

City of Newton



David B. Cohen
Mayor

City of Newton, Massachusetts
Community Preservation Committee

MEMORANDUM
REVISED 8/4/03

TO: Honorable Board of Aldermen
FROM: Community Preservation Committee (CPC)
DATE: 18 June 2003
RE: **CPC Recommendation for CPA Funding**

PROJECT TITLE: PELHAM HOUSE

PROJECT #: CPAFY03-17

CPA CATEGORY: Community Housing

PROJECT DESCRIPTION

The applicant, Cooperative Living of Newton, Inc. (CLN), requests \$211,936 for creation of 11 units of community housing for seniors at 45 Pelham Street, known as Pelham House. CLN is a private, non-profit organization that was established in 1977 to address the need for housing alternatives for elders in Newton. Pelham House, likely built as a single-family house in the mid-late 19th century, has served seniors since the 1930s when it was operated as a Home for the Aged. As originally proposed, this project would convert the building into 11 cooperative living units affordable to low-income seniors. The applicant has amended that proposal to decrease the number of units created to a total of 10 units to respond to concerns that the State raised regarding unit size.

The total estimated budget for the acquisition and renovation is \$1.9M. The CPA request is for exterior renovations and site work, and includes a new roof, removal of existing aluminum siding, restoration of original siding, foundation work, repairs to the garage, landscaping, and other site work as described in the application. The City of Newton has committed \$550,000 in CDBG funds and CLN has a financing commitment from Auburndale Bank for \$302,516.

The applicant has demonstrated that this significant opportunity would be lost if not considered outside the normal funding schedule. CLN has entered into a Purchase and Sale Agreement with the owner of this property that expires on June 10 with an option to extend for 30 days. Major funding commitments must be received by July 1 to meet the construction loan closing on July 1.

FINDINGS

Community Preservation Act

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

1. The project complies with §5(b)(2) which allows the CPA to fund the creation of community housing, since this project creates 10 affordable units for low-income seniors.

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
6. Create incentives for other private projects to occur.	Yes
7. Show that a project is the most reasonable available option to achieve the objective.	Yes
8. Demonstrate strong community support.	See below
9. Serve to equitably distribute CPA funds throughout the City.	See below

Additional comments on selected goals:

Goal #3: Projects received during the November funding round included a high CPA cost of \$850,000 and a low CPA cost of \$24,780. The CPA cost for this project is \$211,936. The relative benefit for this project is creating 10 units that are affordable to low-income seniors.

Goal #4: According to the application (dated 3/30/03), this proposal is partially funded through a number of other sources including: City of Newton CDBG (\$550,000); Auburndale Cooperative Bank loan (\$302,516), and Equity/Grant Funding (\$50,000). The applicant is also seeking the following funds: Newton Housing Rehab Fund (NHRF) (\$76,000); Mass Home State Rehab Funds (\$550,000); and Equity/Grant Funding (\$170,000).

Goal #8: Community support for this project is detailed and documented through letters and a neighborhood petition included in the application. At the June 5 Public Hearing held by the CPC, some neighbors were concerned about how this project would impact on-street parking issues. However, the majority of speakers at the public hearing were supportive of the proposal and recognized the need for elderly housing in Newton.

Goal #9: The November round of applications was geographically distributed throughout the City; this project is located in Newton Center.

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, see below
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.	Yes, 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.	Yes
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
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.	NA

Additional comments on selected goals:

Goal #1: The subject property is located on Pelham Street and is an existing house which is comparable in scale and style to the physical character of this neighborhood.

Goal #2: The City's *Consolidated Strategy and Plan FY2001-2005* identifies the need to provide affordable housing for low income seniors, since the "so-called frail elderly population over the next five years will require more "continuing care" housing" (*Consolidated Plan, p. III-10*). In addition, *The Framework Plan* identifies the importance of providing for the needs of groups such as the elderly and the importance of utilizing the existing housing stock to meet affordable housing objectives.

Goal #3: The project increases the City's low-income housing stock, helping the City reach the State mandated 10%. Only 4.88% of Newton's housing stock is currently considered affordable by the State.

Goal #5: The applicant was originally proposing a 40-year affordability term that would be renewable for an additional 40 years. However, since the Community Preservation Committee and Board of Aldermen have established a precedent of requiring a perpetual affordability term, the applicant has agreed to comply with this policy.

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 voted unanimously to recommend funding this application for the creation of 10 units of low-income elderly housing at 45 Pelham Street by appropriating and transferring the requested \$211,936 to be expended under the direction and control of the Director of Planning and Development for purposes of funding a deferred forgivable loan for the Pelham House Project as detailed in the application (dated March 30, 2003), subject to the following conditions:

1. The 10 dwelling units on this property shall be affordable to low-income seniors with incomes at or below 80% of the area median in perpetuity and be bound by a permanent deed restriction.
2. All necessary zoning relief shall be secured prior to requisition of CPA funds.
3. CLN will secure the other funding sources necessary for project feasibility prior to requisition of CPA funds.
4. Work shall commence no later than 31 December 2004 and shall be completed no later than 31 December 2005 or such other date(s) as may be approved in writing by the Director of Planning and Development. In the event of failure to meet the project start or completion dates as stated herein or as approved by the Director of Planning and Development, any remaining funds in the project account shall be returned to the Newton Community Preservation Fund.
5. Any portion of the grant not used for the purposes stated herein shall be returned to the Newton Community Preservation Fund.

City of Newton



City of Newton, Massachusetts Community Preservation Committee

David B. Cohen
Mayor

TO: Honorable Board of Aldermen
FROM: Jennifer M. Goldson, AICP, Community Preservation Planner
DATE: 4 August 2003
RE: **Amendments to CPC Recommendation on Pelham House**

In response to a change in the Pelham House proposal from 11 units to 10 units, the Community Preservation Committee met earlier this evening (August 4) and voted unanimously to amend the CPC recommendation for the Pelham House funding request to alter condition #1 to read:

1. Elgin Street – Conservation Restriction

Insert the following additional paragraph into the CPC Recommendation and the draft board order (as attached):

“And be it further ORDERED that His Honor the Mayor is hereby authorized to take all actions to negotiate and purchase a conservation restriction and/or fee simple title in such parcel.”

2. Christina Street

Amend the draft board order and CPC Recommendation to include the following language: *“that is bound in perpetuity by a deed restriction”* (emphasis added). The revised Board Order was submitted to the full Board last Friday.

3. Nonantum Village Place

Amend the draft board order and CPC Recommendation to include the following language: *“that is bound in perpetuity by a deed restriction”* (emphasis added). The revised Board Order was submitted to the full Board last Friday.

4. Flowed Meadow

Amend condition #1 of the CPC Recommendation, which states: *“Work shall commence no later than 31 December 2003 and shall be completed no later than 31 December 2004.”* by inserting the following language to the end of the condition:

“or such other date(s) as may be approved in writing by the Director of Planning and Development. In the event of failure to meet the project start or completion dates as stated herein or as approved by the Director of Planning and Development, any remaining funds in the project account shall be returned to the Newton Community Preservation Fund.”

5. Newton Corner Library

Amend condition #1 of the CPC Recommendation, which states: *“Work shall commence no later than 31 December 2003 and shall be completed no later than 31 December 2004.”* by inserting the new standard language as described above in #4.

6. Kayla's Garden

Amend condition #1 of the CPC Recommendation, which states: "*Work shall commence no later than 31 December 2003 and shall be completed no later than 31 December 2004.*" by inserting the new standard language as described above in #4.

7. Ballfield Irrigation

Amend condition #1 of the CPC Recommendation, which states: "*Work shall commence no later than 31 December 2003 and shall be completed no later than 31 December 2004.*" by inserting the new standard language as described above in #4.

Amend condition #2, which states: "*A legally binding Memorandum of Understanding shall be executed with the City, Newton East Little League, and Newton Youth Soccer regarding the proposed seven-year commitment by Newton East Little League and Newton Youth Soccer to maintain Bowen Field.*" by inserting the following language to the end of the condition:

“,and such Memorandum of Understanding shall contain a prohibition from requesting approval for or installing any commercial or public service signage at Bowen Field.”

And, strike condition #3, which states: "*No commercial signage shall be installed at this field.*"

8. Historic Burying Grounds

Amend condition #1 of the CPC Recommendation, which states: "*Phase one restoration work shall commence no later than 31 December 2004 and shall be completed no later than 31 December 2006.*" by inserting the new standard language as described above in #4.

9. City Hall Restoration

Amend condition #1 of the CPC Recommendation, which states: "*Work shall commence no later than 31 December 2003 and shall be completed no later than 31 December 2004.*" by inserting the new standard language as described above in #4.

Please Note: There were no amendments necessary for the Cambria Road recommendation or draft board order.