (AAIP) was approved and capitalized with Community Preservation Funds in FY06. The 18th-month pilot program, a partnership between Community Living Network, Inc. and the City, officially commenced in August 2006. The program provides funds to create an accessory apartment or legalize an existing apartment. In return for funding assistance, eligible homeowners must agree to rent the accessory apartment to individuals and families whose gross annual household income does not exceed 80 percent of area median income. This program was designed to increase the City's inventory of affordable rental housing. Although the AAIP is not restricted to seniors, lower-income seniors can be in the position of having unused space in their homes unlike families with young children.

In terms of leveraging additional resources, as in previous fiscal years, City housing staff worked closely with staff administering local Community Preservation Funds during FY06. Most affordable housing projects in the City require multiple sources of financing, and housing sponsors often access both federal funds and Community Preservation Funds. In addition, in FY06, the City Planning and Development Department completed a Commonwealth Capital Application and submitted it to the State Office for Commonwealth Development. Submission of the application enabled an affordable housing developer, B'nai Brith Housing New England, to apply for Affordable Housing Trust funds from MassHousing for its 57-unit homeownership project located at 27 and 35 Commonwealth Avenue. The project will provide a total of 15 for-sale units for households below 80 percent of area median income.

In FY06, the City expended \$345,776 in CDBG funds and \$249,133 in HOME funds. These funds leveraged \$19,585,151 in other public and private funds. Other public funds include CDBG funds from the Newton Housing Rehabilitation Fund and Community Preservation Funds and financing from the following: Affordable Housing Trust, Housing Innovations Fund, HUD 202, Massachusetts Housing Partnership and Massachusetts Housing Investment Corporation. Private funds were secured from area lenders, owner equity, private donors and foundations.

HOUSING REHABILITATION AND FIRST-TIME HOMEBUYER PROGRAMS

The stated goals for the housing rehabilitation and first-time homebuyer programs were to continue to offer programs “which assist low/moderate income households in purchasing and/or upgrading existing homes in Newton.” To that end, during FY06, a total of six new homeownership opportunities for low- and moderate-income families were created. In addition, a total of 97 homes were rehabilitated through Newton’s housing rehabilitation and elder grant programs.

As a result of experiences during FY06, staff plans to provide increased rehabilitation loan funding to nonprofits and homeowners using direct loan funding in order to increase annual program income.

Other resources generated include \$800,000 in Community Preservation Funds (CPA) to augment the rehabilitation and first-time homebuyer programs. Newton housing and community development staff has partnered with several local lending institutions to enable low- and moderate-income homebuyer applicants to receive mortgage funding and with the Commonwealth of Massachusetts to provide “soft second” financing. During FY06, CDBG and HOME homebuyer funds in the amount of \$47,682 helped leverage \$326,000 in CPA funding and \$1,205,213 in private funding to create homeownership opportunities for six low- and moderate-income families.

The following table provides a breakdown of the CDBG funds spent on rehabilitation and first-time home buying activities that meet each goal and objective:

FY06 Housing Development Accomplishments

Active Projects	Program Description	Funds Budgeted	Funds Expended in Current Fiscal Year	Number of Households Assisted
Direct Payment Loans	Low-interest loans (average rate: 3%) are offered to low- and moderate-income homeowners with the ability to make monthly payments	\$154,975	\$421,553	12 households
Deferred Loans	Low-interest loans are offered to low- and moderate-income homeowners, as well as those who are elderly and/or disabled who cannot afford regular debt service	\$171,945	\$17,820	10 households
Low-income Grants	Under this program, low-income homeowners may receive a \$10,000 per unit grant	\$99,212	\$28,109	20 households
Hazard Abatement Grants	This program provides grants of up to \$15,000 for homeowners for the removal of lead paint and asbestos and oil spill and sewage clean up	\$107,208	\$159,287	9 households
Small Grants Program	This program provides up to \$3,000 in grants to elderly and/or homeowners with disabilities. Grants may be increased to \$5,000 for Title X work	\$129,486	\$130,732	70 households
Architectural Barriers Removal Grants	This program offers grants of up to \$10,000 for the removal of architectural barriers in the homes of people with physical disabilities	\$37,896	\$139,744	12 households
First Time Homebuyer Program	Low-interest deferred loans of up to \$90,000 and closing cost grants of up to \$5,000 are offered to households seeking to purchase their first home.	\$15,000	\$15,000	6 households*
Temporary Relocation Program	This program provides grant funds to relocate households displaced during abatement and rehabilitation activities.	\$5,720	\$5,720	3 households
FY06 TOTALS:		\$721,442	\$917,965	

*Used in conjunction with \$326,000 in Community Preservation (CPA) and \$32,682 in ADDI funds.

HOMELESSNESS PROGRAM

The City of Newton homelessness program identified one priority in the FY06 Annual Action Plan, which was to support existing emergency shelter, transitional housing and permanent supportive housing facilities for homeless individuals and families; continue to use CDBG, Continuum of Care and other financial resources to create more units of permanent affordable housing to enable residents of transitional housing programs to become self-sufficient; and continue to support prevention programs for individuals and families at-risk of homelessness. City staff was

successful in meeting the goals and objectives associated with this priority during FY06 as noted in the following information:

- Continue to provide operating support to emergency shelter and transitional housing facilities using CDBG and ESG funds.

Accomplishments:

During FY06, the Housing and Community Development Program used CDBG and ESG funds to assist 275 homeless people through the provision of operating assistance for emergency shelters and transitional housing facilities. This number surpasses the goal of 200 people listed in the FY06 Annual Action Plan. The provision of emergency shelter and transitional housing met the objective of providing a suitable living environment for the people assisted. As a result of this assistance, the availability of emergency shelter and transitional housing was increased.

- Continue to use CDBG, Continuum of Care and other financial resources to create more units of permanent affordable housing to enable residents of transitional housing programs to become self-sufficient.

Accomplishments:

Community Development Block Grant funds were used by Citizens for Affordable Housing in Newton Development Organization (CAN-DO) to purchase and rehabilitate a property at 11-13 Cambria Road. Although not specifically designated for homeless families, as a result of outreach efforts made by CAN-DO, the families occupying the units are from the transitional housing programs at Garfield House and the Kayla Rosenberg House.

- Continue to provide operating support to homelessness prevention programs to help people at-risk of homelessness remain housed.

Accomplishments:

During FY06, 226 individuals and families with children received homelessness prevention assistance from programs using ESG funds. These programs included: Horace Cousens Industrial Fund, which provides emergency rent and utility assistance to prevent homelessness; Mediation Works Incorporated Eviction Mediation Program, which assists low-income tenants and their landlords in reaching mutually beneficial agreements, thus preventing eviction; and Riverside Community Care Adolescent Homelessness Prevention, which provides youth homelessness prevention services, including crisis stabilization and in-home clinical support.

Since the elimination of homelessness is more a regional problem than a strictly local one, the City of Newton helped form a three-community Continuum of Care system in the early 1990s to address the issue on a wider basis. A continuum of care system, as defined by HUD, is designed to address the critical problem of homelessness through a coordinated community-based process of identifying needs and building a system to address those needs.

The Brookline-Newton-Watertown Homelessness Consortium serves as the Continuum's forum for networking, information sharing, training, and most importantly, for identification and discussion of emerging issues around

homelessness. The Consortium meets monthly and is open to anyone working to alleviate homelessness in Brookline, Newton and Watertown, and includes representatives from nonprofit agencies, housing authorities, local banks, private foundations, formerly homeless individuals, state agencies, the City of Newton and the Towns of Brookline and Watertown.

The City of Newton is the lead entity for the administration of the Consortium. As the lead, Newton administers the Consortium and prepares Exhibit One of the annual Continuum of Care grant application to HUD (the piece of the application that is scored competitively against other continuum's applications). In addition to the assistance provided with CDBG and ESG funds, \$871,951 in HUD Continuum of Care Supportive Housing Program funds was awarded to eight programs within the Consortium communities during FY06, including six programs located in Newton. These funds provide the additional financial resources needed to allow critical transitional housing and permanent supportive housing programs to continue operation.

Also during FY06, the City began expending the \$8,604 in Continuum of Care grant funds awarded for the implementation and administration of a continuum-wide homeless management information system (HMIS). This system allows the Continuum to capture unduplicated data on homelessness and services provided over time, which will facilitate better planning to meet the needs of homeless families and individuals.

At the beginning of the fiscal year, this continuum decided to change from the HousingWorks system that most agencies were using or had agreed to use and to start using the State's free, web-based system. The City of Newton has facilitated this process by working with agencies and the State to ensure that required training has been received, that any system issues (i.e. confidentiality for domestic violence providers) have been promptly resolved and that the continuum is represented on the State's HMIS Steering Committee. The City will also work with the State to obtain continuum-level data from the system.

In terms of any changes to the program as a result of experiences had during FY06, too often homelessness is viewed within the borders of a particular community and not seen as the regional problem that it is. One of the goals for the Brookline-Newton-Watertown Continuum of Care for FY07 is to look beyond community boundaries and develop and implement a ten-year plan to end homelessness for the Metro West region. Representatives from the Metro West Continuum will work with the Planning Committee of the Brookline-Newton-Watertown Continuum to identify current needs and develop strategies to effectively meet those needs and reduce or eliminate homelessness.

As a result of the \$871,951 awarded in HUD Continuum of Care funds and the \$189,486 expended in CDBG and ESG funds, during FY06, approximately \$3.9 million was leveraged in public and private resources to address homelessness needs.

NEIGHBORHOOD IMPROVEMENTS PROGRAM

In terms of public facilities improvements undertaken during FY06, one of the priorities included in the FY06-10 Consolidated Plan was parks and open space improvements. The first activity proposed to address this priority was to "improve the accessibility and aesthetics of the public portion of greenway along Cheesecake

Brook in West Newton.” This was accomplished through issuing a Request for Qualifications (RFQ) in May 2005, seeking proposals from a qualified multidisciplinary team (including a landscape architect and an engineer) to develop a conceptual plan and logical construction phases with costs. Four proposals were received, and the contract was awarded to Weston & Sampson Engineers, Inc.

In February 2006, the first public meeting on the project was held at the Newton Senior Center. Attendees were briefed on the work accomplished to date on the project and were then asked for their comments on the types of improvements they would like to see made to the area. These comments were then incorporated into Weston & Sampson’s initial design for the project, which was presented at the second public meeting on March 29, 2006. More comments were received from members of the public at that time, and those comments were taken into consideration in the final plan, which was unveiled at a public meeting on May 30, 2006. Currently, Housing and Community Development staff is amending the contract with Weston & Sampson to include the development of final plans, specifications and estimates for the implementation of a Phase 1 improvement program. Plans are for the project to be bid during the winter of 2006-07 and for work to take place in the spring-summer of 2007.

A second priority was to address the safety and recreation needs around a large traffic island in Newtonville, once named Lowell Park. There are two components to the Lowell Park Area Improvements project: 1) reconfigure the confusing roadway and traffic patterns, and 2) create an attractive, passive recreation area/open space in a dense neighborhood. In FY06, several conceptual plans were presented to the Newtonville Advisory Committee for changing the traffic patterns to make the intersections safer for motorists and pedestrians. The Committee voted on a course of action to close off the street, which drastically improves safety and access to the park. Changes of this nature require political will and approvals from many entities, which lengthen the project timeline. In FY07, it is expected that a trial will be executed to test how the traffic patterns are affected by the street closure before making permanent changes. Also, conceptual planning for the open space will begin.

The third priority in the Consolidated Plan is to address the infrastructure needs in the target neighborhoods. The Newtonville Tree Planting project was completed this year, with a total of 31 trees planted on eight streets. The second activity under this priority, Newtonville Infrastructure Improvements is underway. In FY06, the Newtonville Advisory Committee chose several locations for infill granite curbing. Letters were sent to notify the homeowners of the upcoming work. This project is expected to be completed in fall 2006.

The following table provides a breakdown of CDBG grant funds spent on activities addressing each neighborhood improvement goal and objective during FY06.

FY06 Neighborhood Improvements Accomplishments

Target Neighborhood	Public Works and Facilities Improvement Priorities	Projects To Address Priorities (in order of priority within target areas)	Current Budget	Total Funds Expended	Funds Expended in Current Fiscal Year	Project Status
Newton Corner	Public Buildings	Newton Corner Branch Library Landscaping (FY04)	\$11,629	\$700	\$700	5% complete
	Traffic Issues	Pearl Street Traffic Controls (FY04)	\$20,000	\$1,425	\$570	25% complete
	Parks	Boyd Park Design (FY03)	\$12,000	\$11,499	\$0	95% complete
		Boyd Park Improvements (FY04)	\$100,000	\$92,203	\$33,894	95% complete
	Streetscapes	Tree Plantings (FY04)	\$20,000	\$19,366	\$3,696	Completed
Newtonville	Traffic Issues & Parks	Lowell Park Area Improvements (FY06)	\$62,500	\$0	\$0	10% complete
	Streetscapes	Newtonville Tree Plantings (FY06)	\$13,595	\$13,595	\$13,595	Completed
		Newtonville Infrastructure Improvements (FY06)	\$15,000	\$0	\$0	25% complete
Nonantum	Parks	Nonantum Parks Improvements (FY05)	\$197,368	\$54,881	\$43,346	30% complete
West Newton	Open Space Improvements	Cheesecake Brook Greenway (FY06)	\$185,000	\$25,045	\$25,045	20% complete
Engineering Design Services			\$13,940	\$0	\$0	
FY06 TOTALS:		10 Active Projects/2 Completed	\$651,032	\$218,714	\$120,846	

During FY06, housing and community development staff explored creative methods for leveraging additional funds for public facilities projects including Cheesecake Brook. Possible additional funding sources include the Commonwealth of Massachusetts' Riverways Program, the Wildlife Habitat Council and the City of Newton's recently enacted storm drain fee, in addition to others. The City has also adopted the Community Preservation Act which has been and continues to be an ideal resource for supplementing affordable housing projects as well as open space/recreation preservation and creation.

No other funds have yet been obtained for the Cheesecake Brook Greenway project. Once the final cost estimate is developed, additional funds may be sought during FY07. It is also anticipated that, in FY07, staff will seek both public and private funding for the recreational component of the Lowell Park Area Improvements project.

ECONOMIC DEVELOPMENT PROGRAM

The City of Newton has two existing programs economic development programs that are continued annually—the Microenterprise Loan Program and the Family Day Care Grant Program. The goals for these programs are to award three microenterprise loans and two to three family day care grants per year. The accomplishments for FY06 were one microenterprise loan and two family day care grants. It is unclear why there was little interest in the Microenterprise Loan Program despite continued outreach through brochure distribution. Staff and the Economic Development Advisory Committee (EDAC) will strategize more targeted marketing in FY07, though it is suspected that macroeconomic factors such as increasing interest rates have resulted in less interest in commercial lending.

The Family Day Care Grant Program reached its minimum goal; the City's partner organization with this program, Newton Community Service Center (NCSC) made several attempts to recruit a new family day care provider but received little response from newspaper ads. NCSC will continue this effort in FY07.

HUMAN SERVICE PROGRAM

Outstanding progress was made toward the fulfillment of goals and the meeting of priority needs through the City of Newton's public services program. The priorities discussed below are not in order of importance.

- Priority #1: Children's service needs

Accomplishments:

Housing and community development staff funded seven scholarship programs to assist parents with children attending after-school programs. The children were able to attend programs that offer care by nurturing adults and provide children the opportunities to develop greater racial, ethnic, cultural, and gender sensitivity. By sponsoring affordable childcare, Newton benefits adults and families by allowing them the opportunities to hold employment or attend to their education and training needs. Scholarships for two summer camp programs serving children were also funded.

- Priority #2: Adolescent service needs

Accomplishments:

Housing and community development staff responded to this priority in several ways. Two summer programs serving middle school kids were funded, along with two programs that provided crisis intervention and outreach services. Three teen drop-in programs that offered recreational opportunities and therapeutic services as were two substance abuse prevention and treatment programs. Three programs serving 18-20 year olds were among these.

- Priority #3: Adult/family service needs

Accomplishments:

A number of programs that addressed each of the priority needs of adults and families were funded during FY06. Three programs provided support for single parents. One program offered substance abuse treatment. Six different programs provided connections to needed services through information and referrals. One program carried out an English as a Second Language program for immigrants. One program offered financial assistance to individuals and families were in financial crisis. Four programs offered counseling and support to victims of domestic violence while three programs offered case management to multi-problem families and three programs provided parenting education.

- Priority #4: Elder service needs

Accomplishments:

The top priority needs for elders were addressed during FY06 through funding to elder service providers. One program provided ESL classes for immigrant elders. Five programs offered in-home services to help elders keep their independence and remain in the community and the only adult day health care program in Newton received funding. Two programs offered integrative and supportive services in their homes to isolated elders. One program provided in-home mental health interventions, and three programs provided a connection to services through information and referral.

- Priority #5: Needs of people with disabilities

Accomplishments:

Staff funded programs that addressed all the priority needs of people with disabilities. Four funded programs dealt with the various aging issues of adults with developmental disabilities. One program offered job training and employment supports to people with developmental disabilities. Five programs served disabled young adults. Three programs provided recreational opportunities for individuals with severe disabilities. We funded five programs that provided integrative services for people with developmental disabilities and three programs that increased their access to community resources.

- Priority #6: Needs of people who are homeless or at-risk of homelessness

Accomplishments:

All the needs stated in the action plan were addressed through various programs that were funded during FY06. One funded program provided financial assistance for rent and utilities emergencies. One program was funded to provide court

mediation between landlords and at-risk tenants. Three shelter programs received support for their operating costs, and two funded programs provided comprehensive services to homeless children.

In summary, the Newton housing and community development program was successful in directing its funding resources to programs that assisted individuals and families to become more self-sufficient and to have access to services they needed to stay in their homes and maintain their quality of life.

Fig. 8: FY06 Public Service Accomplishments

Population Group Served	Priority Needs	Projects Receiving Funds	CDBG Funds Expended in FY06	Number of People Assisted
Children	<ul style="list-style-type: none"> Affordable childcare Assistance to single mothers Stabilization of families Social support for parents and children 	<ul style="list-style-type: none"> Plowshares—Child Care Scholarships Boys and Girls Club—Kids Corps Scholarships Boys and Girls Club—Summer Camp Scholarships Newton Child Care Fund—Child Care Scholarships Peirce School Extended Day Program—EDP Scholarships NCSC—Child Care Scholarships NCSC—Parent Child Home Program Parks and Recreation Department—Summer Camp Scholarships Bowen After School Program—Tuition Assistance Newton Creative Start—Early Childhood Program 	<p>\$15,000</p> <p>5,640</p> <p>3,000</p> <p>19,400</p> <p>8,100</p> <p>25,679</p> <p>7,700</p> <p>3,000</p> <p>8,300</p> <p>5,802</p>	156 people
Adolescents	<ul style="list-style-type: none"> Crisis Intervention Intensive Case Management Substance Abuse Prevention and Treatment Drop-in, youth centers 	<ul style="list-style-type: none"> NCSC—Teen Mentor Connection Program NCSC—Teen REACH Youth Centers Riverside—Family Crisis Stabilization NCSC—Teen REACH: Higher Ground Department of Health and Human Services—Youth Outreach Counseling Boys and Girls Club—Teen Programming NCDF—Hamlet Youth Center 	<p>\$6,731</p> <p>40,934</p> <p>5,673</p> <p>12,000</p> <p>19,000</p> <p>5,625</p> <p>2,841</p>	715 people
Adults/ Families	<ul style="list-style-type: none"> Health Care Services Affordable Housing Legal Services and Advocacy Substance abuse treatment Case management for multi-problem families 	<ul style="list-style-type: none"> REACH—Emergency Hotline and Outreach Services NCSC—Parents Program The Second Step—Case Manager Riverside—Substance Abuse Treatment and Violence Prevention 	<p>\$5,190</p> <p>26,328</p> <p>21,850</p> <p>27,001</p>	523 people

Population Group Served	Priority Needs	Projects Receiving Funds	CDBG Funds Expended in FY06	Number of People Assisted
Elders	<ul style="list-style-type: none"> Affordable housing with supportive services Transportation to services Integrative services for isolated elders and immigrants 	<ul style="list-style-type: none"> Department of Health & Human Services—Mental Health Intervention for Elders JCHE—Caring Choices NCDF—Director of Resident Services NCDF—CareConnections NCDF—English as a Second Language NCSC—Adult Day Health Care Newton Housing Authority—Resident Services Coordinator Senior Services Department—Newton Senior Center MAB Community Services—Visually Impaired Elders Senior Services Department—COA Outreach Worker CASCAP—Resident Services, Nonantum Village Place 	<p>\$43,837</p> <p>9,000</p> <p>7,000</p> <p>8,700</p> <p>2,000</p> <p>9,000</p> <p>16,575</p> <p>48,000</p> <p>3,133</p> <p>8,000</p> <p>6,750</p>	3,382 people
People with Disabilities	<ul style="list-style-type: none"> Affordable, accessible housing Job training and employment opportunities Available transportation 	<ul style="list-style-type: none"> Barry Price Rehabilitation Center—Job Development and Job Coaching Barry Price Rehabilitation Center—Person-Centered Planning NWW—Community Access NWW—Clinical Services and Supports NWW—Wednesday Night Drop-in Charles River ARC—Newton ASPIRE Charles River ARC—Adult Music Therapy 	<p>\$20,500</p> <p>4,000</p> <p>6,000</p> <p>11,034</p> <p>6,981</p> <p>5,428</p> <p>3,127</p>	163 people
FY06 TOTALS:		39 Projects	\$493,858*	4,939 people

*This amount includes funds allocated to FY05 human service programs that were expended in FY06.

In terms of meeting obstacles to underserved needs, the most significant underserved needs were clarified through focus groups that involved the participation of local service providers and city residents. As a result, the FY06 public services funding allocation included three new projects: scholarships to very needy low-income families to send their children to the local Headstart program, funding for a staff person for a youth center in a mixed-income housing development and funding for a service coordinator for a new low-income elder housing development.

The vast majority of human service sub-grantee agencies seek local, state, federal and private funding to supplement the small CDBG grants they receive. Other funding sources for public services include the City of Newton; the Massachusetts Departments of Mental Health, Social Services, Mental Retardation, Transitional Assistance, Education, and Elder Affairs; the U.S. Department of Health and Human Services; and the Department of Education. Major private providers of funds include the United Way of Massachusetts Bay, Boys and Girls Clubs of America and the Massachusetts Service Alliance. In total, the support received from other sources is, on average, almost 400 percent of the amount received from CDBG. The majority of sub-grantees selected to receive CDBG funding provide vital services that qualify them for other grants from federal, state and private sources.

ACCESS PROGRAM

FY06 was an exceptionally successful year in the creation of improved access in the city of Newton. A great amount of progress was made in the two priority areas addressed in the annual action plan.

- Priority #1: Public thoroughfare improvements

Accomplishments:

The proposed activities included installation of new curb cuts along Washington Street, a major route connecting several villages within the city, and around Newton South High School, which serves over 1,200 students in city. The actual number of curb cuts completed during FY06 was 60 percent of the goal, although construction on the remaining 40 percent of proposed curb cuts was underway at the end of the program year.

- Priority #2: Public buildings improvements

Accomplishments:

Prior to FY06, the City's school administration building had no handicap accessible parking, no accessible route from the street or from the parking area and no accessible entrance to the building. During FY06, a fully accessible entrance to the building with automatic door openers was constructed. In cooperation with the public schools department, housing and community development program staff constructed an accessible walkway and a driveway with four handicap parking spaces that serve the building. The entire project was near completion at year's end.

In addition to the work done at the school administration building, major progress was made on projects involving the construction of accessible public toilet facilities at two major city parks, Auburndale Park and Burr Park. Considerable progress was also made on projects that included the construction of new access ramps at the Auburndale Branch Library and the Police

Headquarters Annex. Both ramps were near completion at the end of FY06. Neither building had been accessible to the public prior to the beginning of these projects. Finally, automatic door openers were being installed at Brigham House, a City-owned building that provides services to troubled and at-risk youth.

The program’s community liaison group, the Mayor’s Committee for People with Disabilities, held three public hearings prior to the development of a plan to meet priority needs for architectural access. The Committee heard testimony from several City departments and a number of residents of Newton. It is clear from public comments that accessibility in Newton is hindered by the fact that much of the construction done more than 30 years ago is not handicap accessible. Furthermore public pedestrian thoroughfares need constant upgrading because of previous poor design or because of deterioration of materials.

The Consolidated Plan reflects the priorities for creating accessibility that have been developed by the Mayor’s Committee. Funds have been allocated in the CDBG budget to address the highest priority needs as reflected by the Committee. These include the need to construct new curb cuts at major intersections in village centers and on busy thoroughfares throughout the City and the need to make the public schools administration building accessible. The Committee also saw the future need to upgrade accessibility in City parks and recreation areas to provide more accessible walkways so that citizens with disabilities can share the benefits of the public parks and recreation areas.

FY06 Architectural Access Accomplishments

Consolidated Plan Objective	Active Projects	Funds Budgeted	Total Funds Expended	CDBG Funds Expended in FY06	Project Status
Municipal Pedestrian Access	Installation of Accessible Pedestrian Signals	\$30,895	\$25,015	\$3,105	Underway
	Curb Cuts	\$279,957	\$167,402	\$52,380	Underway
Public Facilities Access	Benches	\$10,000	\$0	\$0	In design
Municipal Building Access	Braille Signage at City Buildings	\$10,000	\$2,470	\$0	Completed
	Auburndale Branch Library Access	\$88,139	\$68,443	\$68,443	Underway
	Police Headquarters Annex Accessible Entrance	\$241,082	\$122,059	\$104,259	Underway
	School Administration Building Access	\$95,097	\$21,538	\$21,538	Underway
	Nonantum Branch Library Access	\$11,141	\$4,628	\$0	Cancelled

Consolidated Plan Objective	Active Projects	Funds Budgeted	Total Funds Expended	Funds Expended in Current Fiscal Year	Project Status
Municipal Recreation Facilities Access	Cold Spring Park Pedestrian Access	\$2,000	\$0	\$0	Cancelled
	Burr Park Activity Building Access	\$29,605	\$4,593	\$1,600	Underway
	Ware's Cove Access	\$50,000	\$23,804	\$14,554	Underway
	Nahanton Park Accessible Parking	\$23,000	\$0	\$0	Cancelled
	Lincoln Playground Pathway	\$1,000	\$0	\$0	Cancelled
	Wellington Park Accessible Pathway	\$10,000	\$0	\$0	Design completed
Nonprofit Services Access	Newton Community Service Centers Front Entrance Access Improvements	\$25,000	\$0	\$0	In design
	Brigham House Door Opener	\$5,530	\$3,920	\$3,920	Underway
16 Active Projects /1 Completed		\$912,446	\$443,872	\$269,799	

State and private resources designed to improve accessibility in cities and towns are not plentiful. Many communities have had to rely too heavily on the availability of local government funds. More state highway funds are becoming available to help cities and towns improve accessibility for automobiles and pedestrians. Occasionally, municipal funds are used as a match to HUD funds to complete projects designed to increase accessibility.

WESTMETRO HOME CONSORTIUM
BEDFORD

No HOME-funded units were developed in Bedford during FY06. Please refer to the "Housing Needs" section of this report for information on the accomplishments in attaining the goals and objectives for the reporting period.

The impediments to fair housing choice in Bedford include difficulty developing new housing for a diverse population due to high construction and property costs; the perception that new affordable and family housing increases demand on town services can curtail support for family housing; a small existing minority population; limited financial resources; and the presence of lead paint in older housing.

To address these impediments, during FY06 the Town of Bedford:

- Undertook development projects targeting a diversity of incomes ranging from 30 percent to 80 percent of median income.

- Development projects were targeted not only to a variety of income groups but also to diverse population groups, including 60 SRO units for homeless veterans, accessible rental units for people with disabilities and one rental unit for the sensory impaired.
- The Bedford Housing Partnership conducted affordable housing education activities, such as having a booth at Bedford Day and distributing materials, in order to dispel myths and build support for affordable housing
- The Town has developed its own financial resources for affordable housing. Through the Community Preservation Act funds, the Housing Trust is able to employ a housing consultant and the Town has provided finance affordable housing projects. HOME funds provide an additional funding source.
- Bedford is certified by the Commonwealth of Massachusetts as a No Place for Hate community, because the Town has initiated activities that encourage diversity and anti-racist attitudes among businesses, town employees and citizens. The Town has received a grant for Diversity Training from the Anti-Defamation League. It used the grant to train local businesses, including realtors, about diversity, anti-racist attitudes, and how to treat customers and clients.
- The Fair Housing Committee meets once a month to hear any Fair Housing complaints.
- Lead paint hazards are addressed in affordable housing projects that include the renovation of existing units.

Affirmative Marketing

The Bedford Housing Partnership ensures that marketing plans for the affordable units in private developments include affirmative marketing with minority outreach and a fair lottery process to select buyers or renters. The Bedford Housing Trust has taken this one step further and contracted with the developer of Stephen Lane House so the Trust conducted the buyer selection and lottery for these affordable units. The Town has developed the capacity to market or monitor the marketing and re-sales of affordable units for private developers. This will help to ensure that units are affirmatively marketed.

As a result of its experiences during FY06, the Town of Bedford would not change its program or strategy at this time but will continue to pursue a variety of strategies to further the goal of developing affordable housing.

Other actions in the action plan taken to address obstacles to meeting underserved needs include:

- In addition to housing development, the Town has pursued zoning changes to support affordable housing. The Residential D zone has been created as a transition between residential and non-residential districts. Multiple units are allowed on a single lot with somewhat increased density. A minimum of 15 percent of the units must be affordable.
- The Town has also created a Senior Housing Task Force which conducted a survey of senior housing needs and is preparing a report with specific recommendations.

During FY06, Bedford saw progress in obtaining other public and private resources to address housing development needs.

- The Town of Bedford voted to continue its participation in the Community Preservation Act. The Town receives matching funds from the state for the

amount raised through a real estate tax surcharge. CPA funds must be used for housing, historic preservation, or recreation.

- 477 Concord Road has state and local funds committed to the project, including state HOME, Mass Housing Partnership, and local Community Preservation funds.
- Patriot Place was financed through state Mass Housing Partnership and local Community Preservation funds, in addition to private financing.

BELMONT

The Town of Belmont's FY06 Annual Action Plan committed the Town's HOME allocation to the construction of three affordable housing units on B Street. During the past year, these units were completed and occupied. The remaining funds will be reprogrammed to support the construction of 40 units of affordable rental family housing on Zone 6, 1.34 acres donated to the Town as part of the McLean Hospital redevelopment plan.

The Town Analysis of Impediments to Fair Housing identified the following impediments to fair housing choice:

- The potential presence of lead paint in rental housing underlies much of the discrimination against families with children.
- Concern about the financial impacts associated with providing Town services, especially to the school system.
- The Town's housing stock is ill-equipped to address the changing needs of an aging population.
- The community remains an extremely homogenous place to live; most of the racial minorities live in neighborhoods with the highest concentrations of rental housing.
- A disproportionate number of African-American and/or Hispanic households own housing, even though there has been an increase in these populations.
- Reluctance by tenants to complain about less-than-satisfactory conditions for fear that rents will be increased or leases not renewed.

The Belmont Housing Trust (Trust), designated at the Fair Housing Committee, continued during FY06 to take various actions to overcome these impediments. These actions can be grouped into two distinct categories: encourage affordable housing and redefine housing policy.

1. Encourage new affordable housing
 - The Trust met several times with neighbors of Our Lady of Mercy Catholic Church, a church slated to be closed in the near future, to discuss the potential development of the site for affordable housing.
 - The Trust met with several developers to discuss how the Inclusionary Housing By-law would relate to their potential developments. The Trust also discussed the process of Comprehensive Permits with these same developers.
 - The Trust drafted and issued a Request for Proposals for the development of Zone 6 for affordable family rental housing. This development would allow the construction of 40 dwelling units, all of which will be affordable to households at or below 80 percent of the area median income. At least 10 percent will be affordable to households below 30 percent of area median income, and five percent will be designed as handicapped accessible.

- The Town will continue to work with the developers of the Belmont Uplands, which filed a Comprehensive Permit for 300 condominium units, to encourage providing more affordable units and accessible units.
 - The Trust continued to monitor the redevelopment of the former Metropolitan State Hospital (Met State) buildings into housing. Based on the initial agreement for this property, Belmont was supposed to get a third of the affordable units for its disposition. The Trust attended several meetings with Lexington (where the buildings are located) and State officials to insure that this agreement is upheld.
2. Redefine Housing Policy -
- Four housing issues were identified as requiring particular attention in the Town of Belmont:
- Educate the general public on fair housing rights;
 - Promote lead-paint abatements for income-eligible property owners and seek funding for income-eligible residents;
 - Examine the lack of homeownership by racial and ethnic minorities; and
 - Develop protections for tenants so that they can file complaints about housing quality without fear of repercussions from their landlords.

Discussions on these issues continued during FY06, though no resolutions were developed. These issues are large in scope and are not easily addressed. The underlying hurdle facing the development of affordable housing is the residents' misconception about affordable housing—who occupies it and why it is needed. As these discussions continue and more affordable housing is built, these issues are expected to lessen.

In terms of the manner in which Belmont would change its program as a result of its experiences in FY06, on the contrary, the Trust takes great pride in what it has accomplished in a short period of time—the completion and occupancy of three affordable homeownership units and the construction of more affordable units in the near future. After 30 years of no action towards fulfilling its obligations toward providing affordable housing, the Town is finally stepping up and trying to make a difference. Affordable housing is automatically seen as priority in Town without the Trust having to demand it as such. Without the financial support provided by the HOME program, these units (and the Town's recognition of this problem) would have never been built.

Other actions taken to address obstacles to meeting underserved needs included the Trust working with the local electric company to publicize the Earned Income Tax Credit program and offering to complete-income eligible residents' taxes for free. While this is not a program funded by the Town, publicizing it greatly expanded people's knowledge of the existence of the program. Providing free tax services also insured that eligible people not familiar with the program were able to take advantage of it.

As for leveraging other public and private resources, Zone 6, the Trust's next affordable housing project, will be built on 1.34 acres of Town owned land. The 2006 Annual Town Meeting recently transferred ownership of it to the Board of Selectmen in order for this development to proceed.

The Trust established the Belmont Affordable Shelter Fund for those households that are in financial crisis and need help paying various housing bills for a couple of

months. This Fund continues to be supported by local charities and churches and is typically used to pay utility bills.

Additionally, Belmont continues to be a Soft Second Loan community. This program is seen as one of the many pieces needed to develop affordable housing. The gap between the median housing price and what a low- to moderate-income household can afford is quite substantial.

Since the Town is currently between projects, the FY06 HOME allocation was not used to leverage additional funding. With the anticipated construction of Zone 6, the Town expects that significant public and private resources will have to be leveraged in order for this development to occur.

BROOKLINE

In FY06, the Town of Brookline expended federal dollars to provide decent housing; strengthen communities, families, and individuals; provide a suitable living environment; expand economic opportunities; and promote health and independent living for low- and moderate-income people. FY06 marked the first year of the Town's Five-Year Consolidated Plan. With a commitment from the Department of Housing and Urban Development (HUD) through the Community Development Block Grant (CDBG) and HOME Investment Partnership (HOME) programs, as well as funds leveraged from the Town, State, and other private sources, the Town of Brookline has had success in its endeavors to meet its objectives as established in the Five-Year Consolidated Plan. Activities set forth during this timeframe reflect the Town's housing goals and objectives, and more detailed information regarding the Town's progress towards meeting them can be found in the "Housing Needs" section of this report.

Analysis of Impediments

In June of 2002, the Town of Brookline completed a detailed *Analysis of Impediments to Fair Housing Choice*. It concluded that the high cost of living in Brookline disproportionately affects those populations that are protected by fair housing laws. The high demand for and cost of housing in Brookline, its age and composition and the number of units designed to meet special needs were identified as the strongest impediments to housing choice. In addition, the lack of undeveloped land, the cost of property to redevelop, and zoning by-laws that restrict the intensity of development—parking and floor area ratio restrictions, and that only 12 percent of the Town is zoned for multifamily use—all act as impediments to the development of new affordable housing.

At the same time, there was very little evidence of discrimination based solely on race, national origin, sex, family status, age, handicap or sexual preference. The analysis listed a series of actions that the Town would take to overcome such barriers.

Although HUD does not require that the Town's Analysis of Impediments to Fair Housing Choice be submitted for annual review, there are requirements that a summary of impediments be identified and the accomplishments be identified in addressing them for the reporting year.

Housing Division staff members anticipate that the Analysis of Impediments to Fair Housing will be updated over the coming year and have begun to meet with staff of the Brookline Human Relations Commission to discuss the process for this endeavor.

Initiatives to Address Impediments

The Town took the following steps to address the impediments previously noted:

- Assured advertisement of the Homebuyer Assistance Program and inclusionary zoning projects at 55 Park Street and 323 Boylston Street in metropolitan-wide newspapers serving the Hispanic, African American, Chinese and Russian populations;
- Continued outreach to real estate brokers to make them aware of the Town's homebuyer programs so that income-eligible households could be better notified of potential units;
- Provided a priority for and affirmatively marketed affordable condominium units created by private developers under the Affordable Housing Requirements of the Town's Zoning By-law to families enrolled in Brookline's METCO program, which provides quality public school education to children of color from Boston in the Brookline school system; and
- Provided assistance and referral to the State "Get the Lead Out" Program for persons referred by the Health Department and for the public.

Affirmative Marketing

For all affordable units, the Town requires that each project be affirmatively marketed via the following:

- The "Equal Housing Opportunity" slogan and logo is used when advertising in newspapers and on other printed material related to outreach.
- Each application and program description includes language stating that applicant eligibility would not be based on race, color, national origin, sex, religion, familial status or disability.
- Each application requests (but does not require) "Information for Government Monitoring Purposes" regarding the race and ethnicity of the applicant.
- Information is made available to persons in the housing market who are not likely to apply for housing without special outreach. This includes:
 - Advertising two separate weeks in the Brookline TAB, the local newspaper
 - Advertising in local minority newspapers including the Bay State Banner, Sampan and El Mundo
 - Notices provided to the METCO program office for disbursement to families and employees
 - Notices sent to all local schools
 - Information and applications posted on the Town's web site
 - Information posted at all libraries
- Information is made widely available to all Town employees via the following:
 - Postings on the electronic bulletin board
 - Notices sent to all Town Departments, including the Commission on Disabilities, Veterans Affairs, Council on Ageing, Health, Police, Fire, etc.
- Information is posted in the Brookline Housing Authority newsletter and applications are made available at the BHA offices. As appropriate, specific outreach is made with the Brookline Housing Authority's Section 8 office to notify Section 8 certificate holders looking for housing.
- Applications are made available via mail and at public locations including on-site, Town Hall Planning Department, and via download from the Town's web site.
- All locations for interviewing and orientation are wheelchair accessible and translation assistance for Russian, Chinese and Spanish is made available on an as-needed basis.
- Records are kept describing actions taken for all projects.

In terms of changes to the program as a result of experiences during FY06, this year, the Town improved the effectiveness of its homebuyer assistance program by increasing the per unit assistance from \$75,000 to \$125,000 in acknowledgement of the increasing affordability gap. The Town also needs an increase in the Purchase Price Limits in order to better address the costs of housing in this high-priced community, a request for which was rejected this year by HUD.

During FY06, the Town continued its multi-faceted approach to its commitment to preserving and creating housing affordable to a variety of types of households who are economically excluded from the Brookline housing market. In addition to those listed under the goals and objectives section of this report, specific actions to preserve and encourage the development of affordable housing and to address obstacles to meeting underserved needs included the following:

- Continued to work with developers of small projects at 1140 Beacon Street, 64 Sewall Avenue, 121 Centre Street, 164 Harvard Street and 640-648 Hammond Street, resulting in contributions to the Housing Trust under inclusionary zoning.
- Contributed to the deliberations of a Community Preservation Act study committee to determine the value of this potential fundraising measure for the Town of Brookline.
- Contributed to the planning efforts regarding the Coolidge Corner District and the Fisher Hill Town-owned reservoir.
- Advanced and passed a proposal to Town Meeting to increase protections available to tenants of rental buildings undergoing conversion from rental units to condominiums.
- Provided property tax exemptions and deferrals for low-income senior and disabled households.

As part of its commitment to develop locally-controlled resources, the Town continued to work with developers of small, new residential developments who choose, under inclusionary zoning, to make cash payments in lieu of providing affordable units. During FY06, the Town worked with developers of 1140 Beacon Street, 64 Sewall Street, 121 Centre Street, 164 Harvard Street and 640-648 Hammond Street, to secure contributions to the Brookline Housing Trust.

Following the recommendation of a study committee, Town Meeting voted to place the Community Preservation Act, a vehicle for raising money for affordable housing, historic preservation and conservation through a property tax surcharge, on the ballot in November 2006.

The Housing Division staff and Housing Advisory Board also explored a Town-based program for funding of affordable housing through a fee charged on conversion of existing rental housing into condominiums. Unfortunately, it was determined that this type of fee would be considered a tax, the enactment of which would require home rule approval from the State Legislature; without other precedents for this tax, the Town's Housing Advisory Board did not expect sufficient support in the Legislature.

All projects utilizing federal resources from HUD leverage a combination of state, local, and/or private resources. For example, HOME funded projects expended in FY06 included three deferred payment loans to low-income homebuyers through the Homebuyer Assistance Program. These used both HOME (regular and ADDI) and CDBG funding, private loans, homebuyer savings and state subsidy through the

Massachusetts Soft Second Program. In addition, approximately \$1.7 million in HOME funds committed to the St. Aidan's project contributed to a \$31 million package including Brookline Housing Trust, Massachusetts Housing Trust, Low Income Housing Tax Credits, Federal Home Loan Bank Affordable Housing Program, the State Housing Stabilization Program, and private financing from two lenders.

LINCOLN

In FY06, the Town of Lincoln received HOME funding in the amount of \$9,493 to use to develop affordable housing. Lincoln's FY06 Annual Action Plan discussed both short- and long-term goals. Progress on these goals is detailed below.

A. Short-term goals

1. Commencement of a medium-scale apartment development of 15 to 20 units

The Rural Land Foundation has decided not to go forward with housing at the Mall location. The Town is currently negotiating with a property owner across the street near the train platform for housing.

The Accessory Apartment Task Force has submitted its revised Accessory Apartment Program to the Department of Housing and Community Development for approval to add accessory units to the Subsidized Housing Inventory in the winter of 2006 in an attempt to facilitate the use of accessory apartments to increase affordable rental opportunities.

2. Buy-down of existing housing units

Additional opportunities are being explored at other areas in town such as the Battle Road Farm complex. A 32-unit over-55 development called Minuteman Commons is under construction. Six of the 32 units are to be affordable with the opportunity for the Town to buy-down two additional units.

3. Small-scale rental developments

The Sunnyside projects are restricted to rental use in that the properties must be used "direct public use" and therefore must remain as Town property.

B. Long-term goals

1. Additional incentives for affordable accessory apartments

The Accessory Apartment Task Force is currently exploring additional incentives.

2. Continued buy-downs

The opportunity for additional buy-downs was increased at the spring 2004 Town Meeting when the Community Preservation Act percentage was increased from 1.5 to 3.0 percent.

3. Task Force on assisting living options

The Task Force has not been assigned as yet, although meeting the needs of Lincoln's senior residents remains a top priority.

4. Additional apartment developments

The New England Deaconess Association is proposing a 197-unit continuous care facility along Route 2 near the Concord border. The project will require 30 units of affordable housing under Lincoln's inclusionary zoning bylaw. The project will be presented to a Special Town Meeting on November 4, 2006. Deaconess has proposed 30 rental apartments to meet the inclusionary requirements.

5. Inclusionary zoning bylaw

The spring 2005 Town Meeting approved a zoning change requiring an affordable component for all developments that are proposed to have six or more units. This bylaw includes development of units on site matching the appearance of all market-rate units or a payment in lieu of building that requires a payment greater than or equal to the cost of the construction of the units and the cost of the land.

During FY06, Lincoln's plans to affirmatively furthering fair housing were:

- Build two units of affordable housing on Lot 42 on Sunnyside Lane for occupancy by December 2005 using Community Preservation Act funds and funding from the Lincoln Foundation.
- Design and begin construction of an accessory apartment attached to existing Town-owned house at 30 Sunnyside Lane (Lot 41).
- Continue to explore ways of raising the funds to enable the Rural Land Foundation to expand the Mall to include approximately 20 units of affordable housing.
- Monitor the development of Minuteman Commons, the 32-unit, over-55-years-old development in North Lincoln, which will include six units of affordable housing.
- Participate with the Lincoln Foundation in fundraising efforts to develop an Affordable Housing Fund for the purchase or development of affordable housing.
- The spring 2005 Town Meeting will be asked to approve an Inclusionary Zoning Bylaw and a Lincoln Housing Fund. The Fund will hold CPA housing allocations, HOME allocations and fees in lieu of affordable housing garnered through the Inclusionary Zoning Bylaw for use in the development of affordable housing in the Town of Lincoln.
- Present an Accessory Apartment Incentive Plan to the spring 2005 Town Meeting. The plan will provide incentives to the owners of accessory apartments currently rented as affordable to agree to keep the apartments at affordable levels for the 15 years required by the State.

Actions taken during the program year to address the impediments were:

- Monitor the development of Minuteman Commons, the 32-unit, over-55-years-old development in North Lincoln, which will include six units of affordable housing. The Town may be able to buy-down two additional units.
- Approval by Town Meeting of a bylaw requiring the development of units on site matching the appearance of all market-rate units or a payment in lieu of building that requires a payment greater than or equal to the cost of the construction of the units and the cost of the land.
- The Accessory Apartment Task Force has submitted its revised Accessory Apartment Program to the Department of Housing and Community Development for approval to add accessory units to the Subsidized Housing Inventory in the winter of 2006 in an attempt to facilitate the use of accessory apartments to increase affordable rental opportunities.

NEEDHAM

Given the relative newness of Needham's ability to utilize HOME funds, the Town has not yet produced any affordable housing. The Town has, however, accomplished a great deal and has laid the groundwork for many future developments. Details on these accomplishments are detailed in the "Housing Needs" section of this report.

Impediments to Fair Housing in Needham:

Cost of housing and land

The high cost of housing and land in Needham is probably the largest impediment to fair housing. The median housing price has more than doubled since 1990 with sales averaging \$225,000 in 1990 and \$595,500 in October 2004. In addition, the overwhelming majority of new homes built in Town are "teardowns" where a new house replaces older housing stock. This practice not only greatly increases the cost of land because the sales price becomes the value of the land alone, but also if they were not being demolished, these older homes could provide more attainable housing for young families. Finally, average incomes have increased significantly, up 46 percent from \$60,347 in 1990 to \$88,079 in 2000, narrowing the economic diversity of the households and changing the socio-economic makeup of the Town.

Diversity

The population has remained predominantly white including almost 95 percent of the population in 2000 and 97 percent in 1990. In regard to the representation of other races, Asians comprised 3.5 percent of the population in 2000 with Black or African-American and Hispanics both at about one percent of total residents, not significantly different than the distribution in 1990. Outreach to other population groups would be necessary to attain more social and economic diversity in Town.

The extent of multi-family zoning is extremely limited

There is a near-absence of developable vacant land that is zoned to permit multi-family housing, even two-family dwellings. Actual development of multi-family housing now generally occurs as redevelopment of already developed sites, through rezoning by town meeting, through a variance from zoning, or through a Chapter 40B override of applicable zoning. This limitation greatly restricts multi-family development opportunities that in the end could provide affordable rental and ownership opportunities for Needham residents.

Actions taken during FY06 to address these impediments include:

The Town of Needham has entered into a Local Initiative Program Agreement with Cabot, Cabot & Forbes to pursue a proposed project known as Charles River Landing, consisting of three hundred fifty (350) units of multi-family rental housing of which twenty-five will be made available to low- and moderate-income households. It is anticipated that the Comprehensive Permit for this project will be issued in FY07 with construction beginning in FY08. In marketing the units of multi-family rental housing, the Town will follow all the procedures outlined in the WestMetro HOME Consortium Affirmative Marketing Policy.

Needham has a Human Rights Committee, which seeks to prevent discrimination in housing on the basis of race, color, national origin, ancestry, disability, age, income, marital status, children, gender, or sexual preference.

Affirmatively Furthering Fair Housing

The Federal Fair Housing Act was enacted more than three decades ago to promote fair and equal access to housing and to prohibit discrimination on the basis of race, color, religion, sex, national origin, handicap or familial status. Massachusetts also has its Fair Housing Act that adds sexual orientation, marital status, ancestry, veteran status, children, age, and those who receive public assistance or rental subsidies to prohibitions against discrimination. Owner-occupied, two-family homes are exempted from these requirements. It is incumbent on any community to enforce these fair housing regulations, and the Town of Needham has directed this responsibility to its Human Rights Committee.

The Needham Housing Resource Report prepared under Executive Order 418 for the Massachusetts Interagency Working Group recommended that the Human Rights Committee determine what housing-related complaints have been received and that it work towards some resolution of the problems, if any, to the greatest extent possible. For example, several nearby communities have encountered discriminatory practices against families with children due to lead abatement regulations. Accordingly, the Committee plans an analysis of impediments affecting fair housing choice with recommendations for appropriate corrective actions to be completed over the course of the next year.

Affirmative Marketing

In accordance with 24 CFR 92.350, and to further the Town's commitment to non-discrimination and equal opportunity, the Town of Needham will not discriminate on the basis of race, color, national origin, religion or sex. The Town will follow all procedures outlined in the WestMetro HOME Consortium Affirmative Marketing Policy.

Additionally, the Town recognizes that there is no substitute for clear information that is widely and affirmatively disseminated throughout the area. Therefore, the marketing process includes the preparation of program or project materials and the distribution of these materials. The Town expects to carry out affirmative marketing in the following manner:

1. Advertisements, press releases, feature articles and editorials about fair housing laws and the affirmative marketing policy will be placed in the *Needham Times* and the *Boston Globe*.
2. Flyers, brochures, inserts in church bulletins or other organizational literature and posters will contain a summary of the fair housing laws and the affirmative marketing policy. These will be distributed through the mail to potential

participants and available at various public offices, including the library and the town clerk's office.

3. The application package and any other written agreements for HOME-funded projects will contain a summary of the fair housing laws and the affirmative marketing policy.

Minority Outreach

As stated in the Affordable Housing Plan for the Town of Needham, advertising and linkages with other organizations, agencies and employers are critical to any successful minority outreach program. Knowing the market and casting a wide net insures that the marketing effort reaches beyond the Town of Needham and taps into regional resources as well. The nature of the individual projects or programs will determine how to best conduct outreach.

Additionally, to be consistent with 24 CFR 92.350, the Town will make every effort to encourage the inclusion of minority and women's business enterprises concerning HOME-funded activities. To achieve this, the Town will require an MBE/WBE report form for each project as part of the HOME agreement. This will also be required of all sub-recipients.

NEWTON

Please refer to the "Housing Development Program" section above.

WALTHAM

In FY06, the City of Waltham received approximately \$453,192 in HOME funds from the U.S. Department of Housing and Urban Development for use in projects that improved living conditions for low- and moderate-income residents of the city.

Rapidly rising home prices and rents are drastically affecting low- and moderate-income people in Waltham by straining their limited resources to pay for housing. This is particularly true for low-income families and elders who rent, as well as for low-income homeowners. Due to these needs, the City concentrated its HOME funds and a portion of its CDBG funds in the following areas:

- Increasing the stock of affordable rental housing by providing grants and deferred loans to nonprofit organizations to acquire and rehabilitate buildings for affordable rental housing for low- and moderate-income residents. Waltham continues to work with WATCH, the local CDC in the development and acquisition of affordable rental housing in Waltham.
- Increasing the stock of affordable owner-occupied housing by providing deferred no-interest down payment assistance loans to low- to moderate-income homebuyers. Waltham provided 13 interest-free deferred down payment assistance loans to low- to moderate-income homebuyers in FY06. Loan amounts equal 15 percent of the purchase price of the home per the limits for the area as defined by HUD. ADDI funding was also utilized in five of the loans for a combined loan total amount of \$565,782.
- Increasing the stock of decent housing by providing lead abatement grants to homeowners and nonprofit organizations to achieve Title X compliance in all HOME-assisted properties. Waltham provided seven lead abatement grants to down payment assistance recipients to de-lead properties assisted with HOME funding. All 13 properties purchased in 2006 are Title X lead compliant. Lead abatement grants totaled \$88,976 for FY06.

The City of Waltham HOME-funded Down Payment Assistance Program has been very successful; with additional Federal funding, programs such as this one would enable more low- and moderate-income people to purchase a home in Waltham.

In terms of affirmatively furthering fair housing, during FY06, the impediments found were:

- Large number of rental units with lead paint in older structures, particularly in the Waltham CDBG Target Area, discourages families with children from finding housing.
- Housing affordability gap for young families limits homeownership opportunities.
- Diminishing supply of affordable rental units limits housing choice for low-income renters.
- Weak transportation link from the Interstate-95 business corridor to downtown Waltham prevents residents, particularly those in the CDBG Target Area, from easily accessing employment opportunities throughout the entire city.

The actions taken during FY06 to address the impediments were:

- Continued using CDBG funds to provide deferred de-leading loans to income-eligible owner-occupiers of multi-family properties.
- Continued using HOME funds to provide down payment assistance loans to low- and moderate-income families.
- Created affordable, de-leaded rental units using HOME funds to help local nonprofit developers, including the Waltham Alliance to Create Housing (WATCH), acquire multi-family properties to rent to low-income families.
- Supported the 128 Business Council, a private economic development agency, in running bus shuttles to connect businesses along the Route 128 /Interstate-95 corridor to downtown Waltham.
- Continued membership in the Boston Fair Housing Neighbors Network and the WestMetro HOME Consortium.
- Worked with the Waltham Housing Division and City Council to implement the recommendations contained in the Waltham Housing Plan, prepared with the assistance of the Metropolitan Area Planning Council in 2003.

The City of Waltham Housing Partnership Committee is working with a consultant (through a Priority Development Grant) to revise the Inclusionary Zoning Ordinance to close loopholes and create more affordable units in an effort to address obstacles to meeting underserved needs.

During FY06, the City of Waltham has created Housing Trust Bylaws to be able to legally accept donations from private resources. Additionally, the City passed the Community Preservation Act which will provide additional funding for affordable housing. The City of Waltham's entire FY06 HOME funding allocation was allocated to down payment assistance in FY06.

WATERTOWN

During FY06, Watertown expended \$57,848 in HOME funds on one down payment assistance loan, along with the remaining \$4,415 allocated to the Marshall Place Apartments project and \$11,850 in CHDO operating expense funds for its CHDO Watertown Community Housing (WCH).

Affirmatively Furthering Fair Housing

Fair housing choice in Watertown is impeded by the high cost of housing, lack of development sites, low vacancy rate and lead paint issues. The actions taken to overcome the impediments during FY06 included working with Watertown Community Housing, Watertown's CHDO, to develop both owner and rental affordable units, by offering down payment assistance, de-leading and home improvement, and education of the public about the need for affordably priced housing.

Managing the Process

1. Describe actions taken during the last year to ensure compliance with program and comprehensive planning requirements.

Program Year 1 CAPER Managing the Process response:

CITY OF NEWTON HOUSING AND COMMUNITY DEVELOPMENT PROGRAM

During the development of the FY06 annual action plan, Housing and Community Development Division staff coordinated with other City departments, including the Parks and Recreation Department, the Department of Public Works, the School Department and the Public Buildings Department, specifically in terms of neighborhood and accessibility improvement projects. Additionally, a number of methods were employed to gather citizen and agency input, including advisory committee meetings and other public meetings.

On a regional level, Newton maintains contact with municipalities within the region through its involvement in the WestMetro HOME Consortium, which consists of 12 member communities in the Boston suburban area. Through this forum, Division staff is able to share in regional planning activities that relate to affordable housing development. Besides individual contact between Newton and member staff, the Consortium also holds meetings on an approximately bimonthly basis. This offers members an opportunity to raise and resolve particular issues, to discuss new programs and projects, and to develop both a local and a regional outlook on affordable housing development.

The City of Newton is an active organizational member of the Citizens' Housing and Planning Association (CHAPA), a non-profit umbrella organization for affordable housing and community development activities throughout Massachusetts, and is a member of the Boston Metropolitan Planning Organization (MPO), which is composed of seven agencies, seven municipalities and a public advisory committee that collectively carry out the federally mandated "continuing, comprehensive and cooperative transportation planning process for the region." Housing and Community Development Division staff is also active both nationally and regionally as members of the National Community Development Association (NCDA), a national nonprofit organization comprised of more than 550 local governments across the country that administer federally-supported community and economic development, housing and human service programs, including the CDBG, HOME and ESG programs.

Division staff is also actively involved with a number of collaborative efforts that include representatives from agencies and organizations outside of Newton. Throughout the year, collaborative groups such as the Human Service Providers Network and the Brookline-Newton-Watertown Homelessness Consortium meet to discuss issues and needs in Newton and the surrounding communities. Housing and Community Development Division staff takes the lead in coordinating these meetings.

The City of Newton is committed to promoting and improving coordination between public and assisted housing providers and private and government health, mental health and service agencies. Evidence of this commitment is apparent from the numerous focus groups, advisory committee meetings and public meetings held and the ongoing communication with the staffs of other City departments and other jurisdictions undertaken as both part of the development of the Consolidated Plan and the Annual Action Plan and as a regular component of Newton's housing and community development program.

The Housing and Community Development Division of the Planning and Development Department is the primary City entity responsible for coordination efforts. As such, for the past six years, Division staff has planned, organized and promoted a bimonthly Human Service Providers Network meeting for CDBG and ESG grantees and local non-grantee agencies. These meetings increase the level of information available to providers concerning social problems and promote the sharing of ideas and strategies between them. The goal is to encourage providers to not only be in communication with each other but to also encourage them to find new ways to work cooperatively to provide services.

Five meetings were held during FY06, with an average attendance of 30 people from 25 different agencies. Topics included:

- Members of Newton's State Delegation discuss their human service and healthcare priorities
- New services, new resources
- Basic utility rights of consumers
- Preventing violent relationships between middle-school and high-school youths
- Exploring diversity in our community

Another major coordination effort led by Division staff is the Brookline-Newton-Watertown Homelessness Consortium, which is composed of local nonprofit agencies, private foundations, formerly homeless individuals, private businesses, state agencies, the City of Newton and the towns of Brookline and Watertown. Members of the Consortium work together to apply for U.S. Department of Housing and Urban Development (HUD) Continuum of Care funding and to provide a continuum of care system to help the homeless and people at-risk of homelessness to obtain or maintain permanent housing and self-sufficiency. Members also work together to coordinate the point-in-time survey of the homeless that is conducted annually in the three municipal member communities. The Homelessness Consortium meets monthly as a whole, with Planning Committee and HMIS Committee meetings scheduled at least bimonthly. Topics discussed during FY06 include a request from the Metro West Continuum to join with the Newton-lead continuum, a presentation from and a visit to the Community Day Center in Waltham and a presentation on the work of the National Center on Family Homelessness.

During FY06, the City entered into an interagency agreement with the six agencies that currently receive Continuum of Care grant funds from HUD. This agreement formalizes the work performed by City staff to administer the Continuum and allows for sharing of Continuum of Care administrative funds between grantee agencies and the City. As part of the agreement and because of increased encouragement from HUD for the City to do so, the City has begun annual monitoring of Continuum of Care-funded programs. This monitoring includes a review of Annual Progress Reports prior to submission to HUD to determine how well program goals are being met and conducting agency site visits.

The Newton Housing Partnership, a volunteer group of Newton residents with experience in affordable housing and related fields, meets monthly to review and comment on housing projects and to provide feedback to staff on programs and policy-related issues. The Housing Partnership, whose members are appointed by the Mayor, was established in 1990. The Housing Partnership is one of the most visible links between the City and private, for-profit businesses and nonprofit organizations that provide housing and/or services in Newton. This linkage enables the Housing Partnership to provide a peer review that is consistent and coordinated. In FY06, the Housing Partnership continued to enhance the coordination process among public and private housing, health and social service agencies.

Other ongoing efforts to form linkages between the City and other groups and organizations include the following examples. The City's housing staff attends the monthly Board of Commissioners' meetings at the Newton Housing Authority. Attending these meetings provides staff with the opportunity to address questions related to Housing Authority projects that involve City funds or federal CDBG funds. In addition, housing staff provides technical assistance and support to the Community Preservation Committee, a volunteer group appointed by the Mayor which reviews proposals for local Community Preservation Funds. Housing staff works with the committee on community housing projects that include either an affordable housing or a rehabilitation component irrespective of whether a project includes federal funding sources.

In FY06, City housing staff expanded the division's annual monitoring and compliance process to include non-federally funded housing projects. All projects assisted with CDBG and HOME funds are monitored on a regular basis, and HOME rental projects are monitored annually. However, privately-financed projects such as housing projects that were developed through a comprehensive permit or under the City's inclusionary zoning ordinance have not in the past been included in Newton's annual monitoring process. This changed in FY06 when all housing projects were reviewed and evaluated for potential non-compliance. Going forward, all housing projects that are not monitored by MassHousing or the Department of Housing and Community Development (DHCD) will be monitored by the City in one-to-three year cycles. Projects that are monitored by MassHousing and DHCD will be desk-checked for compliance. By expanding its monitoring responsibilities, the City is ensuring that all affordable housing in the community adheres to the regulatory laws under which it was created.

WESTMETRO HOME CONSORTIUM BEDFORD

The Town complied with all program and planning requirements. All required reports and hearings have been conducted. Progress in pursuing the housing agenda is active.

BELMONT

In order to insure that its HOME allocation is committed within a timely fashion, the Trust has identified its next project—the construction of 40 units of affordable rental family housing. As a result, the Trust has begun to complete the required documentation needed in order for this project to move forward.

BROOKLINE

All reports have been filed in a timely fashion.

NEWTON

Please refer to the “City of Newton Housing and Community Development Program” response above.

WALTHAM

The Waltham Planning Department administers the city's Community Development Program on behalf of the Mayor, and in doing so works closely with the Waltham Housing, Parks & Recreation, Public Works, Transportation, Building, Law and Auditing Departments. The Planning Department also works with the Massachusetts Department of Housing and Community Development (DHCD), Department of Conservation and Recreation (DCR) and Department of Capital Asset Management (DCAM).

The FY06-10 Consolidated Plan was developed over a period of months. Two public meetings, along with multiple City Council hearings, helped the Planning Department to gauge local needs and develop spending priorities. Close liaison with City Councilors, particularly those elected from wards within the City's CDBG Target Area in the downtown and South Waltham neighborhoods, helped to hone priorities for funding public facility improvements.

WATERTOWN

During FY06, department staff and the Town's consultant prepared an Annual Action Plan and facilitated public hearings/comment, attended meetings and prepared required paperwork.

Citizen Participation

1. Provide a summary of citizen comments.
2. In addition, the performance report provided to citizens must identify the Federal funds made available for furthering the objectives of the Consolidated Plan. For each formula grant program, the grantee shall identify the total amount of funds available (including estimated program income), the total amount of funds committed during the reporting period, the total amount expended during the reporting period, and the geographic distribution and location of expenditures. Jurisdictions are encouraged to include maps in describing the geographic distribution and location of investment (including areas of minority concentration). The geographic distribution and expenditure requirement may also be satisfied by specifying the census tracts where expenditures were concentrated.

*Please note that Citizen Comments and Responses may be included as additional files within the CPMP Tool.

Program Year 1 CAPER Citizen Participation response:

In FY06, \$4,029,202 in CDBG funds was available for furthering the objectives of the Consolidated Plan and the FY06 Annual Action Plan. This included \$1,187,215 in the FY05 end-of-year line of credit balance, \$2,543,897 in FY06 CDBG funds and \$298,090 in program income funds. During FY06, \$3,269,769 in CDBG funds was expended. In terms of ESG funding, \$98,748 was available during FY06, all of which was expended. In FY06, \$313,028 in HOME funding was expended.

No comments were received at the public hearing for the CAPER, held Monday, September 11, 2006, in Room 209 of Newton City Hall.

Please see attached maps of City of Newton CDBG project locations and Town of Waltham down payment assistance locations.

Institutional Structure

1. Describe actions taken during the last year to overcome gaps in institutional structures and enhance coordination.

Program Year 1 CAPER Institutional Structure response:

CITY OF NEWTON HOUSING AND COMMUNITY DEVELOPMENT PROGRAM

Effective program delivery would not be possible in Newton without the efforts of numerous local, state, federal and private partners. Many agencies and organizations form the front line of community development in Newton. The institutional structure established for the City of Newton and the WestMetro HOME Consortium is broadly based and integrates the talents of key organizations and committees involved in the CDBG, ESG and HOME programs, and other housing and human service activities. This institutional framework for planning and implementing housing and community development activities operates with the goal of expanding programs and services to low- and moderate-income persons in the community.

Affordable housing production and community development programs within the City of Newton are driven primarily by the actions and interactions of three groups of actors: government agencies (or public institutions); nonprofit and for-profit organizations (especially developers and social service providers); and private lenders and corporations. Federal, state and local government agencies provide a significant portion of funding and support for affordable housing and community development activities and guide these activities through their policies, program guidelines, and in the case of the Newton Housing Authority (NHA), the direct provision of housing units and services. The relationship between these three groups of stakeholders forms the basis of the housing and community development delivery system and plays a significant role in the housing and community development efforts within Newton and the HOME Consortium.

In addition to these three chief stakeholder groups, a number of local advisory committees appointed by the Mayor of Newton provide both important input and perspectives on issues facing the community and offer well-informed advice to staff and local officials. The following groups are instrumental in providing guidance and direction to housing, community and economic development efforts in Newton:

Four target neighborhood advisory committees:

Newton Corner Advisory Committee

Newtonville Advisory Committee
Nonantum Advisory Committee
West Newton Advisory Committee
Economic Development Advisory Committee
Human Service Advisory Committee
Mayor's Committee for People with Disabilities
Newton Housing Partnership
Newton Planning and Development Board

During FY06, efforts to strengthen the relationships between the stakeholder groups continued. Newton Housing and Community Development staff continued to work closely with the eight citizen advisory committees to develop recommendations on how CDBG, HOME and ESG funding should best be spent to improve the quality of life for low- and moderate-income residents. The Planning and Development Board then reviewed these recommendations and made recommendations to the Mayor for final approval. This system of advisory committees continues to provide a strong link between the City and its citizens, nonprofit organizations, business owners and other agencies.

During FY06, Housing and Community Development Program staff also continued to work with the Newton Housing Authority, nonprofit housing organizations, state agencies and housing developers to produce affordable housing in Newton. The strength of the relationships with various housing agencies and developers is beneficial for both streamlining housing development and leveraging additional funds for projects.

As mentioned previously, during FY06, the City formalized its role as the lead entity for the Brookline-Newton-Watertown Continuum of Care. The City now takes the lead in disseminating information among agencies, coordinating HMIS implementation, and most importantly, serves as the central point of contact for people who are homeless or at-risk of homelessness and do not know how to get help.

Additionally, as lead community for the WestMetro HOME Consortium, Newton continued throughout FY06 to meet regularly with representatives from the other communities to work on administrative matters and to exchange project ideas and information. The City of Newton is also the lead entity in the Brookline-Newton-Watertown Continuum of Care, which worked in FY06 to secure funding for homelessness programs and to develop a ten-year plan to end chronic homelessness. The City continues to partner with these entities, as well as state and federal agencies, to enhance the coordination of services and to leverage additional funding to assist low- and moderate-income residents.

Lastly, in an effort to streamline and coordinate the housing development process among the various City departments, the Planning and Development Department has instituted Development Review Team (DRT) meetings which are held on an as-needed basis. At these meetings, housing developers discuss their proposed project with staff from the Planning and Development, Fire, Engineering and Inspectional Services Departments. The DRT meetings provide an opportunity for all the "stakeholders" to deliberate and offer constructive criticism to developers as they move ahead in the development process. DRT meetings help the City speak with a unified voice and give developers comprehensive and cohesive feedback going forward.

WESTMETRO HOME CONSORTIUM

BEDFORD

During FY06, the Bedford Housing Partnership recruited new members, including a representative from the Planning Board to ensure there was close coordination between the two groups. The Town also explored the creation of a new affordable housing trust. Additionally, a Senior Housing Task Force, created by the Housing Partnership, was developed and included representatives of the Housing Partnership, Selectmen, Planning Board, Zoning Board of Appeals, Council on Aging, and Housing Authority.

BELMONT

Representatives of the Trust and Town Staff met on a bi-weekly basis to insure that various housing issues and projects were moving forward during FY06. These meetings have been critical to the success of the B Street project and will be as well for Zone 6.

Additionally, the Trust has hired a housing consultant to help frame the Zone 6 development so that it conforms to the HOME rules and regulations. This consultant has also been hired to draft the Request for Proposals to seek a developer for this site.

BROOKLINE

The Housing Division works closely with a number of other Town departments, commissions, and nonprofit organizations to achieve its goal of safe and affordable housing. Coordination is generally strong. Specific actions that took place in FY06 to enhance coordination include the following:

- The Housing Advisory Board (HAB) is staffed by the Housing Division and includes representatives from the Brookline Housing Authority and the Planning Board. It is responsible for advising the Board of Selectmen and making recommendations regarding policies, programs and funding related to affordable housing. It meets on a monthly basis to consider new policies, and this year successfully proposed to Town Meeting a change in Town by-law that would provide greater protections to lower-income tenants of buildings undergoing condominium conversion.
- The Brookline Housing Authority (BHA) has been exploring the possibility of building internal expertise in housing development in order to provide the Town an additional resource for affordable housing development. In light of reduced state and federal funding, the BHA Board has worked with the Town administration to reduce certain financial burdens.
- The Brookline Improvement Coalition, Inc. (BIC), the Town's CHDO, continued to own and operate a number of affordable housing projects while exploring potential for new development projects. Officers get Housing Advisory Board monthly packages and often attend meetings. Housing Division staff worked closely with BIC to complete its CDBG-funded project at 154-156 Boylston Street and to build capacity. At the same time staff continues to encourage other high-quality, nonprofit organizations experienced in the field of affordable housing development to undertake new projects within the Town.
- The Brookline Council on Aging explored the potential of matching over- and under-housed seniors through a voluntary program that helps seniors to maintain their long-term homes. A group of senior volunteers at the Council surveyed older homeowners who may be interested in sharing their homes

with other Brookline seniors needing homes. The goal is to reduce housing costs for both groups and to help seniors to continue to live in Brookline.

- The Brookline Health Department continued to enforce health and sanitary code issues related to the Town's housing stock, as well as lead paint assessments, inspections, screening programs, and the enforcement of lead paint abatement.
- The Town Human Relations Officer met with Housing Division staff to discuss impediments to fair housing choice and how these might be better assessed.

In addition the Housing Division staffs and members of the Housing Advisory Board and/or commissioners of the Brookline Housing Authority serve on such planning efforts as the Community Preservation Act study committee, the Fisher Hill Town Site Subcommittee and the Coolidge Corner District Council.

NEWTON

Please refer to the response above under the "City of Newton Housing and Community Development Program" heading.

WALTHAM

The Planning Department and Housing Division have been combined to provide a more coordinated effort and staff collaboration.

Monitoring

1. Describe how and the frequency with which you monitored your activities.
2. Describe the results of your monitoring including any improvements.
3. Self Evaluation
 - a. Describe the effect programs have in solving neighborhood and community problems.
 - b. Describe progress in meeting priority needs and specific objectives and help make community's vision of the future a reality.
 - c. Describe how you provided decent housing and a suitable living environment and expanded economic opportunity principally for low and moderate-income persons.
 - d. Indicate any activities falling behind schedule.
 - e. Describe how activities and strategies made an impact on identified needs.
 - f. Identify indicators that would best describe the results.
 - g. Identify barriers that had a negative impact on fulfilling the strategies and overall vision.
 - h. Identify whether major goals are on target and discuss reasons for those that are not on target.
 - i. Identify any adjustments or improvements to strategies and activities that might meet your needs more effectively.

Program Year 1 CAPER Monitoring response:

CITY OF NEWTON HOUSING AND COMMUNITY DEVELOPMENT PROGRAM

HOUSING DEVELOPMENT PROGRAM

In FY06, the City of Newton continued to implement its Monitoring and Compliance Plan for CDBG- and HOME-funded housing projects. Housing development projects are monitored to ensure that the requirements outlined in the Loan Agreement are being met. A total of 43 affordable housing projects, which included CDBG, HOME, special permit and comprehensive permit projects, were monitored in FY06. Projects were selected to be monitored based on the results of a risk analysis. The analysis considered such criteria as past performance of the agency/project, experience level of staff administering the project, newness of the project, etc. For each project monitored in FY06, the City verified that the population being served is income-eligible, residents are not being charged more than 30 percent of their gross annual household income and that assisted units meet Section 8 Minimum Housing Quality Standards (HQS).

The monitoring process included the following documentation based on the specific type of project:

- Risk analysis results and monitoring schedule
- Monitoring schedule based on risk analysis results
- General notification letter sent to subrecipient agency announcing that they will be monitored for CDBG/HOME compliance and compliance with subrecipient agreement
- Confirmation letter sent confirming the date and time of monitoring visit, specific inspections, performance goals, etc.
- Completion of an on-site monitoring visit, including completion of the following forms as applicable to the specific project: Lease Requirements Checklist, Housing Quality Standards inspection form, and CDBG or HOME Monitoring Form
- Completion of monitoring letter sent to the agency that outlines the result of the monitoring visit, including any follow-up action required

The results of the City of Newton’s FY06 monitoring are described in the table below:

FY06 Housing Development Program Monitoring Results

Address/Contact	Desktop/On site	FY06 Notes	FY06 and Forward
831-33 Boylston St. NCDF	On site	CDBG file review Sec. 8 tenants; NHA qualifies tenants & conducts HQS	Get letter from NCDF confirming that NHA is continuing to certify tenants, etc.
27-80 Hamlet St. NCDF	On site	No City funds. MassHousing monitors. NHA maintains wait list and does income cert. Requested NCDF’s response to Property Management Review.	Request MassHousing’s Property Management Review on annual basis. Certify NHA’s continuing involvement.
7 Hereward Rd. (Weeks House) NCDF	On site	CDBG file review. NCDF staff certifies. MassHousing monitors. Requested Property Management Review.	Request MassHousing’s Property Management Review on annual basis.

Address/Contact	Desktop/On site	FY06 Notes	FY06 and Forward
90 Christina St. CAN-DO project but NCDF manages	On site (NCDF)	HOME file review. All tenants Sec. 8 voucher holders. NHA certifies/HQS.	HOME requires <i>annual</i> income certifications and rent review. HQS required <i>every 2</i> <i>years</i> for projects w/ 5-25 units.
14 Nonantum Place (Garfield House) CAN-DO project but NCDF manages. TSS provides support services.	On site (NCDF)	HOME file review. All tenants are Sec. 8 voucher holders. NHA certifies/HQS.	HOME requires <i>annual</i> income certifications and rent review. HQS required <i>every 2</i> <i>years</i> for projects w/ 5-25 units.
390 Newtonville Ave. CLN	On site NHRF conducted an HQS in 6/06.	HOME file review. Rents should be adjusted upon unit vacancy. Currently, rents range from 14% to 66% of tenants' incomes. OKM monitors for DHCD: desktop on even years; on site on off years. DHCD supplied OKM report.	HOME requires <i>annual</i> income certifications and rent review. HQS required <i>every 2</i> <i>years</i> for projects w/ 5-25 units. Easier for City to monitor than to request OKM report from DHCD every year.
10 Morgan Place David Edelman	Edelman brought files to Newton Housing Office; Received backup for unit 5.	CDBG review. Three documented Sec. 8 units. Needed income backup for unit 5. All non-Sec. 8 tenants are paying more than 30% of their income on rent. Sent 2 letters requesting info on unit #5.	2007-monitor again
CAN-DO as CHDO		Complied with requirements.	Monitored by HOME Consortium Administrator
18-20 Cambria Rd. CAN-DO	On site	CDBG file review. One vacant unit. Occupied unit is Sec. 8 voucher holder through NHA.	Request information on occupancy. If tenants are Sec. 8 voucher holders and CAN-DO confirms, only note to file is necessary.
228 Webster St. CAN-DO	On site	HOME file review. All tenants are Sec. 8 voucher holders. Six residents inc. 1 DMR. NHA/DMR income cert./HQS.	HOME requires <i>annual</i> income certifications and rent review. HQS required <i>every 2</i> <i>years</i> for projects w/ 5-25 units. If tenants are Sec. 8 voucher holders and CAN-DO confirms, only note to file is necessary.

Address/Contact	Desktop/On site	FY06 Notes	FY06 and Forward
21 Bontempo Rd. NWW	On site	Monitored by DMR every two years including condition inspection by Quest, arm of DMR. Last review was 7/05.	HUD rental subsidy, DMR reviews and inspections. Unnecessary for separate City monitoring. Follow up w/ phone call monitoring every two years beginning 7/07.
18-20 Coyne Rd. NWW	On site	Monitored by DMR every two years including condition inspection by Quest, arm of DMR. Last review was 7/05.	HUD rental subsidy, DMR reviews and inspections. Unnecessary for separate City monitoring. Follow up w/ phone call monitoring every two years beginning 7/07.
39 School St. NWW	On site	Two privately-owned condo units. NWW supplies support services. Affordable until 2011. Change project profile sheet to reflect private ownership.	Keep property on SHI until 2011. Continue to confirm that NWW clients are living at property. Desktop monitor starting 7/07.
295 Adams Street TSS	On site NHRF conducted an HQS in 6/06 and also conducted an HQS for 21 Foster Street.	CDBG file review. Six residents (out of 10) households currently. Tenants pay a "program fee" (30% of TAFDC income. All tenants referred from homeless shelters therefore, no specific fair housing language or outreach. No Sec. 8 or involvement with NHA.	Annual monitoring and HQS unnecessary. Monitor every three years.
276 Church St. West Suburban YMCA	On site Second site visit on 6/7/06. Met with HR Director. YMCA is hiring a professional management company to manage the units.	Monitoring and HQS done by Spector as required by low income tax credit program. All except 2 are NHA Section 8 tenants. Provided follow-up TA on CDBG loan requirements w/ new resident manager.	Contact the property management company for information. On site visit not necessary.

Address/Contact	Desktop/On site	FY06 Notes	FY06 and Forward
209 Riverside Ave.	Desktop	Confirmed that there are 3 units with NHA Sec. 8 tenants.	Affordable through 2009. Contact NHA for confirmation of compliance.
470 Albermarle Rd.	Desktop	2F house under private ownership; 1 5-BR unit rented to Riverside CC for the last 17 yrs. All tenants have MRVPs from DHCD; vouchers are attached to the program not tenants. DMH-licensed; inspected by DMH/NHA and Health Dept. Riverside signed 10-year lease in 2004 or 2005.	Desktop every three years. Next in 2009.
384 Ward St.	Desktop	Townhouse w/ 3 BRs. Rented by Riverside CC for 3 tenants (2 MRVP and 1 Sec. 8 through the NHA). Riverside has rented the house for 17 yrs. DMH-licensed.	Desktop every three years. Next in 2009.
511 Grove St.	Desktop	Researching property to see if it is on 40B list as scattered site.	N/A
47 Park St.	Desktop	Term expired 2002; take off inventories	Take off monitoring list for future
249 Mt. Vernon St.	Desktop	NHRF provided \$70,000 7/1/94 for 15 year term. Expiration date is 7/1/09. Researching to see if property is on 40B inventory.	Take off monitoring list for future
33-35 Nonantum Place	Desktop	Project received 202 funds; take off HD inventory—no City assistance.	DMH monitors
48A Crescent St.	Desktop	Sent second verification letter and owner finally responded. Owner listed in assessor's records and City census.	Send verification of principal residence letters out (all the affordable homeownership units) annually.

Address/Contact	Desktop/On site	FY06 Notes	FY06 and Forward
Avalon at Chestnut Hill	Desktop	The first units at Avalon at Chestnut Hill will be ready for occupancy in August.	Onsite monitoring recommended in 2007
20-22 Falmouth Road	Desktop	Total CDBG funds: \$263,385 (including NHRF). Project now complete. Last unit occupied on April 1, 2006.	On site monitoring recommended in 2007
163 Jackson Road	Desktop	Both units have been occupied since November 2005. Received tenant occupancy information.	On site monitoring recommended in 2007
Arborpoint at Woodland	Desktop	Full site construction began in April 2006. The project is expected to be complete and open by summer of 2007.	Recommend on site monitoring 2007
Linden Green Homes (248 Elliot Street)	Desktop	Funds: HOME, CDBG, & CPA	Annual monitoring required.
173 Tremont Street	Desktop	Funds: HOME & CDBG	Annual monitoring required. Unit #2 is HOME-designated unit
1751 Washington Street	Desktop	Funds: HOME All 4 units are occupied	Annual monitoring required
13-15 Wiltshire Road	Desktop	Funds: HOME 4 of 5 units are currently occupied	Annual monitoring required
Nonantum Village Place	Desktop	Funds: CDBG, CPA Project now fully occupied.	On site monitoring recommended in 2007
117 Osbourne Path	Desktop	Funds: CDBG Monitored by DMR in January 2006. Passed monitoring and received 2-year license.	DMR reviews and inspections. Unnecessary for separate City monitoring. Follow up w/ desktop monitoring every two years.
19 West Street	Desktop	Funds: CDBG Received tenant rent and income documentation from Advocates. All units are in compliance.	On site monitoring recommended in 2007
The Falls at CordinglyDam 2300 Washington Street	On site	Developed through special permit; 5 units are affordable	On-site monitoring recommended for 2007

Self Evaluation

The Housing Office for the City of Newton has created a One-Stop Application for developers requesting CDBG, HOME and/or Community Preservation funds. As part of this application, developers are required to meet with ward aldermen, as well as the neighborhood in the early stages of development. Informing the community early on in the process has helped mitigate the conflicts and concerns of local residents.

Over the past year, City zoning, land use and housing staff have not begun to examine existing land use policies as initially anticipated. This activity requires coordination with the Zoning and Planning Committee, Newton Housing Partnership, Board of Alderman and the Mayor to determine the feasibility of implementing the land use strategies identified in the Consolidated Plan. The proposed strategies require Aldermanic approval to implement. This approval process is likely to be lengthier than originally thought. Nonetheless, if approved, the revisions to the current zoning regulations will help encourage the development of additional affordable housing throughout the community.

The indicators that would best describe the results of the Newton housing development program are the number of affordable housing units that were completed, as well as the number of housing development projects that were funded in FY06. The housing development project chart in the "General Questions" section of this document summarizes the active projects and their status in FY06. Other indicators might include determining whether a project continues to provide affordable housing and meet the requirements of the funding agreement through monitoring.

Although the Newton Housing and Community Development Program consistently faces a number of challenges to developing and maintaining affordable housing, the program was able to make significant headway in accomplishing its objectives during FY06. All of Newton's major goals are on target. Nonetheless, there are several barriers that make fulfilling Newton's strategies and overall vision difficult to achieve. The high cost of land in Newton makes acquiring and developing property for affordable housing costly. Furthermore, the cost of housing and the incentives to develop, maintain and improve affordable housing are affected by public policies, such as land use controls, zoning ordinances, building codes, fees and charges.

Another barrier to achieving Newton's overall vision is the lack of a sufficient amount of developable land zoned to permit compact types of residential use. There is a very limited amount of by-right development possibilities in the City resulting in special permitting for any type of development other than single-family housing. Furthermore, the approval process, which includes procedures and fees, is lengthy and continues to add to project costs and delays. To add to the problem, there is a lack of sufficient funding, and fear of further cutbacks to the CDBG program continues to have a negative impact on fulfilling Newton's strategies and overall vision. In spite of these barriers, the Housing and Community Development Program continues to explore creative solutions to foster the development of affordable housing.

Over the next year, City zoning, land use and housing staff will begin to examine existing land use policies in conjunction with the Zoning and Planning Committee, Newton Housing Partnership, Board of Alderman and the Mayor to determine the feasibility of implementing the land use strategies identified in the Consolidated Plan.

The revisions to the current zoning regulations will help encourage the development of additional affordable housing throughout the community.

HOUSING REHABILITATION AND FIRST-TIME HOMEBUYER PROGRAMS

Newton Housing Rehabilitation Fund program staff monitored all federally funded first time homebuyer units, which consists of an annual verification of the homeowner's principal residence. The monitoring process consisted of staff mailing a form to the homebuyer that asked them to sign a statement verifying that the property purchased with First Time Homebuyer Program funds is their principle residence and to return it to the Newton Housing Office in a postage-paid envelope. If the homeowner failed to return the statement or did not sign the statement, NHRF staff attempted to contact the homeowner via phone or in person at their address. No problems were encountered though three units have been resold to other income-eligible households.

Self Evaluation

The Newton housing rehabilitation program has resulted in a number of blighted properties being brought into compliance and the exterior façade and architectural integrity of many homes has been enhanced. One hundred percent of CDBG and HOME monies funding rehabilitation and homebuyer programs in FY06 went to low- and moderate-income households.

HOMELESSNESS PROGRAM

Program staff monitors sub-recipient projects annually to assure compliance with applicable CDBG and ESG regulations. A risk assessment process that takes into account such issues as timeliness of reporting, staff turnover and experience with program requirements is used to determine which projects will be monitored during the year.

Continuum of Care monitoring by the City of Newton began this year. A combined approach of desk-top review and site visits was used. No compliance issues were identified during monitoring.

Self Evaluation

The ESG and CDBG funds that the City receives are critical to both preventing homelessness and helping those who are homeless find and maintain permanent housing. Unfortunately, the high cost of permanent housing continues to remain the primary obstacle to families and individuals trying to break out of homelessness. Homeless people who are ready to move on to permanent housing are forced to remain for longer periods of time in emergency shelter and/or transitional housing programs because they cannot find an affordable permanent housing.

Since the need for affordable housing is so great, Newton has chosen not to target CDBG or HOME housing development funds to a specific income level (i.e. very low income) or population (i.e. homeless families). One possible outcome of a ten-year plan to end homelessness may be to develop a strategy to target a portion of the CDBG/HOME funds available for affordable housing development specifically for homeless people.

ECONOMIC DEVELOPMENT PROGRAM

Monitoring in various forms is undertaken for both economic development programs: the Microenterprise Loan Program and the Family Day Care Grant Program. Each family day care is monitored one time during the one-year grant term. In FY06, two

family day care grants were provided; one of the businesses was monitored with good results, and the second one will be monitored in early FY07. Each microenterprise is also monitored once, and again on an as-needed basis. The microenterprise loan recipient has been visited a few times since the loan closing to monitor the business's success. Additionally, the City receives a delinquent loan report each month, which allows for early intervention in the event of a late payment.

Self evaluation

All businesses receiving loans and grants are still in operation and are in good standing with respect to repayment. One business has not been timely with job creation reports. Several unsuccessful attempts have been made to meet with the business owner; work will continue to bring this business into compliance.

HUMAN SERVICE PROGRAM

Each human service program is carefully tracked by several means. First, there is direct on-site monitoring. On-site monitoring each year involves more than 40 percent of all individual grants. There are three ways in which agencies are selected for on-site monitoring. First, all new sub-grantees are monitored; second, any sub-grantee with an indication of difficulty in meeting goals or in administration of its project is monitored; and third, experienced programs are periodically monitored on a rotating basis. Every project is monitored no less than once in every three years, and a few are monitored more frequently.

In addition to monitoring, housing and community development staff plans five meetings each year to involve all sub-grantees for the purpose of training on services to youth, elders, families, people with disabilities, children, survivors of domestic violence, and people at risk of homelessness. These meetings also include topics such as health care, housing, and obtaining services for people in financial crises.

Third, staff has regular contact with sub-grantee agencies through their quarterly billing and reporting. Staff responds directly by phone or email to every sub-grantee about issues raised by their services and accomplishments. Finally, at the beginning of each year, housing and community development staff holds a technical assistance training session on grant management that is mandatory for every sub-grantee.

Housing and community development staff conducts on-site monitoring with 10-15 CDBG-funded projects in at least eight to ten nonprofit agencies and City departments each year. During FY06, one ESG project was monitored, in addition to 14 human service projects. Additionally, direct phone contact and email contact with each individual agency is made at least quarterly to discuss their activities and their progress meeting goals. When agencies have trouble with reporting or if they lag behind in their billing, staff makes direct contact to assist them to correct any problems. Additionally, staff provides technical assistance and sponsors professional training sessions for all sub-grantees several times each year. As a result of monitoring and careful follow-up with sub-grantees having administrative or programmatic problems, the Newton housing and community development program has achieved a 99 percent success rate in sub-grantee performance.

Self evaluation

The housing and community development program has had a positive effect on sub-grantees and their work in the community. By fostering a spirit of agency

cooperation, program staff has helped agencies work together much more effectively to deal with human need issues. Newton staff is often called on to serve as consultants on interagency projects and activities.

The Newton housing and community development program has also helped to make the community's vision of the future a reality. The program has supported the efforts of childcare providers to be able to offer low-cost day care to low-income families so that they have the opportunity to hold employment that will improve their family's living conditions and has promoted special services to elders, particularly in low-income elder housing, allowing them to receive on-site needed homecare and housekeeping services to keep them functioning more independently in their homes. Youth intervention programs serving at-risk youth have allowed them to remain drug-free and to continue to be able to live at home and not become homeless. Adults with developmental disabilities have been able to live more independently and self-sufficiently in the community and to hold supported employment. Additionally an increasing number of survivors of domestic violence have been able to stabilize their lives, find jobs and obtain suitable permanent housing.

The Newton housing and community development program has provided a suitable living environment by helping sub-grantees provide services geared to promoting self-sufficiency and providing more independent living opportunities for low-and moderate-income people. Two examples include 1) subsidies for low-income families who need affordable day care services in order to hold full-time employment, and 2) a grant for a job developer/job coach to provide supported employment opportunities for adults with developmental disabilities.

Human service monitoring found that all activities are being achieved in a timely fashion. All program sub-grantees have essentially met each of their significant objectives on an annual basis in accordance with their grant agreements.

There are many indicators describing the results. People are moving on from transitional living facilities to permanent housing. Low- and moderate-income families with children in subsidized day care are employed and able to work more hours to support their families. Participants in youth intervention programs are increasing their success in high school through higher grades and greater likelihood of graduation. Survivors of domestic abuse are getting more needed services because of the availability of a hotline and on-going support group opportunities. Adults with developmental disabilities are more likely to find suitable, structured, supervised, stable and satisfying employment. Frail elders in subsidized housing are remaining out of nursing home care for longer periods of time because of funding of appropriate in-home personal care. Immigrants have ESL classes available to them at no charge.

The greatest barrier to success in fulfilling human service strategies is the diminished funding from federal, state, local and private funding sources that has caused some sub-grantees to lose staff members and that has left them with fewer resources by which to offer vital services to a needy population.

Major goals for Newton's public service programs are definitely on target. Each sub-grantee is carefully monitored and contacted throughout the course of the grant agreement to ensure that their goals are being met. Technical assistance is also provided when necessary. Program staff is satisfied that, given the resources

available, they have developed strategies and funded activities that will give them optimum results in meeting the community's needs.

WESTMETRO HOME CONSORTIUM

The WestMetro HOME Consortium is committed to its comprehensive monitoring plan. To ensure an appropriate level of staff effort, the Consortium's monitoring strategy involves a two tiered approach: ongoing monitoring and on-site monitoring. Ongoing monitoring occurs for all HOME-assisted activities each program year. Basic ongoing monitoring involves conducting periodic reviews of activities to ensure regulatory compliance and track program performance for all developers, sponsors, and contractors receiving HOME funds for projects and for Consortium Members. On-site monitoring seeks to closely examine whether performance or compliance problems exist and identify the aspects of the program or project that are contributing to the adverse situation. HOME Consortium members use a risk factor analysis to target certain HOME Program areas or organizations for in-depth monitoring each year.

Overall monitoring objectives of the WestMetro HOME Consortium monitoring plan included:

- Identifying and tracking program and project results
- Identifying technical assistance needs of Member communities, CHDOs and subrecipient staff
- Ensuring timely expenditure of HOME funds
- Documenting compliance with Program rules
- Preventing fraud and abuse
- Identifying innovative tools and techniques that support affordable housing goals.

To ensure an appropriate level of staff effort, the Consortium's monitoring strategy involves a two pronged approach: ongoing monitoring and on-site monitoring.

Ongoing Monitoring

Ongoing monitoring must occur for all HOME-assisted activities each program year. Basic ongoing monitoring involves conducting periodic reviews of activities to:

- Ensure regulatory compliance
- Track program performance

For all developers, sponsors, and contractors receiving HOME funds for projects:

- The organization will be required to submit periodic progress reports to the Consortium member's staff about its activities.
- The member's agreement with the organization will identify the format and frequency of project or program-related reports.
- Member monitoring staff will follow the progress of the organization's project to ensure that deadlines are being met and that eligible costs are being submitted for work completed.

For Consortium members:

- It is important for the Consortium Administrator's monitoring staff to examine the member's progress in designating HOME funds to eligible projects.
- If members are slow in setting up projects or in drawing down HOME funds, the Consortium Administrator's monitoring staff should contact the organization to discuss the reasons for the slow progress.

- If the Consortium Administrator's monitoring staff believes a member may not be able to commit and spend its HOME funds within the period of the HOME Agreement, an on-site review may be needed.
- If it is determined that HOME funds will not be drawn down, the Consortium Administrator's staff can take steps to reprogram the funds to another entity, in accordance with the Consortium's administrative guidelines.
- Consistent use of the Consortium's Project and IDIS Setup and Completion forms, and Project and CHDO Records checklists should pave the way for a smooth monitoring visit.

On-Site Monitoring

On-site monitoring seeks to closely examine whether performance or compliance problems exist and identify the aspects of the program or project that are contributing to the adverse situation. The HOME Consortium member should use a risk factor analysis to target certain HOME Program areas or organizations for in-depth monitoring each year.

During an on-site review, monitoring staff:

- Identify aspects of the program or project where the organization is performing well and poorly
- Assess compliance with program requirements
- Determine whether record keeping is adequate
- Prepare a report summarizing the results of the review
- Describe any required follow-up activity

Risk Factor Analysis

With limited staff and time resources, most members cannot perform on-site reviews of all HOME-funded activities. Risk factor analysis will help to determine where Member staff time and attention is best focused.

On-Site Visit

Once the risk factor analysis has identified HOME-funded activities to be monitored an on-site visit to the program or project should be scheduled to gather specific information and observe actual program elements. Using the monitoring checklists available on the HOME Monitoring Tools Website can help structure the on-site review. For more information, see:

<http://www.hud.gov/offices/cpd/affordablehousing/training/checkup/performance/monitoringtools.cfm>.

Scheduling and Notification

On-site monitoring should be done when determined necessary by on-going monitoring. In addition, each Consortium member and the Consortium Administrator should do a risk analysis and subsequent on-site monitoring on an annual basis starting in the third quarter of the program year.

Member monitoring staff should contact the entity being monitored at least two weeks prior to the planned date of the on-site visit in order to schedule the monitoring review. Once the entity has been contacted and the actual dates are scheduled, monitoring staff should send a letter to the entity that confirms:

- The date and time of the visit
- The names of the staff conducting the site visit
- The elements of the program or project that will be monitored
- The files and records that will be reviewed

- The members of the organization who should be available for interviews

File Review

Before conducting the on-site visit, member monitoring staff should review the organization's:

- HOME application(s) and executed HOME Agreements
- Recent status reports
- Financial reports
- Any previous correspondence
- Reports from past on-site monitoring reviews

These items should be reviewed to:

- Assess progress
- Examine changes in activities
- Identify existing or potential problems
- Determine the elements of the HOME project to be given priority during the on-site review

Site Visit

Monitoring staff (member staff or Consortium Administrator staff) should gather information from a variety of sources and complete the following steps during the on-site review:

- Conduct an initial meeting with the executive director, program director or other official to explain the purpose and schedule for the review
- Interview members of the organization's staff to gather information about activities and performance
- Review additional materials provided by the entity to obtain more detailed information about the program or project
- Examine a sampling of files to verify the existence of required documentation and the accuracy of reports being sent to the member
- Visit a sampling of program sites (or the project itself) to confirm information contained in program files; this may also include interviewing residents
- Meet with local lending or other partners (if applicable)
- Conduct an exit conference with appropriate senior staff to discuss the preliminary conclusions of the review and identify any follow-up actions necessary

Completion of the Site Visit

After visiting the project site, monitoring staff should complete the following steps:

- Properly record the results of the review
- Fill out all applicable checklists and document with clear notes
- Attach to the checklists all documentation required to support conclusions from the review
- Place the checklists and documentation in the HOME monitoring file for that organization
- Meet with member program staff to review the findings of the monitoring visit and agree on a course of action
- Issue a written monitoring report (copies to the monitored activity's agency and the Consortium Administrator) detailing findings and any required course of action and place in the activity's monitoring file.

BEDFORD

No monitoring was conducted during FY06 as no HOME-funded units were completed.

BELMONT

Because Belmont's housing program is relatively new, monitoring of its activities has not yet occurred. Additionally, its first project, B Street, was finally completed this past year; monitoring of this development will occur in the coming years.

The Trust, however, has continued to monitor the affordable housing at Met State and the affordable elderly housing within Zone 3 (an assisted living facility with 30 units set aside as affordable). The Trust has had continued negotiations with the developers of Zone 3 regarding what constitutes an extra service and how much the residents will be charged for them.

The development of affordable housing has expanded (and will continue to) the housing opportunities within the Town. Additionally, providing such housing increases the diversity of the population (both economically and racially) and provides a richer and fuller experience for the Town's existing residents. Currently most first responders live outside of Town, and this is of great concern to the Fire, Police and Light Departments.

The Town adopted "A Working Vision for Belmont's Future" in April 2001. This vision has informed the vast majority of decisions that the Town has since made. One of the guiding principles of this vision is, "We will welcome newcomers and value diversity, while caring for our neighbors and for the needs of children, youth and seniors." Clearly, providing affordable housing, redefining housing policy, and initiating other housing support programs helps to fulfill this Vision.

The Trust and the developer of the B Street units consciously chose materials because of the projected energy conservation that they would provide to the homeowners, the low maintenance required for proper upkeep, and how they contribute toward sustainable development (i.e., using bamboo for flooring instead of oak).

The barriers that have had a negative impact on fulfilling the strategies and overall vision include limited staffing and insufficient funding. The Trust has been able to overcome these barriers by hiring consultants and convincing the Town to donate land for affordable housing. Unfortunately, hiring consultants takes funds away from the actual construction of housing and limits what the Trust can do. The donation of land, though not funding, is a significant monetary contribution. For example, the B Street property was valued at \$900,000, a considerable amount of money that the Town could have used during these times of tight revenues. The value of Zone 6 has yet to be determined.

The development of the assisted living facility and associated affordable elderly housing (Zone 3, McLean District) and the construction of a single-family home by Habitat for Humanity on Town-owned land have unfortunately fallen behind schedule.

The assisted living facility at Zone 3 and the Habitat single-family home are not on target. Ongoing litigation brought by neighbors to the site has caused the assisted living facility to fall behind schedule. Personnel changes within Habitat have caused that project to fall behind. Each new executive director (three within the past three years) has wanted to re-negotiate the development of the site. Therefore, whatever had been agreed to in the past was not necessarily acceptable to the new director, thus causing delays in the development of the project.

BROOKLINE

The Town of Brookline ensures long-term program compliance of all federally-assisted housing through annual monitoring as follows:

Affordable Housing Development Projects

All affordable housing development projects are monitored on an on-going basis in one of several ways, depending on the project type. For affordable rental developments, an owner's performance agreement is established at closing, outlining the period for which the property is to remain affordable and the specific household income levels that the rental project is expected to serve. The Town has also required all sub-recipients who have received federal funding through either HOME and/or CDBG to develop low-income rental housing to provide annual income verifications on all tenants, as well as information on rents charged, including the tenant portion in the case of Section 8. The Town's Housing Division staff then annually performs inspections of all projects receiving federal funds to ensure that the properties meet Section 8 housing quality standards.

First-Time Homebuyers

All homeowners who have received assistance either through down payment assistance or inclusionary zoning are monitored on an annual basis to verify continued owner occupancy. On an annual basis, each buyer is contacted by certified mail with a return receipt request. This mailing has an enclosed statement of certification that the buyer still occupies the unit as his/her primary residence and that he/she is in compliance with all terms, conditions and requirements set forth in the mortgage and promissory note. The buyer must sign and return the certification to the Town. In addition, the Town verifies occupancy by checking the tax rolls at the Assessor's Office to determine if the owner continues to qualify for the Town's residential exemption. Street listings published annually by the Town are also reviewed. If any unit is found to be out of compliance, the Housing Division staff will work with the Town Legal Counsel's office to initiate foreclosure and recapture of the unit.

During FY06, all participants were in compliance with the requirements under program regulations.

Self evaluation

Brookline's housing development program meets the need for affordable housing in a high-priced community through the creation and preservation of affordable housing, both homeownership, and rental opportunities. The quality of monitoring increases community confidence that the high level of subsidy per unit is appropriately used and that the unit or subsidy will be recycled to serve future generations of users.

Brookline's affordable housing policies and programs reflect the Town's commitment to diversity, which has long been one of its most valued characteristics. When assistance is provided to an individual or project, affordability restrictions are imposed for the longest period appropriate and possible so that the inventory of affordable units continues to increase.

Key barriers that have had a negative impact on fulfilling the Town's affordable housing strategies include:

- High acquisition prices for existing buildings
- Lack of vacant parcels zoning for multifamily development, and high acquisition price for property that might be redeveloped.

- High construction costs
- High cost of existing units, especially for those suitably sized for family households (2-4 bedroom units)

To address an increasing affordability gap, this year the Town increased the total homebuyer down payment assistance from \$75,000 to \$125,000 per unit, which successfully resulted in additional home purchases. Given a slight softening of the housing market, the Housing Division staff and Housing Advisory Board are exploring the possibility of providing additional assistance for income-eligible buyers who purchase units in specific buildings undergoing renovation in coordination with condominium conversion, where conditions are suitable to impose the Town's permanent affordability restrictions.

LINCOLN

No monitoring was conducted during FY06 as no HOME-funded units have yet been completed.

NEEDHAM

No monitoring was conducted during FY06 as no HOME-funded units have yet been completed.

NEWTON

Please refer to the relevant sections under the "City of Newton Housing and Community Development Program" heading above.

WALTHAM

All projects and activities undertaken in Waltham with HOME funds are consistent with the priorities and strategies in the Consolidated Plan. Housing Division staff annually monitors all HOME-funded housing developments to ensure compliance with federal, state and local standards. Monitoring procedures vary depending on the type of project or activity undertaken; however, a risk analysis is conducted annually to determine the proper level of monitoring (i.e. desk review, onsite visit, etc.) for each project. Additionally, the Housing Division is monitored annually by the lead agency of the Consortium.

Self evaluation

Monitoring in FY06 helped Housing Division staff make headway on a more organized collaboration between the City and the CDC and helped improve on documentation with rental projects and HOME-assisted clients. The use of the HOME monitoring checklists has been extremely helpful in this effort.

The results of the monitoring of the Waltham CDC indicated that HOME regulations had been implemented. Findings did include missing and incomplete documentation of tenant income and rent information. The CDC was notified of the finding, and the proper steps are being taken by the CDC to correct the problem. Communication has improved overall with CDC staff due to the monitoring. The City assisted the CDC to better organize tenant monitoring documentation and provided them with the HOME monitoring checklists.

The program helps the City to identify need and plan accordingly. The information on housing needs gathered as a part of the Consolidated Plan and the Annual Action Plan will be considered when the CPA Committee accepts proposals for funding. It

will also be used by the City Council when determining what options will be required by developers requesting special permits.

Limited resources in the face of growing needs for affordable housing and other assistance for Waltham's less affluent residents force the City to target its efforts into helping the neediest people. Low-income families and elders are prioritized for CDBG- and HOME-based housing assistance (in the form of housing development, rehabilitation loans and down payment assistance loans) because they have the fewest resources and faced the greatest shortages of affordable housing in Waltham during FY06.

The City of Waltham allocated FY06 funding to the Down Payment Assistance Program and CHDO set-aside funding for affordable homeownership and affordable rental development. Thirteen HOME deferred loans totaling \$565,782 have provided decent, affordable housing to low- and moderate-income families. Each of the 13 properties is Title X lead compliant through HOME lead abatement grants.

The City of Waltham will continue to work with private developers in developing affordable units as part of the Inclusionary Zoning Special Permit process.

No current HOME activities have fallen behind.

The City of Waltham administers a successful Down Payment Assistance program in the WestMetro HOME Consortium. Since program implementation in 1995, the Housing Division has administered 74 HOME deferred loans. High attendance in the local CDC Homebuyer Counseling Classes indicates a continued influx of applicants and interest in the program.

Recent City-approved special permit projects will result in five additional affordable units in the City in the upcoming year which will be administered through local lotteries administered through the Housing Division and/or housing consultants.

The greatest barriers to meeting Waltham's underserved housing needs is the sheer size of the need compared to the amount of: a) vacant, developable land and b) funding available for developing housing affordable to low- and moderate-income people. Waltham is close to being completely developed, with the exception of several large parcels of land owned by the Commonwealth of Massachusetts in the northeastern quadrant of the city. Simultaneously, the city's strategic location astride Interstate I-95 and Route 2 makes it ideal for developing housing to serve the regional housing market, resulting in rapidly rising property values and sales prices. Accelerating residential development, focused on replacing existing structures with relatively expensive townhouses and condominiums, has driven up the price of building affordable housing, but more significantly, has also hardened many citizens towards dense housing construction, particularly in Waltham's downtown, around which the city's CDBG Target Area is based.

The City of Waltham has exhausted its HOME funding every year in an effort to provide decent affordable housing and is on target to meet yearly goals.

In terms of improvements to activities that might help meet needs more effectively, greater participation by the private sector in providing affordable housing in private developments would go a long way towards increasing affordable housing options in Waltham.

WATERTOWN

Self evaluation

Weekly, sometime daily, contact with Watertown Community Housing (CHDO) and the developers of the Marshall Place Apartments (CASCAP) occurred during FY06. As a result, complexities and problems often associated with such projects were reduced, and issues were resolved before they could become problematic. The completion of the Marshall House project has met the need for low-income senior rental housing, thus helping solve neighborhood and community problems. During FY06, no activities fell behind schedule, and goals were on target. A change to Fannie Mae underwriting that allows affordable restrictions to survive foreclosure is a possible improvement that might meet Watertown's needs more effectively.

Lead-based Paint

1. Describe actions taken during the last year to evaluate and reduce lead-based paint hazards.

Program Year 1 CAPER Lead-based Paint response:

CITY OF NEWTON HOUSING AND COMMUNITY DEVELOPMENT PROGRAM

All Newton Housing and Community Development program homebuyer and rehabilitation cases are reviewed for Title X, and appropriate measures are taken to comply. Temporary relocation assistance is provided to families if necessary.

WESTMETRO HOME CONSORTIUM

If any actions were taken by WestMetro HOME Consortium members to evaluate and reduce lead-based paint hazards, this information is contained in the "Housing Needs" or "Specific Housing Objectives" sections.

HOUSING

Housing Needs

*Please also refer to the Housing Needs Table in the Needs.xls workbook.

1. Describe Actions taken during the last year to foster and maintain affordable housing.

Program Year 1 CAPER Housing Needs response:

CITY OF NEWTON HOUSING AND COMMUNITY DEVELOPMENT PROGRAM

Priority #1: Increase the overall supply of a variety of affordable housing options and reduce the housing cost burden of extremely low-, low- and moderate-income persons, including special needs populations.

The City continued to increase the supply of affordable housing for individuals and households including persons with special needs. In FY06, the following housing development projects were completed and occupied: 45 Pelham Street (10 rental units for low-income seniors); 20-22 Falmouth Road (two rental units for families);

and 163 Jackson Road (two rental units for families). Nonantum Village Place, a 34-unit rental development for very-low income seniors was fully occupied in FY06.

Three properties for persons with special needs were acquired in FY06. The Barry L. Price Rehabilitation Center acquired 1751 Washington Street, a single-family property with four bedrooms, and 13-15 Wiltshire Road, a two-family property with five bedrooms, for their clients with severe mental retardation and physical disabilities. Riverside Community Care acquired 173 Tremont Street, a two-family property with eight bedrooms for individuals with developmental disabilities. The Washington, Wiltshire and Tremont Street properties are all occupied and undergoing phased rehabilitation. Rehabilitation work on these properties is scheduled for completion in FY07.

Citizens for Affordable Housing in Newton Development Organization (CAN-DO), the City's CHDO, acquired 11-13 Cambria Road in FY06. The two-family property required de-leading and moderate rehabilitation and was fully occupied in early FY07. Work progressed on two other CAN-DO projects in FY06: Linden Green, located at 248 Elliot Street, and Millhouse Commons located at 1101 Chestnut Street. These homeownership projects are scheduled for completion and occupancy in FY07.

Priority #2: Create homeownership opportunities for low-, moderate-and middle-income residents.

The City's homebuyer assistance programs funded six units for first-time homebuyers in FY06. The homebuyer programs are capitalized with CDBG funds and local Community Preservation Funds, which are generated by a one percent surcharge on property taxes matched with State funds.

Two homeownership units for households at 80 percent of area median income were constructed in FY06 under the City's inclusionary zoning ordinance. A lottery for the two affordable units was conducted and the affordable units, which are deed restricted in perpetuity, will be occupied in FY07. Another for-sale housing project requiring a special permit was 267-275 Watertown Street. Completed in FY06, the developer of the four-unit development provided a cash payment in lieu of an affordable unit (cash payments are allowable for developments of six or less total units). The payment, which was divided equally with the Newton Housing Authority, was \$86,247 or three percent of the average sale price for the four units. The City's share of the cash payment (\$43,123) was deposited for a future affordable housing project.

Priority #3: Create rental opportunities for low-and moderate-income residents.

In addition to expending federal funds on the creation of rental housing, the City capitalized the Accessory Apartment Incentive Program (AAIP) in FY06 which, if successful, will add additional rental units to the City's affordable housing inventory. Designed as an 18-month pilot program and funded with \$320,550 in Community Preservation Funds, the AAIP is a partnership between the City and Community Living Network, Inc., a Newton-based nonprofit that provides housing and support services to elders. The program was created to provide Newton homeowners with the opportunity to create an accessory apartment or bring an existing accessory apartment into compliance with local and State building codes. The AAIP provides both technical assistance and financial assistance in the form of grants and/or loans to Newton homeowners who are interested in providing affordable rental housing to

income-eligible low-and moderate-income individuals and families. Up to \$90,000 per unit is available to eligible homeowners. The purpose of the AAIP is to create three accessory apartments and at the end of the 18-month trial period, determine if there is a need to continue the program and seek additional funding.

Priority # 4: Support existing emergency shelter, transitional housing and permanent supportive housing for homeless individuals and families; continue to use CDBG, Continuum of Care and other financial resources to create more units of permanent affordable housing to enable residents of transitional housing programs to become self-sufficient, and continue to support prevention programs for individuals and families at-risk of homelessness.

During FY06, the Housing and Community Development Program used CDBG and ESG funds to assist 275 homeless people through the provision of operating assistance for emergency shelters and transitional housing facilities. Community Development Block Grant funds were also used by CAN-DO to purchase and rehabilitate a property at 11-13 Cambria Road which is currently occupied by families from the transitional housing programs at Garfield House and the Kayla Rosenberg House. Additionally, 226 individuals and families with children received homelessness prevention assistance from programs using ESG funds.

Priority #5: Enhance and expand local support for affordable housing and maximize the effectiveness of local resources through collaboration, partnerships, education and efficient processes.

In FY06, the Newton Housing Partnership, a volunteer board whose mission is to foster, support and initiate land use, planning and fiscal policies and actions that result in the development and preservation of affordable housing, evaluated the skills and professional backgrounds of members on the Partnership. The members identified gaps in the professional expertise of sitting members and diligently initiated a successful recruitment process. The current membership is comprised of professionals in housing, planning, finance, architecture and economic justice—greatly expanding the breadth of the Partnership’s collective experience. By adding members whose backgrounds and experience was missing from the board, the Partnership increased its effectiveness as a local resource for affordable housing advocacy, development review and policy making.

Through its Planning and Development Department, the City sponsored a workshop in April 2006 for Fair Housing Month and also funded fair housing training workshops (in May and June 2006) for local realtors. The City has made a commitment to eliminating incidents of housing discrimination in the community and understands that education is an important tool in organizing residents to oppose discriminatory practices and behavior.

As part of this effort, the Planning and Development Department’s housing staff has developed an interdepartmental collaboration with the City’s Department of Health and Human Services (HHS) to handle fair housing discrimination complaints. Previously, HHS dealt with housing complaints as staff to the City’s Human Rights Commission. In FY06, a new process was developed which enabled housing complaints to go to the housing staff in the City’s Housing and Community Development Division. Starting in FY07, housing staff will work with the appropriate local and State boards and commissions to resolve housing complaints.

WESTMETRO HOME CONSORTIUM

BEDFORD

- Create new rental opportunities affordable to very low-, low- and moderate-income families.
 - Patriot Place, a ten-unit rental development with seven affordable units, located near the center of Bedford, was completed and occupied during FY06.
 - 447 Concord Road is a 14-unit rental project, with 12 affordable units, being developed on Town-owned land. The 12 units will be affordable to households making up to 50 percent and 65 percent of AMI. Development plans are progressing for this project.
 - Avalon Bay at Bedford Center has been completed and occupied. The 139-unit project includes 35 affordable units to household making up to 80 percent of AMI.
 - Heritage at Bedford Springs is a proposed 164-unit Chapter 40B with 33 units affordable to households making less than 50 percent of AMI. A Comprehensive Permit was approved for this project during FY06.

- Create affordable homeownership units for first-time homebuyers
 - During FY06, construction began on the North Road (Stephen Lane House) six-unit condominium project with two affordable units and marketing of the affordable units began. Construction is scheduled to be completed during 2007.
 - Construction began during FY06 on the first building of the Village at Bedford Woods project, which consists of 88 condominiums with 22 affordable units. Marketing was undertaken for the first eight affordable units.

- Create affordable housing options for households who are homeless, near homeless, or have special needs
 - Bedford Veterans Quarters is a 60-unit SRO for homeless veterans being developed on Veterans Administration hospital property by a nonprofit. This project faced a set back in 2004, and it was thought it might not go forward. However, during FY06, the project was revived, and it is again under active development with a new developer. Completion is expected in 2007.

BELMONT

As previously mentioned, during FY06, the Town of Belmont completed three affordable units during FY06. These units were the first affordable housing added to the Town's existing inventory in more than 30 years.

Additionally, while not officially defined as affordable housing, two financial programs exists to help families stay within their homes, each of which has been previously mentioned—the Belmont Affordable Shelter Fund and tax abatement programs. Each of these programs has had (and will continued to have) a tremendous impact on persons who have accessed them.

BROOKLINE

Goal #1: Work with non- and for-profit developers to acquire and redevelop existing rental units for cost burdened residents of Brookline earning less than 80 percent of median income.

Objective: Decent affordable housing

Outcome: Affordability for the purpose of providing decent affordable housing

Indicator #1: While four properties were explored, no properties were acquired during FY06

Expected Resources: Home, CDBG, Housing Trust, State, Private

Indicator #2: Provided CDBG loan to nonprofit owner of 28-room lodging house to undertake modernization efforts and assure long term preservation of units for very low-income residents

Resources: CDBG, Private

Accomplishments:

The Town continued to encourage nonprofit affordable housing developers to seek opportunities for new projects within Brookline. The Housing Division of the Department of Planning and Community Development also conducted outreach to property owners and brokers and brought them together to discuss particular opportunities with nonprofit owners.

Over the past year, staff visited various properties available for sale, identifying those which might ultimately be made affordable through write-down with public subsidy. Staff introduced nonprofit buyers to potential sellers of four properties, and two specific opportunities were pursued to the point of nonprofits making offers on the properties. The Housing Division staff expects that at least one project will move into the acquisition phase over the coming year.

Housing staff continued to assist the Brookline Improvement Coalition (BIC) to complete the rehabilitation, refinancing and occupancy as permanently affordable housing, of a six-family building at 154-156 Boylston Street. The Town originally committed up to \$525,000 in its Housing Trust funds which, along with favorable financing from Brookline Bank, enabled the BIC to acquire the property in January of 2004. Rehabilitation and re-occupancy was completed during the summer of 2005, and the property was refinanced with the Massachusetts Housing Partnership, including \$495,000 in "soft" loans. Ultimately, the Town used \$593,000 in CDBG funds for rehabilitation, as well as repayment of the Housing Trust bridge loan, making this source available for future affordable housing investments.

Lastly, while the Town does not ordinarily engage in funding the rehabilitation of existing affordable housing, this year the Town committed \$276,000 in CDBG funding for modernization of a 28-room lodging house at 1043-45 Beacon Street, originally purchased and rehabilitated by Pine Street Inn in 1988. By the end of the fiscal year, construction was almost complete, significantly extending the viability of this important resource for very low-income individuals.

Goal #2: Assist qualified non- and for-profit developers to develop affordable new rental housing for households earning less than 60 percent of area median income, as well as ownership and rental opportunities for households earning less than 80 percent of area median income.

Objective: Decent affordable housing

Outcome: Affordability for the purpose of providing decent affordable housing

Indicator: Project is on hold pending the resolution of litigation initiated by neighbors and taxpayers but is expected to resume construction in the fall of FY07.

Resources: HOME, Brookline Housing Trust, State Sources, Private Sources

Accomplishments:

The proposed 59-unit St. Aidan's project, sponsored by the Planning Office of Urban Affairs of the Archdiocese of Boston, began FY06 with both a model unit and construction documents complete but with final construction bids considerably over budget. As a result, the Town committed an additional \$1 million, bringing its total commitment of Housing Trust, HOME and CDBG funds (the latter to purchase public access rights to a conservation area) to \$4.5 million allowing for the potential elimination of up to 14 affordable units targeted to households with incomes up to 110 percent of median income.

With an additional commitment of State funds and final permitting, the developer was preparing for a fall closing and construction start which would provide 20 tax credit rental units and 15 condominiums serving households with incomes below 80 percent of area median income. The project was halted in September 2005 by the filing of a complaint in Norfolk Superior Court by neighbors and taxpayers. It is anticipated that the suit will be settled in the fall of 2006 and that the construction process will get underway. The project will not only provide affordable housing, but will also preserve the historic church through adaptive reuse and conserve the historic courtyard.

Goal #3: Work with private developers to develop on-site affordable units in market-rate developments as part of the Town's Inclusionary Zoning By-law.

Objective: Decent affordable housing

Outcome: Affordability for the purpose of providing decent affordable housing

Indicator: Completed the marketing and selection of buyers for six affordable condominium units under the Town's Inclusionary Zoning By-law and worked with developers planning additional projects.

Resources: Private

Accomplishments:

The Housing Division continued to work with developers of new market-rate projects subject to the inclusionary zoning provisions of the Zoning By-law, including:

- Completing the occupancy of two affordable units serving households with incomes under 80 percent of area median income at the nine-unit Park Place condominium development at 55 Park Street;
- Marketing and reviewing applications for four affordable units (three serving households with incomes less than 80 percent of area median income) at the 29-unit Cypress Lofts II condominium development at 323 Boylston Street;
- Working with developers to complete affordable housing plans for three affordable condominiums at 156-160 St. Paul/ 76-78 Sewall Avenue; nine affordable condominiums at 635 Hammond Street; and four affordable condominiums at 311-327 Hammond Pond Parkway; and
- Negotiating with the purchaser of 20 Chapel Street to assure that the two existing affordable rental units will continue to be affordable following condominium conversion.

Goal #4: Maximize continued affordability in expiring use developments.

Objective: Decent affordable housing

Outcome: Sustainability for the purpose of providing decent affordable housing

Indicator #2: Continued to work with members of the 116-unit "expiring use" Brookline Cooperative towards an agreement on condominium conversion that will preserve at least 25 percent of the housing units as permanently affordable.

Resources: Private

Accomplishments:

In April of 2006, a 116-unit Cooperative, originally built with funds from HUD's 221(d)3 BMIR Program, completed its 40-year HUD regulatory period. While the Town has no official use restrictions on the property, it maintains certain legal rights over transfer of the development's assets. The Town has met with the Co-op's Board of Directors for several years to negotiate an outcome that will maximize the number of affordable units preserved; during the past year, a Memorandum of Understanding between the Co-op and the Town was drafted that outlines a plan for the project's restructuring into a mixed-income condominium which maintains at least 25 percent of the units as permanently affordable to households earning less than 80 percent of area median income. It is expected that the transfer from co-op to mixed income condominium will take place during FY07.

Goal #5: Assist low- and moderate-income renter households with the purchase of a home in Brookline through the Homebuyer Assistance Program.

Objective: Decent affordable housing

Outcome: Affordability for the purpose of providing decent affordable housing

Indicator: Assisted three low- and moderate-income homebuyers with the purchase of a home in Brookline through Brookline's Homebuyer Assistance Program.

Resources: HOME, CDBG, State, Private

Accomplishments:

Town Housing Staff continued to provide financial and technical assistance to low- and moderate-income households and Town employees seeking to purchase a home in Brookline. The Housing Division counseled dozens of prospective purchasers. An increase in the subsidy limit for its HOME/CDBG-funded down payment assistance program from \$75,000 to \$125,000 per household recharged this program, resulting in three purchases of condominiums by income-eligible households. The Division also worked with these and the six buyers of inclusionary zoning units at Park Place and 323 Boylston Street to access Commonwealth of Massachusetts' Soft Second Program financing. The Town participates in this program, critical to making the housing affordable to a wide range of incomes, in collaboration with Boston Private Bank and Trust Company.

Goal #6: Where appropriate, work with a private developer to improve Town-owned land for redevelopment as mixed-income housing.

Objective: Decent affordable housing

Outcome: Affordability for the purpose of providing decent affordable housing

Indicator: Plans to select a developer and develop a plan for disposition of the five-acre Town-owned Fisher Hill Reservoir site have slowed due to an increased need for additional community input.

Resources: Private

Accomplishments:

Town staff continued to work with a subcommittee of the Fisher Hill Town Site Committee to seek agreement on a mixed-income project on this 4.8-acre Town-owned site. The subcommittee sponsored a design charrette in January, which explored site planning and potential massing as a prelude to establishing development guidelines.

LINCOLN

Priority: Increase affordable and accessible rental opportunities through new development.

During FY04, Lincoln took possession of two parcels from the Commonwealth of Massachusetts on Sunnyside Lane near the Minuteman National Park. One of these parcels has an existing rental property, while the other is vacant. The Town formed a committee that started to develop plans to build an affordable rental dwelling with an affordable accessory apartment on the vacant property. During FY05, the Town began the permitting process and received all appropriate permits by August 2005.

The Town then made two attempts at the RFP process without finding a successful bidder that met both state procurement requirements and the project budget. The Town is currently reevaluating the project in light of these setbacks in terms of revising the RFP to eliminate excessive costs. The existing rental property is to be rehabilitated and have an affordable accessory apartment added to it in fall 2006. Ground has been broken with a foundation already underway with construction provided by the Minuteman Regional Technical High School. Funding for these projects has come from the Town meeting approval of the project with Community Preservation Funds and private donations.

Priority: Increase affordable rental opportunities in the existing housing stock.

The Town's Accessory Apartment Task Force has submitted a revised Accessory Apartment Program to the Department of Housing and Community Development for approval to add accessory units to the Subsidized Housing Inventory in the winter of 2006 in an attempt to facilitate the use of accessory apartments to increase affordable rental opportunities.

Priority: Increase affordable homeownership opportunities in the existing housing stock.

The Town of Lincoln is working with the Lincoln Foundation to buy down existing condominium units when they become available. The Town has the option to buy down two additional units of the 32-unit Minuteman Commons condominium complex now under construction.

NEEDHAM

The Town of Needham's FY06-10 Consolidated Plan and Strategy identified strategies to increase affordable housing options for its residents. The following provides a status report on the progress made towards implementing them during FY06.

Priority 1: Better organize and plan for affordable housing production

Accomplishments:

Action 1: Pursue housing in the Town Center through the development of a comprehensive plan

Town Meeting has approved the allowance of housing in the second floor as well as the half story above the second floor in the Central Business District. Zoning was also amended to promote underground parking in the Central Business District by exempting the floor area of the parking garage in the calculations for determining the maximum floor area ratio. Needham has recently received state technical assistance funding to hire a consultant to prepare a master plan for the area that will

require the integration of some level of affordable housing. Recently, a consultant was hired. The results of this work are due in the spring of 2007 in sufficient time to bring zoning changes to the spring Town Meeting. No other proposed initiative received as strong support as this one in the community workshops that were held as part of the Executive Order 418 planning process and perhaps no other is as complex.

Action 2: Develop a Housing Production Plan

Needham is in the process of finishing a Planned Production Plan which updates strategies to reflect the current status of proposed housing initiatives and ensures compliance with Planned Production requirements. The Plan establishes production goals based on planned strategies to produce at least .75 percent of the year round housing stock or 1.5 percent for two years. The next steps in this process include community review of the plan and submission of the Plan to the state Department of Housing and Community Development.

Priority 2: Use public properties to serve housing needs

Accomplishments:

Action 1: Support efforts to expand the High Rock Estates project

Needham has approved the necessary zoning to allow the Needham Housing Authority to move forward in its plan to increase the number of units in the High Rock Estates development of 80 single-family units by replacing 20 such units with 40 units in 20 two-family structures. The Housing Authority is currently in the process of securing project financing and expects to begin construction in 2007.

Action 2: Provide for housing development on selected parcels of Town-owned land

The Town is making progress on this action, recently accepting the proposal from Habitat for Humanity on the development of the Town-owned parcel at the corner of Brookline and Bancroft Streets for the construction of an affordable home for a first-time homebuyer in response to a Request for Proposals. The contribution or "bargain sale" of land owned by the Town but not essential for municipal purposes could have a catalytic effect in launching housing efforts in the public interest. The Board of Selectmen appointed an Open Space Working Group to review Town-owned land and to make recommendations regarding most appropriate uses.

Priority 3: Help lower-income households gain better housing

Accomplishments:

Action 1: Help develop an Individual Development Account Program

The community non-profit, Needham Opportunities, Inc., is planning to implement an Individual Development Account (IDA) program (a form of matched savings) to allow public housing tenants to save for homeownership, to move into private rental housing, to support the costs of higher education, or to start a business. HOME funding might be needed to help cover down payment and closing costs for these households transitioning from public housing and rental assistance to homeownership. Using HOME funds and other resources, the Town will continue to support this initiative.

NEWTON

Please refer to the information above in the "City of Newton Housing and Community Development Program" answer.

WALTHAM

A. INCREASE AFFORDABLE RENTAL OPPORTUNITIES IN THE EXISTING STOCK

Homeownership costs have narrowed housing options for the majority of Waltham residents, keeping them in rental units and boosting demand for rental dwellings. This has forced many low- and moderate-income households to pay more than they can afford for housing or to make less desirable choices such as overcrowding. Three-fifths (60 percent) of Waltham's renters spend more than 30 percent of their gross income on housing. This translates into roughly 3,500 renter households currently experiencing a rent burden, while 212 low- and moderate-income renters live in overcrowded or substandard conditions. Waltham's old housing stock (87 percent of dwellings built before 1980) and the concentration of that older stock in the city's poorer neighborhoods indicates a need for de-leading assistance, especially for families with children. Local social service agencies have stated that demand for rental housing for people with special needs is increasing.

To address these issues, during FY06, Waltham continued to provide financial assistance in the form of HOME funds to social service providers/vendors and the Waltham Housing Authority for the acquisition and rehabilitation of appropriate structures to accommodate various special needs populations.

B. INCREASE AFFORDABLE HOMEOWNERSHIP OPPORTUNITIES IN THE EXISTING HOUSING STOCK

The ratio of the median value of a single family home to median household income in Waltham in 1980 was 3.1. This figure rose to 5.5 in 1988, dropped slightly to 4.5 in 1995, and currently stands at 4.7. While this ratio has decreased, first-time homebuyers will still need financial assistance over the next five years.

Another problem, which is less obvious from a cost perspective, is absentee-owned multi-family buildings. More than half of the City's rental buildings are absentee-owned, a ratio that does not induce neighborhood stability or neighborhood confidence. Increasing owner-occupancy in transitional neighborhoods serves to put more "caretakers" on each street and helps improve the quality of life in the area.

Actions taken during FY06 to address this issue included the provision of financial assistance to first-time homebuyers of one- to four-unit properties.

WATERTOWN

Priority #1: Increase the number of affordable rental and homeowner units for low- and moderate-income households

- For the First Time Homebuyer Program (FTHB), during FY06 the Town increased marketing efforts which consisted of news advertisements, web postings and increased visibility of the program as a component of the marketing plan for the Riverbank and Repton Place developments. Several FTHB certification classes were planned, and during the program year one down payment assistance loan was made, which also included ADDI funds.
- Inclusionary zoning resulted in several affordable housing agreements made with developers. The Inclusionary zoning section of the Zoning Ordinance has been revised in conjunction with comprehensive zoning revisions. Input in the revision

process was received from the Town's zoning consultant, the Housing Partnership, housing advocates and developers. The proposed changes will be submitted to the Town Council in FY07.

- In terms of housing development, during FY06, the Housing Partnership voted to provide \$375,000 in funds for the redevelopment of the Coolidge School into age 55+ apartments, with 40 percent of the units as affordable. The Marshall Place Apartments development was completed. The request for funds for the Beacon properties development was withdrawn due to conversion to condominiums and a different financing structure. The Town continued to provide operating funds and technical support to Watertown Community Housing, the Town's CHDO.

Priority #2: Preserve existing affordable units in small structures through rehabilitation, de-leading, expanding accessible housing and helping the elderly stay in their homes.

- The Town applied for new FY06 CDBG funding and Town matching funds to continue the successful rehabilitation Home Improvement Program. Several units were renovated and de-leaded during the program year.
- The Get the Lead Out Program made two loans during the program year and continues to receive periodic inquiries.

Progress in obtaining other public and private resources to address housing development needs includes Watertown's current effort to comprehensively update the Zoning Ordinance, including provisions for mixed-use development, smart growth and other housing opportunities.

Specific Housing Objectives

1. Evaluate progress in meeting specific objective of providing affordable housing, including the number of extremely low-income, low-income, and moderate-income renter and owner households comparing actual accomplishments with proposed goals during the reporting period.
2. Evaluate progress in providing affordable housing that meets the Section 215 definition of affordable housing for rental and owner households comparing actual accomplishments with proposed goals during the reporting period.
3. Describe efforts to address "worst-case" housing needs and housing needs of persons with disabilities.

Program Year 1 CAPER Specific Housing Objectives response:

CITY OF NEWTON HOUSING AND COMMUNITY DEVELOPMENT PROGRAM

In FY06, the City of Newton took three *new* actions to foster and maintain affordable housing in the community. The Accessory Apartment Incentive Program (AAIP) was approved and funded with Community Preservation Funds in FY06. This pilot program provides funding for the development of three accessory apartments. In return for funding assistance, homeowners agree to rent their accessory apartment to income-eligible tenants whose gross annual household income is below 80 percent of area median income.

In addition, the City generated interest in its remaining FY06 CDBG and HOME funds and new FY07 funds by sending out an electronic mail to all local nonprofit organizations notifying them of the available funds. The electronic mail generated two serious responses, one of which will result in the acquisition of three condominiums by Advocates, Inc. for their clients with mental illness.

Finally, the City housing staff expanded their monitoring and compliance responsibilities to include all developments that have an affordable housing component. This resulted in monitoring a 90-unit project that received a special permit in 1994 under the City's inclusionary zoning ordinance. Under the conditions of the special permit, the owner is required to provide five units of affordable housing to low- and moderate-income tenants. The project had not received federal funds, and therefore had never been monitored by the City. Housing staff discovered that the project, which is an assisted living facility, was not in compliance and is currently working with the property management company to develop a compliance plan that will include income-certifying tenants on an annual basis and subsidizing the affordable units by the required percentage of gross revenue from housing and service fees.

The following information details the City's progress in meeting the objective of providing affordable housing during FY06:

- Priority: Increase the overall supply of a variety of affordable housing options and reduce the housing cost burden of extremely low-, low- and moderate-income persons, including special needs populations.

Accomplishments:

Fourteen housing units were completed and occupied: ten rental units for extremely-low income seniors and four units of rental housing for families at 80 percent of AMI (20-22 Falmouth Road and 163 Jackson Road). Seventeen units of housing were acquired and occupied by special needs populations: 1751 Washington Street (4 units), 13-15 Wiltshire Road (5 units) and 173 Tremont Street (8 units). Nonantum Village Place (NVP) was fully occupied in FY06. NVP includes 34 units of rental housing for extremely low- and low-income seniors.

- Priority: Create homeownership opportunities for low-, moderate- and middle-income residents

Accomplishments:

The City committed \$1.2 million in Community Preservation Funds towards the development of a 57-unit for-sale development located at 27-35 Commonwealth Avenue. When completed, the project will provide 15 homeownership units for households below 80 percent of AMI. Two additional homeownership projects—Oxford House at 391 Walnut Street and Kessler Woods—will provide a total of 13 units in FY07 and FY08.

Both projects required a special permit. The completed Walnut Street units are for households below 80 percent AMI. Eleven of the Kessler Woods units are for households at 70 percent of AMI; three units are for households at 120 percent AMI. Kessler Woods is still in the permitting stage.

- Priority: Create rental opportunities for low- and moderate-income tenants

Accomplishments:

The Accessory Apartment Incentive Program, one of the proposed activities in the FY06 Annual Action Plan, was funded in FY06. Housing staff developed program guidelines, informational sheets and an application in preparation for the program roll-out in August 2006. The AAIP will result in the development of three rental units for low- and moderate-income households. In addition, 65 rental units for extremely low-, low- and moderate-income tenants were completed and occupied in FY06 (45 Pelham St., 239 Watertown St., 20-22 Falmouth Rd., 163 Jackson Rd., 1751 Washington St., 13-15 Wiltshire Rd. and 173 Tremont Street).

- Priority: Enhance and expand local support for affordable housing and maximize the effectiveness of local resources through collaboration, partnerships, education and efficient processes

Accomplishments:

In FY06, City housing staff submitted a Fair Housing Initiative Program application to HUD. Through a partnership with the Fair Housing Center of Greater Boston, the City is proposing to follow up on its commitment to fair housing and is seeking funding to provide training and develop educational materials on housing discrimination. In addition, the City sponsored a fair housing forum in April to discuss the results of a fair housing audit conducted by the Fair Housing Center. The forum was an important venue in which to discuss incidents of discrimination and what steps the community needed to take to avoid discriminatory problems in the future.

All CDBG- and HOME-assisted housing funded in FY06 meets Sec. 215 qualification as affordable housing. The Section 215 requirements are included in all loan agreements with sub-recipients and checked for compliance when federally-funded projects are monitored.

In FY06, the City funded three projects that serve low-income individuals with special needs: 173 Tremont Street, a group home for eight individuals with developmental disabilities; 1751 Washington Street, a group home for four individuals with severe mental retardation and physical disabilities; and 11-13 Wiltshire Road, an eight-bedroom group home also for individuals with severe mental retardation and physical disabilities. In addition, during FY06, the City contracted with the Disability Law Center, Inc. to conduct a rental and sales discrimination audit that focuses on equal treatment, reasonable accommodation and reasonable modification for people with disabilities. The results of the audit will be released in FY07.

WESTMETRO HOME CONSORTIUM

BEDFORD

Although no HOME funds were expended in Bedford during FY06, forty-two units (Avalon Bay and Patriot Place) of affordable rental housing have been constructed and occupied during FY06. These projects are serving households making less than 80 percent of median income. Development is in progress for an additional 105 affordable rental units (Heritage Springs, 447 Concord Road, Bedford Veterans Quarters SRO). Eight affordable homeownership units (Village at Bedford Woods) have been completed and marketed. An additional 18 affordable homeownership units (Village at Bedford Woods and Stephen Lane House) are under construction or construction will soon begin.

Efforts to address “worst-case” housing needs and housing needs of persons with disabilities during FY06 included:

- The 60-unit SRO will provide housing for homeless veterans.
- 447 Concord Road and Heritage Springs will target lower-income renters, those making below 50 percent of the median income and 30 percent of AMI.
- 447 Concord will contain a unit for a sensory impaired individual and/or tenants with disabilities.

BELMONT

One of the three B Street units was specifically set aside for a household with one or more members with a disability. However, the developer had a difficult time finding qualified households, and the unit ultimately went to a family without disabilities.

The Trust has met with the potential developers of the Belmont Uplands, 300 condominium units, to discuss providing accessible housing. While the developer committed to doing so, they have not committed to a specific number of units.

BROOKLINE

HOME funds were utilized to assist three low- and moderate-income homebuyers with the purchase of a home through Brookline’s Homebuyer Assistance Program.

LINCOLN

No housing units were created in Lincoln during FY06, thus no extremely low-, low- or moderate-income people were served. Due to the small amount of HOME funding received by the Town, additional funding sources are necessary, and the process of developing affordable housing units has been slow.

NEEDHAM

No housing units were created in Needham during FY06, thus no extremely low-, low- or moderate-income people were served. The High Rock Estates project, however, is progressing and will serve people in these income categories in the near future.

NEWTON

Please refer to the information in the “City of Newton Housing and Community Development Program” presented above.

WALTHAM

In 2000, more than three-eighths of Waltham’s households (37 percent, or 8,566) had incomes below 80 percent of the Boston-area median income.

- More than half (57 percent) of these “low- or moderate-income” (LMI) households (4,911) lived in unaffordable housing, in that they paid more than 30 percent of income for rent or mortgage payments.
- One-ninth (1,560) of Waltham’s “middle or upper-income” households, earning more than 80 percent of the Boston-area median, lived in unaffordable housing.
- The number of households living in Waltham increased 10.7 percent from 20,728 to 23,207 between 1990 and 2000. Two-thirds of this growth was fueled by the influx of 1,641 single people into the city.
- Waltham is attracting more single-person households and losing single-parent families at a faster pace than is typical. Between 1990 and 2000, the number of singles grew by 20.7 percent while the number of single-parent families fell by 19.6 percent.

- Waltham's housing stock increased by 9 percent (2,157 units) between 1990 and 2000 to accommodate the greater number of households in the city. The number of vacant units also dropped by nearly 50 percent in the face of this demand.
- The median sales price of single-family homes sold in Waltham was \$400,000 in 2004, requiring an income exceeding \$103,000 to be considered affordable by federal standards. Even with historically low interest rates, such home prices are beyond the reach of most people in the Boston metropolitan area (where the median income was \$82,600 in 2004).
- More than 5,000 households are on the Housing Authority waiting list.
- Waltham needs 1,139 more units affordable to low- or moderate-income people to meet state requirements. Over ten years, this will require production of 114 units annually, assuming no growth in the city's housing stock. Adjusting for recent development trends, Waltham will have to produce 1,360 more affordable units, or 136 units annually, to make 10 percent of its housing stock affordable.

These and other findings lead to the same conclusions. To meet the needs of its residents,

- Waltham needs more housing that is affordable to people across a range of incomes.
- The private market is generally meeting the needs at the middle and upper end of the spectrum, while the lower-, moderate-, and even median-income segments may need some public intervention or assistance.
- The number of units needed probably exceeds realistic expectations by a significant number, and even meeting the Commonwealth's ten percent target will be a challenge.

The City of Waltham has structured its Down Payment Assistance Program to include the following Sec. 215 requirements. The Down Payment Assistance recipients must use the property they purchase with HOME funding as their primary residence for the entire length of the HOME loan. Homeowners provide a mortgage commitment that provides the length and term of the first mortgage. The homeowner cannot spend more than 30 percent of their income towards housing costs. The purchase price of the property cannot exceed 95 percent of the median purchase price for the area. The entire HOME loan is payable on sale or transfer of the property.

Rental units must be occupied by households that qualify as low-income. All families must pay no more than 30 percent of household income whose income on housing costs (excluding any Federal or State rental subsidy). All newly constructed units will meet energy efficiency standards.

Waltham's primary objective in serving residents with special needs is to help develop more affordable housing appropriate to their living requirements, including barrier-free units and dwellings with integrated support services. This is accomplished with HOME funds disbursed through the Waltham Planning and Housing Departments to local social-service agencies, such as WCI Inc. (formerly the Waltham Committee) and the Greater Waltham Association of Retarded Citizens (GWARC), as well as to local nonprofit housing developers, such as the Waltham Alliance to Create Housing (WATCH).

The City of Waltham does not engage in any HOME-funded down payment assistance activity that will result in the displacement of tenants. Eligible approved homebuyers

are counseled regarding displacement prior to the City accepting a Purchase and Sale Agreement. All applicants sign an affidavit of understanding prior to initial eligibility. All contracts for HOME-assisted activities must follow the requirements of 24 CFR part 84. This includes governmental entities and nonprofit organizations that are not governmental agencies. In properties larger than four units, the HOME funding proposal must include a relocation plan to the Housing Division for approval prior to funding approval. All properties in FY06 that utilized HOME and/or ADDI funds did not require any relocation. Properties were single-family homes and condominiums.

WATERTOWN

During FY06, Watertown utilized HOME funds to assist seven extremely low-income renters and three low-income renters. In terms of addressing the housing needs of persons with disabilities, the Town specifically encouraged inclusion of accessible units in affordable projects.

Public Housing Strategy

1. Describe actions taken during the last year to improve public housing and resident initiatives.

Program Year 1 CAPER Public Housing Strategy response:

CITY OF NEWTON HOUSING AND COMMUNITY DEVELOPMENT PROGRAM

In FY06, the Newton Housing Authority acquired a 10-unit rental property located at 52-54 Wyman Street with \$1 million in Community Preservation Funds. The project, which is permanently deed restricted, needed moderate rehabilitation and minor de-leading on the exterior porch. The two-story brick building is now fully occupied by tenants with Section 8 rental subsidies.

The Housing Authority has a fulltime Resident Services Coordinator on staff whose primary responsibility is to identify the needs of the residents throughout the various housing developments. Through annual fundraising activities, the Resident Services Coordinator is able to offer a variety of classes and programs including recreational programs, English classes, holiday celebrations, blood pressure clinics, etc.

WESTMETRO HOME CONSORTIUM

BEDFORD

The Bedford Public Housing Authority has been aggressively seeking funds to renovate its existing housing units.

BELMONT

Belmont has not taken any direct actions to improve public housing. The Town, however, has actively pursued the development of affordable housing, both homeownership and rental units. This is a significant shift in the Town which has not developed any affordable housing in more than 30 years. Any step that the Trust takes toward providing safe decent affordable housing makes it that much easier to provide more in the future, and the more that is provided, the greater the possibility that residents will be able to move out of public housing.

BROOKLINE

No HOME funds were used to support public housing or resident initiatives.

NEWTON

Please refer to the answer given in the above “Newton Housing and Community Development Program” section.

WALTHAM

To address the identified housing needs, during FY06, the Waltham Housing Authority (WHA) sought to maintain, improve and preserve existing housing stock by using appropriate resources, and continued to be aggressive in applying for additional grants from federal as well as non-federal housing resources to help add to the affordable housing available in the city.

The City of Waltham continued its working relationship with government and nonprofit agencies to try and meet the community’s housing needs. Specifically, staff strived to improve housing management, to conduct outreach to increase the number of potential landlords and to modernize federal and state public housing. During FY06, the Waltham Housing Division supported the WHA by using federal HOME funds to develop more affordable housing in the city.

WATERTOWN

The Watertown Housing Authority (WHA) is engaged in a regular program of maintenance to keep its housing stock in good repair and in compliance with code requirements. The WHA also assists income-eligible tenants in securing permanent housing, which in turn creates additional space in public housing for citizens who have been placed on waiting lists.

Barriers to Affordable Housing

1. Describe actions taken during the last year to eliminate barriers to affordable housing.

Program Year 1 CAPER Barriers to Affordable Housing response:

CITY OF NEWTON HOUSING AND COMMUNITY DEVELOPMENT PROGRAM

Please refer to the response in the “Housing Needs” and “Specific Housing Objectives” sections.

WESTMETRO HOME CONSORTIUM BEDFORD

Actions taken during FY06 to address the barriers to affordable housing include:

- The Town created the Residential D zone described previously to assist in developing affordable housing.
- The Town continued its support of the Community Preservation Act which creates a financial resource for affordable housing projects.
- The Town worked with affordable housing developers in terms of reduced fees in order to ease the finances of affordable housing projects.

BELMONT

- The Trust met with neighbors of Our Lady of Mercy Catholic Church to discuss the potential development of the site for affordable housing.
- The Trust met with several developers to discuss how the Inclusionary Housing By-law would affect their properties. The Trust also discussed the process of a Comprehensive Permit with these same developers.

- The Trust drafted and issued a Request for Proposals for the development of Zone 6 for affordable family rental housing. This development would allow the construction of 40 dwelling units, all of which will be affordable to households at or below 80 percent of the area median income. At least 10 percent will be affordable to households below 30 percent of area median income, and five percent will be designed as handicapped accessible.
- The Town will continue to work with the developers of the Belmont Uplands which filed a Comprehensive Permit for 300 condominium units, 25 percent of which would be affordable housing.
- In order to continue to educate and dispel misconceptions about affordable housing, the Trust held a forum on density. The forum discussed many aspects of density (i.e., what is it, how to increase density while being sensitive to the surrounding area, why it is necessary) and was received quite positively.

BROOKLINE

In addition to the specific goals and objectives discussed in the “Housing Need” section, the Town undertook a number of actions to mitigate, reduce, or eliminate the barriers to affordable housing including the following:

- Assured that resources expended serve future, as well as present generations, by guaranteeing affordability for the longest period possible;
- Provided property tax exemptions and deferrals for low-income senior and disabled households;
- Assisted nonprofits in making accessibility improvements to existing and redeveloped residential properties;
- Using Town-controlled funding, including HOME, CDBG, and the Town’s Housing Trust, leveraged the maximum amount of additional resources to support affordable housing;
- Worked with local and regional banks to encourage favorable lending to income-eligible buyers and implemented the Soft Second Program;
- Conducted outreach to multi-family property owners and brokers in order to identify existing rental properties which may be sold to nonprofits for improvement and operation as affordable housing; and
- Identified and pursued, for potential affordable housing development, properties in transition, including privately-owned institutional properties.

LINCOLN

Please refer to the response in the “Housing Needs” and “Specific Housing Objectives” sections.

NEEDHAM

Please refer to the response in the “Housing Needs” and “Specific Housing Objectives” sections.

NEWTON

Please refer to the response in the “Housing Needs” and “Specific Housing Objectives” sections.

WALTHAM

- Provided \$136,860 in CDBG funds to provide deferred de-leading loans to 18 income eligible owner-occupiers of multi-family properties.
- Provided \$565,782 in HOME funds to for down payment assistance loans to low- and moderate-income families.
- Created de-leaded homeowner units using \$88,976 in HOME funds.

- Continued membership in the Boston Fair Housing Neighbors Network and the WestMetro HOME Consortium.
- Worked with the Waltham Housing Division and the City Council to implement the recommendations contained in the Waltham Housing Plan, prepared with the assistance of the Metropolitan Area Planning Council in 2003.

WATERTOWN

During FY06, the Town approved permits for several developments that include affordable housing, and made down payment loans and de-leading loans to first-time homebuyers.

HOME/ American Dream Down Payment Initiative (ADDI)

1. Assessment of Relationship of HOME Funds to Goals and Objectives
 - a. Evaluate progress made toward meeting goals for providing affordable housing using HOME funds, including the number and types of households served.
2. HOME Match Report
 - a. Use HOME Match Report HUD-40107-A to report on match contributions for the period covered by the Consolidated Plan program year.
3. HOME MBE and WBE Report
 - a. Use Part III of HUD Form 40107 to report contracts and subcontracts with Minority Business Enterprises (MBEs) and Women's Business Enterprises (WBEs).
4. Assessments
 - a. Detail results of on-site inspections of rental housing.
 - b. Describe the HOME jurisdiction's affirmative marketing actions.
 - c. Describe outreach to minority and women owned businesses.

Program Year 1 CAPER HOME/ADDI response:

WESTMETRO HOME CONSORTIUM

The American Dream Downpayment Initiative (ADDI) is a component of the HOME program through which HUD makes formula grants to participating jurisdictions, including the WestMetro HOME Consortium, for the purpose of making down payment assistance available to low-income families who qualify as first-time homebuyers. The WestMetro HOME Consortium's American Dream Downpayment Initiative (ADDI) Program pools ADDI funds to provide down payment assistance to enable moderate- and low-income households to purchase existing housing units in the Consortium member cities and towns at an affordable price. During FY06, 13 qualifying homebuyers in the WestMetro Consortium accessed ADDI funds to purchase a home.

During FY06, the WestMetro HOME Consortium reached out to residents of public and manufactured housing by developing and sending promotional material to member communities' public housing authorities, the Citizens' Housing and Planning Association, regional Section 8 administrators and the Massachusetts Nonprofit Housing Association. The Consortium also utilized its website and publication server to further broadcast the availability of ADDI funds to potential beneficiaries.

BEDFORD

The Town of Bedford did not make any ADDI loans during FY06. However, requests for ADDI funds were made, and applications were sent out. Loans may be made in FY07.

BELMONT

In the Town of Belmont, only one family took advantage of the ADDI program during FY06. While two other homeowners were eligible, they opted not to participate.

No units were inspected during FY06 as the Town's first HOME-funded units were only just completed.

BROOKLINE

In FY06, the Town made two loans each utilizing \$62,500 of HOME funds, in addition to \$10,000 per household of ADDI funds to assist in homebuyer costs.

The results of on-site inspections, required under the HOME Program, of HOME-assisted affordable rental housing undertaken are listed in the following table. As all of the HOME-funded buildings are less than 25 units, an on-site inspection is required only every two years and took place in FY05. Tenant re-certifications are done on an annual basis and took place in FY06.

FY06 Brookline On-site Inspection Results

Project	Date Monitored	Compliance with Property Standards	Compliance with Tenant Recertification
1017 Beacon Street	05/10/05	Yes	Yes
1019 Beacon Street	06/20/05	Yes	Yes
1027 Beacon Street	05/25/05	Yes	Yes
1754 Beacon Street	04/27/05	Yes	Yes

No persons were displaced as a result of HOME-assisted activities during FY06.

LINCOLN

No housing units were created in Lincoln during FY06, thus no extremely low-, low- or moderate-income people were served. Due to the small amount of HOME funding received by the Town, additional funding sources are necessary, and the process of developing affordable housing units has been slow.

NEEDHAM

No housing units were created in Needham during FY06, thus no extremely low-, low- or moderate-income people were served. The High Rock Estates project, however, is progressing and will serve people in these income categories in the near future.

NEWTON

Overall in FY06, the City of Newton was successful in achieving its goals for providing affordable housing using HOME funds. As described in detail below, in FY06, two affordable housing projects were completed which used HOME funds, and another five projects were under construction. In FY06, a total of \$345,776 in HOME funds was expended for the purpose of meeting Newton's goal of providing affordable housing.

The project at 45 Pelham Street, developed by Community Living Network, Inc. (CLN) involved the acquisition and rehabilitation of property to create ten affordable rental units for ten low-income seniors. This project is now complete and fully occupied.

Nonantum Village Place at 239 Watertown Street was completed in FY05 and fully occupied in FY06. The project included the acquisition of property by CASCAP, Inc. to construct 34 affordable rental units for very low-income seniors.

The Barry L. Price Rehabilitation Center received HOME funds to assist with the acquisition and rehabilitation of two properties, Washington Street and Wiltshire Road. Both are currently under construction and are anticipated to be complete in FY07. Washington Street received \$75,000 in HOME funds to create a group home for four low- and moderate-income individuals with severe mental retardation and physical disabilities. Wiltshire Road received \$103,050 in HOME Funds to create a group home for five low- and moderate-income individuals with severe mental retardation and physical disabilities.

Riverside Community Mental Health and Retardation Center, Inc. acquired the property at 173 Tremont Street in 2004. They received \$20,300 in CDBG and \$50,050 in HOME funds to assist with the acquisition and rehabilitation of the property to create a group home for eight low- and moderate-income individuals with developmental disabilities. The project is fully occupied and the rehabilitation work is nearing completion.

In FY06, \$13,048 in HOME operating funds was provided for Newton's only CHDO and active Community Development Corporation, Citizens for Affordable Housing in Newton Development Organization, Inc. (CAN-DO). CAN-DO is currently developing two affordable homeownership projects, Millhouse Commons and Linden Green, with the assistance of HOME funds. The Millhouse Commons project includes the acquisition of property to create two affordable homeownership units. The Linden Green project includes the acquisition and historic renovation of an existing two-family property. The project will create three affordable and two market-rate condominium units. A lottery for the affordable units at both projects is planned for October 2006.

Four of Newton's HOME-funded rental housing projects had onsite monitoring inspections in FY06. These projects were 90 Christina Street, 14 Nonantum Place, 390 Newtonville Avenue and 228 Webster Street. Onsite monitoring included a review of the management agency's documents verifying tenant eligibility and verification, rents charged to tenants, and leases and occupancy agreements. The City of Newton also conducted Section 8 Housing Quality Standards (HQS) inspection, unless a physical inspection of the property was conducted by another agency and the appropriate documentation was provided as proof. No major problems or concerns were brought to light as a result of the FY06 onsite monitoring.

All four of the HOME rental projects monitored met the HOME requirements and passed HQS inspection.

Both the projects at 90 Christina Street and 14 Nonantum Place are owned by CAN-DO, Inc. and managed by the Newton Community Development Foundation (NCDF). All tenants at both projects were Section 8 voucher holders and HQS inspections were conducted by the Newton Housing Authority.

The project located at 228 Webster Street is a six-unit SRO for adults with developmental disabilities. The project is owned and managed by CAN-DO. All of the tenants are Section 8 voucher holders and are very low-income. The Newton Housing Authority and the Massachusetts Department of Mental Retardation conducts the income certifications and HQS inspections.

Community Living Network, Inc. (CLN) owns and manages the 11-unit SRO building at 390 Newtonville Avenue. There are two HOME-designated units at the property, one at 50 percent AMI and one at 60 percent area median income (AMI). The other nine units are CDBG-designated units and affordable at 80 percent AMI. In March 2006, the City of Newton's housing development staff monitored the project. Staff reviewed tenant income eligibility and verification, the rents the tenants are paying and the lease agreements between CLN and the tenants. The project is also monitored by OKM Associates on behalf of the Massachusetts Department of Housing and Community Development. OKM conducts HQS inspections every other year, and the next inspection is scheduled for 2007. Some of the tenants at 390 Newtonville Avenue were paying more than 30 percent of their income towards rent. Although this is not in violation of a HOME program requirement, City staff strongly encouraged CLN to adjust the rents so their tenants pay the industry standard of 30 percent of income towards housing-related costs.

The City of Newton has adopted the following affirmative marketing plan. The procedures and requirements are in place for the City's HUD-funded rental and homebuyer projects. Each procedure is designed to attract eligible persons in the housing market area to available housing programs without regard to race, color, national origin, sex, religion, familial status or disability.

The City of Newton, a participating jurisdiction in the WestMetro HOME Consortium shall:

- Require sub-grantees who are making housing units or programs available to applicants to practice the City's affirmative marketing procedures and requirements. The language mandating this shall exist in the NCDA- NCDA-Sub-grantee Loan Agreement or program Memorandum of Understanding. Examples of this include but are not limited to the use of commercial media, use of community contacts, use of the Equal Housing Opportunity logo and slogan and the display of a fair housing poster.
- Use the "Equal Housing Opportunity" slogan and logo when advertising program availability in local or state-wide newspapers (e.g., *The Bay State Banner*, *El Mundo*, *The Newton Times Tribune* and *The Newton Tab*). The logo shall not be used without the slogan at any time.
- Require housing providers of HUD-funded housing units to inform and solicit applications from persons in the housing market who are not likely to apply for housing without special outreach. This includes, but is not limited to, the use of community organizations, newspapers or other media outlets, places of

worship, employment centers, fair housing groups or housing counseling agencies.

- Keep records describing actions taken by the City of Newton, its sub-grantees and owners of property that affirmatively market housing units. These records shall be logged and included in the annual update of the Consolidated Planning Strategy (CPS) under the Affirmatively Furthering Fair Housing component.
- Annually assess the success of affirmative marketing actions in the annual update of the City's Analysis of Impediments to Fair Housing (AI). The AI will include what corrective actions will be taken where affirmative marketing efforts are not proven sufficient.
- Make available program descriptions and applications in languages other than English, as appropriate.
- Include language in each application and program description that states applicant eligibility shall not be based on race, color, national origin, sex, religion, familial status or disability.

These efforts shall be amended if records indicate that affirmative marketing and minority outreach goals and objects are not met or if current procedures prove to be ineffective.

WALTHAM

Five down payment assistance homebuyers received an additional \$10,000 in ADDI funding towards the purchase of a home in Waltham. This funding is in the form of a deferred interest-free loan to be paid back on sale or transfer of the property. Due to the rising cost of homes in the area, the additional funding increased the down payments to 20 percent of the purchase price. Homebuyer income levels in the ADDI funding were as follows: one very low-income, one low-income and three moderate-income.

Onsite inspections of 30 HOME rental units were completed during FY06. All properties were in compliance with HOME regulations. Properties were inspected using HQS Standards. There were three vacant units, all of which are now currently leased.

Affirmative Marketing and Minority Outreach

The WestMetro HOME Consortium has adopted the following Affirmative Marketing Plan. The procedures and requirements are in place for the Consortium's HUD-funded rental and homebuyer projects. Each procedure is designed to attract eligible persons in the housing market area to available housing programs without regard to race, color, national origin, sex, religion, familial status or disability. While this Plan is mandated for all projects having five or more units, it is encouraged for use with smaller projects as well. The Affirmative Marketing Plan is updated periodically.

Any member of the WestMetro HOME Consortium shall:

- I. Require sub-grantees who are making housing units or programs available to applicants to practice the Member's affirmative marketing procedures and requirements. The language mandating this shall exist in the NCDAsub-grantee Loan Agreement or program Memorandum of Understanding. Examples of this include but are not limited to the use of commercial media,

use of community contacts, use of the Equal Housing Opportunity logo and slogan, and the display of a Fair Housing poster.

- II. Use the “Equal Housing Opportunity” slogan and logo when advertising program availability in local or state-wide newspapers (e.g., *The Bay State Banner*, *El Mundo*, *The Newton Times Tribune* and *The Newton Tab*). The logo shall not be used without the slogan at any time.

Construction projects are expected to provide subcontracting opportunities for local businesses including women-owned, minority-owned, disadvantaged-owned, disabled veteran-owned, small and other businesses. The contractor and their subcontractors are required to advertise and engage subcontractors for projects through focused marketing to local businesses and to coordinate with City outreach events.

WATERTOWN

The Marshall Place Apartments created affordable housing for ten households using HOME funds, and the Town served one additional household through down payment assistance.

The Town has an affirmative marketing plan for the sale and rental of affordable units, which details a strategy to reach out regionally to minority populations. The plan conforms to Massachusetts Department of Housing and Urban Development guidelines. Additionally, the Town encourages minority- and women-owned businesses to participate in the affordable housing process.

HOMELESS

Homeless Needs

*Please also refer to the Homeless Needs Table in the Needs.xls workbook.

1. Identify actions taken to address needs of homeless persons.
2. Identify actions to help homeless persons make the transition to permanent housing and independent living.
3. Identify new Federal resources obtained from Homeless SuperNOFA.

Program Year 1 CAPER Homeless Needs response:

Please refer to the CDBG and ESG homeless programs chart and the Continuum of Care funding chart below for information on the actions taken during FY06 to address the needs of homeless persons and to help homeless persons make the transition to permanent housing and independent living.

FY06 CDBG and ESG Continuum of Care Accomplishments

Consolidated Plan Objectives	Active Projects	Funds Budgeted	Funds Expended in Current Fiscal Year	Target Population	Number Assisted
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Homelessness Prevention	Riverside Community Care – Adolescent Homelessness Prevention	\$12,000 ESG	\$14,149 ESG (includes \$2,149 from FY05)	Adolescents at-risk of homelessness	94 People
	Jewish Family & Children’s Services – Housing Assistance Program Initiative	\$0 ESG	\$1,748 ESG (all from FY05)	People at-risk of homelessness	Not funded in FY06
	The Cousens Fund – Emergency Rent and Utilities Program	\$17,428 ESG	\$17,428 ESG	People at-risk of homelessness	110 People
	Mediation Works – Eviction Mediation Program	\$5,000 ESG	\$3,500 ESG	People at-risk of homelessness	22 People

Consolidated Plan Objectives	Active Projects	Funds Budgeted	Funds Expended in Current Fiscal Year	Target Population	Number Assisted
Support Services	Middlesex Human Service Agency – Bristol Lodge Soup Kitchen	\$11,000 ESG	\$11,340 ESG (includes \$2,115 from FY05)	Homeless and at-risk individuals	152 People
	Second Step – Case Manager for Transitional Residence	\$20,000 CDBG	\$21,850 CDBG (includes \$1,850 from FY05)	Survivors of domestic violence	37 People
	REACH – Hotline Assistance and Support Groups	\$5,000 CDBG	\$4,132 CDBG	Survivors of domestic violence	265 People
	Newton Community Service Centers – Parents Program	\$25,000 CDBG	\$26,328 CDBG	Homeless families	49 People
	Riverside Community Care – Outreach and Crisis Stabilization	\$7,234 CDBG	\$5,673 CDBG	Adolescents at-risk of homelessness	78 People
Emergency Shelter Operating Support	Middlesex Human Service Agency – Bristol Lodge Homeless Shelters	\$11,000 ESG	\$12,000 ESG (includes \$3,000 from FY05)	Homeless individuals	137 People
	REACH – Emergency Shelter	\$16,320 ESG	\$20,272 ESG (includes \$3,952 from FY05)	Survivors of domestic violence	101 People
Transitional Housing Operating Support	The Second Step – Transitional Residence	\$26,000 ESG	\$24,065 ESG (includes \$232 from FY05)	Survivors of domestic violence	37 People
FY06 TOTALS:		\$57,234 CDBG \$98,748 ESG	\$57,983 CDBG \$104,502 ESG	1,098 People Assisted	

FY06 Continuum of Care Awards

Grantee / Project Name	Project Description	Location	Grant Amount	Years of Funding
Advocates/Newton House	Acquire and rehabilitate a house in Newton to create five permanent supportive housing units for people with mental illness, with at least 70% of units designated for the chronically homeless	Newton	\$165,002	1
Brookline Community Mental Health Center/ Support Services	Continue to provide supportive services for homeless families living in DTA-sponsored transitional housing units	Brookline	\$70,797	1

Grantee / Project Name	Project Description	Location	Grant Amount	Years of Funding
Brookline Community Center/Transition to Independent Living Program	Continue to provide transitional housing and supportive services for homeless young men age 16 to 22 for up to 18 months	Brookline	\$120,666	1
CAN-DO/Parents Program at Kayla's House	Continue to provide supportive services for five families living at a transitional housing facility and participating in the Newton Community Service Center's Parents Program	Newton	\$12,616	1
The Second Step/Residence I	Continue to provide operating assistance and supportive services at an eight-unit transitional housing facility for survivors of domestic violence and their children	Newton	\$126,690	2
The Second Step/Residence II	Continue to provide operating assistance and supportive services at an eight-unit transitional housing facility for survivors of domestic violence and their children	Newton	\$216,474	1
The Second Step/Garfield House and Residence I	Continue to provide operating assistance and supportive services at two transitional housing facilities (11 units) for survivors of domestic violence and their children	Newton	\$94,045	1
The Second Step/Therapeutic After School Program	Continue to provide after school child care at two housing facilities for survivors of domestic violence and their children	Newton	\$65,661	1
Total Funding			\$871,951	

During FY06, the Brookline-Newton-Watertown Homelessness Consortium was awarded \$871,951 in HUD Continuum of Care funds.

Specific Homeless Prevention Elements

1. Identify actions taken to prevent homelessness.

Program Year 1 CAPER Specific Housing Prevention Elements response:
Please refer to the tables entitled FY06 CDBG and ESG Continuum of Care Accomplishments and FY06 Continuum of Care Awards presented above.

Emergency Shelter Grants (ESG)

1. Identify actions to address emergency shelter and transitional housing needs of homeless individuals and families (including significant subpopulations such as those living on the streets).
2. Assessment of Relationship of ESG Funds to Goals and Objectives
 - a. Evaluate progress made in using ESG funds to address homeless and homeless prevention needs, goals, and specific objectives established in the Consolidated Plan.

- b. Detail how ESG projects are related to implementation of comprehensive homeless planning strategy, including the number and types of individuals and persons in households served with ESG funds.
- 3. Matching Resources
 - a. Provide specific sources and amounts of new funding used to meet match as required by 42 USC 11375(a)(1), including cash resources, grants, and staff salaries, as well as in-kind contributions such as the value of a building or lease, donated materials, or volunteer time.
- 4. State Method of Distribution
 - a. States must describe their method of distribution and how it rated and selected its local government agencies and private nonprofit organizations acting as sub-recipients.
- 5. Activity and Beneficiary Data
 - a. Completion of attached Emergency Shelter Grant Program Performance Chart or other reports showing ESGP expenditures by type of activity. Also describe any problems in collecting, reporting, and evaluating the reliability of this information.
 - b. Homeless Discharge Coordination
 - i. As part of the government developing and implementing a homeless discharge coordination policy, ESG homeless prevention funds may be used to assist very-low income individuals and families at risk of becoming homeless after being released from publicly funded institutions such as health care facilities, foster care or other youth facilities, or corrections institutions or programs.
 - c. Explain how your government is instituting a homeless discharge coordination policy, and how ESG homeless prevention funds are being used in this effort.

Program Year 1 CAPER ESG response:

Please refer to the answers in the information contained in the “General Questions” section and the tables entitled FY06 CDBG and ESG Continuum of Care Accomplishments and FY06 Continuum of Care Awards presented above.

Sources and amounts of new funding used to meet match requirements are presented in the table below:

FY06 ESG Match

Source of Match	Amount
Federal Emergency Management Agency- Emergency Assistance	\$19,200
HUD - Continuum of Care	\$63,000
Department of Transitional Assistance - Emergency Assistance	\$432,544
Department of Social Services	\$353,600
Community Development Block Grant (Newton and Waltham)	\$63,000
City of Newton	\$58,860
Cash Donations	\$153,517
In-kind Contributions	\$130,000
Total	\$1,273,721

In Massachusetts, the State Executive Office of Health and Human Services has taken the lead in implementing a state-wide discharge coordination policy. The Brookline-Newton-Watertown Continuum of Care had adopted the State's policy. Although they have not been used in this manner, Newton's Emergency Shelter Grant homeless prevention funds are available to provide assistance to people inappropriately discharged in Newton. If the City of Newton, as the point of contact for an inappropriate discharge, were made aware of such a discharge, the City would link the person with the appropriate agency providing homeless prevention assistance.

Certifications of consistency are provided for those grant applications with goals consistent to those listed in the FY06-10 Consolidated Plan. During FY06, each of the agencies that applied for Continuum of Care funds received a certification of consistency.

COMMUNITY DEVELOPMENT

Community Development

*Please also refer to the Community Development Table in the Needs.xls workbook.

1. Assessment of Relationship of CDBG Funds to Goals and Objectives
 - a. Assess use of CDBG funds in relation to the priorities, needs, goals, and specific objectives in the Consolidated Plan, particularly the highest priority activities.
 - b. Evaluate progress made toward meeting goals for providing affordable housing using CDBG funds, including the number and types of households served.
 - c. Indicate the extent to which CDBG funds were used for activities that benefited extremely low-income, low-income, and moderate-income persons.
2. Changes in Program Objectives
 - a. Identify the nature of and the reasons for any changes in program objectives and how the jurisdiction would change its program as a result of its experiences.
3. Assessment of Efforts in Carrying Out Planned Actions
 - a. Indicate how grantee pursued all resources indicated in the Consolidated Plan.
 - b. Indicate how grantee provided certifications of consistency in a fair and impartial manner.
 - c. Indicate how grantee did not hinder Consolidated Plan implementation by action or willful inaction.
4. For Funds Not Used for National Objectives
 - a. Indicate how use of CDBG funds did not meet national objectives.
 - b. Indicate how did not comply with overall benefit certification.

One hundred percent of the CDBG funds received by the City of Newton Housing and Community Development Program is allocated to projects and programs that meet the three national objectives.
5. Anti-displacement and Relocation – for activities that involve acquisition, rehabilitation or demolition of occupied real property

- a. Describe steps actually taken to minimize the amount of displacement resulting from the CDBG-assisted activities.
 - b. Describe steps taken to identify households, businesses, farms or nonprofit organizations who occupied properties subject to the Uniform Relocation Act or Section 104(d) of the Housing and Community Development Act of 1974, as amended, and whether or not they were displaced, and the nature of their needs and preferences.
 - c. Describe steps taken to ensure the timely issuance of information notices to displaced households, businesses, farms, or nonprofit organizations.
6. Low/Mod Job Activities – for economic development activities undertaken where jobs were made available but not taken by low- or moderate-income persons
- a. Describe actions taken by grantee and businesses to ensure first consideration was or will be given to low/mod persons.
 - b. List by job title of all the permanent jobs created/retained and those that were made available to low/mod persons.
 - c. If any of jobs claimed as being available to low/mod persons require special skill, work experience, or education, provide a description of steps being taken or that will be taken to provide such skills, experience, or education.
7. Low/Mod Limited Clientele Activities – for activities not falling within one of the categories of presumed limited clientele low and moderate income benefit
- a. Describe how the nature, location, or other information demonstrates the activities benefit a limited clientele at least 51% of whom are low- and moderate-income.
8. Program income received
- a. Detail the amount of program income reported that was returned to each individual revolving fund, e.g., housing rehabilitation, economic development, or other type of revolving fund.
 - b. Detail the amount repaid on each float-funded activity.
- The City of Newton and the WestMetro HOME Consortium do not carry out float-funded activities.
- c. Detail all other loan repayments broken down by the categories of housing rehabilitation, economic development, or other.
 - d. Detail the amount of income received from the sale of property by parcel.
9. Prior period adjustments – where reimbursement was made this reporting period for expenditures (made in previous reporting periods) that have been disallowed, provide the following information:
- a. The activity name and number as shown in IDIS;
 - b. The program year(s) in which the expenditure(s) for the disallowed activity(ies) was reported;
 - c. The amount returned to line-of-credit or program account; and
 - d. Total amount to be reimbursed and the time period over which the reimbursement is to be made, if the reimbursement is made with multi-year payments.
- There were no prior period adjustments made during FY06 by either the City of Newton Housing and Community Development program or the WestMetro HOME Consortium communities.
10. Loans and other receivables

- a. List the principal balance for each float-funded activity outstanding as of the end of the reporting period and the date(s) by which the funds are expected to be received.
- b. List the total number of other loans outstanding and the principal balance owed as of the end of the reporting period.
- c. List separately the total number of outstanding loans that are deferred or forgivable, the principal balance owed as of the end of the reporting period, and the terms of the deferral or forgiveness.
- d. Detail the total number and amount of loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.
- e. Provide a List of the parcels of property owned by the grantee or its sub-recipients that have been acquired or improved using CDBG funds and that are available for sale as of the end of the reporting period.

11. Lump sum agreements

- a. Provide the name of the financial institution.
- b. Provide the date the funds were deposited.
- c. Provide the date the use of funds commenced.
- d. Provide the percentage of funds disbursed within 180 days of deposit in the institution.

The City of Newton Housing and Community Development Program does not utilize lump sum agreements.

12. Housing Rehabilitation – for each type of rehabilitation program for which projects/units were reported as completed during the program year

- a. Identify the type of program and number of projects/units completed for each program.
- b. Provide the total CDBG funds involved in the program.
- c. Detail other public and private funds involved in the project.

13. Neighborhood Revitalization Strategies – for grantees that have HUD-approved neighborhood revitalization strategies

- a. Describe progress against benchmarks for the program year. For grantees with Federally-designated EZs or ECs that received HUD approval for a neighborhood revitalization strategy, reports that are required as part of the EZ/EC process shall suffice for purposes of reporting progress.

Program Year 1 CAPER Community Development response:

CITY OF NEWTON HOUSING AND COMMUNITY DEVELOPMENT PROGRAM

PROGRAM-WIDE RESPONSE:

There were no changes in program objectives made in terms of Newton's Housing and Community Development Program during FY06, and the jurisdiction would not make any changes to the Program as a result of its experiences in FY06. As in previous years, one hundred percent of the City of Newton's CDBG funding was used for activities that benefited extremely low-, low- and moderate-income persons. The City of Newton did not hinder implementation of the Consolidated Plan by action or willful inaction.

The primary obstacle to meeting underserved needs identified in the FY06 action plan was the lack of sufficient funding. During the needs assessment process conducted for the FY06-10 Consolidated Plan, a large number of needs in each of Newton's program areas were identified. Unfortunately, the amount of CDBG, HOME and ESG funding that the City receives cannot begin to address all the needs.

PROGRAM-SPECIFIC RESPONSES:

HOUSING DEVELOPMENT PROGRAM

In all recent acquisitions except for one (20-22 Falmouth Road), the assisted property has been vacant or the existing tenants were eligible to remain in the property. The one existing tenant at the Falmouth Road property received a moving assistance payment in accordance with federal relocation regulations. The property located at 1751 Washington Street was occupied when the Barry L. Price Rehabilitation Center (BPC) received HOME funds from the City to reduce its first mortgage with Citizens Bank. The BPC acquired the property from Horace Mann Educational Associates (HMEA). The existing HMEA tenants all have severe mental retardation and physical disabilities. The tenants were not displaced and continue to live at the Washington Street property as they have done for many years. The City tries to minimize displacement by encouraging housing developers to acquire property that does not require permanent relocation of existing tenants.

Housing developers are required to complete a "One Stop" application for funding assistance. The application requires developers to notify the City if there are existing tenants at the property for which they are seeking assistance. If relocation is an issue, the City assumes the responsibility to ensure the proposed project is in compliance with federal relocation requirements.

Based on past experience (20-22 Falmouth Road), the City has identified a step-by-step procedure for meeting the federal noticing requirements. Depending on the specific case (temporary or permanent relocation, moving assistance, etc.), the City refers to Uniform Relocation Act requirements to determine its course of action after the initial notification has been made.

At the end of FY06, the CDBG program had two direct loans receivable totaling \$130,523 and 39 deferred loans receivable totaling \$4,995,201. The HOME Program had 11 deferred loans receivable totaling \$1,197,520. Funding assistance is in the form of deferred forgivable loans at zero percent interest for 30-year terms. All projects are subject to a perpetual Declaration of Restrictive Covenants.

HOUSING REHABILITATION AND FIRST-TIME HOMEBUYER PROGRAMS

There were no Uniform Relocation Act relocation activities carried out during FY06 as a result of rehabilitation or homebuyer activities. Three families received temporary relocation assistance during lead paint hazard abatement during the program year.

As of the end of FY06, there were 150 housing rehabilitation loans and first-time homebuyer loans outstanding, with a principal balance owed of \$4,887,130. A breakdown of the loans outstanding is provided below:

Loan Type	Number of Loans	Principal Balance Owed
NHRF direct loans	43	\$505,486 homeowners \$1,284,529 nonprofits
NHRF deferred loans	79	\$1,872,729
NHRF historic deferred loans	14	\$339,913
First-time homebuyer loans	14	\$884,473
TOTAL	150	\$4,887,130

During FY06, there were no loans made with CDBG funds that have gone into default and for which the balance was forgiven or written off during the reporting period.

NEIGHBORHOOD IMPROVEMENTS PROGRAM

Information about the uses of CDBG funds in relation to the priorities, needs, goals and specific objectives in the Consolidated Plan, particularly the highest priority activities can be found in the "General Questions" section of the CAPER.

In FY06, resident-based advisory committees in both the West Newton and Newtonville target neighborhoods directed the full amount of their CDBG allocation to their highest priorities. These activities would not have been initiated without CDBG funds.

ECONOMIC DEVELOPMENT PROGRAM

Information about the uses of CDBG funds in relation to the priorities, needs, goals and specific objectives in the Consolidated Plan, particularly the highest priority activities can be found in the "General Questions" section of the CAPER.

At this point in time, both economic development programs are funded through existing funding from prior years and revolving program income; no new funds are allocated to these programs. This has not been problematic as demand for these programs is limited.

One business loan recipient, an architect, has had difficulty fulfilling the job creation requirement of one F.T.E. job for a draftsman. City staff, including members of the Law Department, have written and met with the business owner to discuss their concerns. The loan recipient intends to hire someone eventually but cannot say when this will occur. The nature of his business is characterized by uncertainty and periods where he does not have enough work for a fulltime associate. He has however placed ads in two newspapers seeking a new hire. The ads were not successful. Housing and community development program staff will continue to work with the loan recipient to bring him into compliance.

Every microenterprise loan contract that requires job creation specifically states that at least 51 percent of new jobs must be filled by low- and moderate-income persons. The contracts also list a preference toward Newton-based LMI persons. In FY06, one job, a receptionist, was created and filled by a LMI person as required for a FY04 loan. The receptionist position was entry level, and the company provided on-the-job training for three days.

In FY06, \$40,373 in program income was received from repayment of existing economic development loans. Fifteen percent was set aside for the Human Service programs, therefore \$34,317 was deposited into the economic development revolving loan fund. Five loans are currently in repayment.

Loan Recipient	Amount Borrowed	Outstanding Principal as of 6/30/06
Aqualine Resources	\$150,000	\$ 7,967
DSH Design Group	\$ 35,000	\$ 24,990
Freedom Therapy	\$ 35,000	\$ 26,661
Lincoln Street Coffee	\$ 35,000	\$ 32,397
Brussels Sprouts	\$ 35,000	\$ 34,000
Total	\$290,000	\$126,015

HUMAN SERVICE PROGRAM

The selection of public service projects is always correlated to the needs that are stated in the Consolidated Plan. Those providers judged to be most capable of successfully addressing the high priority needs are the first selected for funding in each funding cycle. Insofar as is possible, staff also selects highly qualified providers to address lower priority needs but always make provisions for addressing the highest priority needs. By seeking qualified providers and emphasizing the funding of projects that address the highest priority needs, staff is making the best possible use of CDBG funding.

Human service program objectives are set for a period of five years during the intensive, public need assessment process that involves residents of the community and service providers. The need assessment process is coordinated by the Newton Human Service Advisory Committee (HSAC), a group of mayoral-appointed residents of the city who also monitor compliance with established objectives. There can be no change in program objectives without going through the public need assessment process. There were no changes in program objectives during the FY06 program year.

ACCESS PROGRAM

In terms of access, the highest priority areas in the Consolidated Plan are 1) access on public thoroughfares, 2) access to public buildings, and 3) access to parks and recreational areas. There were activities carried out in all of these areas during FY06. Curb cuts were constructed on busy pedestrian routes. Work progressed on the public school administration building, the police headquarters access and a branch library. Bathrooms in activity buildings in two public parks were made accessible, and planning was done for an accessible pathway through a park.

Housing and community development staff has worked closely with other City Departments to maximize resources in the improvement of the City's infrastructure in such a way that it accommodates the specific needs of people with disabilities. Staff has been available to partner with nonprofit agencies which want to make their facilities more accessible if they are willing to utilize their own resources to match CDBG funding.

Antipoverty Strategy

1. Describe actions taken during the last year to reduce the number of persons living below the poverty level.

Program Year 1 CAPER Antipoverty Strategy response:

CITY OF NEWTON HOUSING AND COMMUNITY DEVELOPMENT PROGRAM

According to data from the U.S. Census 2000, in 1999, 2.6 percent of families and 4.3 percent of individuals in Newton were living below poverty level. The 2006 federal poverty guidelines are listed in the table below.

Size of family unit	48 contiguous states and D.C.
1	\$9,800
2	\$13,200
3	\$16,600
4	\$20,000
5	\$23,400
6	\$26,800
7	\$30,200
8	\$33,600

For each additional person over 8, add \$3,400.

While these are small percentages, they represent 546 families and 3,382 individuals, accounting for approximately 5.7 percent of the Newton population. The Housing and Community Development Division of the Planning and Development Department is primarily responsible for coordinating the City's efforts to reduce the number of people living in poverty and to move low-income people to self-sufficiency. Division staff administers federal CDBG, HOME and ESG funds, which are used locally for programs and projects that provide the maximum benefit to extremely low-, low- and moderate-income persons. Division staff works in partnership with citizens, other City departments and the public and private sectors to accomplish its goal of reducing poverty through:

- Preserving and developing affordable housing opportunities
- Fostering employment and economic opportunities for low- and moderate-income people
- Supporting the delivery of human services
- Improving the physical conditions of and strengthening the quality of life in Newton's neighborhoods

During FY06, six households received down payment assistance which allowed them to purchase their first home, while more than 70 households were able to rehabilitate their homes. Thirty-one rental units for extremely low-, low- and moderate-income residents were completed and occupied during FY06. Additionally, projects which will result in 28 homeownership units for low- and moderate-income residents were either approved or progressed during the program year, and a new Accessory Apartment Incentive Program was funded in FY06. Additionally, human service funding allowed almost 5,000 low- and moderate-income residents to access necessary services.

An additional element of Newton's anti-poverty strategy is, when possible, to direct funding to transitional housing programs that include supportive services such as job training, search and/or placement. Transitional housing facilities run by organizations such as The Second Step, REACH, Newton Community Service Center and Advocates offer a variety of job-training and life skills management programs for their residents to help them achieve self-sufficiency. If a person cannot work because of a disability, assistance is provided to help them receive Social Security Disability Insurance and other mainstream resources to enable them to stay above the poverty level.

During FY06, the Newton Board of Aldermen approved a new accessory apartment incentive program which will provide technical and financial assistance to Newton homeowners who want to create accessory apartment units for rent to low- and moderate-income individuals and families. Under this program, Community Preservation Act funds will be used to subsidize the costs related to creating code-compliant accessory housing units. This program will potentially result in additional housing units available to persons living below the poverty line.

WESTMETRO HOME CONSORTIUM

BELMONT

While the Town did not take any specific actions to reduce the number of persons living below the poverty level, the Trust has been working with Habitat for Humanity to construct a single-family home. Habitat's household selection process includes those that are living in substandard or overcrowded conditions.

Additionally, the Town adopted a tax abatement program for those elderly households of limited income. By working one thousand hours for the Town, \$500 is removed from their tax bill.

WALTHAM

All projects and programs awarded CDBG and HOME funds from the Waltham Community Development Program primarily serve low- and moderate-income households. The City strives to fund programs that increase the incomes of poor residents, thereby reducing the number of poverty stricken households. Waltham's Down Payment Assistance Program, funded through the City's HOME Program, enables low-income households to increase their wealth by purchasing a home and building equity over time. Rental rehabilitation programs funded through the CDBG and HOME Programs stabilize and boost the stock of affordable housing units in the city, allowing lower-income residents to pay reasonable rents while preserving some amount of disposable income.

WATERTOWN

During FY06, Watertown's efforts to alleviate poverty included promoting the development of affordable housing for those with Section 8 vouchers and also for those persons with incomes below 30 percent of area median income.

NON-HOMELESS SPECIAL NEEDS

Non-homeless Special Needs

*Please also refer to the Non-homeless Special Needs Table in the Needs.xls workbook.

1. Identify actions taken to address special needs of persons that are not homeless but require supportive housing, (including persons with HIV/AIDS and their families).

Program Year 1 CAPER Non-homeless Special Needs response:

CITY OF NEWTON HOUSING AND COMMUNITY DEVELOPMENT PROGRAM

In FY06, the City funded three group residences for people with special needs: 173 Tremont Street, 1751 Washington Street and 11-13 Wiltshire Road. Both Tremont Street and Washington Street were already occupied by persons with special needs when the City funded them. The Wiltshire Road property was vacant when the Barry L. Price Rehabilitation Center acquired the property. However, the organization moved clients from

other properties to fill the vacancies at the property. None of the special needs tenants at these properties were homeless or at-risk of homelessness but they all required supportive services.

WESTMETRO HOME CONSORTIUM

BEDFORD

447 Concord Road will address the needs of a special needs household.

The Senior Housing Task Force has undertaken a survey to identify the needs of the elderly and make recommendations for providing housing for their special needs.

BELMONT

Belmont has not taken any actions to address the special needs of persons who are not homeless but require supportive housing. The Town is limited in its resources and therefore has to use it where it will have the greatest impact—constructing affordable housing.

The Trust, however, has established the Belmont Affordable Shelter Fund for those households that are in financial crisis and need help paying various housing bills for a couple of months. This Fund is supported by local charities and churches and is typically used to pay utility bills.

Additionally, the Town adopted a tax abatement program for those elderly households of limited income. By working one thousand hours for the Town, \$500 is removed from their tax bill.

Additionally, the Trust worked with the local electric company to publicize the Earned Income Tax Credit program and offered to complete income eligible residents' taxes for free. While this is not a program funded by the Town, publicizing it greatly expanded people's knowledge of the existence of the program.

BROOKLINE

No HOME funds were used for supportive housing in FY06.

LINCOLN

No HOME funds were used for supportive housing in FY06.

NEEDHAM

No HOME funds were used for supportive housing in FY06.

NEWTON

Please refer to the information provided in the "City of Newton Housing and Community Development Program" section above.

WALTHAM

The Massachusetts Department of Mental Health (DMH) funds the housing costs of 122 residents with severe mental illnesses and has 45 residents on its waiting list for housing and support services. The City of Waltham has assisted the DMH in applying for federal Shelter Plus Care funding to provide more assisted housing for its clients in Waltham.

WATERTOWN

No HOME funds were used for supportive housing in Watertown during FY06.

OTHER NARRATIVE

Include any CAPER information that was not covered by narratives in any other section.

Program Year 1 CAPER Other Narrative response:

The three units associated with Belmont’s B Street project are Energy Star certified and have received their certificates. Additionally, because of the concern over sustainability, each of these units complies with the Leadership in Energy and Environmental Design (LEED) criteria.

The ten units at Marshall Place apartments in Watertown are also Energy Star qualified.

The St. Aidan’s project (Acct. No. 1783) was the subject of an appeal in Norfolk Superior Court by an abutter and other Brookline citizens. In August 2006, the parties to the St. Aidan’s litigation signed a settlement which should allow the development to get back on track. The Board of Appeals has issued a decision incorporating minor modifications to the Comprehensive Permit that are part of that settlement. It is hoped that by late fall the developer will be able to re-price the project to reflect current construction, financing and other costs.

Proposed versus actual outcome results pursuant to 24 CFR 91.520(g):

Housing:

Program	FY06 Goals	FY06 Accomplishments
Develop affordable housing units	5	31
Homebuyer assistance programs	6	6

Access:

Area of Access Improvement	FY06 Goals	FY06 Accomplishments	Notes
Public thoroughfare improvements	50	30	Thirty were completed during FY06, with construction on the remaining 20 curb cuts underway at the end of the program year.
Public buildings improvements	1	1	During FY06, a fully accessible entrance to the School Administration building with automatic door openers was constructed, along with four handicap parking spaces.
Parks and recreational facilities improvements	3	1	Ware’s Cove walkway was completed in October 2006. Newton Centre Playground accessible entrance was delayed due to hiring of a consultant by the Parks and Recreation Department. Cold Spring Park project was cancelled due to lack of interest by the Parks and Recreation Department.

Economic Development:

Program	FY06 Goals	FY06 Accomplishments	Notes
Microenterprise Loan Program	3	1	Low interest in program possibly due to rising interest rates
Family Day Care Grant Program	2-3	2	Minimum goal met

Neighborhood Improvements:

Project	FY06 Goals	FY06 Accomplishments	Notes
Lowell Park Traffic & Open Space Improvements	2	0	In FY06, a course of action to close off a street was recommended. In FY07, a trial will be executed to test how traffic patterns are affected before making permanent changes. Also, conceptual planning for the open space will begin.
Newtonville Tree Plantings	25	31	Completed
Newtonville Infrastructure Improvements	10	9	Completed
Cheesecake Brook Greenway Improvements	1	1	Concept plan developed for Cheesecake Brook Greenway. CPA funds were applied for during FY07 funding round.

Public Services:

Agency/Program	FY06 Goals (Persons Served)	FY06 Accomplishments (Persons Served)
Barry L. Price Rehabilitation Center – Job Developer/Job Coach & Person Centered Planning	21	16
Bowen After School Program – Tuition Assistance Program	7	13
Boys & Girls Club – Camp Scholarships	8	10
Boys & Girls Club – Kids Corps Scholarships	9	10
Boys & Girls Club – Teen Programming	15	32
CASCAP – Service Coordinator, Nonantum Village Place	34	38

Agency/Program	FY06 Goals (Persons Served)	FY06 Accomplishments (Persons Served)
Charles River ARC – ASPIRE Program	6	12
Charles River ARC – Music Therapy	14	15
Jewish Community Housing for the Elderly – Caring Choices	200	153
Massachusetts Association for the Blind – Visually Impaired Elders	35	51
Newton Child Care Fund – Child Care Scholarship Fund	45	15
Newton Community Development Foundation – CareConnections	110	26
Newton Community Development Foundation – Director of Resident Services	210	61
Newton Community Development Foundation – English as a Second Language	35	25
Newton Community Development Foundation – Hamlet Youth Center	70	42
Newton Community Service Centers – Adult Day Health Care	18	17
Newton Community Service Centers – Child Care Scholarships	14	17
Newton Community Service Centers – Higher Ground Teen Program	45	36
Newton Community Service Centers – Mentor Connection	12	25
Newton Community Service Centers – Parent Child Home Program	25	22
Newton Community Service Centers – The Parents Program	50	49
Newton Community Service Centers – Teen REACH Drop-in Center	275	398
Newton Creative Start – Early Childhood Program Scholarships	2	11
Newton Health Department – Mental Health Intervention for the Elderly	50	78
Newton Housing Authority – Resident Services Coordinator	400	306
Newton Human Services Dept. – COA Outreach Worker	90	134
Newton Human Services Department – Newton Senior Center	2,000	2,261

Agency/Program	FY06 Goals (Persons Served)	FY06 Accomplishments (Persons Served)
Newton Human Services Department – Youth Outreach Counseling	45	106
Newton Parks & Recreation Department – Summer Camp Scholarships	75	25
NWW Committee – Clinical Services and Supports	75	16
NWW Committee – Community Access	40	46
NWW Committee – Wednesday Night Drop In	120	45
Peirce Extended Day Program – EDP Scholarship Program	10	17
Plowshares Childcare Program – Childcare Scholarships	50	19
REACH – Hotline and Outreach Services	190	150
Riverside Community Care – Substance Abuse Treatment	90	287
Riverside Community Care – Family Crisis Stabilization	40	94
The Second Step – Case Manager	10	37
TOTAL:	4,515	4,715

ESG Agency/Program	FY06 Goals (Persons Served)	FY06 Accomplishments (Persons Served)
Mediation Works, Inc. – Eviction Mediation Program	25	22
Middlesex Human Service Agency – Bristol Lodge Men’s and Women’s Shelters	228	137
Middlesex Human Service Agency – Bristol Lodge Soup Kitchen	500	152
REACH – Emergency Shelter	72	101
Riverside Community Care – Adolescent Homelessness Prevention	53	94
The Horace Cousens Industrial Fund – Emergency Assistance for Rent and Utilities	150	110
The Second Step – Transitional Residence	20	37
TOTAL:	1,048	653

Homelessness:

FY06 Goals	FY06 Accomplishments	Notes
5 permanent supportive housing units	0	\$162,002 in Continuum of Care funds was allocated, but due to neighborhood opposition, the developer had to find another site.
Continue support for prevention and outreach and assessment programs	1,098 people	\$162,485 in CDBG and ESG funds was spent supporting these types of programs.
Strengthen the inclusionary zoning ordinance (Waltham)	0	In progress

Non-homeless Special Needs:

FY06 Goals	FY06 Accomplishments	Notes
Increase the number of affordable housing units for special needs populations	17	Three properties were developed for non-homeless persons with special needs during FY06.

HOME Consortium:

FY06 Goals	Notes
Increase the number of affordable rental and homeownership units Consortium-wide	Forty-two HOME-funded units were developed in FY06.
Strengthen, and in some instances create, local housing partnerships—Bedford, Newton	Continued to recruit new members.
Adopt the Community Preservation Act—Bedford, Brookline	Bedford voted to continue the program; Brookline votes in November 2006 whether to adopt
Adopt an inclusionary zoning ordinance in towns/cities where none exists—Lincoln	Inclusionary zoning ordinance was adopted.
Advocate for tax incentive and tax abatement programs—Belmont, Newton	Both communities have tax abatement programs for elderly households of limited income.
Protect expiring use properties—Brookline	Efforts continue to preserve at least 25 percent of the housing units as permanently affordable at expiring use Brookline Cooperative.
Increase number of elderly supportive housing and public housing units--Newton	Ten units were developed at 45 Pelham Street.