

# PROPOSAL

## Crescent Street

### Affordable Housing & Playground Expansion



All information for this proposal is being posted on the CPC's webpage for this project, which is organized chronologically:

[www.newtonma.gov/gov/planning/cpa/projects/crescent.asp](http://www.newtonma.gov/gov/planning/cpa/projects/crescent.asp)

#### **communications to & from the Newton City Council**

(reverse chronological order):

- ◆ 31 May 2018, memo from Councilor Crossley, with text of Council Fy19 budget resolution for Crescent Street
- ◆ for 21 February 2018 Public Facilities scheduled discussion (ultimately tabled and did not occur at this meeting)
  - Public Buildings Commissioner's summary of project square footage calculations
  - submission from Councilor Albright
- ◆ for 7 February 2018 Public Facilities Committee discussion
  - summary of committee discussion, by Councilor Crossley as chair
  - Crescent Street Working Group memo re: project costs & subsidies
  - letter of support from Elaine Rush Arruda, neighborhood representative on the Working Group
  - calculations comparing per-unit, per-bedroom and per-square-foot costs and Newton public funding for this project with past CPA-supported projects in Newton (reformatted from version submitted to CPC)

From: DEBORAH CROSSLEY [dcrossley@newtonma.gov](mailto:dcrossley@newtonma.gov)  
Sent: Thursday, May 31, 2018 2:03 PM  
To: Alice Ingerson [aingerson@newtonma.gov](mailto:aingerson@newtonma.gov)  
Subject: **Please share this with the CPC re Crescent St. - memo & motion**

Dear Alice,

Please provide to the Community Preservation Committee the attached motion to amend the Capital Improvement Plan (CIP) by removing item #23, the \$4.9 million request for the Crescent Street housing project. The memo outlines concerns related to high initial and long term costs, proposed funding mechanisms, and inherent risks to the city. Here I discuss a bit of the process undertaken in Council.

Ten Councilors made the motion; the item carried 12 yeas, 10 nays, 1 abstention.

Councilor Gentile has moved reconsideration; this means reconsideration is before Council June 4.

Because this housing project proposes to be developed and owned by the City in perpetuity, it was decided to use the review and decision-making process for municipal buildings, schools, fire stations, etc., (City Ordinances Sections 5-54 through 5-58) All other housing projects seeking CPC money go before the Land Use and Finance committees. Part of the so-called "5-58" review requires a public hearing prior to voting to recommend (or not) that the site plan and schematic design be approved, which releases funds for design development and construction documents. Hearings were held in the Public Facilities Committee both last term in November, as well as again in the new term this past February.

Last year's PF committee expressed many concerns, but we heard the same proposal in February. With many remaining questions, PF approved a motion to postpone the vote. As you may know, we recommended the CPC weigh in first, and urged a third party independent review.

During CIP deliberations, the Administration argued against the motion to strike item #23, citing our individual votes in favor of the December 2015 Board Order. However, that Board Order described a project concept, not an actual project. The project now before us would place a huge and lasting burden on city resources, unlike what was presented in 2015.

Importantly, the 2015 vote was informed by a development budget and pro-forma that made different assumptions. For example, the housing plan included four market rate units, construction costs were inclusive of demolition and other things now assumed as city expenses, and assurances were made to further reduce construction costs (using modular construction, which idea was abandoned). Under a funding plan that used the city's borrowing power for all but what the CPC would fund (i.e. no subsidy from the General Fund), the 2015 pro forma balanced. Today we see an entirely different model.

Finally, Council approved design money in 2016, as the concept needed to take shape. I was told by Commissioner Morse that as of February, about 200K has been spent on design fees to get to this point. The Crescent Street Working Group was not official until spring of 2017; By April Commissioner Morse reported that the design team was hired, and a community meeting was being planned. However, the fully formed schematic came to the Public Facilities committee for the first time in November 2017, seeking 5-58 approval. It has been our practice for the past 6-7 years, for working groups to check in with Council during concept development for municipal building projects. This allows time to consider program, building and site planning alternatives etc. Perhaps taking this step would have produced a different outcome.

At this point, to approach this project differently, such as to partner with a non-profit housing developer, Council would have to amend the Board Order at the request of the Mayor.

Best Regards,

Councilor Deb Crossley  
Chair, Public Facilities Committee

## Amendment to the FY19 CIP

### Motion to strike Item #23 – Crescent Street housing project, requesting \$4.9 million

#### Rationale

The Capital Improvement Plan (CIP) is presented by the Administration to clearly prioritize capital needs, which the City Council is asked to approve during the budget process. By Charter, Council may approve the CIP with or without amendments. Each departmental CIP has been approved by straw vote in committee for FY19 except for the Public Buildings CIP, which failed to carry in Public Facilities 0-2-3. **Here's why:**

**Unknown funding sources:** There was a conspicuous lack of information about the source of funds requested to develop a city-owned mixed-income housing project (\$4.9 million), citing only CPA eligible (CPC is considering 1.635 million at most). The CPC did not vote to recommend funding, deciding instead to hire an independent professional to review the proposed development budget and pro forma. The administration submitted two alternate budgets to the CPC, which differ from what Council has been shown, indicating various direct subsidies from city accounts. Proposed funding sources include twice as much money as exists in the Inclusionary Zoning Fund, a non-declared 'health holiday', and cash from the Rainy Day fund, which may not be used for such purposes. The bottom line is that this project is no longer consistent with the one upon which the Board of Aldermen based its decision to approve the Board Order in December 2015, as it is no longer fiscally self-sustaining.

**High prioritization** (#23 of 225 in the 5 year CIP) Given the many important capital needs identified, prioritizing this item is inconsistent with the risk-based prioritization policy in place. (CIP Appendix I.) Budget discussions reveal that additional funding could otherwise take care of some of the following: - worst case road conditions on small streets, - more replacement of our aging and maintenance intensive city fleet, - more building maintenance for city and school buildings, - reduce or eliminate student fees, - add staff in various departments, - advance much needed refurbishing of our parks, - advance renewal to make accessible school playgrounds, and/or - move up CIP projects that we have had to push out to future years, to name a few.

**Short and long term financial impacts**, if the City is the principle developer, grantor and owner for a mixed income housing project include:

- City-owned property is not taxed: ***no property tax revenue in perpetuity***
- As the primary developer (instead of partnering or leasing) the City ***forfeits many State and Federal grants*** available to private developers;
- The proposed development budget shows the **municipality paying far more per unit than any comparable private development;**
- If there are extended vacancies, unexpected maintenance or replacement costs that the limited reserves cannot cover, we will be taking ***money out of future budgets to cover maintenance, or debt service.***

Councilors Albright, Crossley, Danberg, Downs, Greenberg, Lappin, Leary, Lipof, Kelley, Noel

COUNCILORS CROSSLEY, ALBRIGHT AND LAPPIN requesting a review of proposed City Code Sec. 23-20, authorizing the adoption of City Council regulations governing petitions for permission to install wireless communications facilities and new poles proposed for wireless communications use in the public ways of the City. Such rules would cover petitions that are subject to review under G.L. c. 166, §22 and 47 U.S.C. §332(c) (7) and petitions that are subject to limited review under 47 U.S.C. §1455 (“Eligible Facilities Requests”).

**Referred to Public Facilities and Finance Committees**

**#60-18**

**Review of filing fee for grant of location petitions**

COUNCILORS CROSSLEY, ALBRIGHT AND LAPPIN requesting a review of proposed amendment to City Code Sec. 17-3(19), governing filing fee(s) for grant of location petitions for placement of wireless communications facilities and poles constructed primarily for wireless communications purposes

**Chairs Note:** Recent actions by the Community Preservation Committee, including requiring a third party professional review of the Crescent Street Apartments budget and pro forma, has postponed their vote. It is the Chair’s intention to continue our discussion in committee, however, to clarify expectations and requested information. Joined by City Solicitor Ouida Young, we’ll get an update on the status of the Crescent Street proposal (the funding plan may change), and, reflecting questions and unresolved items, discuss which are effective in a 5-58 Council Order versus which items the committee and Council want resolved in advance of taking a vote. Ouida is preparing two documents: an outline of said items for discussion, and a description, in response to questions, of what is the “Newton Community Development Authority” and how can a property management function be overseen via this entity.

**#50-18**

**5-58 for the Crescent Street Housing and Ford Playground Redevelopment Project**

COUNCILOR GENTILE on behalf of the CRESCENT STREET WORKING GROUP redocketing the DESIGN REVIEW COMMITTEE petition, pursuant to 5-58, for schematic design and site plan approval at 70 Crescent Street for the creation of mixed-use housing, redevelopment of the Reverend Ford Playground and expand open space by at least 20,000 square feet in accordance with Board Order #384-11(4) dated November 16, 2015.

***Public Hearing Closed 02/07/2018***

**Respectfully submitted,**

**Deborah Crossley, Chair**

Update by CPC staff: the Crescent Street discussion outlined above was withdrawn from this agenda. However, the attached correspondence about the project's square footage estimates is being posted on the CPC website as an update.

## Nadia Khan

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**From:** Susan Albright <susansophia.albright@gmail.com>  
**Sent:** Thursday, February 15, 2018 11:01 AM  
**To:** DEBORAH CROSSLEY  
**Cc:** Nadia Khan; Ouida C. M. Young; Deborah J. Crossley  
**Subject:** Re: Summary February PF Report and Possible Conditions

Deb, Nadia and Ouida

As a result of the CPC meeting on Tuesday night, I think we need to step back and rethink PF's ability to finish its work on the 21st. I had a conflicting meeting during the first hour and I was only able to join the CPC for the last half hour or so but what I heard leaves me wondering how we can move forward. By the time I arrived, there was a CPC Committee consensus that there are difficult financing problems with an 8 unit project. At the meeting, there were two major conditions created as next steps, as I understand them, 1. to hire a 3rd party professional to review the finances and 2. figure out why no property manager responded to the RFP for the project and address the problem, if possible. As the committee was deciding next steps including a 3rd party review of the finances, Councilor Gentile followed by Chief Financial Officer Lemieux suggested that perhaps city money could be substituted for the bond which by definition could bring the financing costs down as far as 0 and thereby make the project fiscally sound.

Councilor Gentile made the point that we are fortunate that Newton is wealthy and has funds other communities don't have and therefore we can easily put more money into this project. I agree with Councilor Gentile that we are fortunate to live in Newton but putting funds into this project should be balanced with other needs.

If we look at the CIP prioritized projects the total is roughly \$580,394,520 (factoring out water, sewer, stormwater). There are so many capital projects that the majority have not been prioritized past the current 5-year plan. One can't talk about these costs without a reference to OPEB and Pension reserves. We are funding these reserves annually which is squeezing operational funds. Let's assume the Mayor allocates free cash or some other one-time revenue to spend on this project - then there should be a policy discussion to decide if this housing project jumps the list for all other capital project and whether this should be attempted by the city and specifically how much should be bonded and how much donated to the project. We should figure this out before PF finishes 5-58 review.

Regarding the 5-58 site plan review specifically, during the CPC discussion, a notion was suggested that perhaps the project could be divided into two: housing and park. Commissioner Derubeis stated that if there were to not be any housing on this site, he would need to go back to the community and discuss the usage of the park. The CPC Committee raised a number of unsolved issues in addition including the Eversource Easement, access to Curve st., and a decision on the elevator. For this reason, it seems wrong to move ahead with site plan review until the CPC vetting of this project is complete.

Susan

I feel obliged to add this postscript

Every year at budget time the Council scolds the School Committee for charging activity, athletic and bus fees, the School Committee finds this a necessity in the face of not enough funds for teaching. We could give one time funds to the school department to relieve the fees for cost-burdened families. Recently, I discovered that there are no outreach services for seniors over 85 living in their own homes, and while the senior population in Newton is nearing 30% less than 1% of our budget is dedicated to this population. We could fund a pilot program proposed by the Senior Services Department with this same money. I say this to reinforce the need for a policy discussion of the finances before 5-58 concludes its work.

## Nadia Khan

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**From:** Joshua R. Morse  
**Sent:** Monday, February 12, 2018 5:35 PM  
**To:** DEBORAH CROSSLEY  
**Cc:** Alison M. Leary; Nadia Khan; Marc C. Laredo; Maureen Lemieux; lennymgi@aol.com  
**Subject:** RE: Inconsistencies in Plan labeling, unit mix chart.

Hey Deb,

The building plans are from November, and we have since updated the project to reflect the changes regarding the balcony projection issue you noted below, as well as some initial refinements in the space needed for utility and mechanical spaces. This work resulted in an ebb and flow of the gross building square footage. The plans have not been updated, as we are still working from the schematic phase plans, and it didn't seem to be prudent to have the plans redrawn for relatively minor edits, before we knew if this project was going to be approved. The pro forma and subsequent presentation materials are correct and up to date, other than the math error you pointed out where the average rentable ft<sup>2</sup> listed at the bottom, where it should say 1125ft<sup>2</sup>. The total rentable ft<sup>2</sup> is 9000, and the total gross building are is 10,897ft<sup>2</sup>. This is a square footage inefficiency factor of 21% which is actually on the low side of planning for a project at this stage, but this project is expected to have a lower % of circulation space. Other GSF factors to consider are the elevator on both floors, the machine room, circulation space, utility and mechanical spaces. Not all of these items have been, or can be, finalized until we get into the next phase of design. As you heard David Eisen tell us a few weeks ago, he thinks we may need some more space for the mechanical and utility spaces, so we are trying to protect the total GSF of 10,897ft<sup>2</sup> at this time.

I confirmed with our team, including the architect, that we can and will work within the above GSF. This means that we will not exceed the current GSF, but we also do not expect to be much lower than that either. Obviously this is dependent on the decision on the elevator.

As is the case with many of our projects that follow the site plan approval process, our GSF at the time of 5-58 is rarely the exact number when the design is complete.

Lastly, all of my financial comparisons were based on Crescent being a total GSF of 10,897ft<sup>2</sup>.

Hope this helps clear things up.

Josh

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**From:** DEBORAH CROSSLEY [mailto:djcrossley26@verizon.net]  
**Sent:** Monday, February 12, 2018 4:15 PM  
**To:** Joshua R. Morse  
**Cc:** Alison M. Leary; Nadia Khan; Marc C. Laredo  
**Subject:** Inconsistencies in Plan labeling, unit mix chart.

Hi Josh,

With all the talk about costs per square foot and per unit, we need to be clear which accounting of square footage is correct.

Last November I noted to you that the plan drawings showed incorrect unit sizes: Six were (and are still) labeled as **1259 sf**, including the two bedroom units on the second floor.

Two first floor two bedrooms were (and are still) labeled as **1023 sf**.

However, the two second floor units are in fact a bit smaller than their counterparts below, as the 1st floor units have additional interior space under the balconies. This was going to be removed, but remain, (and the architects argued for keeping it rather than adding an exterior support for the balconies.) I don't know where that stands, but in any case, the difference in area is about 11'x7', or 77sf, scaling roughly.

But which is correct?

In addition, it is brought to my attention as well that the unit sizes in the **Unit Mix Summary** chart, show completely different square footages, and also show incorrect averages.

There, we see four units (Net Rental Area) at **1,000sf**, and four at **1250 sf**.

The average shown is 1033 sf, where 1125 sf would be the correct average of those numbers shown.

Are the floor plans more current than the chart?

Finally, what is the correct total gross square feet of building?

Looks to me that the common (interior) circulation area is only about 800 sf, if that.

Of course exterior stairs are not counted in building square footage, the enclosed area below may be.

**Please provide one set of accurate numbers re unit sizes, and total building size.**

Thank you.

Deborah J. Crossley  
C O U N C I L O R  
Public Facilities Chair  
[dcrossley@newtonma.gov](mailto:dcrossley@newtonma.gov)  
617/ 775-1294 cell phone

When responding, please be advised that the Secretary of the Commonwealth has determined that email may be considered a public record.

**Sent:** Friday, February 9, 2018 6:28 PM  
**To:** Brody Dan; Alice Ingerson  
**From:** Deborah J. Crossley, Newton City Councilor-at-Large, Ward 5.  
Chair, Newton City Council Public Facilities Committee  
**Subject:** Re: Crescent Street

Hello Dan,

Glad you were able to attend most of the [Public Facilities Committee] meeting [on Wednesday, February 7]. The summary below is in response to your request to inform the CPC of our proceedings on February 7. I hope to have our full committee report available on Monday, along with the audio tape.

Near 11:30 pm, after lengthy discussion, the PF committee voted to close the public hearing 6-2 to postpone deliberations to its next meeting, February 21, overturning a motion to approve.

In committee, five members expressed both some confusion about the decision making process as well as concerns about the financial stability of the project. Regarding process, until now all housing projects recommended by CPC have been assigned to the land use and Finance committees for review prior to accepting CPC funding. Even the funding for design of this project went that route. This project, however, triggers a municipal project review sequence from Section 5-58 of the city ordinances, which has never incorporated review the viability of a housing plan, nor a project with unclear financing or budgetary limits. But the financials garnered the most concern, including: The overall high cost, high level of CPC subsidy, using 100% Newton taxpayer dollars, additional subsidy required from city funds (if we want the pro forma to balance), and wide disparity between the original pro forma that informed the Council's 2015 vote to approve the Board Order (20-2), and what we are seeing currently. The former showed a much lower cost per unit even while including things not included in the current budget (carrying costs, all site development costs, for example).

I am re-structuring our February 21 PF meeting to accommodate a careful consideration of a list of conditions according to the concerns discussed in committee after hearing from the public. These conditions would be attached to a Council Order.

There were two conditions widely acknowledged to be essential that were as well agreed to by Councilor Gentile:

- That an independent third party professional review of the development budget and operating pro forma be conducted and reviewed prior to the vote of the full Council to expend any further design monies. The preference was to ask the CPC to issue an appropriate scope of work and solicit from their list of competent professionals;
- Subject to the affirmative recommendation of the Community Preservation Committee to subsidize the project prior to the vote of the full Council on site plan and schematic design approval (required by Section 5-58 ordinance);

In addition, concerns raised in committee included the following, which may as well condition the Order (this is a very rough draft):

- That there must be a letter of agreement or memorandum of understanding acceptable to the Myrtle Baptist Church membership that confirms terms agreeable or security along the parking lot/ park boundary, pedestrian access to the park, vehicular access to the drive/ second egress, easement across their property or park access from Curve Street (or not) and the additional parking they wish to secure;
- A commitment to a visible, legible park entrance from Auburn Street (you cannot see the site through the Eversource property);
- To eliminate the elevator



I hope this is helpful.

Please feel free to share this memo with the CPC committee.

Sincerely,  
Deb

Deborah J. Crossley

C O U N C I L O R

Public Facilities Chair

[dcrossley@newtonma.gov](mailto:dcrossley@newtonma.gov)

617/ 775-1294 cell phone

When responding, please be advised that the Secretary of the Commonwealth has determined that email may be considered a public record.

To: Public Facilities Committee  
From: Crescent Street Working Group  
Subject: Crescent Street Project  
Date: February 7, 2018

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The Crescent Street Project has received a great deal of attention regarding the cost per unit. Clearly, project costs are always important, but we need some perspective. The housing project is currently \$4,250,127 without the proposed elevator. This equates to \$531,265 per unit. There are a couple of factors that need to be considered when evaluating the project costs.

The City Council conditioned the board order to require an additional 20,000 square feet of open space, because they prioritized the preservation and expansion of open space at this site. This meant that the project needed to have a very small footprint, which ultimately led to a single two story building. This provided the much needed open space for the community, but it also meant that the building would then require multiple egress stairwells, interior circulation space, and interior building systems that are not typically seen in projects of this size. The cost of these items has been provided, and can be found in the CPC proposal, but the bottom line is that they add more than \$250,000 to the project. That is a great deal of money, and it's tough to put a value on the preservation of open space, but you can't buy 20,000 square feet of open space in Newton for that kind of money. So from an open space perspective, this is a wise investment, but it does add \$31,250 to the per unit cost.

The other priority of this project was to create family housing with an emphasis on a larger bedroom count, and unit sizes that families could comfortably live and grow into. Our project is currently 10,897ft<sup>2</sup>(10,447ft<sup>2</sup> w/o the elevator), with four 2-bedroom units at 1000ft<sup>2</sup>, and four 3-bedroom units at 1250ft<sup>2</sup>. For the purposes of comparison, let's say we had a unit mix that is typically seen with private developments for a project of this size. Assume for a moment that this project was two 1-bedrooms at 700ft<sup>2</sup>, four 2-bedrooms at 900ft<sup>2</sup>, and two 3-bedrooms at 1100ft<sup>2</sup>, and we had a more sprawling townhouse style project. We would be left with project gross building area of 7,200ft<sup>2</sup>. Based on our current square foot cost of construction, and factoring in impact of scale and scope of reduction, this change in scope and gross building area would result in a reduction of 3,247ft<sup>2</sup>, at a conservative \$250/ft<sup>2</sup>, which would yield an \$811,750 reduction in our total housing development cost. This means that with the decision to develop more family oriented housing, we have added \$101,468 per unit.

Between the project impact of preserving open space, and the push for family friendly housing, we have added \$132,718 to our per unit housing cost. Another way of saying this is that our adjusted per unit cost, if these two significant initiatives were not be pursued, would be **\$398,547**. Furthermore, soft costs and contingencies are a percentage of the total project cost, so the final revised per unit cost would be even lower if open space and family friendly housing were not prioritized on this project.

In addition to the above, but harder to break out in development cost, is our site related expenses. We have over \$400,000 in site cost related to the housing portion of this project. We have \$261,000 in utility system improvements, 1.5 parking spaces per unit on our site, an access drive off of Crescent Street, sidewalks, and landscaping. We have \$60,000 in the extension of the fire service, and additional fire hydrants to serve not only this project, but the neighbors as well. Even with the expansion of the park, we have a 37,326 square foot housing site that is being developed and paid for from the housing project. A lot of these costs would be incurred by the City regardless of the project scope or approach.

Now that we've covered what elements of this project are putting pressure on the per unit cost of development, let's look at why we placed emphasis on open space and family oriented housing.

Since the acquisition, creation, and preservation of open space is clearly listed in the Community Preservation Act, and has been a high priority for Newton for many years, it probably needs no explanation as to why this was an important feature of the Crescent Street Project. We can look to the strong endorsement of the Newton Conservators and Parks and Recreation Commission as indicators that our current approach with regards to open space on this project is sound.

Family friendly housing is another matter altogether. Let's break this up into two questions. Why are we prioritizing and proposing units with higher bedroom counts, and why are our unit sizes a little larger than what previous affordable housing projects have provided?

#### **Bedroom Counts:**

According to HUD, since 2004 the numbers of families with children receiving HUD rental subsidies has dropped by 13%, while households receiving these subsidies have continued to grow. Does this mean that there are less families with children in need of housing assistance? No! In fact, according to HUD, in that same time period, the number of families with children that paid more than 50% of their income on housing, or lived in severely substandard housing, rose by 53%. HUD goes on to say that they have clearly seen a significant increase in need for subsidized housing for families with children since 2004, even while the number of families with children they have served has dropped.

According to the Joint Center for Housing Studies at Harvard, families with children who spend 50% or more of their income on housing, spend on average 30% less on food, 50% less on clothing, and 70% less on healthcare. This means that right now families with children are choosing to sacrifice their nutrition and health, so that they can keep a roof over their heads.

Census data tells us that 1 in 6 families in Massachusetts spend 50% or more of their income on housing.

And perhaps most importantly, according to the Newton Housing Authority (NHA), the estimated wait-time for a family looking for a 3-bedroom unit in NHA's public housing program is anywhere from 5 to 10+ years, and only households with annual incomes at 60% AMI and below qualify for this program. Additionally, the estimated wait-time for families in need of a 3-bedroom unit applying through the Section 8 waiting list have a wait time of at least 10 years. The income limits for the Section 8 program are much lower than public housing and only those with annual incomes at 40% AMI or lower qualify.

These families with children, who are struggling with the cost of family housing, often face multiple moves due to unstable personal financial conditions. According to the a study done by the Partnership for American Success, 3 or more early childhood moves reduce the odds of graduating high school by 20%.

According to HUD, when adjusted for inflation, the federal government spent \$2,900,000,000 less on housing assistance in 2015 than they did in 2004.

In summary, we have prioritized a higher per unit bedroom count on this project, because it is an area of housing need that is woefully underserved, it provides an opportunity for not only the parents to become financially stable, and it also provides a greater number of children access to a quality education, and increased opportunities for success.

### **Unit Sizes:**

The Conley Study in 2001, found “household crowding to be significantly and negatively related to children’s educational attainment, above and beyond the families socioeconomic characteristics.”

The Evans Study in 1998, found that “residential overcrowding is correlated with delayed cognitive development, lower reading skills, and behavioral adjustment problems among school aged children.”

Braconi Study 2001, found that “overcrowding in the home is significantly and negatively correlated with high school graduation rates.”

According to PAS, “1 in 5 low income children live in a crowded home, as defined by greater than 2 people per bedroom.”

In summary, all of the above studies all went into further detail about the benefits of having adequate space for children to study, play, grow, and develop within their home. The decision to make this project family oriented, meant that we felt an obligation to provide adequate space for families to live and children to grow. Additionally, with the aforementioned negative impacts of moves on children during the school age years, we wanted to make sure that a family didn’t need to move simply because they grew out of their apartment.

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In closing, we did not enter into this project with the goal of making the least expensive project. We did not try and make it the most profitable project. We approached this project with one underlying goal in mind. We wanted to make this the best project we could, while balancing all of the project parameters, and while also meeting what we felt were the most pressing housing needs. We made value judgements that resulted in a housing project that will positively impact significantly more people in need, while understanding that these decisions could result in a per unit cost that is higher than what some people might be accustomed to seeing.

**Meetings for Crescent Street project since 2016**

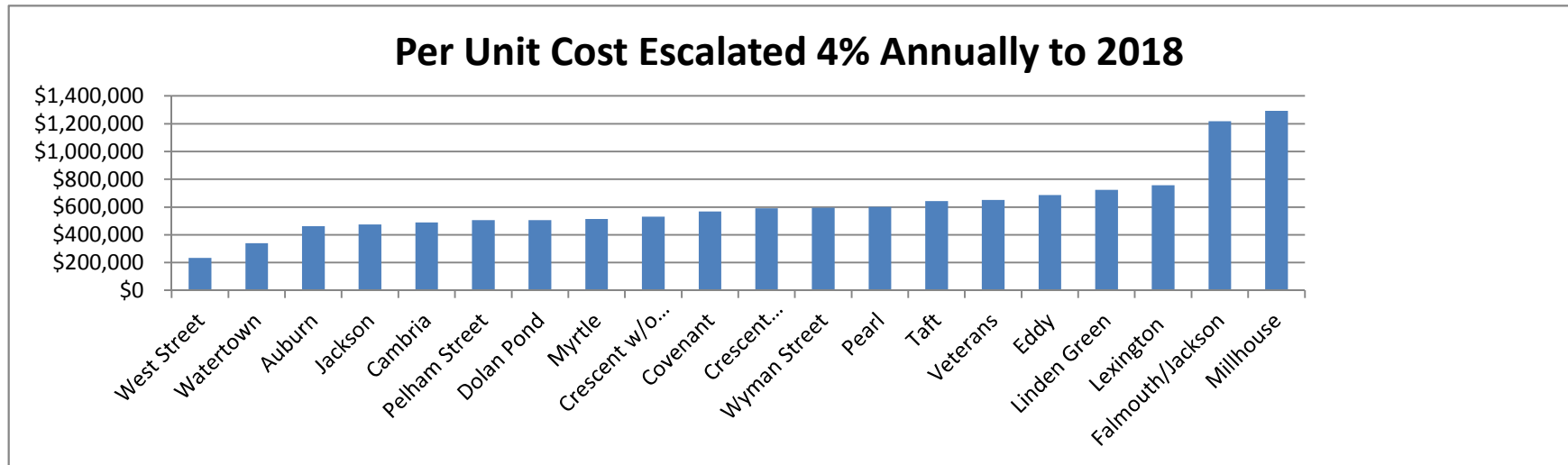
1. Crescent Street Working Group	22
2. Internal staff meeting w/Planning	16
3. DRC (Design Review Committee)	3
4. CPC (Community Preservation Committee)	5
5. Development Review Team (DRT)	2
6. Parks and Recreation Commission	1
7. Community Meetings	4
8. Mass DOT	1
9. Eversource	3
10. Land Use (2012-2015)	1
11. Public Facilities (PF)	2
12. Finance	4
13. Meeting with Myrtle Baptist Church	5
14. Designer Selection Committee (OPM)	4
15. Designer Selection Committee (Designer)	4
16. BOA meetings	9
<b>Total:</b>	<b>86</b>

## HOUSING PROJECTS SUPPORTED BY CITY SORTED BY PER UNIT COSTS

Per Unit Cost Escalated 4% Annually to      Per Bedroom Cost Escalated 4% Annually      Square Foot Cost Escalated 4% Annually to

	2018	to 2018	2018
West Street	\$234,261	\$234,261	\$370
Watertown	\$339,588	\$339,588	\$460
Auburn	\$462,226	\$284,447	\$495
Jackson	\$473,829	\$473,829	\$465
Cambria	\$489,645	\$244,823	\$566
Pelham Street	\$505,268	\$505,268	\$862
Dolan Pond	\$506,457	\$151,937	\$541
Myrtle	\$514,337	\$240,024	\$471
<b>Crescent w/o Elevator</b>	<b>\$531,266</b>	<b>\$212,506</b>	<b>\$390</b>
Covenant	\$567,694	\$378,462	\$605
<b>Crescent w/Elevator</b>	<b>\$590,016</b>	<b>\$236,006</b>	<b>\$433</b>
Wyman Street	\$594,097	\$297,048	\$552
Pearl	\$600,942	\$300,470	\$536
Taft	\$643,439	\$257,375	\$547
Veterans	\$650,070	\$260,028	\$405
Eddy	\$686,435	\$274,574	\$417
Linden Green	\$724,112	\$301,713	\$543
Lexington	\$757,490	\$261,203	\$522
Falmouth/Jackson	\$1,218,847	\$487,538	\$1,035
Millhouse	\$1,292,203	\$484,576	\$959

Submitted to City Council Public Facilities Committee, cc'd to CPC staff, 7 February 2018

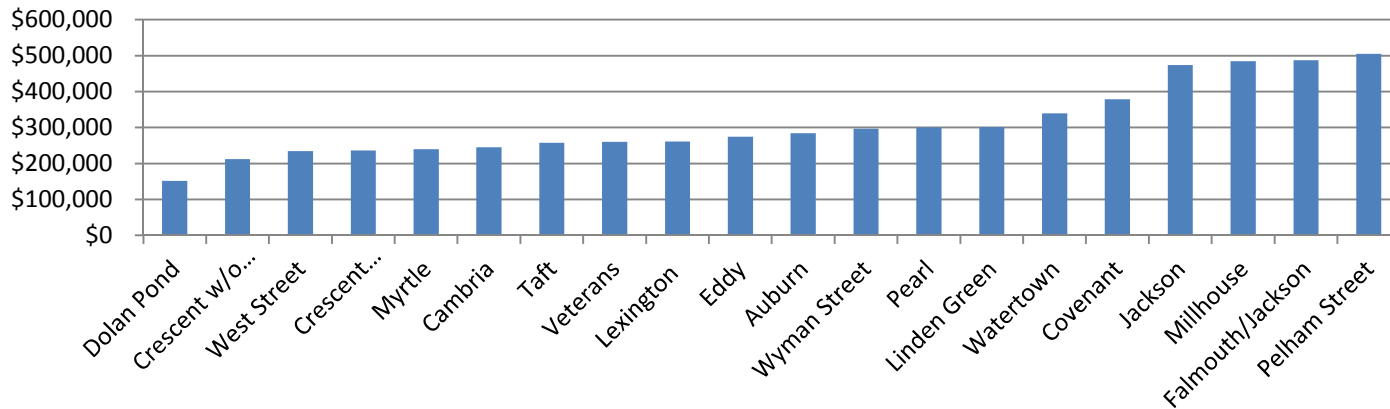


## HOUSING PROJECTS SUPPORTED BY CITY

### SORTED BY PER BEDROOM COSTS

	Per Bedroom Cost Escalated 4% Annually to 2018	Per Unit Cost Escalated 4% Annually to 2018	Square Foot Cost Escalated 4% Annually to 2018
Dolan Pond	\$151,937	\$506,457	\$541
<b>Crescent w/o Elevator</b>	<b>\$212,506</b>	<b>\$531,266</b>	<b>\$390</b>
West Street	\$234,261	\$234,261	\$370
<b>Crescent w/Elevator</b>	<b>\$236,006</b>	<b>\$590,016</b>	<b>\$433</b>
Myrtle	\$240,024	\$514,337	\$471
Cambria	\$244,823	\$489,645	\$566
Taft	\$257,375	\$643,439	\$547
Veterans	\$260,028	\$650,070	\$405
Lexington	\$261,203	\$757,490	\$522
Eddy	\$274,574	\$686,435	\$417
Auburn	\$284,447	\$462,226	\$495
Wyman Street	\$297,048	\$594,097	\$552
Pearl	\$300,470	\$600,942	\$536
Linden Green	\$301,713	\$724,112	\$543
Watertown	\$339,588	\$339,588	\$460
Covenant	\$378,462	\$567,694	\$605
Jackson	\$473,829	\$473,829	\$465
Millhouse	\$484,576	\$1,292,203	\$959
Falmouth/Jackson	\$487,538	\$1,218,847	\$1,035
Pelham Street	\$505,268	\$505,268	\$862

### Per Bedroom Cost Escalated 4% Annually to 2018

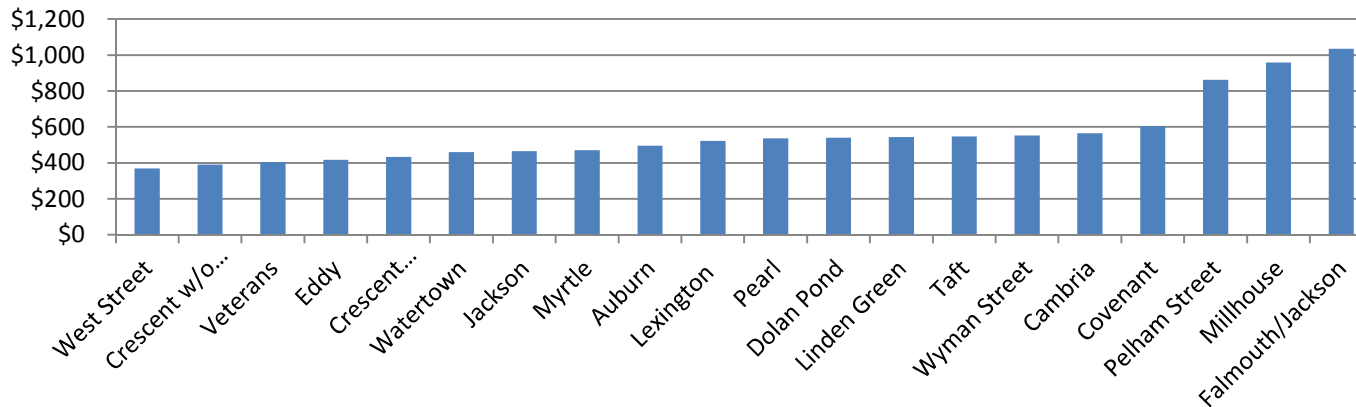


## HOUSING PROJECTS SUPPORTED BY CITY SORTED BY PER SQUARE FOOT COSTS

Square Foot Cost Escalated 4% Annually to
Per Bedroom Cost Escalated 4% Annually
Per Unit Cost Escalated 4% Annually to

	2018	to 2018	2018
West Street	\$370	\$234,261	\$234,261
<b>Crescent w/o Elevator</b>	<b>\$390</b>	<b>\$212,506</b>	<b>\$531,266</b>
Veterans	\$405	\$260,028	\$650,070
Eddy	\$417	\$274,574	\$686,435
<b>Crescent w/Elevator</b>	<b>\$433</b>	<b>\$236,006</b>	<b>\$590,016</b>
Watertown	\$460	\$339,588	\$339,588
Jackson	\$465	\$473,829	\$473,829
Myrtle	\$471	\$240,024	\$514,337
Auburn	\$495	\$284,447	\$462,226
Lexington	\$522	\$261,203	\$757,490
Pearl	\$536	\$300,470	\$600,942
Dolan Pond	\$541	\$151,937	\$506,457
Linden Green	\$543	\$301,713	\$724,112
Taft	\$547	\$257,375	\$643,439
Wyman Street	\$552	\$297,048	\$594,097
Cambria	\$566	\$244,823	\$489,645
Covenant	\$605	\$378,462	\$567,694
Pelham Street	\$862	\$505,268	\$505,268
Millhouse	\$959	\$484,576	\$1,292,203
Falmouth/Jackson	\$1,035	\$487,538	\$1,218,847

### Square Foot Cost Escalated 4% Annually to 2018





### Why Crescent St. Project SHOULD receive CPC Funding

The Crescent Street project, for those who are not familiar, is a plan to build eight rental homes, six of them affordable, on the former site of the Parks & Recreation headquarters and expand an existing playground located at 70 Crescent St. on the West Newton/Auburndale line.

This project has been in the works since 2011, when Mayor Warren declared a portion of the land surplus. Through a lengthy and thoughtful process over the following 5 years, with more than one hundred public meetings, an abundance of public hearings, charrettes, site visits, etc., the current proposal reflects input from hundreds of residents and multiple groups from across the city. It was determined that the location in which it stands is one of the most densely-built precincts in all of Newton and the open space to population ratio was far below the recommended number by the National Recreation and Parks Association. The planning process also considered the comprehensive plan, which calls for creation and preservation of open space and “pocket parks, especially on the north side of the city.”

The eight units, ultimately finalized for the project, considered the JAPG recommendation of 8-20 units, with additional input by residents citywide, as well as the planning department, and a vote by the Board of Aldermen. The board order, which is the official “instructions” for the project, was voted on by the then Board of Aldermen in November of 2015. It required that the project include a maximum of 8 units, at least 4 of which were to be affordable, and that the playground be expanded by a minimum of 20,000 sq ft. The board order passed with a vote of 20 yes, 2 absent, and 2 no (the 2 Aldermen wanted the entire parcel to be a park - an option also supported by a vote of the Parks & Rec Commission).

The project, which has been described by many as a model CPC proposal, meets and exceeds all requirements of the board order, addresses the need for housing with SIX affordable units (75%, which you would never get with a developer), open space, and very importantly, recognition of the historic significance of the property. These are the three areas for which CPC money is eligible. Note: the proposal is not requesting separate funding for the historic portion.

A major advantage of this proposal is that the city retains ownership of the property as an asset. Let me explain why this is so important from a financial perspective. Other housing projects that request CPC funding are not owned by the city, so the money given them by the CPC is transferred to those property owners. The Crescent St. asset will also generate revenue for the city, as well as repay the bond funding portion of the expense. It is important to understand that is not being funded entirely by the city.

The Crescent St. project is being managed by a team that has been often referred to as the “Dream Team.” It includes Josh Morse, Buildings Commissioner, who managed both new school builds on time and on budget. Anyone who has worked with him knows he is extremely capable of managing this project. City of Newton CFO Maureen LeMieux and City Councilor Lenny Gentile are finance professionals, watching over every penny of this proposal. Other city staff members include Barney Heath, Director of Planning, Amanda Berman, Housing Development Planner, Jini Fairley, Head of disability/accessibility, Bob DeRubeis, Commissioner of Parks and Recreation, Rafik Ayoub from Public Buildings, Sonya Spears, representing the Myrtle Baptist Church, Ward 3 city councilor Barbara Brousal Glaser, with Shule Aksun and I serving as the neighborhood representatives. The team also includes an Owners Project Manager, an architect firm with extensive experience in building affordable housing in Cambridge, Boston, and western suburbs, and a highly respected landscape architect who has designed

many urban parks including the Tadpole playground next to the Frog Pond on Boston Common, as well as Magazine Park along the Charles River in Boston. Our affordable housing consultant, the Ciccolo Group, has a stellar reputation serving cities in the Boston area, whose President Michelle Ciccolo expressed to the CPC that this is a model project that other cities will be calling Newton in hopes of following our lead. Every detail of this project has been vetted by experts in their respective fields.

Although some people outside of the working group have very recently expressed concern over the cost of the housing, data has been compiled to show that, adjusted for inflation, it is lower than the average of all housing projects funded by the Newton CPC since its inception in 2001. Crescent St. housing development costs, *without the elevator*, are 15.1% less per unit, 33.8% less per bedroom, and 32.2% less per square foot. The details to support these numbers will be available on the CPC project web page.

It's unfortunate that those who wrote and signed the letter in the Tab last week did not make an effort to meet with the working group to verify their information before publishing it. Contrary to the letter, the budgets do include necessary details including FF&E. Another example of misinformation in the letter criticized the fact that solar panels were referenced but not included in the costs. This is because they will be leased, as that is how most solar panels are installed.

The truth is, this project is a model of Resident-Based Planning, with a stellar management team and the opportunity to create a win win win project for which the city of Newton and its residents can be proud. This proposal has advanced this far in the process because it has the support of abutters and residents from across the city. It has demonstrated that development projects in Newton do not have to polarize the residents and that working together, everyone benefits. We need a project like this for the city to take a step toward harmony.

Not only does this project deserve CPC funding, many would argue that this type of project is the reason why CPC funding was created in the first place.

Elaine Rush Arruda  
Member, Crescent Street Working Group

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