



Mayor

City of Newton, Massachusetts Community Preservation Committee

MEMORANDUM

REVISED 4/7/03

TO: Honorable Board of Aldermen
FROM: Community Preservation Committee (CPC)
DATE: 19 February 2003
RE: **CPC Recommendation for CPA Funding**

PROJECT TITLE: NONANTUM VILLAGE PLACE

CPA CATEGORY: Community Housing

PROJECT DESCRIPTION

The applicant, CASCAP Realty, Inc., requests \$850,000 to be used to support the creation of a 35 unit building housing elders over 62 years of age who have incomes below 50% of median income (one of the 35 units will be used by the resident manager). This funding is being requested to close the financing gap on this project in order to initiate closing on the \$3.167M capital advance grant from the HUD 202 Supportive Housing for the Elderly program, the project's primary funding source.

FINDINGS

Community Preservation Act

This proposal meets the criteria established under MGL c.44B for the following reasons:

1. The project complies with the definition for community housing since it is providing low-income elderly housing.
2. In accordance with §5(b)(2), the project will create community housing. Contributing further to compliance with this section, the project is re-developing a previously developed site, which consisted of a church and rectory.
3. Since the proposal does not include any acquisition of real property or real property interest, it does not seem that any permanent deed restrictions are required. However, the approved comprehensive permit (ZBA Case #33-01) already requires that the property be used for low income housing for the elderly for 80 years.

Newton Community Preservation Plan

Overarching Goals

1. Contribute to the preservation of Newton's unique character, boost the vitality of the community and enhance the quality of life for its residents.	Yes
2. Serve more than one CPA category.	No
3. Demonstrate the highest cost/benefit value relative to other proposals.	See below
4. Leverage other public and/or private funds.	Yes, see below
5. Preserve a resource or opportunity that would otherwise be lost.	Yes, see below
6. Create incentives for other private projects to occur.	No
7. Show that a project is the most reasonable available option to achieve the objective.	Yes, see below
8. Demonstrate strong community support.	Yes, see below

9. Serve to equitably distribute CPA funds throughout the City.	See below
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Additional comments on selected goals:

Goal #3: Projects received during this funding round include a high CPA cost of \$850,000 and a low CPA cost of \$24,780. The CPA cost for this project is \$850,000. The relative benefit for this project is the creation of 34 new residential units affordable to low-income elderly (the 35th unit is for the resident manager). The need for affordable elderly housing is high, particularly in the Nonantum CDBG Target area, as identified through the *Consolidated Plan*, described more below.

Goal #4: The funding being requested from the CPA is a relatively small part of a much larger project that includes funding from HUD, Newton's Community Development Block Grant (CDBG) program, Roman Catholic Archdiocese of Boston, Housing Innovations Funds, Massachusetts Housing Partnership, Life Initiative, and Newton Housing Authority. Funding is also being requested from the Commonwealth's Affordable Housing Trust Fund (AHF), of which the State has officially recommended to fund \$600,000 for this project with a formal vote pending CPA funding approval (this AHF allocation does not affect the amount requested from the CPA).

Goal #5: The CPA funding will help ensure that the project remains on budget and schedule, and will therefore protect against losing other funding resources.

Goal #7: Only 4.88% of Newton's housing stock is considered affordable by the State. Since the unmet need for affordable elderly housing in Newton exceeds that available by almost 150% (as identified in the application), there is a clear need for creating of this type of project. The applicant has site control and has agreements for the majority of the required funding. Therefore, this project is reasonable to achieve the objective of increasing the City's supply of affordable elderly housing.

Goal #8: The project has wide community support as detailed and documented in the application. No opposition has been voiced in relation to the CPA application nor was any voiced during the Comprehensive Permit hearing of the Zoning Board of Appeals.

Goal #9: As presented at a recent CPC meeting, this round of applications is geographically distributed throughout the City; this project is located in Nonantum.

Community Housing Goals

1. Create community housing that is well designed, is of high quality, and is based on sound planning principles.	Yes, see below
2. Address one or more of the City's priority housing needs, such as those articulated in the City's Consolidated Housing Strategy Plan 2001-2005 and A Framework for Newton's Planning.	Yes, see below
3. 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 c.40B.	Yes
4. Create new moderate housing units (80% to 100% of median income) that promote housing for City employees, such as teachers, firefighters, and police officers.	No
5. Keep new units affordable for the long term, and in perpetuity where possible.	See below
6. Use deed restrictions to acquire, update, and resell existing market rate housing as affordable units, following the small house program model.	No

7. 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.	Yes
8. 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.	See below
9. 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.	No
10. Create affordable and moderate homeownership opportunities for families who currently rent or work in Newton.	No
11. Help disperse community housing throughout the City by siting housing in neighborhoods that currently lack affordable housing.	Yes, see below
12. Reuse previously developed sites (including, potentially, remediated brownfield sites) for community housing with minimal effect on existing housing resources.	Yes
13. Avoid displacement of current residents.	Yes

Additional comments on selected goals:

Goal #1: The subject property is located on Watertown Street adjacent to an existing Newton Housing Authority property (Nonantum Village) to the east, a four-unit condominium building and Stearns Park to the west, and a shopping center to the north. The proposed building is set back substantially from the road and is a 2.5-story wood-frame building with a mansard roof. In the Comprehensive Permit review, the Zoning Board of Appeals found the site was appropriate for the proposal and no citizens spoke in opposition.

Goal #2: The City's *Consolidated Strategy and Plan FY2001-2005* and *A Framework for Newton's Planning* both identify the need to provide affordable housing for Newton's elderly population. Additionally, the *Consolidated Plan* identifies the need for affordable housing for low and moderate income elderly specifically in Nonantum.

Goal #5: The applicant proposes an 80-year affordability term, as conditioned in the Comprehensive Permit decision.

Goal #8: The proposal is working in conjunction with the Affordable Housing Development Loan program administered by the Planning & Development Department. The City has both granted and loaned the project a total of \$865,000 in CDBG funds. The CPA funding will be the last piece of financing needed from the City to complete the transaction.

Goal #11: The *Consolidated Plan* has identified affordable housing in Nonantum as a "prominent neighborhood need", particularly for low and moderate income people including the elderly.

CPC RECOMMENDATION

The proposal is consistent with the CPA criteria and many of the Plan's goals, as described above. Therefore, the Community Preservation Committee, in a 6-0 vote with one abstention, recommends funding this application for the creation of 35 residential units at Nonantum Village Place, 241 Watertown Street, by appropriating and transferring the requested \$850,000 to be expended under the direction and control of the

Director of Planning and Development for purposes of funding a deferred loan for the creation of Nonantum Village Place (241 Watertown Street), a 35-unit building housing elders over 62 years of age who have incomes below 50% of median income as detailed in the application (dated 31 October 2002), subject to the following conditions:

1. At least 34 units on this property shall be used for low income housing for the elderly in perpetuity and bound by a permanent deed restriction.
2. Work shall commence no later than 31 December 2003 and shall be completed no later than 31 December 2005.
3. Any portion of the grant not used for the purposes stated herein shall be returned to the Newton Community Preservation Fund.