

# Newton COVID-19 Emergency Housing Relief Program

City of Newton Planning & Development Department

Community Preservation Committee and  
Planning & Development Board  
Public Hearing, May 4, 2020

# The Need

## ► Low- to Moderate-Income Households in Newton

- Prior to COVID-19, 27% of Newton households were considered low- to moderate-income (8,230 households) - earning annual incomes at or below 80% of the area median income (AMI)

## ► Housing Cost Burden

- Approx. 31% of all Newton households meet the definition of being housing cost burdened (spending greater than 30% of their annual income on housing costs)
- Housing cost burden is most common amongst Newton households with incomes at or below 50% AMI
  - 58% of these low-income households are severely housing cost burdened (spending greater than 50% of their annual income on housing costs)

## ► Newton's Renter Households

- Approx. 30% of Newton households are renters (~9,500 HH's)
- Approx. 47% of these renter households are at or below 80% AMI (low- to moderate-income), and 9% of renters are between 80% and 100% AMI

# The Need, cont'd

## ► Newton Unemployment Projections

- Pre-COVID-19 labor force: 47,377 (2018 ACS 5-year estimate)
- As of April 30<sup>th</sup> - 24% of MA civilian workforce had filed for unemployment, 896,616 claims between March 15-April 25 (according to recent Pioneer Institute study)
- 24% of Newton's 47,377 labor force = 11,370 Newton residents (estimate)

## ► On-the-Ground Assessment of Need

- Numerous conversations with nonprofit and governmental agencies working on-the-ground in Newton to support those impacted by COVID-19
- Greatest needs include: Rent, Food, Mental Health and Other Support Services

# Covid-19 Emergency Housing Relief Program

- ▶ Housing stabilization program
- ▶ Short Term Assistance for those negatively impacted by the Covid-19 situation
- ▶ Temporary program and funding is limited
- ▶ Program utilizes best practices put forth by Mass Housing Partnership (MHP)
- ▶ Applicants are eligible for 3 months of assistance
- ▶ Assistance can cover:
  - 1.) Rent payments OR 2.) Mortgage payments for income-eligible owners of affordable deed-restricted units
  - Program will cover 70% of a household's monthly rent or mortgage

# Covid-19 Emergency Housing Relief Program, cont'd

- ▶ One Program to be funded by two sources: Newton CDBG and CPA Funds
- ▶ Program to be administered by Metro West Collaborative Development
  - Newton-based organization for over 10 years
  - Affordable Housing Developer and Owner
  - Staff capacity to handle program
  - Operates Ready Renter program and Lotteries across region

# Allowable Funding Limits of Program

FY2020 Income Limits Summary - Newton, MA					
Income Level	Household Size				
	1	2	3	4	5
30% AMI	\$26,850	\$30,700	\$34,550	\$38,350	\$41,450
50% AMI	\$44,800	\$51,200	\$57,600	\$63,950	\$69,100
65% AMI	\$54,145	\$61,880	\$69,615	\$77,350	\$83,538
80% AMI	\$67,400	\$77,000	\$86,650	\$96,250	\$103,950
100% AMI (CPA Funds Only)	\$83,300	\$95,200	\$107,100	\$119,000	\$128,520

Funds will be available to those at or below 100% AMI (at time of application) - CDBG funds only to be used for households at or below 80% AMI; CPA funds can be used for households up to 100% AMI

# Funding Sources and Amounts

CPA Funding	\$2,000,000
CDBG Funding	<u>\$500,000</u>
Total Program Funding	\$2,500,000

- ❖ Max assistance per household for 3 months = \$7,500
- ❖ Program administration fee of 7.5% of total program funding = \$187,500
  - ❖ \$150,000 to be paid by CPA
  - ❖ \$37,500 to be paid by CDBG
- ❖ At least 300 households estimated to be served by program

# Eligible Households

▶ **An “eligible” household is one that:**

- Currently lives in the City of Newton
- Has reduced income because of COVID-19 (and can demonstrate this financial hardship)
- Earns less than 100% of Area Median Income (AMI)
- Eligible Owner Households: only those that reside in an ownership unit that is deed-restricted affordable (restriction recorded with the Registry of Deeds)

▶ **An “ineligible” household is one that:**

- Currently receives housing assistance (e.g. Public Housing tenants, RAFT, Section 8, MRVP or other locally administered support)



# Outreach and Marketing

- ▶ Marketing activities will be conducted for a two-week period: May 13 - May 27, 2020
  - Application deadline: May 27<sup>th</sup>
  - Date of Lottery: approx. June 3<sup>rd</sup>
- ▶ Efforts consist of:
  - City of Newton COVID-19-Response website pages
  - Announcement in Mayor Fuller's email blasts, and other relevant outreach platforms
  - City of Newton Planning Department Friday Report
  - Email outreach to Newton City Councilors for inclusion in their constituent emails
  - Newton TAB

# Outreach and Marketing, cont'd

## ▶ Additional Outreach Efforts:

- Email outreach to non-profit organizations in Newton and surrounding communities, including, but not limited to:
  - Boys & Girls Club
  - Family ACCESS
  - Plowshares
  - Newton Community Development Foundation
  - REACH
  - The Second Step
  - Riverside Community Care
  - Barry Price Center
  - YMCA
- Email outreach to local employers and neighborhood / community list serves

# Timeline

- ▶ Planning & Development Board and CPC Joint Public Hearing: May 4<sup>th</sup>
- ▶ City Council Vote: May 11<sup>th</sup>
- ▶ Program Launch: May 13<sup>th</sup>
- ▶ Application deadline: May 27<sup>th</sup>
- ▶ Lottery: approx. June 3<sup>rd</sup>
- ▶ First wave of assistance: July 1<sup>st</sup>

# Questions & Discussion

▶ Thank you!