

#255-05

1094 Chestnut Street
Newton, MA 02464
July 15, 2005

Memo

To: Board of Alderman

From: Brian Yates

Subject: 1093-1101 Chestnut Street

2005 JUL 15 1 PM 12:35
CITY CLERK
NEWTON, MA. 02459

Because I live directly across the street from the project site, I will not be able to participate in the discussion of this item in Committee or on the floor of the Board. Therefore, I am offering my thoughts on the subject in this format so that you take them into consideration in reviewing the project on Monday and subsequently in the full Board. I ask you to make no assumptions about the merit of the proposal based on your general support for affordable housing or the petitioner. Rather, please review it with the highest level of scrutiny to determine if it is a reasonable expenditure of a substantial amount of Community Preservation Act funds (as well as previously approved CDBG funds) and if the net benefits to the community are appropriate for the high level of public expenditure. Please disregard the opinions of people living in other zip codes or other ends of Upper Falls. Their removal from constant impact of the project on their daily lives does not make them objective. It merely gives them impunity from immediate consequences of the pursuit of their idealistic agendas. To the best of my knowledge, all the direct abutters oppose this increase in the density of the neighboring property, not because of disdain for low or moderate-income people (most would fit these categories themselves), but because increased density carries with it a lessening in the quality of life that is unmitigated by any factors associated with this project.

The petitioner would sidestep this reality by saying that the project would "match" the density of the entire block. This assertion overlooks two realities. One is that the density is inflated by the apartment buildings on the corner of Elliot and Chestnut that are far denser than the vast majority of the properties in Upper Falls. This project will be denser than all the abutting lots with their one and two family houses.

I would welcome a Small Homes project like those already pursued by the Newton Housing Authority and cited in the Community Preservation Plan that would preserve one or both of the historic properties on the site and preserve the basic zoning density of the site. Four units of housing are the uses of right on these two lots. These four units have served as affordable housing in fact, if not in law, for decades. They can and should continue to do so just as the Community Preservation Plan states about such older houses.

Rather than use the existing lots and homes, as affordable housing as the Community Preservation Plan says should be done in such cases, the project goes through a complicated and confusing process that results in four affordable units and two Market rate units. The density of the site is increased with CPA and CDBG funding for the sake of two market rate units. This stands the ostensible purpose of the CPA on its head. Public funds will be used to demolish one of the two-family houses on the site and replace it with an externally similar one family market rate house similarly sited on the lot. The other two-family house will be picked up and moved a few feet toward the center of the lot and the porch at the rear of the house demolished. The house will be reconfigured into a one- family market rate house. This convoluted scheme which results in the demolition and replication of one historic house and the movement and significant alteration of the second is the kind of thing that will poison the public's perception of the value of the CPA. To spend hundreds of thousands of taxpayers money for no more affordable units than could be built as a matter of right and for the shadow of historic preservation while increasing the density of a lot in one of the densest neighborhoods in the city is a travesty.

In addition to contradicting the preference stated in the Community Preservation Plan for Preservation of Small Homes and their use for Affordable Housing, this project clearly violates the Plan's desire to distribute affordable units into villages without any other subsidized housing. Upper Falls is the site of a Public Housing project with forty elderly units and four family units. The former Emerson School contains four affordable units. The development at the corner of Oak Street and Needham Streets has one of the largest numbers of Inclusionary Zoning units in the city, most of them off-site units from developments elsewhere in the city. Placing more units in Upper Falls clearly contradicts the relevant provision of the Community Preservation Plan.

In short, approval of more than \$700,000 of CPA funding for this project would contradict several of the provisions of the Community Preservation Plan, increase the density of one of the densest city neighborhoods, demolish one historic building, move and alter another while generating no more affordable units than a Small House Project on the same site could generate with out any zoning relief needed, and in the process tarnish the CPA process in the city despite the many excellent projects it has supported in all programs and that it could support in the future. Please review this memo and the relevant pages from the Community Preservation Plan and if possible, drive by the site and drive around the entire block to get a sense of what the impact of the project will truly be.

Thank you for your careful consideration of this matter.

EXCERPT
COMMUNITY PRESERVATION PLAN
9/2/04

income as determined by the US Department of Housing and Urban Development." Moderate-income housing sets the bar at 100% of area-wide median income.

There are a number of legal and financial mechanisms that promote the construction of affordable housing. Newton was one of the first cities in the Commonwealth to enact an inclusionary zoning ordinance requiring residential developers building 10 or more units to set aside a certain number of units as affordable to households earning no more than 80% of area median income. The ordinance resulted in the creation of 225 new affordable units, 50 of which, with only temporary use restrictions, have since been lost as affordable housing by conversion to market rate units. The ordinance was revised in 2003 to make it a more effective housing development tool. Enacted in April 2003, the revised inclusionary zoning ordinance increases the required percentage of affordable units from 10% to 15% in developments requiring a special permit. Under the new ordinance, rental or homeownership units available to income-eligible households may qualify as inclusionary units. Depending on the number and type of inclusionary units (for purchase or rental) in a development, the area median income of qualifying households may range from 80% or less for rental to up to 120% for homeownership. A special short-term task force has been created to evaluate the current ordinance and recommend changes to clarify the existing requirements.

Recently, Newton developers have also availed themselves of the Comprehensive Permit law under MGL Chapter 40B, which requires that 25% of the total number of units built be affordable to households earning no more than 80% of area median income (if affordable to households earning no more than 50% of area media income, the required number of affordable units is 20% of the total). Under this statute, 2,066 units of housing have either been created or are under construction.

The Newton Housing Authority owns and manages over ten projects in Newton providing 481 units of affordable housing. The Housing Authority has also been a catalyst for developments such as the Crescent Street development, which created eight first-time homebuyer units as well as four affordable rental units for survivors of domestic violence. In addition, The Housing Authority continues to work closely with CASCAP, a non-profit organization, to create 34 units of elderly housing at Nonantum Village Place on Watertown Street. The Housing Authority also administers 442 Section 8 housing vouchers, which subsidize rental payments for eligible low-income families.

In addition, Newton annually receives approximately \$1.4 million in CDBG and HOME funds, which it utilizes to create, develop and preserve affordable housing developments. From 1991 to 2004, these funds have been used to leverage other funding, which has led to the creation of 351 units of long-term, deed-restricted affordable housing. Forty-eight percent of these units have been designated for people with special needs, 16% for families and 36% for the elderly.

Newton also has a variety of CDBG and HOME-funded programs, including the First Time Homebuyer Program, the Newton Connection Homebuyer Assistance Program, and the Newton Housing Rehabilitation Fund, which assist low and moderate income families in purchasing and/or upgrading existing homes in Newton.

waiting lists for individuals and households seeking vouchers, state-sponsored family housing and housing dedicated to the elderly, disabled, or single persons.

Possibilities

At the CPC public hearing in June 2002, numerous residents spoke in favor of utilizing CPA funds to purchase existing market rate units and reselling them to eligible low and moderate-income families at a reduced price by bridging the gap with CPA funds. Older small homes are particularly threatened in this age of "tear downs," where houses are being demolished in record numbers to make way for much larger new homes that a low or moderate income family would never be able to afford. Lower priced condominium and two-family units could likewise be purchased under such a program. CPA funds could be used in combination with other state and local funding mechanisms to ensure that pricing meets affordable levels.

Similarly, as new residential developments are proposed, CPA money could be used to buy down the cost of additional affordable units over the 10% (or, under Chapter 40B, over the 25% or 20% based on income thresholds) that builders are required by law to include in their developments.

In addition, CPA funds can be used to help first-time homebuyers or other homebuyers afford a home in Newton. CPA funds could also be used to support the housing needs of low- or moderate-income senior citizens through a variety of funding mechanisms to assist with housing costs.

CPA funds could also be used to provide financial incentives to promote the creation of affordable accessory apartments within the existing housing stock, where appropriate.

CPA funds could also be used to assist private affordable housing developers in leveraging other federal and state funds. This is extremely helpful where a project requires multiple funding sources and those other sources insist on a demonstrated commitment of local financial support in order to qualify for funds.

Finally, CPA funds could be used to fund both large and small scale multi-family developments which cannot otherwise use CDBG or HOME funds, such as developments that serve residents between 81% and 100% of median income.

Goals

The CPC, in consultation with the Newton Housing Partnership, the Newton Housing Authority and other organizations, has identified the following community housing goals. Proposals brought before the Committee may receive preference for funding if they accomplish some or all of the following goals:

- Create community housing that is well designed, is of high quality and is based on sound planning principles.

- Address one or more of the City's priority housing needs, such as those articulated in the City's Consolidated Strategy and Plan 2001-2005 and A Framework for Newton's Planning.
- Help Newton reach the state mandate of having 10% of its housing stock as affordable to those at or below 80% of median income under MGL Chapter 40B.
- Create new moderate housing units (80% to 100% of median income).
- Keep new units affordable for the long term, and in perpetuity where possible.
- Use deed restrictions to acquire, update and resell existing market rate housing as affordable units, following the small house program model.
- Show that the proposal leverages or is not otherwise eligible for other public funds and could not otherwise be economically feasible without CPA funds, such as proposals for community housing targeted at households earning between 80% and 100% of area median income.
- Demonstrate that the proposal works in conjunction with other funding mechanisms already available in Newton such as the First Time Homebuyer Program, which currently cannot adequately assist families in purchasing homes in Newton.
- Provide community housing opportunities for individuals whose residency in Newton would promote community services, such as Newton teachers and public safety workers and other city employees.
- Create affordable and moderate homeownership opportunities for families who currently rent or work in Newton.
- Help disperse community housing throughout the City by siting housing in neighborhoods that currently lack affordable housing.
- Reuse previously developed sites (including, potentially, remediated brownfield sites) for community housing with minimal effect on existing housing resources.
- Avoid displacement of current residents.