West Newton Armory JAPG

Notes from May 27, 2020 Meeting
Zoom Meeting
7:15 – 9:00 p.m.
FINAL

<u>JAPG Members in Attendance</u>: Kelley Brown, Jonathan Katz, Anita Lichtblau, Ted Hess-Mahan, Sue Parsons, Mitch Fischman, Larry Bauer, and Barry Abramson.

Others in Attendance: Amanda Berman, Director of Housing and Community Development, Eamon Bencivengo, Housing Development Planner, Barney Heath, Director of Planning, Lizbeth Heyer, Chair of Newton Housing Partnership, and Jonah Temple, Assistant City Solicitor, Ward 3 Councilor Malakie.

Approval of April 2, 2020 and April 26, 2020 Meeting Summaries

On the 04/02 minutes, Sue Parsons made a correction on the spelling of her name: has an "s"; Barry Abramson wanted it noted that a subject raised by him was in fact raised by multiple participants. Larry Bauer moved to accept the minutes and was unanimously voted on by those members present.

On the April 26th minutes, Barry Abramson asked to modify his comments regarding whether the reuse of the Armory for affordable housing would be an efficient use of City funding and would likely be development by private market if City declines to purchase the property. There was also a comment by David Koven that the housing consultant's task would be to talk to potential public funders and ascertain whether the cost per unit would be in the range of typical affordable units in Newton. Minutes approved as amended 8-0.

Appointment of Rotating Secretary

Mitch Fischman volunteered to serve as Secretary for the meeting.

JAPG Draft Timeline Extension Letter to Reuse Committee

Eamon had circulated a draft JAPG extension letter to the City Council to extend the JAPG until 11/30/20. Kelley Brown asked when it is official to notify DCAM (Eamon said he was open to this). Larry Bauer moved and Anita Lichtblau seconded and the item was voted on unanimously 8-0.

Review of City's Current Chapter 40B Safe Harbor Calculations

Jonah Temple, Assist. City Solicitor discussed the memorandum that was previously distributed to the committee in the meeting package. He indicated that there are two main safe harbors to exempt the city from following: 1.5% of total land area (in Nov 2019, city was at 1.3% and therefore short), and 10% of total housing units in the city are affordable (Newton is at 8.5%-461 units short of the 10%).

Jonah indicated that the Riverside, Dunstan East, and Riverdale projects would get the city over the 10% threshold. Barry Abramson asked what the expected affordable unit number was for 2020. Jonah replied that he hasn't examined that number specifically, but the expectation is that the total number of housing units will increase from 2010 to 2020. Ted Hess-Mahan asked what happens when the city reaches 10%, which could happen when Riverside, Riverdale and Dunstan East are added. Jonah indicated that the developer doesn't have to invoke the 40B. Ted Hess-Mahan suggested there could be some confusion in developer appeal to the State Housing Appeals Board or appeal to the Superior Court. Ted also indicated that the total number of housing units in the city changes all the time and the 10% calculation always needs to be updated.

Larry Bauer thought that Jonah covered everything well in the memo.

Anita Lichtblau wanted to know who reports total housing units in the US census?

Ted Hess-Mahan reported that the census covers the number of affordable units in the subsidized inventory and that the city also occasionally loses some units - so the number is fluid with some units coming off the chart.

Anita wanted to know what defines an affordable housing unit. Amanda Berman responded that the unit was pegged at no more than 80% of the area median income, and it is deed restricted and marketed appropriately. She also indicated that for some developments, a whole project, although not necessarily with all affordable units, could be included in the 10% calculation. Ted indicated in projects having at least 25% affordable (with 50-80% of area median income) that all the rental units could be counted toward the 10%, and that with ownership units only the affordable units would be counted toward the 10%. Barry Abramson complemented the presentation but cautioned that these numbers would change in 2021 and the current analysis would have to be redone. Barry also added that whether the private market may or may not do a 40B project at the Armory is irrelevant to the committee's charge of examining whether the site should be used for affordable housing.

Ted suggested that the issue is whether we need more affordable housing in Newton, not necessarily whether we have reached the 10% or not. Barry agreed that it may be irrelevant for our (committee's) mission. Anita suggested that the city would have more control (of the development) if not a 40B.

Someone asked when the city looks at Safe Harbor thresholds. Jonah answered when the developer applies. Jonah also indicated that the city had more control of the development thru the Special permit process.

Jonathan Katz asked about the lottery requirements favoring local populations. Eamon indicated that there could be a local preference of 70% built-in. Jonah indicated that this 70% is not automatic but that the city consistently pushes for it.

Barney Heath confirmed that all the affordable units were selected by lottery.

Jonathan asked whether the city always get's agreement on the 70% and the answer was that the city has always gotten that agreement from DHCD.

Review of Affordable Housing in the City

Lizabeth Heyer, Chair of the Newton Housing Partnership, discussed affordable housing need in Newton, beyond the 40B requirements, meaning deeper housing affordability.

Ms. Heyer presented her extensive experience/credentials in affordable housing and indicated that Mayor Fuller reconstituted the 9-member Newton Housing Partnership a year ago, with its mission to advocate for affordable housing in Newton.

She indicated that the challenge of affordable housing is difficult in Newton - in trying to make the case for more deeply affordable units. She also reminded the group that Newton is a part of the Boston Metro Mayor's Compact, which has the target to create a total of 185,000 affordable units in the region by 2030. Between 2010 – 2014, the region saw an increase of 148,000 new jobs, but the development of only 32,000 new housing units. This imbalance creates a huge tension between supply and demand, creating our region's housing crisis.

She suggested that the Partnership thought the Armory was a great location - near stores, childcare, schools, public transit/robust bus service - for affordable housing. As for Newton, new jobs are high and housing has not kept pace with the job numbers. Average monthly rent in Newton is \$3,000 which would require \$110,000 in income.

Ms. Heyer and her group are targeting deeper affordability by bringing in subsidies, working with mission driven developers to increase affordability to 60-70% of area median income, as well as working with CDC's to get subsidies to lower the affordability to below 60% of area median income. She suggested that "cross" subsidies with market units doesn't bring the affordable percentages down enough.

With free land (\$1 from DCAM) and an opportunity for deeper subsidies, the partnership is anxious to look at the Armory for affordable housing and to retrofit it within a \$500K unit limit.

Ms. Heyer thought the local contribution for an affordable project would be 10-20%.

Sue Parsons asked what it would take for Armory to be developed for deeper affordability.

Ms. Heyer responded that it depended on affordable levels being targeted:

- 80-110% could come thru market deals and cross subsidies
- 60-80% could be subsidized through local trust funds, but ineligible for LIHTC
- 45-60% could come thru low-income tax program (which also cover 50% of capital side of project- one-time payment)

Ms. Heyer indicated that the RFP process would need to speak to the low-income requirement and soliciting a developer that knows how to achieve these deeper subsidies; and the developer will need to apply for state/sec.8 or local housing authority funding with sec.8 commitments.

Mitch Fischman asked whether Newton can really do 45-60% levels of rents. Ms. Heyer said it was possible with tax credits with up to 60 units.

Jonathan Katz asked if there was a 100% affordable housing development Ms. Heyer could point to. Ms. Heyer responded that the 68 units being added to the Golda Meir house were all affordable and that the \$3M/CPA and a Federal 202 grant was mostly 100% affordable, including the 10 unsubsidized units at Golda Meir. Also, the Newton Housing Authority received a CPA award and LIHTC for Haywood House project. NHA is acting as a non-profit developer to build this project.

Jonathan Katz asked if the Partnership is focusing on new developments or adding on to existing housing. Ms. Heyer thought the Armory, speaking for herself, being used for family housing is a good idea.

Ted Hess-Mahan raised an issue that Josephine McNeil had always raised about the need for support services with deeper affordable housing units - single parents being able to access services to be able to continue to stay in their units. Ms. Heyer said that was a high priority with the Partnership which the developer needs to think about upfront (early in the process) to bake-in support for this in the project- need to have a good service plan for the tenants, and need to have staff to help with services needed. She also thought it worked better with more units.

Barry Abramson asked about the housing options - family vs senior housing. Were there other special populations that need housing? Ms. Heyer said she didn't know all of the other groups needing housing.

Barry Abramson asked whether the committee should direct the consultant to look at what affordable housing need should be served or be vanilla on what housing to target? Is this an iterative process with the consultant?

Ms. Heyer said the building sometimes tells you what the specific target should be, what you can do, building constraints help define the reuse ideas.

Barry Abramson asked about acceptable parking numbers for family housing. Ms. Heyer said she was not ready to answer yet. Ted indicated that the consultant will need to describe the parking needed.

Mitch Fischman asked if the project could be a mix of affordable and market housing. Ms. Heyer indicated that the Partnership is trying to engage market rate developers to provide a deeper affordability mix for other developments in the city, but also added that the Armory site may be too small for a blended program.

Jonathan Katz asked about using CPA funds to leverage and get deeper affordability.

Other

Barney Heath indicated that the city's selection of the consultant has been made, and it would be formally announced next week.

Eamon will send out a doodle to determine the time/date for the next meeting.

Meeting was adjourned at 9:00PM - Notes by Mitch Fischman