



*Formerly Jewish Community Housing for the Elderly (JCHE)*

July 10, 2020

City of Newton  
1000 Commonwealth Ave  
Newton, MA 02459

Re: Golda Meir House Expansion – Proposal for CPA and HOME Funds

Dear Members of the Community Preservation Committee and Planning and Development Committee,

Thank you for the opportunity to submit the attached application for \$1.5 million in Community Preservation Act and HOME funds, to enable our Golda Meir House expansion project go forward. This project will bring 68 new affordable supportive senior housing units to Newton, and your early award of \$3.25 million in 2018 got us on the path to secure significant state and federal dollars for the project. We really appreciate that! Now we need to ask for an additional one-time award to fill a critical gap in the project's viability.

The principal reason for the funding gap is a good one—we were able to secure the only federal 202 funding award in Massachusetts for this project. The 202 program comes with both capital and operating subsidies. We received \$4 million in capital and 25 vouchers. The vouchers allow us to dedicate these units to extremely low and very low-income seniors. When added to the other vouchers we secured, this means that fully 45 of the 68 apartments will be deeply subsidized and serve the lowest income seniors. In our initial application to the CPC, we only expected to offer 30 of these units.

While the 202 is a tremendous benefit for very low and extremely low-income seniors, it has caused a financing gap. HUD's rental payment standard is lower than the Low Income Housing Tax Credit (LIHTC), Section 8 and MRVP rents in our previous pro forma, causing a reduction in the cash flow needed to support a permanent mortgage loan. Unfortunately, the \$4 million in 202 Capital Advance funds does not fully cover this financing gap because it is offset by the increased construction costs due to HUD's Davis-Bacon wage requirements. 2Life partially filled this gap by securing additional deferred financing from DHCD and replacing the previously requested MRVP vouchers with project-based Section 8 vouchers that have a higher payment standard. Even with this increased support from DHCD, we need \$1.5 million more to complete our financing and get the project into construction later this year.

While \$1.5 million is not an insignificant request, this one-time capital award will make it possible to provide on-going affordability for very low and extremely low-income seniors, otherwise



impossible without operating support. **Without the additional city funds, 2Life does not see another way to leverage the federal operating funds that dramatically increase the affordability of the project.**

The \$1.5 million requested herein is a combination of HOME and CPA funds. Please note that 2Life is flexible regarding any combination of City sources that may be appropriate.

A summary of the current Golda Meir House Expansion project is below.

### **Project Summary (expanded affordability; no change in unit count or type)**

- 68 apartments added in 2 additions:
  - 50 units (88%) low-income (up to 60% AMI), with 45 supported by project-based rental assistance
  - 10 Moderate-Income units (under 100% AMI)
  - 1 unit for graduate students, as part of a scholar-in-residence program
  - 7 units for seniors, priced at below market rents, without an income restriction
- 9 apartments designated for chronically homeless individuals with disabilities
- A new ADA-accessible entrance from the upper parking lot which extends barrier free access to 100% of the parking spaces
- Reconfigured parking lots with 29 net new parking spaces

### **Summary of budget changes since November 2018 CPC proposal**

- Secured 202 funding of \$4 million in Capital Advance and 25 PRAC vouchers
- Eliminated 9% LIHTC request and replaced with 4% LIHTC (triggers no change in affordability)
- New philanthropic sources of \$480,000 from the Charles Farnsworth Trust (awarded March 2019) and \$1.25 million from The Harry and Jeanette Weinberg Foundation (awarded June 2020)
- Updated operating expense assumptions
- Eliminated MRVP request (22 vouchers) and increased Section 8 request (from 8 to 20)
- Increased construction cost related to Davis-Bacon wages


From the outset, the Golda Expansion project has had enthusiastic community support, including from its most direct abutters – the residents of the existing Golda Meir House and the Brae Burn Country Club. Additional supporters include representatives of the League of Women Voters of Newton, Engine 6, Newton’s Fair Housing Committee, and City Councilors Markiewicz and Gentile. In the fall of 2018, we also secured support from 160 Newton residents via an online petition in support of the CPA funding and Comprehensive Permit approvals.

Your support of the Golda Expansion with an additional \$1.5 million in CPA and HOME funds will help 2Life expand our model for *aging in community* in one of the very best buildings for seniors



and will dramatically change the lives of the extremely low, low and moderate-income seniors who will live there. I hope that you share our passion for preserving the 202 funding and see how your investment can accelerate the ways in which Newton models the most innovative solutions for housing our most vulnerable seniors. Please contact either me or Zoe Weinrobe (617-912-8406, [zweinrobe@2lifecommunities.org](mailto:zweinrobe@2lifecommunities.org)) with any questions regarding this request.

Sincerely,

DocuSigned by:  
  
AC65F04667EE4FB...  
Amy Schectman  
President and CEO

cc: Amanda Berman, Director of Housing & Community Development  
Lara Kritzer, Community Preservation Program Manager  
Newton Housing Partnership

