

Newton Housing Partnership Meeting
Notes from January 7, 2020 Meeting
Newton City Hall
6:00-8:30`pm

Partnership Members in Attendance: Rev. Mark Caggiano, Eliza Datta, Chuck Eisenberg, Lizbeth Heyer, Josephine McNeil, Marva Serotkin, Stephen Tise
Absent: John Hennessey, Kathleen Marchi

Others in Attendance: Barney Heath, Eamon Bencivengo, Amanda Berman, members of the public

Approval of December 17, 2019 Meeting Summary

Summary of the meeting was unanimously approved.

Dunstan East 40B Project

Members of Mark Development Team made the presentation. The project has 244 units including 25% (61) affordable at 80% AMI. Selected features of the development include

- Three buildings in varying height up to 6 stories
- All parking below grade, one space per unit
- Center courtyard
- Smaller retail spaces
- Consistent with proposed zoning for Washington Street, though 6 story height might be an issue
- Boardwalk at the rear of the development along the river
- 100% units ADA adaptable and 5% fully accessible

Discussion focused on transportation, consideration of EII depending on final density and ZBA action. Steve Buchbinder from Mark Development estimated at least six months for final decision by ZBA. Given the time frame, it was decided to defer recommendation from NHP. Finally, developers identified that the development is contiguous with the Armory adding another complexity.

Riverside Project

The Partnership agreed to vote on the project at the February meeting. Mark Caggiano, Eliza Datta, and Chuck Eisenberg will present a recommendation to the Partnership.

Northland Project

Chair Lizbeth Heyer reviewed the status of the project as reported in a letter from Mayor Fuller. Following the vote by the City Council to approve the project, a group of citizens opposed to the project collected sufficient signatures to return consideration of the project to the City Council. Unless the Council reverses its approval, the question will be placed on the ballot for vote. Dates for the ballot are the day of the Presidential Primary or a separate date. The City Council will be considering the question later in January. Lizbeth Heyer asked if the Partnership should advocate for approval prior to the election. Members were asked to contact their Councilors in advance of the City Council meeting. The question of public advocacy will be considered at the February meeting.

NHA Acquisition of CAN-DO Portfolio

For the discussion of acquisition of the CAN-DO portfolio, Josephine McNeil was excused from the meeting at her request and Chuck Eisenberg recused himself on advice of City lawyer. He is a consultant to NHA, though not on this project.

Lizbeth Heyer explained that this item came before the NHP because CDBG funds are involved. She introduced Amy Zarechian, Executive Director of NHA, who made the presentation. She was joined by Board members and staff.

The proposal is for NHA to acquire 33 units of the CAN-DO portfolio since the current manager has given notice of not continuing the relationship. Amy Zarechian reviewed the current NHA portfolio and programming components. NHA is the largest provider of affordable housing in the City of Newton. Documents related to the two portfolios were distributed. A comprehensive capital needs assessment of the CAN-DO properties was conducted that revealed \$713,000 in capital needs over the next five years, with no replacement reserves available. In addition, the portfolio's net operating income is unable to support the current debt.

The proposal is to request \$1.5M in CPA funds and \$426,744 in CDBG funds to repay existing debt held by banks to facilitate stabilization of the portfolio and sustainable long-term management. In addition, the plan is to place a new blanket mortgage from the Village Bank on all but four properties. The Bank has offered to provide a \$250,000 grant in support of the acquisition along with \$250,000 from NHA, both to be placed into a replacement reserve.

In summary, the plan has two goals: reduce debt and create a capital needs reserve. A hearing will be held in February with the CPC and Planning Board to vote on the transaction.

Following the presentation and comments from NHA board, CAN-DO Board and staff, questions and comments were offered by NHP members:

- Are two social workers sufficient to meet the needs of over 500 tenants? NHA was pleased with support from NHP for increasing the number of social workers.
- Is the needs assessment realistic? If not, then concern that NHA will be back to the City for additional funds. There is an opportunity to request additional CDBG funds now to front end replacement costs.
- Why is the \$250,000 support from NHA allotted over 10 years?

In summary, NHP is supportive of the plan, especially since it supports a vulnerable population. Lizbeth Heyer summarized comments by NHP members and requested NHA to consider the following:

- Work with Planning Department and Community Preservation Committee
- Review the stress test results and determine if need for additional capital reserves and timing of need (more up front)
- Review service plan to determine need for additional resources
- Rethink amount requested of CDBG vs debt

With these recommendations it was unanimously voted to endorse the Plan.

Lizbeth Heyer thanked NHA for the presentation and looked forward to further dialogue about meeting affordable housing needs.

Upcoming Meetings

NHP meetings will be held the 3rd Tuesday of every month 6-8pm

Respectfully Submitted,

Marva Serotkin