



# Finance Committee Report

## City of Newton In City Council

**Monday, October 25, 2021**

Present: Councilors Grossman (Chair), Humphrey, Noel, Kalis, Oliver, Norton and Malakie

Absent: Councilor Gentile

City staff present: Comptroller Sue Dzikowski, Chief Financial Officer Maureen Lemieux, Co-Director of Sustainability Bill Ferguson, CPA Program Manager Lara Kritzer and Director of Transportation Nicole Freedman

**#384-21      Acceptance of \$6,000 from MassDOT's Safe Routes to Schools Signs and Lines Program**  
HER HONOR THE MAYOR requesting authorization to accept and expend the sum of six thousand dollars (\$6,000) in grant funding from MassDOT's Safe Routes to Schools Signs and Lines Program to improve signage and pavement markings for the Oak Hill and Brown Middle School to address safety and circulation issues around the traffic circle.

**Action:**      Finance Approved 7-0

**Note:**      Nicole Freedman, Director of Transportation presented the request to accept and expend the sum of \$6,000 in grant funding from MassDOT's Safe Routes to Schools Signs and Lines Program to improve signage and pavement markings for the Oak Hill and Brown Middle School to address safety and circulation issues around the traffic circle.

Ms. Freedman explained the plan is to reduce the size of the travel lane and paint the curbs yellow to indicate no parking. Additionally, they will be repainting and adding signage for the crosswalks.

Councilor Noel motioned to approve which passed unanimously.

**Chair's Note:** *The following two items were discussed together.*

**#385-21      Acceptance of \$100,000 from Massachusetts Department of Energy Resources**  
HER HONOR THE MAYOR requesting authorization to accept and expend the sum of one hundred thousand dollars (\$100,000) in grant funding from Massachusetts Department of Energy Resources for the LED lighting and controls at the new Newton Early Childhood Program facility at 687 Watertown Street and at the Newton South High School's Cutler Wing. The funds will also be used to complete insulation/air sealing at the Nonantum Library.

**Action:**      Finance Approved 7-0

**#386-21      Appropriate \$29,807 from the Energy Stabilization Fund**

HER HONOR THE MAYOR requesting authorization to appropriate and expend the sum of twenty-nine thousand eight hundred and seven dollars (\$29,807) from the Energy Stabilization Fund for the LED lighting and controls at the new Newton Early Childhood Program facility at 687 Watertown Street and at the Newton South High School's Cutler Wing. The funds will also be used to complete insulation/air sealing at the Nonantum Library.

**Action:**            **Finance Approved 7-0**

**Note:**            Bill Ferguson, Co-Director of Sustainability presented the request to accept and expend \$100,000 from the Massachusetts Department of Energy Resources. He also presented the request to appropriate and expend \$29,807 from the Energy Stabilization Fund.

Mr. Ferguson explained that Newton has been designated as a Green Community since 2010 which makes Newton eligible to apply for competitive grants. This is the seventh year in a row that the City has been awarded a grant through the Massachusetts Department of Energy Resources. The funds will be for the LED lighting and controls at the new Newton Early Childhood Program facility at 687 Watertown Street and at the Newton South High School's Cutler Wing. Additionally, they will be used to complete insulation/air sealing at the Nonantum Library. The projects will also be supplemented by \$29,807 from the Energy Stabilization Fund.

Maureen Lemieux, Chief Financial Officer, and the Committee expressed their gratitude to Mr. Ferguson for his work in receiving these grants. Ms. Lemieux explained that all the rebates that the City receives from the utility companies go into the Energy Stabilization Fund. These funds are used for energy control projects like the ones that are listed above. Mr. Ferguson noted that the Energy Stabilization Fund, and the City's willingness to invest its own resources in energy saving projects, does help the City secure grants. He also noted that there have been efforts made to make the LED systems easier to use.

Councilor Kalis motioned to approve item #385-21 which passed unanimously.

Councilor Kalis motioned to approve item #386-21 which passed unanimously.

**Referred to Zoning & Planning and Finance Committees****#320-21      CPC Recommendation to appropriate \$500,000 in CPA funding**

COMMUNITY PRESERVATION COMMITTEE recommending appropriation of five hundred thousand dollars (\$500,000) in Community Preservation Act funds, with \$478,877 to come from the FY22 Community Housing Reserve Fund (Account #58C10498-57900C) and \$21,123 to come the Prior Year Undesignated Fund (Account #5800-3599), to the control of the Planning & Development Department to provide funding to replace roofs, repair and restore damaged siding, and replaced the HVAC systems as part of the Nonantum Village Place Senior Housing Preservation Project.

**Zoning & Planning Approved 7-0 (Councilor Baker not voting) on 09/27/2021**

**Action: Finance Approved 7-0**

**Note:** Lara Kritzer, CPA Program Manager presented the request to appropriate \$500,000 in Community Preservation Act funds, with \$478,877 to come from the FY22 Community Housing Reserve Fund (Account #58C10498-57900C) and \$21,123 to come the Prior Year Undesignated Fund (Account #5800-3599), to the control of the Planning & Development Department to provide funding to replace roofs, repair and restore damaged siding, and replace the HVAC systems as part of the Nonantum Village Place Senior Housing Preservation Project. Dan Brody, Chair of the Community Preservation Committee and Marcia Hannon, Project Management Consultant also joined the committee for this discussion.

Mr. Brody explained that the Nonantum Village Place Senior Housing Preservation Project is 34 units of affordable housing for seniors that make less than 50% of the median income. He also expressed his support for the project.

Ms. Kritzer presented the attached PowerPoint.

Committee members asked the following questions:

Q: Is there an opportunity to add solar panels?

A: Ms. Hannon explained that this is a possibility. The goal of this project is to get the roofs in a condition where solar can be installed.

Q: Does the HVAC include filtration to help prevent the spread of airborne illness?

A: Ms. Hannon explained that they are working with NEI on the systems and will check in with them regarding this question. She also explained that part of the reason to have individual systems in each unit was to help prevent the spread of airborne illness.

Q: Is the project meeting Newton's Climate Action Goals?

A: Ms. Hannon explained that over the next five years they will be meeting Newton's Climate Action Goals. There will be further updates done to the building to make it more efficient by 2038.

Q: How has the current heating system been operating for the residents and will the new system decrease the cost of utilities for residents?

A: Ms. Hannon explained 100% of the utilities are provided for the residents. The existing system was put in place so that each unit was able to adjust their own heat and AC so the comfort level for the resident will probably be the same.

Q: Why is the existing siding being replaced?

A: Ms. Hannon explained that the existing siding is weathered and does need to be replaced on the south side of the building.

Q: What are the development consultant and developer fee used for?

A: Ms. Hannon explained the development consultant line item represents her time working on the project. The developer fee is based on a percentage of the total budget. This fee is allowed to be set up to 10% but for this project it has been set at 6%.

Councilor Oliver motioned to approve which passed unanimously.

The Committee adjourned at 7:38 p.m.

**Respectfully submitted,**

**Rebecca Walker Grossman, Chair**

CITY OF NEWTON

IN CITY COUNCIL

DRAFT

ORDERED:

That, in accordance with the recommendation of the Finance Committee through its Chair Rebecca Walker Grossman, the authorization to accept and expend the sum of six thousand dollars (\$6,000) in grant funding from MassDOT's Safe Routes to Schools Signs and Lines Program to improve signage and pavement markings for the Oak Hill and Brown Middle School to address safety and circulation issues around the traffic circle be and is hereby approved.

Under Suspension of Rules  
Readings Waived and Approved  
DRAFT

(SGD) CAROL MOORE  
City Clerk

(SGD) RUTHANNE FULLER  
Mayor

Date: \_\_\_\_\_

CITY OF NEWTON

IN CITY COUNCIL

DRAFT

ORDERED:

That, in accordance with the recommendation of the Finance Committee through its Chair Rebecca Walker Grossman, the authorization to accept and expend the sum of one hundred thousand dollars (\$100,000) in grant funding from Massachusetts Department of Energy Resources for the LED lighting and controls at the new Newton Early Childhood Program facility at 687 Watertown Street and at the Newton South High School's Cutler Wing. The funds will also be used to complete insulation/air sealing at the Nonantum Library be and is hereby approved.

Under Suspension of Rules  
Readings Waived and Approved  
DRAFT

(SGD) CAROL MOORE  
City Clerk

(SGD) RUTHANNE FULLER  
Mayor

Date: \_\_\_\_\_

CITY OF NEWTON

IN CITY COUNCIL

DRAFT

ORDERED:

That, in accordance with the recommendation of the Finance Committee through its Chair Rebecca Walker Grossman, to appropriate and expend twenty-nine thousand eight hundred and seven dollars (\$29,807) from the Energy Stabilization Fund for the LED lighting and controls at the new Newton Early Childhood Program facility at 687 Watertown Street and at the Newton South High School’s Cutler Wing. The funds will also be used to complete insulation/air sealing at the Nonantum Library be and is hereby approved as follows:

FROM:	Capital Stabilization Energy Rebates (7907C104-593041).....	\$29,807
TO:	Green Communities Grant Undistributed Budget (30412021-579500).....	\$29,807

Under Suspension of Rules  
Readings Waived and Approved  
DRAFT

(SGD) CAROL MOORE  
City Clerk

(SGD) RUTHANNE FULLER  
Mayor

Date: \_\_\_\_\_

CITY OF NEWTON

IN CITY COUNCIL

DRAFT

ORDERED:

That, in accordance with the recommendation of the Community Preservation Committee through its Chair, Dan Brody, the Zoning & Planning Committee through its Chair Deborah J. Crossley and the Finance Committee through its Chair Rebecca Walker Grossman, the appropriation of five hundred thousand dollars (\$500,000) in Community Preservation Act funds, with \$478,877 to come from the FY22 Community Housing Reserve Fund (Account #58C10498-57900C) and \$21,123 to come the Prior Year Undesignated Fund (Account #5800-3599), to the control of the Planning & Development Department to provide funding to replace roofs, repair and restore damaged siding, and replaced the HVAC systems as part of the Nonantum Village Place Senior Housing Preservation Project be and is hereby approved as follows:

FROM:	CPA Housing-Budgeted Reserve (58C10498-57900C).....	\$478,877
	CPA Housing-Budgeted Reserve (5800-3599) .....	\$21,123
TO:	Nonantum Senior Housing Preserve (58C11417-579500).....	\$500,000

Under Suspension of Rules  
Readings Waived and Approved  
DRAFT

(SGD) CAROL MOORE  
City Clerk

(SGD) RUTHANNE FULLER  
Mayor

Date: \_\_\_\_\_



# Nonantum Village Place Senior Housing Preservation Project Funding Recommendation

Community Preservation Committee  
Presentation to the Finance Committee  
October 25, 2021

# Community Preservation Fund Finances at a Glance Information

(last updated Oct. 22, 2021)

## Fiscal Year 2022

### Revenue

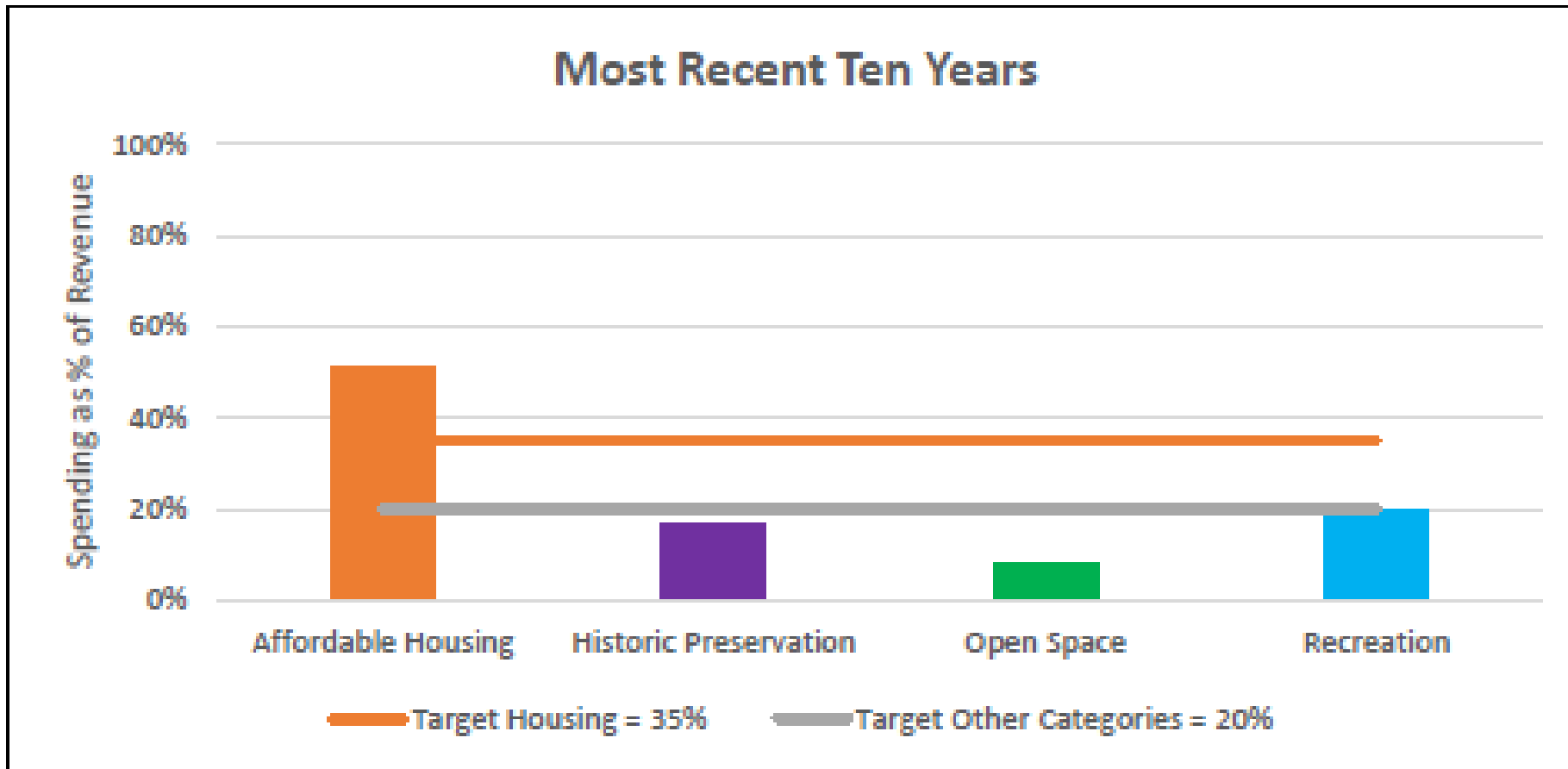
Beginning balance	6,942,680
Local CPA surcharge	3,761,719
State match	
Budget for this FY	731,629
Additional from prior FY	295,422
<b>Total Available Resources</b>	<b>11,731,450</b>

### Expenses

Bond repayment obligations	693,103
New funding authorizations	2,802,099
Administrative costs	180,910
<b>Total Expenses</b>	<b>3,676,112</b>

<b>Current Fund Balance</b>	<b>8,055,338</b>
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# Community Preservation Act Funding Over Time by Category



# Project Overview

- ▶ CASCAP is a regional non-profit with 220 units of 100% affordable housing in the Boston area.
- ▶ Newton invited CASCAP to develop Nonantum Village Place and provided CPA, CDBG and NHA IZ funding to the project in 2003
- ▶ Completed in 2005, the building houses 34 units of 100% affordable senior housing, including seven fully accessible units, and communal spaces
- ▶ Units are available to seniors with incomes below 50% AMI but a large percentage of residents have incomes below 30% AMI, generally from \$9,000 - \$21,000



# Current Funding Request

CPA funding is requested to preserve the existing affordable senior housing facility by providing funding to

- ▶ Replace roofs
- ▶ Repair, replace, and repaint siding as needed
- ▶ Replace existing HVAC systems (35 individual unit systems and three building wide systems) with new, more energy efficient, electric heat pump systems which will allow the building to be less reliant on fossil fuels

# Recommended CPA Project Funding

CPA Funding Accounts	Amount
FY22 Community Housing Reserve Fund	\$478,877
CPA Prior Year Undesignated Funds	\$21,123
<b>TOTAL CPA PROJECT FUNDS:</b>	<b>\$500,000</b>

CPA Funding is recommended to be entirely Community Housing category funding.



# Project Budget

Funding Uses	Amount
Construction (with Contingency)	\$797,500
Architecture and Engineering	\$7,000
Survey and Permitting	\$14,500
Legal, Title, and Recording	\$8,000
Development Consultant	\$15,000
Developer Fee	\$47,750
Soft Cost Contingency	\$2,588
<b>TOTAL CPA PROJECT FUNDS:</b>	<b>\$892,338</b>

Please note that while the total project cost has not changed, the uses of the funds were updated from the original project budget on August 3, 2021.

# Project Funding Sources

Funding Sources	Amount
CPA Recommended Funding	\$500,000
Newton CDBG Program Funding	\$100,000
LEAN Grant Funding	\$102,338
NVP Replacement Reserve	\$140,000
Charlesbank Founding Funds	\$50,000
<b>TOTAL CPA PROJECT FUNDS:</b>	<b>\$892,338</b>



# Timeline

- ▶ Funding Applicant and Building Permit Application Spring - Fall 2021
- ▶ Construction Start - Building Siding and Trim - Fall 2021-Spring 2022
- ▶ Roof Replacement (all three roofs) - Spring 2022
- ▶ All HVAC Systems - Spring 2022

# Questions & Discussion

▶ Thank you!