

From: John Pelletier [mailto:john.f.pelletier@gmail.com]  
Sent: Wednesday, January 17, 2018 12:10 PM  
To: Alice Ingerson  
Subject: Support for Jackson Road, concern with Crescent Street

Good morning,

I would like to note my full support for the Jackson Road senior housing project. This is a good example of the type of housing Newton needs more of and will provide more options to our aging population here in Newton. While not in an ideal location for public transportation to allow seniors to travel on their own, it is located pretty close to stops for 5 different MBTA routes including options that serve both the Y and the Senior Center. I would encourage the project team to work with the city to coordinate seating, lighting, and any needed sidewalk repairs that would allow the residents to access these transportation options safely.

I also want to note my concern on the **Crescent Street project**. While I have supported this project in person in the past in front of the CPC the latest financial costs are very concerning and seem to far exceed reasonable development costs. At this time I am unable to continue my support of the Crescent Street project, even though we dearly need the affordable housing options it would provide.

Thank you,

John Pelletier  
92 Central Ave  
Newtonville

# Livable Newton

## Coalition for inclusive, sustainable development

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January 18, 2018

By Electronic Mail

Newton Community Preservation Committee  
c/o Alice Ingerson, Community Preservation Program Manager  
aingerson@newtonma.gov

Dear Members of the Newton Community Preservation Committee:

We, the undersigned residents of Newton, urge the Community Preservation Committee not to allocate any additional CPA funds for the 8-unit housing development proposed at 70 Crescent Street for the following reasons:

- The project costs are excessive and all costs are not factored in – The December 20, 2017 proposal to the Community Preservation Committee (CPC) identifies total development costs (TDC) for the proposed 8-unit housing development of \$4,720,127 (TDC of \$590,016 per unit). TDC of almost \$600,000 per unit is quite high. As a point of comparison for reasonableness, the Commonwealth of Massachusetts generally limits its funding for projects in Metro Boston to those that have TDC of less than \$399,000 per unit – see 2017 Qualified Allocation Plan <https://www.mass.gov/files/documents/2017/10/16/2017qap.pdf>

Even more significant, the TDC per square foot is over \$571 per square foot. Based on MLS sales comparables within a half mile of the site over the last 12 months, the average sale price per square foot for two and three-bedroom condominiums is \$339 per square foot and \$372 per square foot, respectively. The proposal's TDC per square foot is egregiously higher than the sale comparables.

The TDC identified is also an understatement of the actual costs. First, the City-owned site has land value, but that value is not factored in as the acquisition cost for the proposed project is zero. Second, the City-paid personnel working on the project (estimated at \$202,500) and the cost of "Work by others" (\$380,999) is also not factored in. City personnel and work by "others" is not free but are costs borne by Newton taxpayers. Third, the proposed project will not pay any real estate taxes and building permits and fees, thereby requiring yet another subsidy from Newton taxpayers. Further, it is unclear whether other City services will be utilized on an ongoing basis (i.e. snow removal) that are at a cost to the taxpayer but not reflected in the project's costs. A project that includes rents as high as \$3,200/month should be able

to pay an appropriate amount of real estate taxes and municipal permits and fees and contribute to the costs of the municipal services it uses.

- Many of the financial assumptions of the project don't make economic sense – The project's pro forma appears to contain many omissions, underestimates, and ambiguities. Most concerning, the construction cost estimate was prepared by a cost estimator, not a general contractor and its subcontractors, and was based on very preliminary plans and almost no specifications. Finish selections, structural work, MEP, fire protection, code, and other significant details have not been specified. In fact, the plans are so impetuous, that they contradict themselves. For example, the specification says "...PV panels are anticipated to allow this project to produce as much electricity as it uses (net zero)." However, the elevations and budget do not include PV panels. Without complete schematic plans and outline specifications, the construction estimate cannot be assumed to be generally accurate, and 5% design and 5% hard cost contingencies are insufficient to account for any estimator assumptions.

Other pro forma deficiencies include, but are not limited to:

- Soft Costs:
  - FF&E is not included;
  - Marketing is insufficient to run a lottery and income certify residents;
  - Builder's risk, general liability, and other (pollution) insurance during construction are not included;
  - Capitalized operating reserves are not included;
  - Geotechnical is low since it should include test pits/borings, a foundation report, and construction oversight;
  - A&E is low considering that it must include architecture, civil, landscape, testing, etc. consultants
- Rent, Operating Costs, and Debt Service:
  - Insurance is excessively low;
  - The operating budget lacks any details to understand whether its assumptions are reasonable (trash removal, snow removal, extermination, turnover costs, landscaping, bad debt, marketing, legal, administrative costs, etc. are all missing);
  - The operating budget does not include audit or accounting expenditures; a publicly funded and operated project such as this should include an annual audit for transparency purposes;
  - The year 1 Debt Service Coverage Ratio (DSCR) is 1.04. DSCR's below 1.15 – 1.25 are not acceptable for underwriting purposes.
  - The pro forma assumes market rate two and three-bedroom rents of \$2.84 and \$2.56 per square foot, respectively. However, MLS indicates comparable rents over the last 12 months within a half mile radius were \$1.89 and \$1.88 per square foot, respectively. These comparables, as well as a review of the marketing analysis that only referenced large, fully amenitized apartment communities, demonstrate that the projected market rate rents, as currently underwritten, are not feasible.

A true market study completed by an independent and licensed Certified Real Estate Appraiser should be required.

- The 120% AMI rent assumptions are particularly concerning. We believe it will be difficult, if not impossible, to find households at or below 120% AMI who will pay \$2,548 and \$2,768 for a two and three-bedroom unit, respectively. We believe these rent levels are at or above *market rate* rents.

For the above reasons, we believe the actual TDC and subsidy per unit could be significantly higher than the proposal indicates, which would thereby require materially more City subsidy.

- The proposed project is to be exclusively funded with City funds -- Not only is the proposed Crescent Street housing development extremely expensive, but it is proposed to be paid for 100% with City of Newton funds. Unlike most affordable housing developments where other public and private funds are leveraged, in the proposed development, *all* of the costs of the proposed housing development are to be paid by the City of Newton using a mix of Community Preservation Act (CPA) funding, City bond funds, other City cash, and City payroll. As a point of comparison, the Jackson Street housing development (also currently before the CPC) has less than 10% of its proposed costs be paid for by CPA/Newton funds. And Jackson Street will utilize significant non-public funding which is appropriate especially in a project that includes market-rate units. While there may be circumstances where it may make sense for a project to be funded exclusively with City funds, it does not for this proposed project for all of the reasons set forth in this letter.

Using the City's borrowing authority for the proposed development, especially given the high rents for four (half) of the units in the project, is especially concerning. And, as noted above, the City's borrowing authority is proposed to be used under terms no other lender (including government lenders) would provide (much too low DSCR).

- The site is being underutilized – The 2012 Joint Advisory Planning Group recommended a project with 8 – 20 units -- <http://www.newtonma.gov/civicax/filebank/documents/48962>. The City's Design Review Committee in its letter dated November 1, 2017 stated that: "The Committee ... felt strongly that the site could support more than 8 housing units, and recommended increasing the number of units ..." With a larger project, fixed costs for an expensive item like an elevator (rarely seen in a smaller 8-unit project) could be spread out over more units. A project appropriately sized for the site would be economically feasible and achieve more public benefit for the public investment.
- The City should not be in the housing development business – It is highly unusual for a municipality to be in the housing development business. When a municipality engages in a construction project, the costs are increased by approximately 15 – 20% because of the public construction laws that are triggered. This is inevitable when a public building

like a school or fire station is being built. But these costs typically are not incurred when housing is developed. Most municipalities who wish to see affordable housing built on surplus public land will procure a developer who is in the business of developing and owning housing through a Request for Proposals. The City can retain control of the land through a long-term ground lease. See Developing Housing on Municipal Land: A Guide for Massachusetts Communities  
[https://www.housingtoolbox.org/writable/files/resources/mhp\\_public\\_land\\_guide2.pdf](https://www.housingtoolbox.org/writable/files/resources/mhp_public_land_guide2.pdf)  
The questionable economics and assumptions of the proposed project demonstrate why a municipality ought to leave housing development to those with expertise in housing development.

### **Conclusion**

While we fully support a mixed-income housing development at 70 Crescent Street and the use of CPA funds for such a development, we believe that the project as currently proposed is inappropriate for CPA funding, and we urge the CPC to not recommend this project for CPA funding.

Sincerely,

Engine 6  
U-CHAN  
Green Newton

And the following Newton residents listed on the next page. (Addresses available upon request.)

cc: Mayor Ruthanne Fuller, [rfuller@newtonma.gov](mailto:rfuller@newtonma.gov)  
Rafik Ayoub, [rayoub@newtonma.gov](mailto:rayoub@newtonma.gov)  
Barney Heath, [bheath@newtonma.gov](mailto:bheath@newtonma.gov)  
Robert De Rubeis, [bderubis@newtonm.gov](mailto:bderubis@newtonm.gov)  
David Olson, [dolson@newtonma.gov](mailto:dolson@newtonma.gov)

**Additional Signers**

Kol Birke  
Tamara J. Bliss  
Sarah Brinley  
Melissa Chu  
Nadine Cohen  
Marcia Cooper  
Ruth Dain  
Sheila Decter  
Sarah Ecker  
Abby Flam  
Louise Freedman  
Robert Gifford  
Nanci Ginty Butler  
Fran Godine  
Laurie Gould  
Rev. Howard Haywood  
Philip Herr  
Ted Hess-Mahan  
Susan Heyman

Kathleen Hobson  
Kimberly Gladman Jackson  
Judy Jacobson  
Jonathan Kantar  
Ruth Kantar  
Rhanna Kidwell  
Marian Knapp  
Jason Korb  
Rebecca Korb  
David Koven  
Frank Laski  
Soo Laski  
Kathy Laufer  
Lois Levin  
Bart Lloyd  
Ellen Lubell  
Jane Matthews  
Kevin McCormick  
Josephine McNeil

Judy Nagle  
Judith Norsigian  
Kyra Norsigian  
Scott Oran  
John Pelletier  
Regina Ramsey  
Dennis C. Rieske  
Helen Rittenberg  
James Rutenbeck  
Jeffrey Sacks  
Esther Schlorholtz  
John C. Sisson  
Claire Sokoloff  
Andrea Streenstrup  
Doris Ann Sweet  
Doris Tennant  
Lynn Weissberg  
Dan Wiener  
Nancy Zollers

From: David Koven [<mailto:david@kovenconsulting.com>]  
Sent: Thursday, January 18, 2018 8:03 PM  
To: Alice Ingerson; Barney Heath; Rafik Ayoub  
Subject: ... **Crescent Street**

Alice and Colleagues: I've been working in affordable housing development in the Boston area for over 30 years. I have been involved in development and preservation of more than 50 projects totaling about 3,000 units. So I have some expertise and my heart is in the right place (I think).

I have never seen anything like the Crescent Street proposal in the sense that it appears there will be about 600,000 in City money per unit. That is twice as much as I have ever seen, and four to six times what we typically see as a local contribution. Municipal funds are scarce. It is standard practice to leverage other funds for such developments - state funds, federal funds, bank loans. I find the approach here to be unfathomable, and certainly not something that Newton citizens can possibly feel good about. The TAB and the NIMBYs are sure to have a field day with this. Whoever conceived this financing approach will have difficulty maintaining credibility going forward, both with the public and with fellow housing development professionals.

We can do better and get more for our money, don't you think?

David Koven  
33 Harrison Street  
Newton Highlands

From: isabelle <ialbeck@comcast.net>  
Sent: Friday, January 19, 2018 9:43 PM  
To: Alice Ingerson  
Subject: **Newton CPC public hearings ... Crescent Street**

Dear Ms Ingerson,

I would like to support the proposal for the Crescent St Housing and Park.

I love that this open space will be mostly kept: upgraded into an attractive park and playground and I am pleased it will have an additional access, making it easier for residents to get to.

In addition, the proposed affordable units are really needed and the funds from CPC could not be better allocated.

This is a project where the voices of the residents were heard.

Please approve this proposal.  
Isabelle Albeck  
240 Windsor Rd





# LEAGUE OF WOMEN VOTERS NEWTON

PO Box 610207 Newton, MA 02461 www.lwvnewton.org  
617-383-4598 Email: info@lwvnewton.org

January 21, 2018

Alice Ingerson  
Community Preservation Committee Program Manager  
Newton City Hall  
1000 Commonwealth Avenue  
Newton, MA 02459

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Dear Alice:

Thank you for the opportunity to comment. The League of Women Voters of Newton (LWVN) wishes to weigh in on three items before you:

1. Recent changes to the Community Preservation Plan
2. Current applications before the CPC:
  - a. Crescent Street Housing & Park
  - b. Jackson Road/Haywood House

1. LWVN fully supports the recent proposed changes to the allocation targets in the Community Preservation Plan as well as the welcome clarity in determining what are appropriate CPA-funded projects. Priorities can change over time and the CPC should be able to adjust the allocations to reflect the needs and priorities in Newton. Additionally, increased transparency in the process of applying for CPA funds will hopefully improve both the type of projects that are put forward and the efficiency of the CPC process.

2. LWVN reviewed the revised applications for both the Crescent Street and Jackson Road projects. While specific comments for each are below, overall we have some concerns and comments on both requests.

First, we want to be clear that LWVN recognizes the strong need for affordable housing units not only in Newton, but also regionally. Nevertheless, we critically evaluate these proposals to ensure, in our opinion, that these projects are the best use of the sites and the public money spent.

Together these two CPC applications ask for approximately \$5 million, meaning almost two years' allocation would go to these two projects alone. Our readers have expressed concern that CPC funds be used to also support community projects, and not mainly act as a "back pocket" for the city to fund its own projects. We would like the City to encourage community groups to apply for these funds, and are aware that tying up so much money in these two projects means that much less is available to go to future projects proposed by other groups.



## LEAGUE OF WOMEN VOTERS NEWTON

PO Box 610207 Newton, MA 02461 [www.lwvnewton.org](http://www.lwvnewton.org)  
617-383-4598 Email: [info@lwvnewton.org](mailto:info@lwvnewton.org)

Both projects will be on city-owned property, and so there is no cost to purchasing the land. However, the cost per unit for both projects is high (specifics are below). Higher cost of affordable housing has generally been linked to the high cost of land—especially here in Newton, so we are concerned that construction costs are so high for both projects. Is the public procurement or construction process increasing the cost of these projects, and, if so, has a less-costly alternative been explored?

More specific to each project:

### 2a. Crescent Street:

- The only non-CPA funding is other city funding. LWVN has long shared the CPC's preference for projects that leverage CPA funds with non-city, outside funding.
- Reiterating our concerns from the first-round application, the City has never acted as developer on a project of this nature before. Is this a precedent the CPC and the city want to set?
- Again reiterating earlier comments, 8 units of housing is a very low number given the opportunity at this site and leads to a cost per unit that is not in line with the potential benefit of using these funds for other projects. We believe adding units would reduce the cost per unit to a more reasonable level. We ask that CPC ask City Council to review its board order in light of the per-unit cost.
- Having all the units available by elevator would be desirable; however, the small number of units makes this far less cost effective than if there were a larger number.
- Could there be some 1-bedroom units added to the mix? We are aware of the need for larger units, but adding smaller units would address the City's need for smaller housing units.
- Operating expenses for 10 years are shown, but real maintenance expenses usually occur after that. How will those costs be covered, especially given that the bonds to pay for the project are 30-year bonds?
- While there are several pathways to the park, access to the park and playground for a large portion of the public is limited and not direct or clear. The cost of creating this space and two playgrounds needs to be balanced by the expected use of the site.
- The design of the building precludes informal community-building among tenants, with little common space even outside, except for the parking lot and the fenced-off park.
- Are there more details on the playgrounds? Will the play equipment be accessible? How were the elements determined?

Overall: LWVN supports affordable housing and open space projects, but believes that the Crescent Street project, as currently written, is not yet complete and final. LWVN would like to see the City Council review the unit limit that it imposed as a way to reduce the per unit cost. In other words, more units would bring the cost per unit down to more reasonable levels. We also would like the City to reevaluate its plan to "go it alone" on this site, and consider teaming up with an experienced developer. By acting as the developer, the City forgoes the opportunity to leverage outside funds. We oppose using only City/CPA funds for 100% of projects' costs, except where proven that all avenues for outside funding have been explored and exhausted. The plan, as currently designed, is not the best use of CPC funds and needs more work.

[\(comments on Jackson Road/Haywood House posted separately on Newton CPC website\)](#)

**From:** Marian Knapp [<mailto:knappml@comcast.net>]

**Sent:** Thursday, January 18, 2018 2:57 PM (rec'd by CPC staff January 22, 10:57 am)

**To:** City Council

**Cc:** Ruthanne Fuller; Jayne Colino; Nancy Brown; Audrey Cooper; Elizabeth Dugan; Howard Haywood; Jo-Edith Heffron; Adele Hoffman; Naomi Krasner; Ena Lorant; Donna Murphy; Julie Norstrand; Susan Paley; Joyce Picard; Ernest Picard; Carol Ann Shea; Tom Shoemaker; Emma Watkins; Ruth Grabel; Gloria Michelson; Jennifer Molinsky; Lillian Glickman; Sue Rasala; Joan Belle Isle; Bea (Aline) Goldsmith; Ann Levin; Marian Leah Knapp; Barney Heath; James Freas; Lily Canan Reynolds

**Subject:** Council on Aging - Statement re Housing Development in Newton

To: Newton City Council Members

From: Newton Council on Aging: Marian Knapp, Chair; Carol Ann Shea, Vice Chair

Re: Housing Developments

Date: January 18, 2018

.....

The Newton Council on Aging, Executive Committee, with input from our Advisory Board, has agreed on the following statement related to development projects under current consideration by the Newton City Council.

**The Newton Council on Aging encourages the City to promote reasonable cost, age friendly housing for seniors on city-owned surplus sites. We specifically encourage the Planning Department to consider age friendly housing for seniors on the now surplus Newton Center Branch Library site and the Crescent Street project.**

Community Preservation Committee  
January 23, 2018

Good evening. My name is Judy Jacobson and I've lived in Newton for 27 years.

I'm speaking as a resident but my day job is as the Deputy Director and General Counsel of the Massachusetts Housing Partnership, a state housing agency known as MHP. I've worked in affordable housing for over 35 years, with a particular focus on housing development and finance.

Back in the early days of the Community Preservation Act I served, for six years and with stints as Chair and Vice-Chair, as the Mayoral appointee for Community Housing on this Committee.

So I know how hard your job as volunteers is. Thank you for serving.

When I was on the Committee, we got especially excited when a proposed project involved multiple CPA categories. So the possibility of creating housing and a park at Crescent Street is very exciting.

It's also terrific that we as a City are looking to be proactive in addressing the housing needs in our community and are proposing to use our surplus land to do so.

I'm especially happy that much-needed rental housing for families is proposed.

But while the proposed Crescent Street project demonstrates these good intentions, it does not meet what was always my, and my fellow CPC members,' other very important requirement: the project must be economically viable and be a good use of the taxpayer's money.

I am one of the 69 individuals and organizations who signed the Livable Newton letter in which we pointed out the many ways that the project as proposed does not make sense.

Please review the letter carefully. This is very technical stuff. When I was on the CPC, we hired outside consultants with affordable housing expertise to review the proposals.

While our planning staff have planning skills, they didn't, when I was on the Committee, have development and finance skills. These are very different skills sets. Clearly, given that the Planning Department is the project proponent, development and finance skills are still lacking in the Department.

I won't reiterate what's in the letter but the high costs, the hidden costs, and the numerous questionable assumptions clearly result in a project that should not go forward as proposed.

It's not at all surprising, and it's quite telling, that not a single property management company responded to the City's RFP. The bid list included 68 companies, practically every property manager in the area. No one who understands this business would take on managing a project with the questionable economics as the one proposed.

The proposed project's problems stem from the fact that the site is being underutilized.

I get it that new development is scary for some people and there is always a push to make a project smaller.

But those who are in City leadership positions, as you appointed CPC members are, and our elected officials, have to exercise leadership in these situations.

The housing needs in our community are substantial, our values of diversity and opportunity for all are strong, and our resources are limited and precious.

We just can't accept the generic "it's too big."

We have to drill down and figure out what, if any, are the negative impacts of a larger development. Concrete impacts on things like traffic or the environment. And then we have to try to mitigate those impacts.

It's very important that we focus on impacts and not give in to unsubstantiated fears. A project of any size should not go forward if there are real project impacts that are not being mitigated.

I know that the CPC can't remake a project. You can only react to what is in front of you.

But you can exercise leadership tonight by declining to fund a project that is not economically viable and is not a good use of taxpayer money.

The Crescent Street disposition process has already been lengthy but let's get this right.

Do the right thing and vote no on the project as proposed.

January 29, 2018

Dear Members of the Newton Community Preservation Committee:

I am writing to urge you to bring in a qualified third party consultant to evaluate the feasibility of the proposed 8-unit housing development located at 70 Crescent Street. Based on the December 20, 2017 CPC proposal, I believe that this project is infeasible for the following reasons:

1. **It is too expensive:** The stated project cost of \$4.72 million does not include approximately \$600k of costs related to City-paid personnel and work by others; nor does it include any implied land cost (likely in the range of ~ \$50k/unit or \$400k). Therefore, the total cost of the project – on a market comparable basis – is \$5.72 million or over \$700k per unit. In addition, 6 out of the 8 units (75%) are subject to income restrictions. Market-rate developments in the greater Boston area, with 15-25% of the units subject to income restrictions, are currently pricing out at ~ \$400k per unit. The cost of the proposed 70 Crescent Street project, when factoring in full personnel costs, land and the implied cost income restricted units, is ~ 2X market.
2. **There is significant capital risk:** 100% of project funds are to be expended by the City of Newton through capital, bonding and CPC funds. For every scarce dollar spent, Newton will receive 50 cents of market value.
3. **There is significant execution risk:** In an almost unprecedented scheme, the City of Newton is proposing to self-develop this project. The City of Newton has no experience directly building and operating residential housing.

Over the past decade, since the extreme cost overruns experienced in the construction of Newton North High School, the City has painstakingly rebuilt its credibility as a prudent steward of capital and a competent project manager, as evidenced by the successful construction of the Angier and Zervas Elementary Schools as well as the Newton Centre Fire Station. Embarking on the 70 Crescent Street housing project, as currently proposed, would be a step backward.

Before proceeding any further, please bring in an outside expert to evaluate the feasibility of the current proposal. Regaining a loss of capital and credibility is a long hard road. Let's not go back there.

Sincerely,

Robert Gifford  
41 Oxford Road

This letter to the City Council's Public Facilities Committee was cc'd to the chair of the Community Preservation Committee.

From: "Sacks, Jeffrey" <jsacks@nixonpeabody.com>  
Date: February 5, 2018 at 7:25:47 AM PST  
To: "nkhan@newtonma.gov" <nkhan@newtonma.gov>  
Cc: "Deborah J. Crossley (dcrossley@newtonma.gov)" <dcrossley@newtonma.gov>, "rfuller@newtonma.gov" <rfuller@newtonma.gov>, "Peter Sargent (sargent@mhic.com)" <sargent@mhic.com>, "Alison Leary (aleary@newtonma.gov)" <aleary@newtonma.gov>  
Subject: Crescent Street Housing Proposal

I am writing to urge the Public Facilities Committee to slow down the disposition process for 70 Crescent Street and to seek an independent analysis of the costs and financial feasibility of this project.

Whenever the City is the proponent for a housing project utilizing City resources such as City-owned land and CPA funds, special attention must be given to assure that the "tough questions" are asked about the project. It is simply human nature to "get behind" a project which your organization is advocating for it. In this case, the Planning Department cannot render a truly unbiased opinion on this project which has been an important initiative of the City.

During my period as Chair of the Community Preservation Committee, we sought independent advice from consultants when we felt that the Planning Department was unable to provide adequate review of a proposal. The CPA program specifically provides funding for this type of analysis. The Crescent Street project requires this type of review.

The Planning Department has frequently worked with independent housing consultants to assist in the assessment of housing proposals. The Crescent Street proposal requires this type of analysis to be sure that Newton's resources are deployed in the best possible way for this site.

I feel it is significant that the development model being advocated for 70 Crescent Street has never been utilized by Newton (or, I believe) any city or town in the Commonwealth. Many cities and towns have sought to further housing development initiatives through partnerships or ground leases with private or nonprofit housing developers who are expert at this type of development. The taxpayers of Newton cannot afford the unnecessary learning curve which will result from this City-led process. These partners can also access other state and federal funds which can help to leverage City funds.

I urge the Committee to have the costs and assumptions in the 70 Crescent Street independently reviewed by an expert with housing development and finance expertise,

Thank you for your consideration.

Jeffrey Sacks  
45 Old Colony Road

From: Lynne Sweet [mailto:ldsweet@ldsconsultinggroup.com]

Sent: Thursday, February 08, 2018 3:39 PM

To: Alice Ingerson <aingerson@newtonma.gov>; sargent@mhic.com

Cc: Judy Jacobson <judyjacobson@rcn.com>; Deborah J. Crossley <dcrossley@newtonma.gov>

Subject: Request/comments re: Crescent Street Development - Newton

Dear Peter and Alice:

I have spent the past week getting acquainted with the proposed Crescent Street development by reading available information on line as well as attending last night public hearing at City Hall. I believe there have been a lot of well intentioned people working very hard on this and I applauded the idea of affordable housing and open space.

As a development consultant with 30 years of experience, an 18 year owner of housing development consultant firm in Newton and past long time member of the Newton Housing Partnership, I urge you to hire a third party affordable housing development consultant to evaluate the proposal in front of you. Many of the questions I have, it appears have been raised either by the CPC or the public. Given that the project is at a critical point in the development/funding cycle, it is an appropriate time to kick the tires and make sure this project is fiscally sound.

Some of the questions I have relate to the impact of prevailing wages, the cost of using both city and consulting staff, the marketability of the market rate units. I am not opposed to the project, but I am concerned about the City being a developer, owner and manager. I am equally concerned that there is little mention of the affordable housing team member in the written documents and her credentials seem to be more of a planner than an actual development consultant. As I state last night, we typically see ground leases of public land and private developers.

I hope you do not mind that since our office often works on these types of projects, I have taken the liberty to suggest some questions you may want to ask, as well as third parties that you may want to solicit for this work, as I understand from last night's hearing, that time is of the essence:

Please perform the following scope of services:

1. Review of all available documentation relative to finances for the housing proportion of the Crescent Street Development.
2. Are the development costs, income projections, operating projects and sources reasonable and achievable for a rental project of this size and scope? With special attention to:
  - a. Staffing Time
  - b. Marketability of units
  - c. Prevailing Wages
  - d. Purchase Price
3. How do these costs compare to other mixed income rental projects of this size in Newton and Greater Boston?
4. How does the subsidy request of the City/CPA compare to other similarly sized and income mixed rental projects in Newton and Greater Boston?
5. How would development, operating costs and timing differ if the project sponsor was a private entity, either for profit or not for profit?
6. What benefits and burdens are there with a city sponsored project compared to a privately development project?
7. Provide a summary report of your findings and recommendations.

Peter Munkenbeck,  
Michael Jacobs,



Wendy Cohen,  
Peter Smith,  
Sharon Loewenthal,

Thank you for all of your effort on this project.

Lynne



Lynne D. Sweet  
Principal  
LDS Consulting Group, LLC  
233 Needham Street  
Newton, MA 02464  
617-454-1144  
617-454-1145 (fax)

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JOSEPHINE MCNEIL  
53B TAFT AVENUE  
WEST NEWTON, MA 02465

February 9, 2018

Peter Sargent, Chairman  
Community Preservation Committee  
c/o Alice Ingerson, Program Manager  
City of Newton  
1000 Commonwealth Avenue  
Newton, MA 02459

Re: Crescent Street Project

Dear Mr. Sargent and Members of the Community Preservation Committee,

I am writing to urge the Community Preservation Committee not to approve the requested additional \$2,575,000 for the above-referenced project at your February 13, 2018.

For the following reasons:

1. There was inadequate opportunity for community input after the issuance of the Board Order. As a part of the CPA preproposal and final proposal, the applicant is required to provide Evidence of community support. In both instances, the applicant stated that there would Be extensive community engagement. The applicant has made public assertions of numerous Community meetings. I don't believe there was adequate public notice of these meetings. The Working Groups meetings were not publicized in the Friday Report; therefore Newton residents who routinely read the Friday Report were not aware of either the Working Group meetings or the community meetings. This is unfortunate because many of us were denied the opportunity to participate.
2. The February 7<sup>th</sup> memo from the Working Group Public Facilities Committee is misleading in several aspects:
  - The chart which purports to show that the costs for the project are not out of line with those of other projects which received CPC funding is problematic. The most significant distortion is that acquisition costs are included for those projects whereas the Crescent Street project has no acquisition costs, since the city owns the land. In many instances the acquisition costs are more than ½ the total project costs.
  - I question the 4% inflation factor. The inflation factor for the past ten years average 1.63%.

- The fact that the project is now family housing does not make it different from the other projects: most of the other projects were also for families.
  - The size of the units is not exceptional. Many of the projects have comparable unit sizes.
3. The applicant asserts that six of the units are affordable. If one uses the federal and state definition of an affordable unit; only four of the units are affordable. The other two units are designated as “workforce housing”. While there is a need for housing for this population it is not affordable as one usually uses that term. Those two units will not be rented to the families outlined in the memo who are facing serious housing challenges.

In addition even the affordable units are not targeted for the neediest which would be families with incomes below 50%. In many of the cited rental projects all of the units are housing families with incomes below 50% of the AMI.

Thank you for the opportunity to present my views on this project.

Sincerely,

Josephine McNeil

From: Judy Jacobson [mailto:judyjacobson@rcn.com]  
Sent: Saturday, February 10, 2018 5:07 PM  
To: Alice Ingerson <aingerson@newtonma.gov>; Nadia Khan <nkhan@newtonma.gov>  
Subject: Crescent Street

Dear Members of the Newton CPC and Public Facilities Committee:

I wanted to draw your attention to the "Analysis of Potential Funding Sources" submitted to the CPC on February 5, 2018 by the project proponents and share some thoughts. First, it's disappointing that there isn't complete information about the suitability of all of the programs listed and that the list includes programs that haven't been active for decades (for instance, the RDAL program hasn't been active since the late 1980's/early 1990's).

Even more disappointing is that the state program designed for exactly this kind of project – small "community scale" new construction rental developments – isn't even on the list. See <https://www.mass.gov/service-details/community-scale-housing-initiative-cshi> for more information. This program is identified as being available to non-profit and for-profit developers and does not list municipalities as developers but that is because no municipalities in Massachusetts are housing developers. Has the Department of Housing and Community Development (DHCD) and MassHousing been approached by the project proponents about Crescent Street to see if they would consider a municipality as a developer? If not, have the project proponents done appropriate due diligence?

I bring this to your attention because I think it illustrates a point I have been making about the proposed project: despite the very good intentions of the project proponents to create affordable housing, the team is lacking affordable housing development expertise. Everyone "in the business" knows that the state has, for many years, supported "community scale" housing and that the current program will be accepting applications in March.

Ultimately, I do not believe that the Crescent Street project, as currently proposed, would be a successful applicant for the Community Scale Housing Initiative (CSHI) for the reasons outlined in the Livable Newton letter (high costs, questionable assumptions, no marketing study, no property manager, etc). The high cost is especially problematic as the maximum CSHI total development cost per unit is \$350,000. It is especially concerning that the Crescent Street per unit cost is 170% more than the CSHI limit, and that is with a land cost of zero.

I hope that the CPC and City Council decision-makers will consider whether it is appropriate to spend millions of dollars of taxpayer money for a project that doesn't meet the requirements of dozens of successful, well-established government affordable housing funding programs.

Judy Jacobson, Cypress Street

From: Fran Godine [mailto:godine@comcast.net]  
Sent: Sunday, February 11, 2018 1:47 PM  
To: Alice Ingerson <aingerson@newtonma.gov>; Nadia Khan <nkhan@newtonma.gov>; David A. Olson <dolson@newtonma.gov>  
Subject: Independent Review for 70 Crescent St

For distribution to the CPC, PF and full Council. Thank you. Fran Godine  
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Dear Councilors and Committee members:

I write with the request that no decision be made regarding 70 Crescent St. until an independent evaluation by people with experience in housing development and management is available to you.

The neighborhood working group has put in hard work to incorporate housing in their original desire just for a park. Their intentions are respected and valued.

However, there are remaining unanswered financial questions regarding the viability of the project as proposed, and hidden costs which have not been factored in. It is these aspects which prompt the urgency of this request.

As citizens of Newton we will all pay for this for a long time if a decision is made without this information.

If the project is deemed sound as stated, your vote will be clear. If there are factors to consider, you will have that information on which to base your vote.

No doubt the working group led by Councilor Gentile feel they have done their due diligence and have been at this for a long time.

It is essential that you do due diligence on behalf of the taxpayers of Newton prior to making this unprecedented decision.

Sincerely,

Fran Godine  
19 Crofton Rd  
Newton

From: Marcia Johnson [mailto:marcia@marciajohnson.org]  
Sent: Sunday, February 11, 2018 5:34 PM  
To: Alice Ingerson <aingerson@newtonma.gov>; Shawna Sullivan <ssullivan@newtonma.gov>  
Subject: Please distribute to the City Council with a copy to the CPC – **Crescent Street**

Dear City Council,

I am writing to ask the City of Newton to seek an independent review of the [Crescent Street project's] finances by an expert in the housing field. Quite regularly this Honorable Council requires a "peer review" for special permit petitions that are large in scope, size, complexity, and costs. Since this project is to be exclusively funded with City funds, there is a level of accountability and transparency that the Council and the Executive Department has to the taxpayers.

Therefore the City should do as it requires of others...have a peer review of the financials. The City many times requires others to adhere to policies, procedures and processes that it does not follow. So it is critical that what is good for the goose must be good for the gander...the City of Newton needs to get a second opinion and be transparent to the taxpayer.

Some of the reasons that I am making this request are listed below:

1. The costs for the Crescent Street project, exceed the "reasonableness" standard that the Commonwealth of Massachusetts uses to limit its funding for projects in metro Boston.
2. The total development costs (TDC) per square foot exceeds \$571 per square foot is higher than the local sale comparables.
3. The TDC does not fully represent the full cost of the project, e.g. there are no land costs included, city-paid personnel and work "by others" are not calculated into the full costs that will be borne by taxpayers.
4. It is unclear what other city resources will be put on to the project at tax payer expense and not calculated into the TDC.
5. What projects/city-work will be impacted when resources are diverted to this project that may impact citizens and commitments made to us? There is a hidden cost that has not been considered.
6. The construction cost estimate was not prepared by a general contractor and its subcontractors and was based on very preliminary plan.

Thank you for your consideration

Kind regards,

*Marcia*

(Mobile) 617-581-9314  
39 Bemis Street  
Newton, MA 02460

*Putting children & families first....*

**From:** Jason Korb [mailto:jkorb@capstonecommunities.com]  
**Sent:** Sunday, February 11, 2018 4:37 PM  
**To:** Deborah J. Crossley <dcrossley@newtonma.gov>; Alison M. Leary <aleary@newtonma.gov>; Emily Norton <enorton@newtonma.gov>; Andrea W. Kelley <akelley@newtonma.gov>; Leonard J. Gentile <lgentile@newtonma.gov>; Victoria Danberg <vdanberg@newtonma.gov>; Marc C. Laredo <mlaredo@newtonma.gov>; Cheryl Lappin <clappin@newtonma.gov>  
**Cc:** Nadia Khan <nkhan@newtonma.gov>; 'Jeff Sacks' <jsacks@nixonpeabody.com>; Judy Jacobson <judyjacobson@rcn.com>; Alice Ingerson <aingerson@newtonma.gov>; Ruthanne Fuller <rfuller@newtonma.gov>  
**Subject:** Crescent Street

Dear Chairwoman Crossley and Members of the Public Facilities Commission,

I am one of the co-authors of the Livable Newton letter regarding Crescent Street. I was not able to attend your meeting last week, but I heard that some questions about our data were raised, especially regarding the cost/sf and FF&E referenced in our letter. This email provides data that supports our letter. It also highlights a number of errors by the City's consultants specifically regarding the cost/sf issue. I apologize in advance for the length of this email.

Our calculation of cost/sf was based on net rentable area in the City's pro forma (see attached). The net rentable area according to the City's pro forma is 8,264sf (by multiplying the average sf per unit of 1,033 by 8 units). This is the City's consultant's first error. However, 1,033 is not the average sf if you add up the numbers above it and average them, but we didn't check the consultant's math because we mistakenly assumed the consultants and those overseeing them had already done so. 1,033sf should actually read 1,137sf. I also hadn't seen the gross sf calculation originally, but just found it on the construction estimate, which claims the gsf is 10,897sf.

I now see there is also a major discrepancy between the pro forma and the plans. The plans show 6 units at 1,259 sf and 2 units at 1,023 sf. This is the second error by the City's consultants. On the City's plans, 2 of the 6 units labelled 1,259 sf are smaller two bed units; identical, if not smaller, than the 1,023sf units below them (units 1B and 1C). Therefore, I believe the sf numbers indicated on the plans for those units are incorrect (the two middle ones labelled Apt. 2A, 3 apartments are actually labelled 2A, which makes me think the drafter copied 2A but forgot to update the unit and smaller sf numbers). Regardless of the consultant's error, our assertion was to compare the price/sf of recent comparable sales and rental rates to the price/sf of the Crescent Street proposal. That is always done on a nsf basis, as indicated in our letter, not a gsf basis. The backup for our sales and rental comps are attached to this email.

I also question the 10,897 gsf calculation. I have attached plans where I highlight the common areas (pink) and unit areas (yellow). After I highlighted these, I realized that the stairs at the building ends are actually exterior and should not have been highlighted at all. Eyeball it for yourself and see if you think the pink areas (common areas) are almost 2,000sf if the yellow areas are 9,092sf ( $1250*4 + 1,023*4$ , per what the plans probably should read). I think the common areas are closer to or less than 1,000sf total. I would request the City provide backup as to how the 10,897gsf was determined.

Assuming the common areas total 1,000sf, the cost would be \$468/gsf (based on 10,092gsf). However, none of this includes the \$583,499 off budget, which I can't figure out why the costs are not included in either the park and/or housing costs. If proportionately allocated to the housing based on cost it would drive the gsf housing cost to \$513/sf (again assuming 1,000sf of common area). Add in another \$100,000 per unit as a conservative value for land cost (the land does have value and could be disposed of by the City for consideration), and the cost/sf balloons to \$592/gsf and \$747,205/unit. Below is a chart that summarizes the above data:

NSF		9092	Per plans, adjusted per my email
Common Area SF		1000	Estimate
GSF		10092	
TDC	\$	4,720,127	Per pro forma
Additional Cost	\$	457,512	Proportional allocation of "Other" column in pro forma
Land Value	\$	800,000	Conservative estimate
Revised TDC	\$	5,977,639	
<b>Revised TDC/Unit</b>	<b>\$</b>	<b>747,205</b>	<b>8</b>
<b>Revised TDC/GSF</b>	<b>\$</b>	<b>592</b>	

Regarding our FF&E comment, which I hear is a fixation of some, although it was one of our more minor comments, in the context of affordable housing and housing in general, FF&E is a budget for pictures in the hallways, outfitting the maintenance/storage areas (onsite or offsite) with equipment (tools, snow blower, vacuum, cleaning supplies, etc.), purchasing attic stock (paint, tile, flooring, etc.), etc. None of that is in the detailed budget. In my 17 year affordable housing career, I've never seen countertops and cabinets put in Division 12 (Furnishings) as is done on the Crescent Street trade item breakdown. Pursuant to HUD's trade item breakdown (attached), all of the items in Furnishings (except blinds) belong in Division 11 (Cabinets). Maybe those who made the comments regarding FF&E thought cabinets were typically called furnishings since they had been assigned that by the Estimator?

If I were to sum up the major issues with this proposal (in addition to cost), I would say they are:

- 3 beds should absolutely have 2 baths, 1.5 baths are not sufficient for families with a minimum of 2-3 children. Would you want to share one shower/tub with 4-5 other family members and pay \$3,200 per month in rent?;
- It will be incredibly difficult, if not impossible, for the City to find 120% AMI residents to pay the 120% AMI rent since that actual rent is so high (I believe above market rate, does anyone really think an income restricted family is going to be income certified every year AND pay almost \$2,800 in rent when they can rent for significantly less in the same neighborhood and not go through annual income certifications?);
- I believe based on true comparable data that the market rate rents are significantly overstated, an independent market study should be commissioned to confirm the rents, or at least get a local rental broker's unbiased written opinion of rents (they do this for free), or use the MLS comps we provided (attached to this email, which don't support the City's projected 120% and market rents). Without knowing the finish selections no one can give a remotely accurate estimate of rental rates;
- The hard cost budget is prepared by an estimator, not a GC, and is based upon what I see is nothing more than marketing level plans and less than a one page outline specification. Can anyone answer what level of finishes are included, how the HVAC system was priced as a minisplit as opposed to gas fired furnaces, how the framing was priced without any idea of the structural system, how the insulation was priced without running an energy analysis on what is required, how the foundation was priced without a geotechnical specification, etc.?
- It's misleading to say "High performance building systems combined with PV panels are anticipated to allow this project to produce as much electricity as it uses (net zero)" and also depict PV panels on the colored rendered site plans when in fact PV panels are not included in the budget (is this also an off budget cost?). Elsewhere I see the notes saying the project will be solar ready, but many people probably don't know that means you just install a conduit to the electrical room and ensure the roof structure can support PV panels and racking systems;
- Why not make all the units affordable? As a citizen who firmly believes the City needs more affordable housing, it will certainly make this entire deal more palatable from my perspective. As currently proposed, unless the 120% rents are significantly lowered, the deal is effectively only creating 4 affordable units;



- I'm not a code expert, but I suggest the City ask Abacus to review the IBC, 780 CMR, and its code consultant. Pursuant to 780 CMR Table 1021.2, since the building is sprinklered I don't believe the building needs two means of egress from each unit. That should save the City some significant costs, especially if all the exterior stairs can be eliminated.

As an affordable housing developer (and Newton resident), I'd be happy to lend my expertise to this project. I grew up in Newton, went to Newton public schools from Zervas through Newton South, and I have returned to raise my family here. I also relocated my office to Newton. I care deeply about Newton, as I know all of you do too. It is quite depressing that most of my childhood friends cannot afford to live here and I applaud the City's efforts to create affordable housing where possible.

Unfortunately, despite the City's good intentions, I believe deals such as Crescent Street have a chilling effect on affordable housing development. Contrary to further promoting affordable housing, excessively expensive deals serve to bolster anti-affordable housing sentiment that many affordable housing developments are too expensive and not a wise use of public resources. Congressional leaders from both parties have also focused on the burgeoning costs of affordable housing.

In my work, I always ask myself if a particular City and the State is getting a great financial and economic deal through my work. In cities like Brockton, that means I ask if my projects will generate increased tax revenue in a resource constrained community, will encourage individuals with disposable income to move into an economically distressed area, will save an important historic building, will create construction and management jobs in areas of high unemployment, will use local resources to leverage state and federal resources to the City, and will serve as a catalyst for more development in a somewhat vacant and underutilized downtown. In wealthier cities like Cambridge (and Newton), my first question is if my proposed total development cost is far less than the comparable market rate condominiums that could otherwise be purchased and converted to affordable housing. As stewards of public resources and all of our tax dollars, we all have an obligation to ask these questions and ensure our answers are well informed and accurate. I encourage you to ask yourselves these questions with regard to Crescent Street.

I wish you the best of luck and great success with this project. I am available via email, phone, or to meet in person if you would like further suggestions, feedback and/or additional discussion. Unfortunately I am unable to attend the CPC meeting this week since I am finishing a DHCD financing application due on Thursday for a forty (40) unit, 100% affordable family proposal in Porter Square that is strongly supported by the City of Cambridge, its Affordable Housing Trust (CPC funds), many City residents, and the City's leaders.

Best,  
Jason

**\*\*\*PLEASE NOTE CAPSTONE'S NEW ADDRESS BELOW\*\*\***

**1155 Walnut Street #31  
Newton Highlands, MA 02461**



[18Feb11 Korb attachments:](#)

- [18Feb11 Korb attachments\2018\\_02\\_08\\_11\\_05\\_00.pdf](#)
- [18Feb11 Korb attachments\70 Crescent St CPA letter final.pdf](#)
- [18Feb11 Korb attachments\Crescent Street Sales Comps Backup.pdf](#)
- [18Feb11 Korb attachments\HUD Trade Item Breakdown.pdf](#)
- [18Feb11 Korb attachments\Jason Korb.vcf](#)
- [18Feb11 Korb attachments\Pro Forma Highlighted.pdf](#)
- [18Feb11 Korb attachments\Sources and Uses.pdf](#)

**From:** DEBORAH CROSSLEY [<mailto:djcrossley26@verizon.net>]

**Sent:** Sunday, February 11, 2018 11:24 PM

**To:** Jason Korb <[jkorb@capstonecommunities.com](mailto:jkorb@capstonecommunities.com)>

**Cc:** crossley deb <[dcrossley@newtonma.gov](mailto:dcrossley@newtonma.gov)>; leary mooradian alison <[aleary@newtonma.gov](mailto:aleary@newtonma.gov)>; norton emily <[enorton@newtonma.gov](mailto:enorton@newtonma.gov)>; kelley andrea <[akelley@newtonma.gov](mailto:akelley@newtonma.gov)>; gentile lenny <[lgentile@newtonma.gov](mailto:lgentile@newtonma.gov)>; Danberg Victoria <[vdanberg@newtonma.gov](mailto:vdanberg@newtonma.gov)>; laredo marc <[mlaredo@newtonma.gov](mailto:mlaredo@newtonma.gov)>; lappin cheryl <[clappin@newtonma.gov](mailto:clappin@newtonma.gov)>; khan nadia <[nkhan@newtonma.gov](mailto:nkhan@newtonma.gov)>; sacks jeffrey <[jsacks@nixonpeabody.com](mailto:jsacks@nixonpeabody.com)>; jacobson judy <[judyjacobson@rcn.com](mailto:judyjacobson@rcn.com)>; Ingerson Alice <[aingerson@newtonma.gov](mailto:aingerson@newtonma.gov)>; fuller ruthanne <[rfuller@newtonma.gov](mailto:rfuller@newtonma.gov)>

**Subject:** Re: Crescent Street

Dear Mr.Korb,

Thank you for taking the time to lend your expertise to assess this proposal, and as well for carefully considering the accuracy of the supporting documents.

To be clear, the committee cannot discuss or deliberate via email, however, I will acknowledge a few points of fact regarding quantifying the unit mix.

I see the discrepancies in the square footages labeled on the unit plans, and had raised this last November with the building commissioner. Apparently the documents have not been amended since that time. You might notice that the first floor center two BR units, are a bit larger than the second floor 2BR units, because they have extended interior space below the balconies. This was supposed to be removed, in which case all 2BR unit sizes would be the same. However, the second floor units are also labeled incorrectly - as having the same SF as the 3BR units. This should all be corrected.

I had not noticed that none of the labeled square footages correlate to the NRA (net rental area) square footages in the Unit Mix Summary. Of course the other square foot price comparisons depend upon accurate unit SF calculations.

A quick calculation of the common area footage shows that it is less than the difference between the stated total GSF and the total of the unit NRAs. (108Normally one does not count exterior stairs as unit or common area square footage. I believe the area under the four exterior stairs is cold storage, but unsure if this is counted as unit or common space. And in any case, only the ground floor can be counted. A quick rough calculation shows common areas comprise less than 800 SF, assuming accessible corridors and code stairs.

Finally, I am not aware of a case where having a sprinkler system obviates the need for a second egress, but will certainly confirm this.

Again, thank you - it is helpful to have your input.

Best,

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.

**From:** Jason Korb [mailto:jkorb@capstonecommunities.com]  
**Sent:** Sunday, February 11, 2018 11:55 PM  
**To:** DEBORAH CROSSLEY <djcrossley26@verizon.net>  
**Cc:** Deborah J. Crossley <dcrossley@newtonma.gov>; Alison M. Leary <aleary@newtonma.gov>; Emily Norton <enorton@newtonma.gov>; Andrea W. Kelley <akelley@newtonma.gov>; Leonard J. Gentile <lgentile@newtonma.gov>; Victoria Danberg <vdanberg@newtonma.gov>; Marc C. Laredo <mlaredo@newtonma.gov>; Cheryl Lappin <clappin@newtonma.gov>; Nadia Khan <nkhan@newtonma.gov>; sacks jeffrey <jsacks@nixonpeabody.com>; jacobson judy <judyjacobson@rcn.com>; Alice Ingerson <aingerson@newtonma.gov>; Ruthanne Fuller <rfuller@newtonma.gov>  
**Subject:** RE: Crescent Street

Thanks Councilor Crossley. I have attached a redacted code memo for a three story, 6 unit development in Cambridge that I own and recently completed where we were permitted to utilize one means of egress in a sprinklered building. It is not exactly an apples to apples comparison with Crescent Street, but may be one idea to save costs. The memo may help the project's architect focus on the applicable codes. There have been lots of positive changes since Massachusetts adopted the IBC. My understanding is that the recently adopted 9<sup>th</sup> edition makes no changes to these egress assumptions, but obviously your professionals need to confirm.

Retaining a good code consultant early is crucial in these types of projects. I highly recommend Caitlin Gamache at Code Red, vcard is attached. Not sure of your public procurement requirements on this deal, but she is excellent. Cosentini is also another highly regarded firm in case you need two bids, possibly a bit more expensive but equally as good. Vcard for Cosentini also attached. I work with both of them. Requesting a code review memo at this stage (probably \$2K-\$3K) is not atypical and will inform the design and pricing process going forward. Abacus is a well-regarded firm and should have a good handle on leading this process.

As I've offered others, I'm happy to share redacted materials of almost anything if it is helpful to the City and this project.

I appreciate your quick response.

<p><b>Caitlin Gamache</b> Code Red Consultants LLC Consutant</p> <p>(617) 714-9849 Work <a href="mailto:CGamache@crctfire.com">CGamache@crctfire.com</a> 154 Turnpike Road, Suite 200 Southborough, MA 01772 <a href="http://www.crcfire.com">www.crcfire.com</a></p>	<p><b>Donald Havener</b> Cosentini Associates Principal Fire Protection Engineer</p> <p>(617) 748-0031 Work (617) 417-8127 Mobile <a href="mailto:DHavener@cosentini.com">DHavener@cosentini.com</a> 101 Federal Street – Suite 600 Boston, MA 02110 <a href="http://www.cosentini.com">www.cosentini.com</a></p>
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Community letters re:  
CRESCENT STREET  
**CRESCENT STREET HOUSING AND  
REVEREND FORD PLAYGROUND EXPANSION  
PROJECT DEVELOPMENT BUDGET**



Formula correction 22 Dec 2017,  
A. Ingerson & J. Morse

USES				
Description	Housing	Park	Total	Other
<b>HARD COSTS</b>				
Direct Construction				
Housing/Housing Site Total	\$ 3,618,310	\$ -	\$ 3,618,310	\$ -
Appliances	\$ 50,230	\$ -	\$ 50,230	\$ -
Park Total	\$ -	\$ 888,497	\$ 888,497	\$ -
Utilities	\$ 221,186	\$ 139,316	\$ 360,502	
Earthwork by others	\$ -	\$ -	\$ -	\$ 132,380
<b>Direct Construction Total</b>	<b>\$ 3,889,726</b>	<b>\$ 1,027,813</b>	<b>\$ 4,917,539</b>	<b>\$ 132,380</b>
Existing Building Demolition	\$ -	\$ -	\$ -	\$ 92,000
Hazmat Abatement	\$ -	\$ -	\$ -	\$ 132,000
General Conditions, O&P, P&P Bond, BRI	\$ -	\$ -	(Incl.)	\$ -
Escalation	\$ -	\$ -	(Incl.)	\$ -
Construction Contingency @ 5%	\$ 194,486	\$ 56,838	\$ 251,324	\$ 6,619
<b>Hard Costs Total</b>	<b>\$ 4,084,212</b>	<b>\$ 1,084,651</b>	<b>\$ 5,168,863</b>	<b>\$ 362,999</b>
<b>SOFT COSTS</b>				
OPM				
OPM & Housing Consultant	\$ 174,846	\$ 59,847	\$ 234,693	\$ -
Design & Engineering				
Architectural and Engineering fees	\$ 336,740	\$ 115,260	\$ 452,000	\$ -
Additional Consultants (HERS)	\$ 10,850	\$ -	\$ 10,850	\$ -
Professional Services				
Hazmat	\$ 11,432	\$ 11,432	\$ 22,863	\$ 18,000
Survey (Additional)	\$ 7,750	\$ 4,025	\$ 11,775	
Materials Testing	\$ 14,900	\$ 5,100	\$ 20,000	\$ -
Geotechnical	\$ 9,145	\$ 6,695	\$ 15,840	
Fixtures, Furnishings & Equipment				
Furnishings & Playground Equipment	\$ -	\$ -	\$ -	\$ -
Project Related Expenses				
Utility Back Charges	\$ 7,450	\$ 2,550	\$ 10,000	\$ -
Admin & Printing Cost	\$ 15,000	\$ -	\$ 15,000	\$ -
City Staff Time			\$ -	\$ 202,500
Non GC Construction Work	\$ 10,000	\$ -	\$ 10,000	\$ -
Marketing/Initial Rent-up	\$ 5,000	\$ -	\$ 5,000	\$ -
Affordable Monitoring	\$ 2,520	\$ -	\$ 2,520	\$ -
Soft Cost Contingency				
Soft Cost Contingency	\$ 30,282	\$ 10,245	\$ 40,527	\$ -
<b>Soft Costs Total</b>	<b>\$ 635,914.64</b>	<b>\$ 215,153.85</b>	<b>\$ 851,068.49</b>	<b>\$ 220,500.00</b>
<b>Total Project Budget</b>	<b>\$4,720,127</b>	<b>\$1,299,805</b>	<b>\$6,019,932</b>	<b>\$583,499</b>

FUNDING SOURCES				
Description	Housing	Park	Total	Other
CPA *	\$ 1,635,000	\$ 1,300,000	\$ 2,935,000	\$ -
Work by Others	\$ -	\$ -	\$ -	\$ 380,999
City Staff Time	\$ -	\$ -	\$ -	\$ 202,500
Bond	\$ 2,200,000	\$ -	\$ 2,200,000	\$ -
Cash	\$ 885,127	\$ (195)	\$ 884,932	\$ -
<b>Total</b>	<b>\$ 4,720,127</b>	<b>\$ 1,299,805</b>	<b>\$ 6,019,932</b>	<b>\$ 583,499</b>

Notes and Assumptions:

\* CPA Funding includes \$260,000 appropriated for feasibility and design and \$100,000 for site assessment  
City Funding includes \$298,500 appropriated for feasibility and design and \$100,000 for site cleanup

CRESCENT STREET DEVELOPMENT  
OPERATING PROFORMA WITH ELEVATOR  
DECEMBER 5, 2017  
NEWTON, MA

	Year 1 - Untrended	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
<b>Operating Income</b> (Trending 2%)										
Apartment Rental Income	\$ 202,344	\$ 206,391	\$ 210,519	\$ 214,729	\$ 219,024	\$ 223,404	\$ 227,872	\$ 232,430	\$ 237,078	\$ 241,820
Other Income	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Income</b>	\$ 202,344	\$ 206,391	\$ 210,519	\$ 214,729	\$ 219,024	\$ 223,404	\$ 227,872	\$ 232,430	\$ 237,078	\$ 241,820
Less Unit Vacancy (5%)	\$ (10,117)	\$ (10,320)	\$ (10,526)	\$ (10,736)	\$ (10,951)	\$ (11,170)	\$ (11,394)	\$ (11,621)	\$ (11,854)	\$ (12,091)
<b>Effective Gross Income</b>	\$ 192,227	\$ 196,071	\$ 199,993	\$ 203,993	\$ 208,072	\$ 212,234	\$ 216,479	\$ 220,808	\$ 225,224	\$ 229,729
<b>Operating Expenses</b> (Trending 3%)										
Management Fee/Administration	\$ 24,463	\$ 25,196	\$ 25,952	\$ 26,731	\$ 27,533	\$ 28,359	\$ 29,210	\$ 30,086	\$ 30,988	\$ 31,918
Maintenance	\$ 21,812	\$ 22,466	\$ 23,140	\$ 23,835	\$ 24,550	\$ 25,286	\$ 26,045	\$ 26,826	\$ 27,631	\$ 28,460
Utilities (CA)	\$ 7,853	\$ 8,088	\$ 8,331	\$ 8,581	\$ 8,838	\$ 9,104	\$ 9,377	\$ 9,658	\$ 9,948	\$ 10,246
Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Resident Services	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Insurance	\$ 3,607	\$ 3,715	\$ 3,826	\$ 3,941	\$ 4,060	\$ 4,181	\$ 4,307	\$ 4,436	\$ 4,569	\$ 4,706
Monitoring Fee	\$ 1,600	\$ 1,648	\$ 1,697	\$ 1,748	\$ 1,801	\$ 1,855	\$ 1,910	\$ 1,968	\$ 2,027	\$ 2,088
Capital Reserves	\$ 2,400	\$ 2,472	\$ 2,546	\$ 2,623	\$ 2,701	\$ 2,782	\$ 2,866	\$ 2,952	\$ 3,040	\$ 3,131
Elevator	\$ 2,800	\$ 2,884	\$ 2,971	\$ 3,060	\$ 3,151	\$ 3,246	\$ 3,343	\$ 3,444	\$ 3,547	\$ 3,653
<b>Total Operating Expenses</b>	\$ 64,534	\$ 66,470	\$ 68,464	\$ 70,518	\$ 72,634	\$ 74,813	\$ 77,057	\$ 79,369	\$ 81,750	\$ 84,202
<b>Net Operating Income</b>	\$ 127,693	\$ 129,601	\$ 131,528	\$ 133,474	\$ 135,439	\$ 137,421	\$ 139,421	\$ 141,439	\$ 143,474	\$ 145,526
Debt Service (\$2,200,000 @3.75% for 30yrs)	\$ 122,263	\$ 122,263	\$ 122,263	\$ 122,263	\$ 122,263	\$ 122,263	\$ 122,263	\$ 122,263	\$ 122,263	\$ 122,263
<b>Net Cash Flow</b>	\$ 5,430	\$ 7,338	\$ 9,265	\$ 11,211	\$ 13,176	\$ 15,158	\$ 17,158	\$ 19,176	\$ 21,211	\$ 23,263
DSCR	1.04	1.06	1.08	1.09	1.11	1.12	1.14	1.16	1.17	1.19

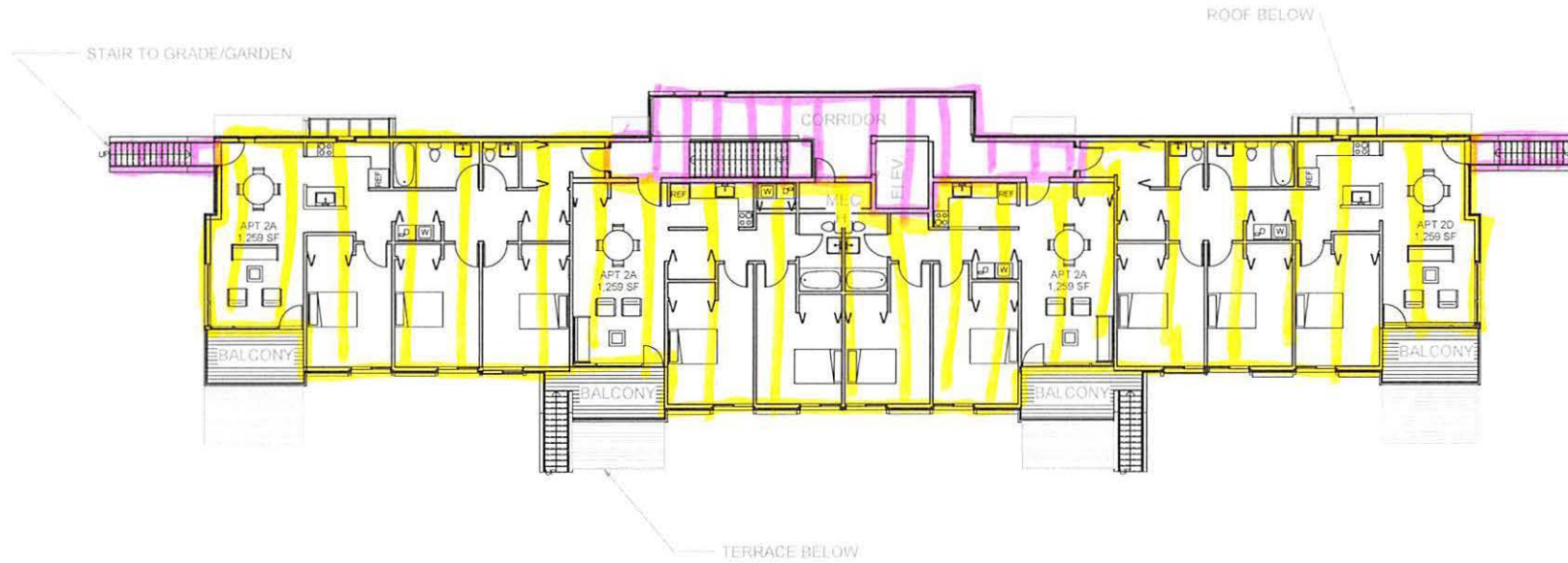
12/4/2017

Unit Mix Summary 4-Two Bed, 4-Three Bed UNIT MIX SUMMARY					
<b>Floor 1</b>					
Unit Type	# of Units	AMI	Average NRA	Monthly Total	Annual Total
2 bed, 1 bath	1	80%	1,000	\$ 1,514	\$ 18,165
2 bed, 1 bath	1	MR	1,000	\$ 2,844	\$ 34,128
3 bed, 1.5 bath	1	60%	1,250	\$ 1,217	\$ 14,604
3 bed, 1.5 bath	1	120%	1,250	\$ 2,768	\$ 33,216
	4		1,033		\$ 100,113
<b>Floor 2</b>					
Unit Type	# of Units	AMI	Average NRA	Monthly Total	Annual Total
2 bed, 1 bath	1	120%	1,000	\$ 2,548	\$ 30,576
2 bed, 1 bath	1	60%	1,000	\$ 1,152	\$ 13,818
3 bed, 1.5 bath	1	80%	1,250	\$ 1,620	\$ 19,437
3 bed, 1.5 bath	1	MR	1,250	\$ 3,200	\$ 38,400
	4		1,033		\$ 102,231
<b>Total</b>	<b>8</b>				<b>\$ 202,344</b>

CPC staff note:  
NRA = net rentable  
area (square feet)

Affordable Unit Rents Decreased by Newton Housing Authority Section 8 Utility Allowances





SECOND FLOOR PLAN  
1/8" = 1'-0"



Newton  
Community Preservation Committee

Community letters re:  
CRESCENT STREET

Property Type(s): CC

Status: SLD

Timeframe: TODAY - 12 MONTHS

Towns: Newton, MA

Advanced Criteria: ■ Street # 70 ■ Street Name(s) crescent ■ Zip Code(s) 02466 ■ Zip Code Radius .5 miles ■ Number of Bedrooms=3

### Condominium Listings

MLS #	Status	Address	Town	Description	DOM	List Price	Sale Price
72140888	SLD	58 PROSPECT ST U:2	Newton, MA : West Newton	8 room, 3 bed, 2f 1h bath Townhouse	2	\$850,000	\$880,000
72107774	SLD	40 Crescent Street U:C	Newton, MA	7 room, 3 bed, 2f 0h bath Townhouse	15	\$589,000	\$590,000
72188162	SLD	40 Crescent Street U:B	Newton, MA	7 room, 3 bed, 2f 0h bath Townhouse	19	\$589,000	\$634,000
72068310	SLD	160 Pine St U:26	Newton, MA : Auburndale	5 room, 3 bed, 2f 1h bath Townhouse	68	\$649,000	\$610,000
72077525	SLD	88 Crescent Street U:3	Newton, MA : Auburndale	9 room, 3 bed, 3f 1h bath Townhouse	72	\$1,100,000	\$1,100,000
72171081	SLD	67 Prospect St U:67	Newton, MA	7 room, 3 bed, 2f 1h bath Townhouse	80	\$839,900	\$815,000
72052650	SLD	45 Curve U:2	Newton, MA	6 room, 3 bed, 2f 1h bath Townhouse	115	\$899,900	\$865,000

**Condominium Listings:** 7 **Avg. Liv.Area SqFt:** 2,138.00 **Avg. List\$:** \$788,114 **Avg. List\$/SqFt:** \$373 **Avg. DOM:** 53.00 **Avg. DTO:** 41.14

**Avg. Sale\$:** \$784,857 **Avg. Sale\$/SqFt:** \$372

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Property Type(s): CC  
Status: SLD  
Timeframe: TODAY - 12 MONTHS  
Towns: Newton, MA  
Advanced Criteria: ■ Street # 70 ■ Street Name(s) crescent ■ Zip Code(s) 02466 ■ Zip Code Radius .5 miles ■ Number of Bedrooms=2

**Condominium Listings**

MLS #	Status	Address	Town	Description	DOM	List Price	Sale Price
72116142	SLD	160 Pine Street U:19	Newton, MA : Auburndale	5 room, 2 bed, 2f 1h bath Townhouse	9	\$599,000	\$587,000
72247425	SLD	86 Webster St U:86	Newton, MA	7 room, 2 bed, 2f 0h bath 2/3 Family	13	\$549,000	\$578,000
72165460	SLD	29 Sharon Ave U:29	Newton, MA : Auburndale	7 room, 2 bed, 1f 0h bath 2/3 Family	23	\$489,000	\$465,000
72228017	SLD	160 Pine Street U:15	Newton, MA : Auburndale	6 room, 2 bed, 2f 2h bath Townhouse	34	\$679,000	\$665,000

**Condominium Listings: 4 Avg. Liv.Area SqFt: 1,698.50 Avg. List\$: \$579,000 Avg. List\$/SqFt: \$343 Avg. DOM: 19.75 Avg. DTO: 10.50**

**Avg. Sale\$: \$573,750 Avg. Sale\$/SqFt: \$339**

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Newton  
Community Preservation Committee  
Property Type(s): RN  
Status: RNT  
Timeframe: TODAY - 12 MONTHS  
Towns: Newton, MA

Advanced Criteria: ■ Street # 70 ■ Street Name(s) crescent ■ Zip Code(s) 02466 ■ Zip Code Radius .5 miles ■ Number of Bedrooms=2

Rental Listings

MLS #	Status	Address	Town	Description	DOM	List Price	Sale Price
72179160	RNT	22 Greenough Street U:1	Newton, MA : West Newton	5 room, 2 bed, 1f 0h bath apartment (Rental)	12	\$1,850	\$1,900
72190080	RNT	50 Greenough St	Newton, MA	5 room, 2 bed, 1f 0h bath single family (Rental)	13	\$2,700	\$2,800
72206022	RNT	18 Murray Terrace U:1	Newton, MA	4 room, 2 bed, 1f 0h bath apartment (Rental)	14	\$1,750	\$1,750
72209111	RNT	63 Newell Road U:63	Newton, MA	6 room, 2 bed, 1f 0h bath apartment (Rental)	14	\$1,975	\$1,975
72245521	RNT	1583 Washington Street U:1	Newton, MA	5 room, 2 bed, 1f 0h bath condominium (Rental)	14	\$2,075	\$2,075
72115444	RNT	1579 Washington Street U:1579	Newton, MA	5 room, 2 bed, 1f 0h bath apartment (Rental)	22	\$1,900	\$1,900
72220678	RNT	61 Newell Road U:61	Newton, MA	6 room, 2 bed, 1f 0h bath apartment (Rental)	30	\$1,950	\$1,950
72121252	RNT	289 Webster St U:1	Newton, MA	5 room, 2 bed, 1f 0h bath apartment (Rental)	43	\$1,895	\$1,900
72118888	RNT	28-30 Greenough Street U:1	Newton, MA	5 room, 2 bed, 1f 0h bath apartment (Rental)	51	\$2,250	\$2,250
72176674	RNT	32 Gilbert Street U:2	Newton, MA : West Newton	7 room, 2 bed, 1f 0h bath apartment (Rental)	63	\$2,300	\$2,300
72110249	RNT	1537 Washington U:1	Newton, MA	6 room, 2 bed, 1f 0h bath apartment (Rental)	68	\$2,500	\$2,500
72175548	RNT	1537 Washington U:01	Newton, MA : West Newton	6 room, 2 bed, 1f 0h bath apartment (Rental)	150	\$2,300	\$2,300

Rental Listings: 12 Avg. Liv.Area SqFt: 1,129.17 Avg. List\$: \$2,120 Avg. DOM: 41.17 Avg. DTO: 31.42 Avg. Sale\$: \$2,133

2133/1129 = \$1.89

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Property Type(s): RN

Status: RNT

Timeframe: TODAY - 12 MONTHS

Towns: Newton, MA

Advanced Criteria: ■ Street # 70 ■ Street Name(s) crescent ■ Zip Code(s) 02466 ■ Zip Code Radius .5 miles ■ Number of Bedrooms=3

**Rental Listings**

MLS #	Status	Address	Town	Description	DOM	List Price	Sale Price
72171527	RNT	68-70 Auburndale Avenue U:68	Newton, MA : Auburndale	7 room, 3 bed, 2f 0h bath apartment (Rental)	6	\$2,800	\$3,000
72220917	RNT	50 Elm U:50	Newton, MA	6 room, 3 bed, 1f 0h bath apartment (Rental)	13	\$2,600	\$2,600
72111071	RNT	27 Fernwood U:27	Newton, MA	7 room, 3 bed, 2f 0h bath single family (Rental)	16	\$3,200	\$3,200
72145750	RNT	251 auburndale	Newton, MA : Auburndale	5 room, 3 bed, 1f 1h bath single family (Rental)	17	\$2,900	\$2,900
72143131	RNT	91 Oldham Road U:91	Newton, MA	8 room, 3 bed, 3f 0h bath single family (Rental)	24	\$5,000	\$5,000
72156799	RNT	26 Westwood Street U:26	Newton, MA	6 room, 3 bed, 2f 1h bath townhouse/duplex (Rental)	30	\$3,175	\$3,175
72168655	RNT	32 Westwood St U:32	Newton, MA : West Newton	5 room, 3 bed, 2f 1h bath townhouse/duplex (Rental)	30	\$3,225	\$3,250
72197672	RNT	199 Webster Street U:199	Newton, MA	5 room, 3 bed, 2f 1h bath townhouse/duplex (Rental)	30	\$3,175	\$3,175
72254816	RNT	27 Fernwood U:27	Newton, MA	7 room, 3 bed, 2f 0h bath single family (Rental)	34	\$3,199	\$3,200
72254611	RNT	19 Rowe Street U:2	Newton, MA	7 room, 3 bed, 1f 0h bath townhouse/duplex (Rental)	47	\$2,250	\$2,250
72076092	RNT	18 Shaw Street U:0	Newton, MA	7 room, 3 bed, 2f 0h bath apartment (Rental)	114	\$2,400	\$2,200
72220918	RNT	52 Elm St. U:52	Newton, MA	6 room, 3 bed, 1f 0h bath apartment (Rental)	116	\$2,445	\$2,445

**Rental Listings: 12 Avg. Liv.Area SqFt: 1,616.92 Avg. List\$: \$3,031 Avg. DOM: 39.75 Avg. DTO: 37.00 Avg. Sale\$: \$3,033**

30331 / 1616.92 = 1.88

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**Contractor's and/or  
Mortgagor's Cost Breakdown  
Schedules of Values  
Section 232**

**U.S. Department of Housing and  
Urban Development  
Office of Residential  
Care Facilities**

OMB No. 2502-0605  
(exp. mm/dd/yyyy)

**Public reporting** burden for this collection of information is estimated to average 4 hours. This includes the time for collecting, reviewing, and reporting the data. The information is being collected to obtain the supportive documentation which must be submitted to HUD for approval, and is necessary to ensure that viable projects are developed and maintained. The Department will use this information to determine if properties meet HUD requirements with respect to development, operation and/or asset management, as well as ensuring the continued marketability of the properties. This agency may not collect this information, and you are not required to complete this form unless it displays a currently valid OMB control number.

**Warning:** Any person who knowingly presents a false, fictitious, or fraudulent statement or claim in a matter within the jurisdiction of the U.S. Department of Housing and Urban Development is subject to criminal penalties, civil liability, and administrative sanctions.

Date:	Sponsor:	
FHA Project Number:	Building Identification:	
Project Name:		
Project Address:		

This form represents the Contractors and/or Borrowers firm costs and services as a basis for disbursing dollar amounts when insured advances are requested. Detailed instructions for completing this form are included at the end.

Line	Div.	Trade Item	Cost	Trade Description
1	3	Concrete		
2	4	Masonry		
3	5	Metals		
4	6	Rough Carpentry		
5	6	Finish Carpentry		
6	7	Waterproofing		
7	7	Insulation		
8	7	Roofing		
9	7	Sheet Metal		
10	8	Doors		
11	8	Windows		
12	8	Glass		
13	9	Lath and Plaster		
14	9	Drywall		
15	9	Tile Work		
16	9	Acoustical		
17	9	Wood Flooring		
18	9	Resilient Flooring		
19	9	Painting and Decorating		
20	10	Specialties		
21	11	Special Equipment		
22	11	Cabinets		
23	11	Appliances		
24	12	Blinds and Shades, Artwork		
25	12	Carpets		
26	13	Special Construction		
27	14	Elevators		
28	15	Plumbing and Hot Water		
29	15	Heat and Ventilation		
30	15	Air Conditioning		
31	16	Electrical		
32		<b>Subtotal (Structures)</b>		
33		Accessory Structures		
34		<b>Total (Lines 32 and 33)</b>		

Line	Div.	Trade Item	Cost	Trade Description			
35	2	Earth Work					
36	2	Site Utilities					
37	2	Roads and Walks					
38	2	Site Improvements					
39	2	Lawns and Planting					
40	2	Unusual Site Condition		Nonresidential and Special Exterior Land Improvement (costs included in trade item breakdown)		Offsite Costs (costs not included in trade item breakdown)	
41		<b>Total Land Improvements</b>					
42		<b>Total Struct. &amp; Land Imprvts.</b>		Description	Est. Cost	Description	Est. Cost
43	1	General Requirements					
44		<b>Subtotal</b> (Lines 42 and 43)					
45		Builder's Overhead					
46		Builder's Profit		<b>Total</b>	<b>\$</b>		
47		<b>Subtotal</b> (Lines 44 thru 46)		Other Fees		<b>Total</b>	<b>\$</b>
48						Demolition (costs not included in trade item breakdown)	
49		Other Fees				Description	Est. Cost
50		Bond Premium					
51		<b>Total for All Improvements</b>					
52		Builder's Profit Paid by Means Other Than Cash					
53		<b>Total for All Improvements Less Line 52</b>		<b>Total</b>	<b>\$</b>	<b>Total</b>	<b>\$</b>

I hereby certify that all the information stated herein, as well as any information provided in the accompaniment herewith, is true and accurate.

Borrower	Signature:	Date:
Contractor	Signature:	Date:
ORCF Authorized Agent	Signature:	Date:
Date		

**Instructions for Completing Form HUD-92328-ORCF**

This form is prepared by the contractor and/or borrower as a requirement for the issuance of a firm commitment. The firm replacement cost of the project also serves as a basis for the disbursement of dollar amounts when insured advances are requested. A detailed breakdown of trade items is provided along with spaces to enter dollar amounts and trade descriptions.

**Date**-Date form was prepared.

**Sponsor**-Name of sponsor or sponsoring organization.

**FHA Project No.**-Eight-digit assigned project number.

**Building Identification**-Number(s) or Letter(s) of each building as designated on plans.

**Name of Project**-Sponsors designated name of project.

**Project Location**-Street address, city and state.

**Division**-Division numbers and trade items have been developed from the cost accounting section of the uniform system.

**Accessory Structures**-This item reflects structures, such as: community, storage, maintenance, mechanical, laundry and project office buildings. Also included are garages and carports or other buildings.

When the amount shown on line 33 is \$20,000.00 or 2% of line 32 whichever is the lesser, a separate form HUD-92328-ORCF will be prepared through line 32 for Accessory Structures.

**Unusual Site Conditions**-This trade item reflects rock excavation, high water table, excessive cut and fill, retaining walls, erosion, poor drainage and other on-site conditions considered unusual.

**Cost**-Enter the cost being submitted by the Contractor or bids submitted by a qualified subcontractor for each trade item. These costs will include, as a minimum, prevailing wage rates as determined by the Secretary of Labor.

**Trade Description**-Enter a brief description of the work included in each trade item.

**Other Fees**-Includable are fees to be paid by the Contractor, such as sewer tap fees not included in the plumbing contract. Fees paid or to be paid by the Mortgagor are not to be included on this form.

**Total For All Improvements**-This is the sum of lines 1 through 50 and is to include the total builder's profit (line 46).

**Line 52-**When applicable, enter that portion of the builder's profit (line 46) to be paid by means other than cash and/or any part of the builder's profit to be waived during construction.

**Non-Residential and Special Exterior Land Improvement Costs-**Describe and enter the cost of each improvement, i.e. on-site parking facilities including individual garages and carports, commercial facilities, swimming pools with related facilities and on-site features provided to enhance the environment and livability of the project and the neighborhood. The Design Representative and Cost Analyst shall collaborate with the borrower or their representative in designating the items to be included.

**Off-Site Costs-**Enter description and dollar amount including fees and bond premium for off-site improvements.

**Demolition-**Enter description and dollar amount of demolition work necessary to condition site for building improvements including the removal of existing structures, foundations, utilities, etc.

**Other Fees-**Enter a brief description of item involved and cost estimate for each item.

**Signatures-**Enter the firm name, signature of authorized officer of the contractor and/or Borrower and date the form was completed.

DRAFT

1

[REDACTED]

The following egress analysis was completed based on the floor plans received from [REDACTED]. This memo is based on the 8<sup>th</sup> edition of 780 CMR, which adopts the 2009 International Building Code (IBC). The 9<sup>th</sup> edition of 780 CMR is planned to go into effect in July 2016 with a six month concurrency period where designers will have the option to comply with either the 8<sup>th</sup> edition or 9<sup>th</sup> edition in its entirety. The assumption is that this renovation will be permitted during the six month concurrency period and will use the 8<sup>th</sup> edition of the code.

#### Existing Building Overview

[REDACTED] is an unsprinklered 3 story above grade apartment building with a single basement level below grade. Each above grade floor contains two units, with each unit served by two independent means of egress. The units on each floor do not have access to the egress stairs which serve the other unit on the floor. The two egress stairs for each unit are located at the front and rear of the building. The rear stairs extend to the basement and serve as the single means of egress from the basement.

#### Project Overview

The project consists of a complete gut renovation of all six (6) units in the building. The desire of the design team is to remove the rear stair in order to capture the extra square footage to create an additional bedroom in each unit on the second and third floors. The rear stair will continue to provide access to the basement and therefore the first floor units will remain with only two bedrooms. A sprinkler system will be installed as part of the renovation.

#### Egress Analysis

If the rear stairs are to be removed, the first, second, and third floors will only be served by a single exit. In order to have a single exit from the second and third floors, the requirements of 780 CMR Table 1021.2 must be met. The requirements of Table 1021.2 include:

- The building to be fully sprinklered in accordance with 780 CMR 903.3.1.2
- The second and third stories contain no more than 4 dwelling units
- The second and third stories have a maximum travel distance of 50 feet
- The first story have a maximum occupant load of 10
- The first story have a maximum travel distance of 75 feet



- The third story be provided with emergency escape and rescue openings in each sleeping room in accordance with 780 CMR 1029
  - The windows are required to be operable from the insides and have a minimum clear opening of 5.7 sf with a minimum height of 24" and width of 20"

These requirements can be seen in the figure below.

**TABLE 1021.2  
STORIES WITH ONE EXIT**

STORY	OCCUPANCY	MAXIMUM OCCUPANTS (OR DWELLING UNITS) PER FLOOR AND TRAVEL DISTANCE
First story or basement	A, B <sup>d</sup> , E <sup>e</sup> , F <sup>d</sup> , M, U, S <sup>d</sup>	49 occupants and 75 feet travel distance
	H-2, H-3	3 occupants and 25 feet travel distance
	H-4, H-5, I, R	10 occupants and 75 feet travel distance
	S <sup>a</sup>	29 occupants and 100 feet travel distance
Second story	B <sup>b</sup> , F, M, S <sup>a</sup>	29 occupants and 75 feet travel distance
	R-2	4 dwelling units and 50 feet travel distance
Third story	R-2 <sup>c</sup>	4 dwelling units and 50 feet travel distance

For SI: 1 foot = 304.8 mm.

- a. For the required number of exits for parking structures, see Section 1021.1.2.
- b. For the required number of exits for air traffic control towers, see Section 412.3.
- c. Buildings classified as Group R-2 equipped throughout with an automatic sprinkler system in accordance with Section 903.3.1.1 or 903.3.1.2 and provided with emergency escape and rescue openings in accordance with Section 1029.
- d. Group B, F and S occupancies in buildings equipped throughout with an automatic sprinkler system in accordance with Section 903.3.1.1 shall have a maximum travel distance of 100 feet.
- e. Day care occupancies shall have a maximum occupant load of 10.

*FIGURE 1: STORIES WITH ONE EXIT*

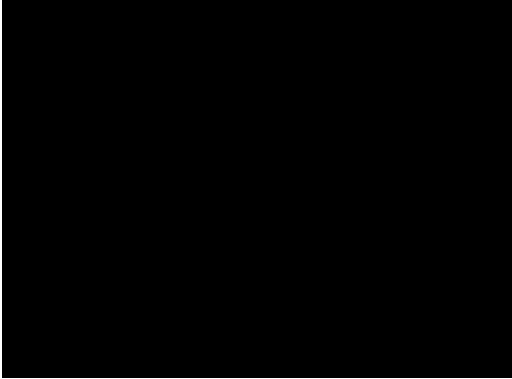
The travel distance on each floor is measured from the most remote point of the floor to the door into the exit enclosure. This stair connects three floors and therefore requires a 1 hour fire resistance rating with 1 hour openings protectives with any penetrations into the stair protected accordingly (780 CMR 1022.1 & Table 715.4). During the walkthrough of the site, doors into the exit enclosure did not have a UL label providing a 1 hour fire resistance rating. The doors will need to be field tested and approved with a 1 hour rating or new, listed and labeled, doors must be provided in the exit enclosure.

The manner in which the requirements for a single exit will be met as follows:

- An automatic sprinkler system in accordance with 903.3.1.2 will be installed.
- There are two units provided on the second and third floors and the occupant load of the first floor is 9.
- The maximum travel distance from each floor is 46 feet.
- Windows will be provided on the third floor meeting the minimum requirements of 780 CMR 1029 listed above.

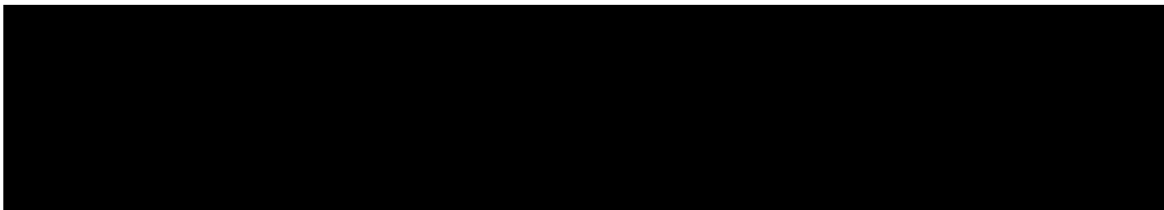
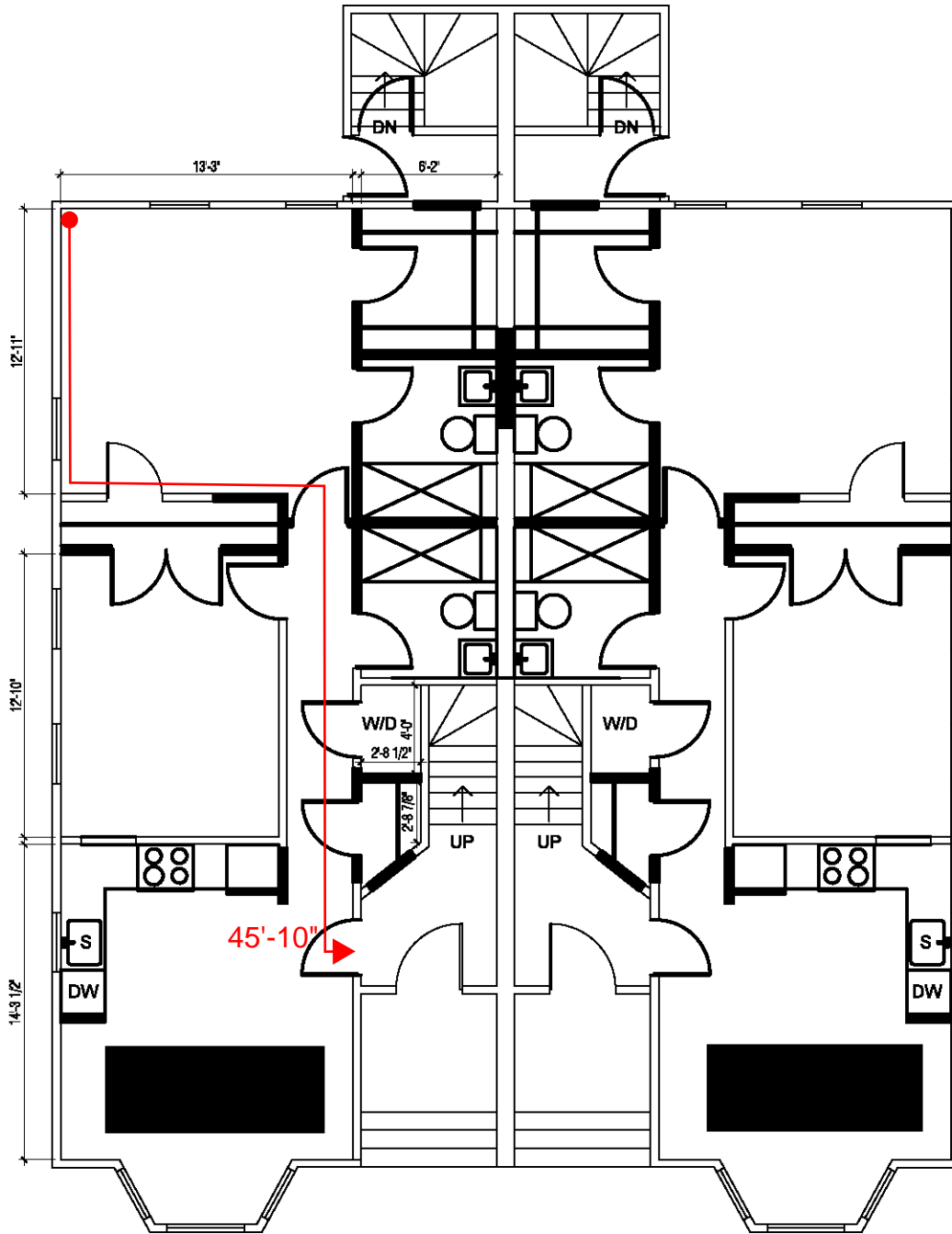
The maximum travel distance from each floor can be seen in Appendix A.

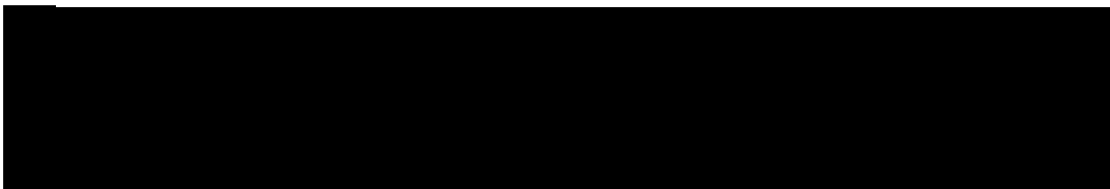
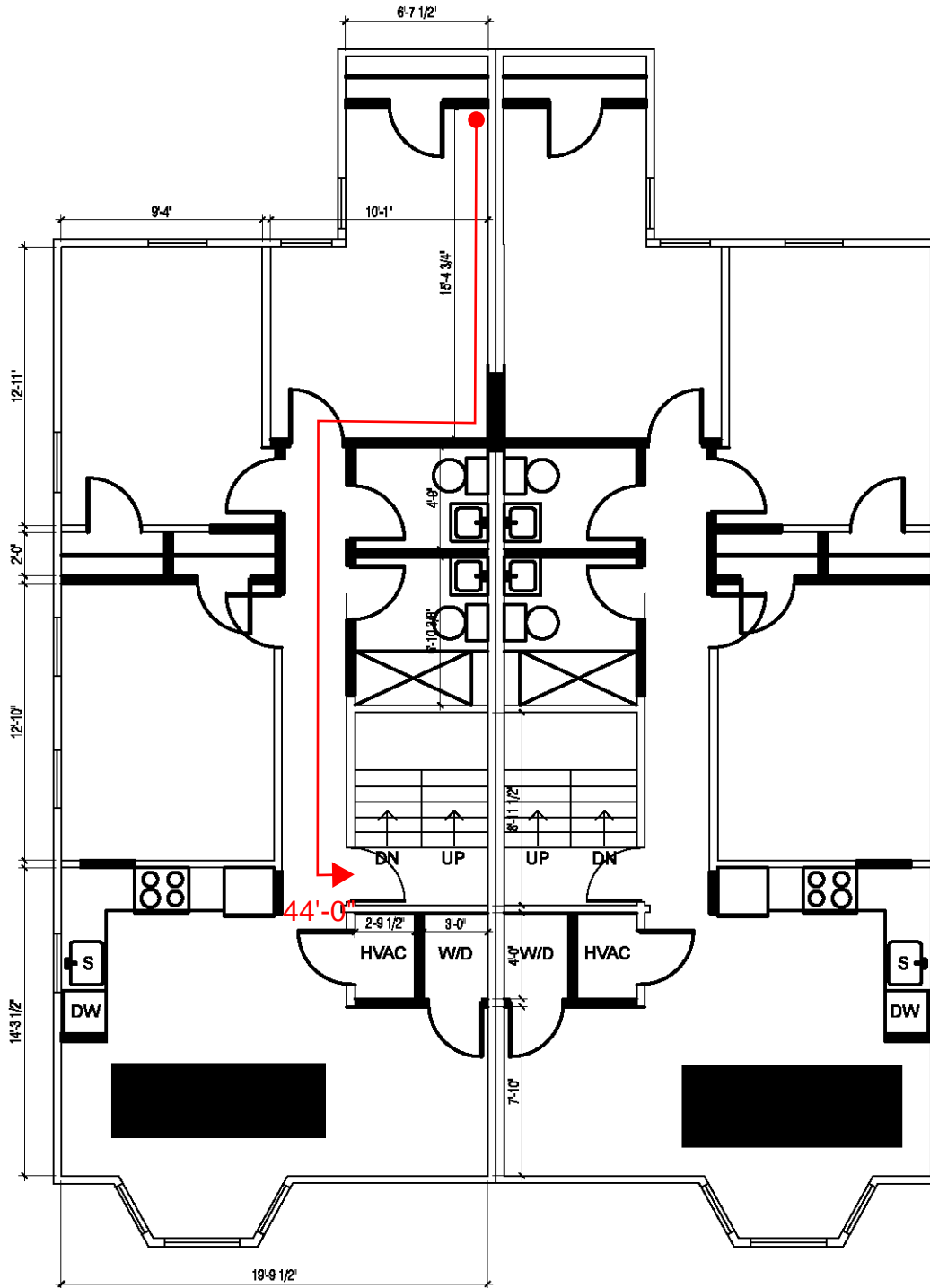
Based on the provisions above, it is our opinion that each floor of the building is permitted to be served by a single means of egress. If you have any questions or comments regarding our analysis do not hesitate to contact me.



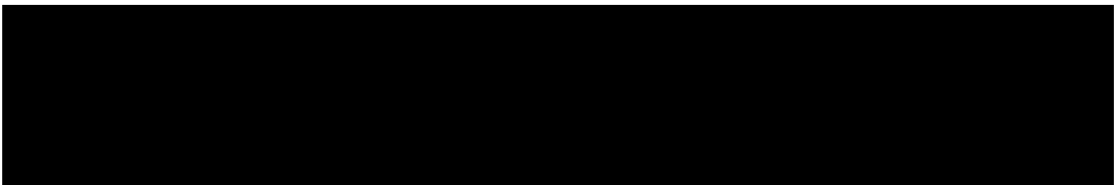
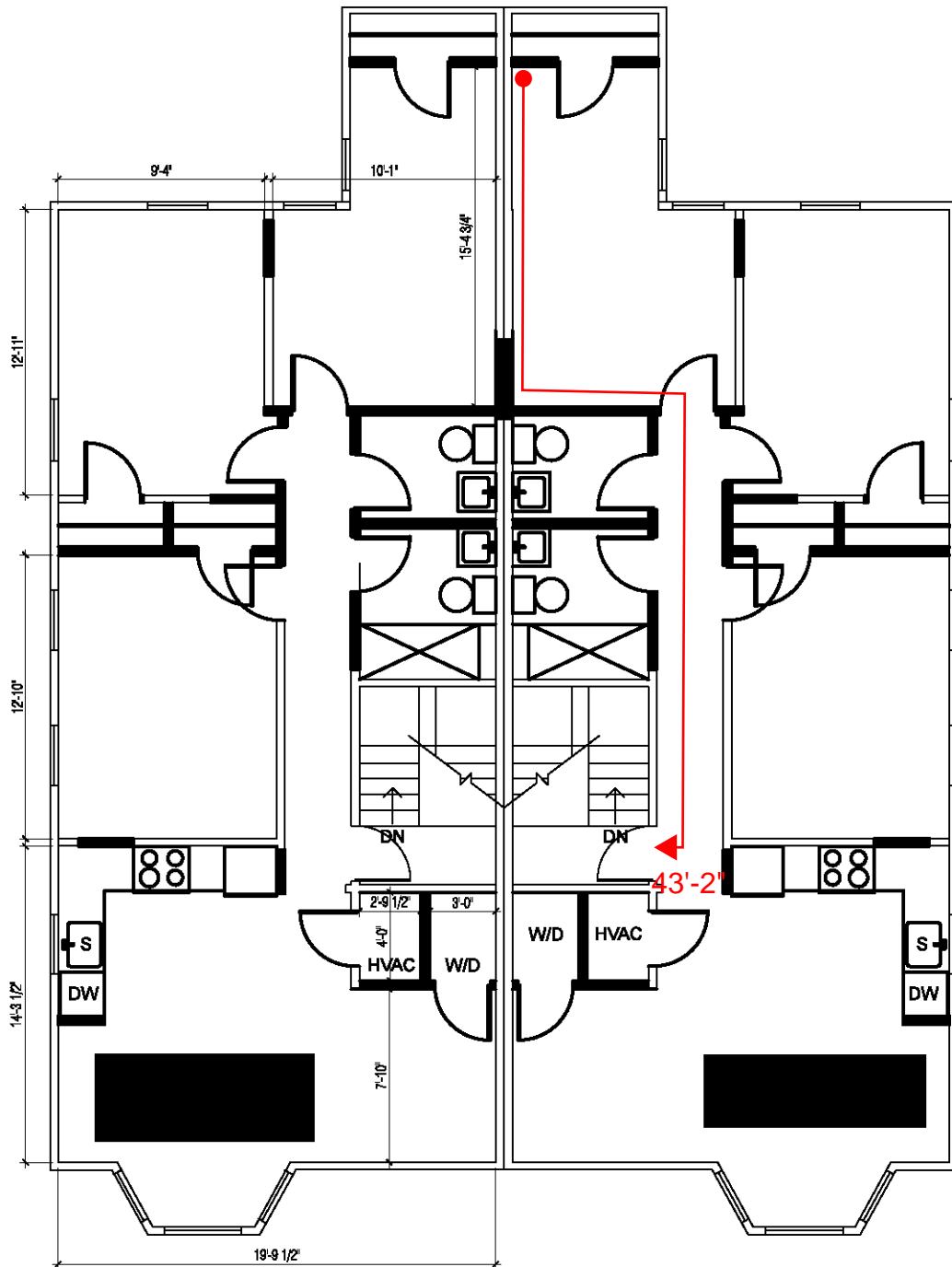
## Appendix A: Travel Distance Calculations

FIRST FLOOR APARTMENT HVAC UNITS TO BE LOCATED IN BASEMENT





THIRD FLOOR HVAC UNITS SHOWN IN UNIT, WILL BE IN ATTIC IF POSSIBLE



**From:** Peter Sargent [mailto:sargent@mhic.com]  
**Sent:** Sunday, February 11, 2018 7:04 PM  
**To:** mark@oma-architect.com; Alice Ingerson <aingerson@newtonma.gov>  
**Subject:** Fwd: Crescent Street

Begin forwarded message:

**From:** "Sacks, Jeffrey" <[jsacks@nixonpeabody.com](mailto:jsacks@nixonpeabody.com)>  
**Date:** February 11, 2018 at 6:49:54 PM EST  
**To:** "Peter Sargent ([sargent@mhic.com](mailto:sargent@mhic.com))" <[sargent@mhic.com](mailto:sargent@mhic.com)>  
**Cc:** "Deborah J. Crossley ([dcrossley@newtonma.gov](mailto:dcrossley@newtonma.gov))" <[dcrossley@newtonma.gov](mailto:dcrossley@newtonma.gov)>, "Alison Leary ([aleary@newtonma.gov](mailto:aleary@newtonma.gov))" <[aleary@newtonma.gov](mailto:aleary@newtonma.gov)>, Robert Gifford <[robertggifford@gmail.com](mailto:robertggifford@gmail.com)>, "Judith S. Jacobson ([judyjacobson@rcn.com](mailto:judyjacobson@rcn.com))" <[judyjacobson@rcn.com](mailto:judyjacobson@rcn.com)>, "Jason Korb ([jkorb@capstonecommunities.com](mailto:jkorb@capstonecommunities.com))" <[jkorb@capstonecommunities.com](mailto:jkorb@capstonecommunities.com)>, 'Lynn Weissberg' <[lweissberg@swglegal.com](mailto:lweissberg@swglegal.com)>  
**Subject:** FW: Crescent Street

Peter:

I hope you are well and your CA conference was productive.

I assume that you will be getting Jason Korb's email through Alice, but I wanted to put it into the context of various correspondence over the past week.

I do recognize that, as articulated in the 2/7/18 memo from the Crescent Street Working Group to the Public Faculties Group, this project is bearing some costs for preservation of open space in that neighborhood and for the creation of affordable family housing both of which are worthy and important objectives of the Newton CPA program. Here is a link to that memo: <https://files.acrobat.com/a/preview/0b645f7d-01cd-4bf9-9081-f800ce081ed3> . I feel that your committee must assure that the marginal additional costs of these worth goals not be used as a smoke screen for extraordinary project costs.

I exchanged several emails with Lenny Gentile (see the Just Curious string of emails attached) in which Lenny has tried to divert and distract from the merits of this project by citing to various (and controversial at the time) Can Do projects which received CPA funding. If you were to go back into the files of those projects, I think you would find that the CPC strongly challenged the assumptions made by Can Do and by the Planning Department. I actually think that the "takeaway" from those projects for the CPC was that we had to be skeptical of presentations by the City and by project proponents and to strongly challenge assumptions made in those presentations.

In this case, I think Judy Jacobson and Jason Korb have taken a strong lead in raising questions about the Crescent Street proposal. At this point, I hope that the CPC will seek some outside and independent advice to confirm (or refute) the points they have raised. As Jason notes below, the risk of simply advancing this project is that it can damage both the CPA program and affordable housing production in Newton by funding a project which has costs which appear to be way out of line with comparable projects.

I urge the CPC to use its administrative funds to obtain an independent analysis of this project from one of the many talented and experienced affordable housing consultants in our community. Please let me know if you would like any recommendations for this role. I think this will be money well spent.

Thank you for your leadership on the CPC.  
Jeff Sacks

From: Doris Ann Sweet [mailto:dasweet3@gmail.com]  
Sent: Monday, February 12, 2018 12:47 AM  
To: Alice Ingerson <aingerson@newtonma.gov>  
Cc: nkahn@newtonma.gov; David A. Olson <dolson@newtonma.gov>  
Subject: Crescent St. Project

Dear CPC and Council-

I am writing to request an independent financial review of the Crescent St. project before it is approved. Enough questions have been raised about this unusual development by city government, and the financial ramifications for city taxpayers that I am concerned that the public has a fuller picture of the real costs for construction and for future management costs before the project goes forward. Can we spend our scarce funding in ways that yield more value for the money spent? I appreciate the work that the working group has already done on this project, and I am certainly aware of the acute need for more affordable housing. If we can responsibly move forward, that would be great. I just have reservations about whether we are moving into territory that has not been sufficiently examined to be sure our tax dollars are most efficiently and cost effectively achieving the goal of more affordable housing.

Sincerely-

Doris Ann Sweet  
281 Lexington St.



To the members of the CPC,

This letter is provided in support of the CPC authorizing CPA funds to be used to develop affordable housing and green space at 70 Crescent St.

The project as proposed is sound and will provide affordable housing in the near term for six families. This letter contains key points that support the viability of the project. Before I outline them, I would like to reference the statement provided by Mayor Fuller and read by Chief Financial Officer Maureen Lemieux at last week's Public Facilities meeting. It is perhaps the most compelling statement of all.

Paraphrasing the mayor's statement: The City made a deal with the residents of that neighborhood (Crescent St.), the council approved it and issued a board order for 8 units. The financials have been vetted. This is a good project. We should move ahead with this project

A few key points:

I disagree with recent suggestions that the project is financially risky and that the City should not be in the business of developing or managing the development of affordable housing

Let's address the financials first. Looking at 9 other affordable housing projects in Newton including Jackson St, Linden Green, Pearl St. and others the cost per square foot and the cost per bedroom, compares favorably. In fact it is close to the lowest in terms of cost per square foot per and per bedroom. These are the statistics that matter the most. The numbers are adjusted for inflation at a rate of 4% per year. This is actually conservative given that real estate and renovation prices in Newton have exceeded a 4% annual increase for years. The estimated cost per square foot to develop a brand new Crescent st housing complex is 390 or 433 per sq. ft., the lower number for a complex without an elevator, the higher for one with an elevator. Compare this with Peal St at \$536/sf or Auburn St at 495/sf. Note that Auburn St., like Crescent St. was recently approved by the full City Council and is now nearing the start of construction. So, the point that this project is too expensive is incorrect. We can run the same comparison for cost per bedroom. Ultimately, this is the most important factor, because bedrooms translate into the number of people who receive housing. The cost of Crescent St is 236k or 212k per bedroom (with and without elevator respectively). Compare that with nearby Auburn St at 284k per bedroom, Pearl St at 300k or nearby and recent Myrtle St at 240k. Once again the numbers are favorable.

One final point on financials, they have been reviewed. It has been said that the estimates (the "pro forma") don't include certain costs, notably the use of City time. City time is in a sense "sunk cost" – the folks working on this get paid regardless of whether Crescent St gets done or not. I acknowledge that they could be doing other things, maybe, but this is a worthwhile use of time.

There have been suggestions that a private developer should undertake the Crescent St. project and that the building should be 20 units instead of the proposed 8. Does anyone think that we should give the City's land to a private developer for free or for a nominal sum? That's likely what a developer would want. The non-binding referendum passed by our citizens in 2014 that states that sales of public land should be voter approved makes this type of transaction one likely to be challenged by residents.

For a developer to pay even the assessed value of the land (a value likely be somewhat below market) could add millions to the cost of this small project. The developer would likely only provide 5 or 6 affordable units out of the 20. The approved proposal on the table gives us 6 affordable units and the City retains the land and the housing, giving us a permanent affordable housing stock. We are creating an asset that gives us options in the future. There is no gain in affordable units to be had with a larger project and, the density impact on a neighborhood already under heavy development is unnecessary, we do not need more luxury housing there. Remember that the neighborhood has accepted the size of this project and is looking forward to the creation of an accessible park. The Mayor made that point in her statement last week.

To go back and revisit the financials and size of this project at this point in time is counterproductive. It will at best delay the availability of sorely needed affordable housing for families.

There is a benefit to the City gaining experience managing affordable housing projects. If after completing this project we learn that we have to do things differently, we will have real upon which to base future initiatives. We can work with Newton based experience. I recognize that some people who work in the affordable housing business say they know of no city that has undertaken this type of initiative. To them, I ask, why not exercise a goal stated often in Newton to be a leader and innovator, by providing this housing?

I ask you to support the use of CPA funds to make this project a reality. You supported a similar size project in the neighboring area at Auburn St. This project makes sense for the neighborhood, the city and most of all, families who need affordable housing.

Thank you for your consideration

Sincerely,

Chris Markiewicz  
Ward 4 Councilor

Staff note: This request refers to the listing of Marcia Cooper's name as a community contact in support of the Crescent Street project's park component, on page 4 of the December 2017 proposal to the CPC for final design & construction funding.

From: Marcia Cooper [mailto:marcia@greennewton.org]  
Sent: Tuesday, February 13, 2018 10:58 AM  
To: Alice Ingerson <aingerson@newtonma.gov>  
Subject: please remove Marcia Cooper from Crescent St doc

Dear Alice,  
Please remove my name from page 4 of the attached Crescent St. Funding request document.

Thank you,  
Marcia Cooper

--

Marcia Cooper  
President, Green Newton  
marcia@greennewton.org  
617-964-8567 (h) 617-416-1969 (c)  
www.greennewton.org  
<https://www.facebook.com/greennewton>



Crescent St  
Funding request.pdf

Dear members of the Community Preservation Commission:

I wanted to thank you for all the time, effort, and thoughtful care you give when evaluating each proposal. It's clear that making a decision on the Crescent Street proposal will not be easy and that you are considering this very carefully.

There were a few thoughts I had during the last meeting that I would like to share with you. I would like to be clear that these are my own opinions only—although I often speak on behalf of the League of Women Voters, these comments below are solely my own.

As someone who has followed the work of the CPC, I have had growing concern about the number of proposals and the amount of money asked for by the City or a City-affiliated organization. In the past, the CPC has been able to fund a number of smaller projects run by smaller organizations. Applications of this size from community-based groups are fewer and fewer in coming. I believe that, as leadership turns over fairly frequently in these smaller organizations, it is important for the CPC to be out in the "public eye", reminding people that you are a resource for the community—not just a savings account for the City.

In the meantime, the City has filled the void, making use of CPC funding to help support their goals and responsibilities. And sometimes, I think we can all agree, it's justified. The improvements at the playground and fields in Newton Highlands were not only deeply necessary, but also a benefit to the whole community. Newton children use the fields for a variety of sports, as well as the playground, and people of all ages use the walking trails and tennis courts. It is easily accessible and available to everyone.

However, it is possible that there are City projects that might not be appropriate for CPC funding. Just because the City wants the money doesn't mean that it responsibly meets the goals of the CPC. I believe the Crescent Street project falls into this category. As you've already discussed the cost per unit is quite high for CPC-funded affordable housing. The consequence of funding this project would be that, as other affordable housing applications come in, the bar on costs per unit is that much higher—the CPC would have already set a precedent that others could point to.

It has also become abundantly clear that there is pressure on the CPC from the City and City Council to fund this project. The comments that have been made by the applicants in meetings, and the sudden offer to use city cash to fund part of the project, have clearly been made to increase pressure on you to agree to this proposal. However, just because the City or City Council might have boxed themselves in by making certain promises doesn't mean that the CPC is required to come to the rescue. It is important to keep the integrity of CPC funding decisions to the standards you have always used—does this provide benefit to the whole community? Would CPC funding allow other resources to be leveraged?

There was mention in the last meeting that you hadn't heard much about the park/playground aspect of the project, so I wanted to weigh in personally about this. It's hard to deny a neighborhood a park and playground—wouldn't every neighborhood want that? And there are few opportunities to build new park space in Newton. My main concern is the cost, given that this park and playground are not likely to be used by anyone other than those who live in the neighborhood. It is on a dead-end street without easy access or parking, and so would feel rather isolated. No one will drive by and see the space—it would have to be a destination for someone outside the neighborhood which I think will not be all that common.

*(cont'd on p. 2)*

*(March 5, 2018 email to CPC, cont'd from p. 1)*

I admit to a fairly high level of annoyance that you would consider funding this playground—for two reasons. First, it's clear that no one is expecting it to be heavily used. We heard from someone who said she was the ONLY person who brought children to the current one. In addition, the design shows that it is not a central part of the park. It is divided into two parts (a nightmare for parents with more than 1 small child), pushed off to the corners, and has one part next to a parking lot without a fence. A playground intended to be well-used would be grouped together in the center of the oval, where children have room to run and fall, without the danger of a moving car.

The second reason for my annoyance is that the CPC has not funded the heavily-used and beloved school playgrounds in recent years. I was the chair of PTO Council (the umbrella group for all the PTOs in Newton) for several years and know how hard it is for PTOs to raise money for school playgrounds—also built on city-owned property. These playgrounds are used by 300-500 children every day, are often near sports fields and are used on weekends. If there ever was a resource that provided benefit to the community and could use CPC funding, it is a school playground. The City does not fund them—they are funded by private money, which can take years to fully fundraise.

I appreciate your time and apologize for this lengthy letter. I very rarely share my own personal thoughts on issues, but felt strongly that these things were important to write. It is difficult not being able to respond in CPC meetings while the applicants (and therefore the advocates) for this project weigh in on many parts of your discussion.

Thanks again for your time and thoughtfulness as you weigh all the issues regarding Crescent Street.

Sincerely,  
Sue Flicop

145 Florence Street  
Chestnut Hill, MA 02467

for 21 June 2018  
Newton CPC public meeting

# 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)

- ◆ additional community letters received by supplemental packet deadline, 11 June 2018

From: Marian Knapp  
Sent: Friday, June 1, 5:59 PM  
Subject: Re: [NewtonCPA] Newton CPC Crescent Street Consultant Report & Other Updates ...  
To: Alice Ingerson

I have this in my calendar.

From: Marian Knapp <knappml@comcast.net>  
Sent: Saturday, June 02, 2018 9:09 AM  
To: Alice Ingerson <aingerson@newtonma.gov>  
Subject: Re: your Crescent St email - for CPC?

Yes, forward my response to the CPC.

From: Alice Ingerson  
Sent: Friday, June 1, 2018 9:46 AM  
To: Marian Knapp  
Subject: your Crescent St email - for CPC?

Thank you, Marian.

As our CPC list email explained, June 21 is not a public hearing. But please let me know if you would like your email below forwarded to the CPC. ...

From: Marian Knapp <knappml@comcast.net>  
Sent: Thursday, May 31, 2018 5:37 PM  
To: Alice Ingerson <aingerson@newtonma.gov>  
Subject: Re: [NewtonCPA] Newton CPC Crescent Street Consultant Report & Other Updates ...

Alice,

Thanks. I quickly reviewed the consultant's report and it does seem that this is not a viable project. I don't know if I will be able to get to the meeting on 6/21.

Marian

From: malakiephoto@aim.com <malakiephoto@aim.com>  
Sent: Monday, June 11, 2018 10:14 AM  
To: Alice Ingerson  
Subject: Comments to CPC re Crescent Street for 6/21/18 meeting

Hello Alice,  
Please forward these comments to the CPC.

To members of the CPC:

As you may recall, I have been a strong proponent of adding the entire parcel to the Rev. Ford Playground, but failing that, have found the current proposal to be an acceptable compromise, and have appreciated the commitment to no more than 8 units and maximizing the usable park space. The proposed design for the park space looks excellent, with a loop walk, trees, and areas for all ages. The housing component is of a scale that fits in with the neighborhood.

If the CPC feels the per unit cost of the housing proposal is too high, I don't believe the answer is to create more units. The onslaught on land acquisitions and housing proposals on the north side by Robert Korff/Mark Investments, not to mention the continued high-density development occurring in the Auburn/Crescent Street area, beyond what already existed when the surplussing of the Parks & Rec land was first considered, makes additional park space all the more imperative.

I would like to see public assets, in this case, both land and CPC tax dollars, used in the manner that will benefit the most people, and I believe that would be as a park. We would never (I hope) give up neighborhood parks like Wellington Park in West Newton, near my childhood home, to a developer. A wonderful neighborhood group has formed around that well-used park, with spring wake ups and annual summer picnics. The park that CPC funding will be able to create at Crescent Street will become just as valuable, especially with the improved access. With more space instead of a building footprint, the designer could expand the proposed park design to include more amenities, such as a buffer of evergreen trees along the Pike sound barrier, a community garden/cutting garden/small tree nursery area, a fenced dog park section like at Cabot Park, a kids' bike trail, or simply more green space.

I don't want to see any more city property offered up to private developers, and I don't think most residents of Newton do, either. In 2014 I helped collect signatures to put Question 5 on the ballot. Newton voters in State Rep. Kay Khan and Ruth Balser's districts (most of Newton) voted by a 61-39 percent margin that they believed sales of municipal property greater than 7,500 square feet should require voter approval.

Thank you.

Julia Malakie  
50 Murray Road  
West Newton



From: Barbara Smiley <basmiley@comcast.net>  
Sent: Monday, June 11, 2018 12:08 PM  
To: Alice Ingerson  
Subject: Crescent St. Comments

Hi, Alice --

I don't usually comment on proposed development projects (mostly because by the time they're up for vote, it appears that the deal has already been done with one of the big Newton developers, which sadly seems like business as usual). However, when I saw the presentation of this Crescent St. project a while ago, I thought it seemed just a perfect use of City resources for Newton residents. Open space, trees and recreation for the neighborhood? Check. Eight affordable housing units, scaled appropriately for the overall space? Check. Usual developer financial interests built into the plan? Nope.

If a project like this loses to developer clout/money, we (Newton) might as well just stop pretending that we're a city that values economic diversity among its citizenry and tries to preserve community open space. I'm not even mentioning the environmental implications.

Thanks for letting me vent!

Barbara Smiley  
1073 Walnut St.  
Newton Highlands

From: Kathleen Kouril Grieser <kik860@mail.harvard.edu>  
Sent: Monday, June 11, 2018 2:08 PM  
To: Alice Ingerson  
Cc: Ruthanne Fuller  
Subject: Comment re Crescent Street funding

To the Members of the Community Preservation Committee,

The Parks & Recreation property at Crescent Street is public land and it belongs to the people of Newton. This densely-populated neighborhood wanted a park on the site, and I supported them.

There were people of the City Council who wanted this land surplussed to a developer and to have a high-density housing project on the site, which the neighbors opposed. Why should neighborhoods that have already been densified and that lack parks and open space be punished with more density?

Due to the leadership of Councilor Gentile, and with the support of Councilor Cote, a compromise was worked out that would allow for the creation of a park and an small, 8-unit, affordable housing complex.

I support this compromise for the following reasons:

1. It keeps public land in public ownership. The people of Newton voted overwhelmingly in favor of Ballot Question 5 about surplussing of public assets. They don't like seeing their property being given away cheaply to connected developers.
2. It is an honest accounting of the true cost of creating subsidized affordable housing. Subsidized affordable housing units that come as part of inclusionary zoning or 40B projects are not "free". Developers pass as many externalized costs as they can onto existing taxpayers. Such projects push up land and housing prices in desirable areas like Newton, and are a very inefficient way to create subsidized affordable units. Newton taxpayers pay indirectly through increased taxes to cover additional school enrollments, public services, infrastructure, and in declining quality of life. It's better to just be honest about what subsidized units cost and pay for them directly. That way we can have smaller, 100% affordable projects that don't overwhelm neighborhoods and destroy neighbors' peace of mind. The Crescent Street affordable housing project is just that sort of publicly funded initiative that, in my opinion, is a more honest and efficient way of getting the affordable units we want, without the density, property speculation and externalities we don't.
3. It represents a compromise between community preservationists like me and those who want high-density housing, gentrification and urbanization at any cost. This is an important moment - compromise between the two sides of Newton's bitter density debate. The very councilors who are objecting to this project now, voted for it earlier. Now they are trying to scupper it, in the hope of getting this land into the hands of one of their high-density developer contacts.

If the CPC fails to fund this innovative compromise, after all the years of work volunteers have put into getting to this compromise, I suspect no one in Newton will ever try to work out a compromise on development again. This is your moment, members of the CPC, to do something for community preservation in terms of protecting the goodwill and trust in this community.

I have heard that Mayor Fuller strongly supports this compromise. And as much as I wanted this site to be all park, I too support this compromise, and I hope you will too. And if you don't, I sincerely hope you take steps to make sure this land becomes a park, and is not given away to high-density developers. That would be an appalling breach of trust.

Thank you for considering my views.

Sincerely,  
Kathleen Kouril Grieser  
258 Mill Street

From: David Knipe <david\_knipe@hms.harvard.edu>  
Sent: Tuesday, June 12, 2018 7:36 AM  
To: Alice Ingerson  
Cc: Home Knipe  
Subject: from suzanne knipe, 58 auburn st., 02466

Dear Alice,

I am emailing you as the contact for CPC to let the committee know that I have been attending the crescent st. working group meetings and a lot of time, money and work has gone into this project already. I feel it would be wrong to abandon it without trying to reach some compromise that I think the working group will offer your committee and the council at large. The project is admirable and as a member of the neighborhood where it will exist I ask that you reconsider re-evaluating its place in Newton development.

Thank you. I plan to attend your meeting on June 21.

Suzanne Knipe

**From:** Engine 6 <yesengine6@gmail.com>

**Sent:** Saturday, June 16, 2018 1:24 PM

**To:** Alice Ingerson; [all individual CPC email addresses] **Cc:** Ruthanne Fuller; Rafik Ayoub; Barney Heath; bderubis@newtonm.gov; David A. Olson

**Subject:** Letter regarding the Crescent St Proposal

## Livable Newton

Coalition for inclusive, sustainable development

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June 15, 2018

By Electronic Mail

Newton Community Preservation Committee  
c/o Alice Ingerson, Community Preservation Program Manager  
[aingerson@newtonma.gov](mailto:aingerson@newtonma.gov)

Dear Members of the Newton Community Preservation Committee:

Despite the good intentions of the Crescent Street Working Group to create affordable family rental housing on the surplus City-owned land on Crescent Street, the CPC consultant analysis confirms that the proposal crafted by elected and appointed City officials is not a viable cost-effective proposal with public benefits commensurate with the public investment. **With total City of Newton funding of \$1.1 million per affordable unit, this project is not a good use of precious CPA funds.** The CPC must vote "NO" on this proposal.

While the elected and appointed City officials who have been acting as a housing developer have spent 2+ years developing and revising this housing proposal, the CPC consultant analysis confirmed that:

- The costs "appear to be excessively high in comparison to comparable affordable housing developments."
- Numerous costs were omitted or underestimated in the development budget including: demolition and hazmat abatement; marketing/initial rent-up costs; construction period interest (if bond-funded); capitalized reserves; FF&E; and "in-kind" contributions for insurance, permits and legal services.
- The proposal calls for an "almost unprecedented level of local government investment in housing on a per-unit basis."
- The operating costs of \$10,500 per unit per year (without real estate taxes) exceed the state housing department standard of \$9,500 per unit per year (including real estate taxes).
- The rents for the six affordable units are set at the maximum and are not cushioned as is typically done by affordable housing developers and their funders.
- The two so-called "affordable" units with rents at the 120% AMI level will be "competing with market-rate units in the area" and will be "difficult to keep rented."
- No property manager has been identified and the City's attempted procurement was "confusing and burdensome" and the proposed management is not "appropriate or typical ... for residential real estate."

Many hours of City staff time plus approximately \$260,000 of City and CPA funds for design and third-party consultants have already been spent on this proposal. The CPC must be responsible guardians of the Newton-taxpayer funded CPA fund and not provide any additional funding for this project. While we hope that our elected officials will pursue a more appropriate way of creating affordable housing on the Crescent Street site, the CPC must vote "NO."

Thank you for your consideration.

Sincerely,

Engine 6  
U-CHAN  
Green Newton

And the following Newton residents listed below. (Addresses available upon request.)

Dolores Acevedo-Garcia  
Tom Bledsoe  
Tamara Bliss  
Nanci Ginty Butler  
Nadine Cohen  
Marcia Cooper  
Sheila Decter  
Frieda Dweck  
Robert Engler  
Abby Flam  
Louise Freedman  
Robert Gifford  
Fran Godine  
Janet Goldenberg  
Candace Havens  
Howard Haywood  
David Herlihy  
Philip Herr  
Ted Hess-Mahan  
Kathleen Hobson  
Judy Jacobson  
Marcia Johnson  
Marian Knapp  
Jason Korb  
Rebecca Korb  
David Koven  
Sarah Laski  
Kathy Laufer

Lois Levin  
Bart Lloyd  
Arlene Lowney  
Ellen Lubell  
Kevin McCormick  
Josephine McNeil  
Nahma Nadich  
Judy Norsigian  
Scott Oran  
Susan Parsons  
John Pelletier  
Regina Ramsey  
Helen Rittenberg  
James Rutenbeck  
Jeffrey Sacks  
Esther Schlorholtz  
Carol Ann Shea  
John Sisson  
Claire Sokoloff  
Bobbie Sproat  
Andrea Streenstrup  
Doris Ann Sweet  
Martha Sweet  
Doris Tennant  
Lexi Turner  
Judy Weber  
Lynn Weissberg  
Dan Wiener

cc: Mayor Ruthanne Fuller, [rfuller@newtonma.gov](mailto:rfuller@newtonma.gov)  
Rafik Ayoub, [rayoub@newtonma.gov](mailto:rayoub@newtonma.gov)  
Barney Heath, [bheath@newtonma.gov](mailto:bheath@newtonma.gov)  
Robert De Rubeis, [bderubis@newtonm.gov](mailto:bderubis@newtonm.gov)  
David Olson, [dolson@newtonma.gov](mailto:dolson@newtonma.gov)