



# Finance Committee Report

## City of Newton In City Council

**Monday, February 14, 2022**

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

City staff present: Comptroller Steve Curley, Chief Financial Officer Maureen Lemieux, commissioner of Public Works Jim McGonagle, Senior Preservation Planner Barbara Kurze, Director of Planning & Development Barney Heath and Director of Housing & Community Development Amanda Berman

**#145-22      Appropriate \$30,500 for the engineering design of the Washington Street Fence**

HER HONOR THE MAYOR requesting authorization to appropriate and expend thirty thousand dollars (\$30,500) for the purpose of funding engineering design of the Washington Street Fence from Lowell Avenue to Walnut Street

**Action:**      **Finance Approved 7-0-1 (Councilor Oliver abstaining)**

**Note:**      Jim McGonagle, Commissioner of Public Works presented the request to appropriate \$30,500 in mitigation funds for the engineering design of the Washington Street Fence. Commissioner McGonagle explained that these funds will be used for geotechnical investigation as well as structural design. This was a request made by the liaison committee that was formed through the Washington Place project. There is a retaining wall that is owned by MassDOT and that is why there is a need for the additional engineering design.

Councilors asked the following questions:

Q: Why was this location chosen for the fence project?

A: Commissioner McGonagle explained that this was at the recommendation from the liaison committee which is made up of ward councilors and community representatives. The first project was to repair the sidewalks on the southern side of Washington Street.

Q: How much was spent on the original engineering design and how will the retaining wall impact the project?

A: Commissioner McGonagle explained that with original cost mitigation funds that have been spent is \$256,000 and during an investigation right of ways needed to be determined which is when the retaining wall was discovered. He further explained that MassDOT is willing to work with the City on a lease agreement to be able to install a foundation for the fence so that it is sturdy.

Q: Is there an estimate on how much the construction of the fence will cost and will mitigation funds be used?

A: Commissioner McGonagle explained that this will come out of mitigation funds but they will not have an estimate until they get an idea of what can be installed. The initial mitigation fund balance was approximately \$700,000. He further noted that a solid surface fence could cost \$600,000 to \$800,000.

Q: If there are not enough funds to cover the whole fence project, where does the difference come from?

A: Maureen Lemieux, Chief Financial Officer explained that the goal is for the liaison committee to stay within their budget of \$700,000 and no one has approached the administration for more funding at this time. Commissioner McGonagle explained that they will need to come back to the committee for approval of construction funds. He further explained that they will not have a complete estimate until the final design is finished.

Q: How much of the mitigation funds were spent on the sidewalk?

A: Commissioner McGonagle explained that \$197,000 was spent on the sidewalk and curbing reconstruction. The additional funds that have been spent were used for the fence.

Q: Did the discovery of the retaining increase the original estimate for the fence?

A: Commissioner McGonagle explained that this will not be known until the investigation is complete.

Councilors made the following comment:

There were concerns raised about spending mitigation funds on the sidewalk repairs instead of having the City pay for this portion of the project. Additionally, there is the chance that there are not enough mitigation funds to complete the fence project.

Councilor Norton motioned to approve which passed 7-0-1 with Councilor Oliver abstaining.

**#152-22      Utilization of mitigation funds for a new Rectangular Rapid Flashing Beacon**  
HER HONOR THE MAYOR requesting the utilization of mitigation funds from three private development projects to install a new Rectangular Rapid Flashing Beacon (RRFB) at the existing crosswalk across Beacon Street at Dalton Road, in Newton Centre.

**Action:**      **Finance Approved 7-0-1 (Councilor Kalis abstaining)**

**Note:**      Commissioner McGonagle presented the request to utilize mitigation funds for a new Rectangular Rapid Flashing Beacon (RRFB). He explained that the City has received a number of different mitigation funds from projects in 2014 and 2015. These are shown in the attached draft Council Order. The funds are to be used for pedestrian safety which is needed at the existing crosswalk across Beacon Street at Dalton Road. The installation is minimal because the RRFBs are solar powered. Commissioner McGonagle explained that the City may need to pay for a portion of this project which would come out of the Transportation operating budget.

Councilors asked the following questions:

Q: How much will the City need to supplement this project?

A: Commissioner McGonagle estimates the City will have to allocate \$1,000 towards this project.

Q: Why is this necessary if there are lights at Grant and Langley?

A: Commissioner McGonagle explained that the mitigation funds have been identified this crossing and the post office is there which makes it a highly utilized crosswalk.

Q: How are these areas prioritized?

A: It was noted that this a question for the complete streets working group.

Councilors made the following comments:

The Department of Public Works was thanked for their work on this project.

It was noted that this is a high pedestrian area, and it is an area that there is an issue with speeding. The RRFB will help increase pedestrian safety.

Councilor Noel motioned to approve which passed 7-0-1 with Councilor Kalis abstaining.

**#153-22      Appropriate \$49,320 for the installation of three Rectangular Rapid Flashing Beacons**  
HER HONOR THE MAYOR requesting to appropriate and expend the sum of forty-nine thousand three hundred twenty dollars (\$49,320) from the City's FY2020 allocation from the Commonwealth Transportation Infrastructure Fund for the installation of three Rectangular Rapid Flashing Beacons (RRFB) at prioritized crosswalk locations

**Action:**      Finance Approved 8-0

**Note:**      Commissioner McGonagle presented the request to appropriate and expend \$49,320 for the installation of three RRFB at prioritized crosswalk locations. These funds come from Uber and Lyft and are used for transportation infrastructure improvements. The prioritized crosswalk locations are chosen through the complete streets working group.

Councilors asked the following question:

Q: What year did the funds from this grant come from and what is the volume of funds being collected from Uber and Lyft?

A: Commissioner McGonagle noted that there is a fee paid to the Commonwealth Transportation Infrastructure by Uber and Lyft. The City gets 10 cents per ride that drops off in Newton. These funds did decrease during the pandemic. Ms. Lemieux explained that she believes this is the 4<sup>th</sup> year the City has received these funds and the funds that are being used are from 2020.

Councilor Malakie motioned to approve which passed unanimously.

### **Referred to Public Facilities and Finance Committees**

**#151-22      Appropriate \$1,146,500 from the Sewer Enterprise Fund-Undesignated Fund Balance**  
**HER HONOR THE MAYOR** requesting authorization to appropriate and expend the sum of one million one hundred forty-six thousand five hundred dollars (\$1,146,500) from the Sewer Enterprise Fund-Undesignated Fund Balance Account #6100-3599 to fund the Infiltration & Inflow (I&I) CIP Project 8 Construction Services.

**Public Facilities Approved 6-0 (Councilor Kalis not voting)**

**Action:      Finance Approved 8-0**

**Note:**      Commissioner McGonagle presented the request authorization to appropriate and expend the sum of \$1,146,500 from the Sewer Enterprise Fund-Undesignated Fund Balance Account #6100-3599 to fund the Infiltration & Inflow (I&I) CIP Project 8. He explained that this project is in Upper Falls, Thompsonville, and Oak Hill and is 138,000 linear ft of sewer line. This will include cleaning, lining and excavation when necessary. The total construction cost is approximately \$10 million.

Councilors asked the following questions:

Q: Where is the additional funding coming from?

A: Commissioner McGonagle explained that there is a MWRA grant/loan which is 75% grant and 25% loan that the City is awarded. This is the last time this will include grant funding and the program will move to a 100% interest free loan. He noted that these funds have been approved by the City Council.

Q: How many projects are there?

A: Commissioner McGonagle explained that there were 10 projects but as the projects are being done a number of them are larger and will take additional time.

Councilor Kalis motioned to approve which passed unanimously.

**#146-22      CPC Recommendation to appropriate \$17,500 in CPA funding**  
**COMMUNITY PRESERVATION COMMITTEE** recommending appropriation of seventeen thousand five hundred dollars (\$17,500) in Community Preservation Act funds from the FY22 Historic Resource Reserve Fund (Account #5B10498-57900B) to the control of the

Planning & Development Department to provide funding for the completion of the Newton Architectural Survey of structures built between 1940 and 1972

**Action:** **Finance Approved 8-0**

**Note:** Lara Kritzer, CPA Program Manager presented the request to appropriate \$17,500 in Community Preservation Act funds from the FY22 Historic Resource Reserve Fund (Account #5B10498-57900B) to the control of the Planning & Development Department to provide funding for the completion of the Newton Architectural Survey of structures built between 1940 and 1972. She was joined by Senior Preservation Planner Barbara Kurze.

Ms. Kritzer presented the attached PowerPoint to the committee.

Councilors asked the following questions:

Q: Is there a set list of things that need to be done to each property and how are the properties chosen?

A: Ms. Kruze explained that they started this program in 2003 where they identified 15 areas in Newton that were worthy of further study. They are looking for properties that are mostly intact and are looking for areas that have multiple properties. Ms. Kruze further explained that they look at the architectural history of a property as well as the overall history. Ms. Kritzer also noted that they drive to these areas to do visual surveys.

Q: What will come out of this survey?

A: Ms. Kritzer explained that the city will receive individual reports for each property/area that they look at. There are different forms Mass Historic has set up all ready, which include the history of the property. These studies are available on the City's website. Ms. Kruze noted that the only recommendations they will make include finding new properties and identifying if a property meets the requirements to be on the national registry.

Councilor Oliver motioned to approve which passed unanimously.

**#100-22** **Review and Discussion of current usage and future plans for Federal and State funding for Housing**

COUNCILORS LAREDO, GROSSMAN, KALIS, LUCAS, MALAKIE, MARKIEWICZ, NORTON, WRIGHT, AND RYAN requesting a review and discussion with the Comptroller, the Planning Department, and the Law Department regarding how we are using federal and state funds that the city receives related to housing, including the amounts and sources of funds received, how those funds have been used in the past and plans for using them in the future, and what oversight the City Council has over the use of these funds

**Action:** **Finance voted No Action Necessary 8-0**

**Note:** Barney Heath, Director of Planning & Development and Amanda Berman, Director of Housing & Community Development joined the committee for their discussion on the current usage and future plans for Federal and State funding for housing.

Ms. Berman provided the attached memo to the committee. She explained that they receive approximately \$3.5 million a year from the U.S. Department of Housing and Urban Development. As the recipient of these funds the City and other communities that are involved must have a 5-year consolidated plan where they look at community needs. The City also needs to have a yearly action plan for the projects they will do this year. A draft is presented to the Planning and Development Board and then moved to the City Council for a public hearing and final approval. Then the Mayor submits this plan to the U.S. Department of Housing and Urban Development. These documents are provided on the City's website. A breakdown of these funds and programs are included in the attached memo.

Councilors asked the following questions:

Q: How are the funds being used towards the administrative work?

A: Ms. Berman explained that she is paid directly by the City of Newton but that a majority of her division is paid by using federal funds. Ms. Lemieux noted that in the budget the employees that are paid through the City get listed in the full time employee section and then there is a separate section for this division.

Q: When there is not enough grant funding to cover these employees, how does the City make the decision to include them in the full time employee part of the budget?

A: Ms. Lemieux explained that this is discussed in the Zoning & Planning Committee during Planning's budget meeting. Director Heath explained that they do need to have Ms. Berman's salary completely through the City because of the amount of funding they get each year, which has decreased since the 1970s, does not cover it. It was also noted that this is the same for many communities that are included in this grant program.

Q: What level of subsidizes does the City provide and is this an area we are seeing increase pressure on the budget?

A: Ms. Lemieux explained that she does not believe they are moving any additional funding to the general fund. She also pushes to make sure that that Newton is subsidized by the other communities that Newton leads through this program. The City also puts these projects out to bid so that they are getting the best price. The grant funding has increased to help pay for pensions. Ms. Lemieux noted that this is an area that the City looks at closely.

Q: Does the City still distribute grant funding to the Community Development Block Grants (CDBG) areas in the City?

A: Ms. Berman explained that they don't because there is a requirement that there has to be a certain percentage of residents in that area that have low to moderate income which Newton does not reach.

Q: Is there a way to see the details of enforcement for the housing market?

A: Ms. Berman explained that no enforcement has taken place for the work Newton does. She further explained that there has been a study done through Massachusetts Commission Against Discrimination. Ms. Berman further explained that the State is working on additional studies and investigations which is preventing the City from doing this work since the groups who would be working on this are currently working for the State. She further explained that they will investigate the study the State is doing and then try to do their own studies once these consultants are available. Ms. Berman explained that she can investigate this question further and get back to the committee.

Q: When there is a for profit developer, how does the City determine what amount of funding goes into the project and does the City figure out how much profit the developer is making?

A: Ms. Berman explained that these projects are being guided by Department of Housing Community Development's benchmarks for funding requests. The majority of these funds will come from low-income tax credits or state subsidies and to receive these funds they do need to reach the benchmarks. When the developer comes to the City for funding, Newton looks at those benchmarks and work on this with a number of affordable housing experts. She also explained that the State does audit the developers profits and then this information is given to the City. She noted that there are laws that state how much profit the developers can make.

Q: How are these grant funds effected by Housing Choice law?

A: Director Heath explained that this has not been completely determined yet. It has been noted that the State may still consider the City for this funding even if they don't comply with the law.

Councilors made the following comments:

There needs to be enforcement to deal with discrimination that happens within the housing market.

The Council needs to understand what is being paid for by the City and what is being for by the grants. Then how have these costs changed throughout the years.

Ms. Lemieux noted that they can put an analysis together.

Councilor Oliver motioned for a vote of no action necessary which passed unanimously.

**#147-22      Reappointment of Brian Davis to the Board of Assessors**  
HER HONOR THE MAYOR reappointing Brian Davis, 1100 VFW Parkway, #202, West Roxbury 02132, to the Board of Assessors for a term to expire on February 1, 2025. (60 days: 04/08/22)

**Action:**      **Finance Approved 7-0 (Councilor Norton not voting)**

**Note:**      With no questions or concerns from the Committee, Councilor Gentile motioned to approve which passed 7-0 with Councilor Norton not voting.

The Committee adjourned at 9:33 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, to fund the engineering design of the Washington Street Fence (Lowell Avenue to Walnut Street), in the amount of thirty thousand five hundred dollars (\$30,500) be and is hereby approved as follows:

FROM: Washington St Mitigation Funds  
(5560R114-590001) ..... \$30,500

TO: Washington St Fence  
(O1C40125-530203)..... \$30,500

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 utilize of mitigation funds from three private development projects to install a new Rectangular Rapid Flashing Beacon at the existing crosswalk across Beacon Street at Dalton Road, in Newton Centre be and is hereby approved as follows:

FROM:	1247-1249 Centre St Mitigation Funds (5535R101-597531) .....	\$1,500
	714 Beacon Mitigation Funds (5535R101-597531) .....	\$10,000
	22 Union St Mitigation Funds (5535R101-597531) .....	\$2,500
TO:	Newton Centre RRFB (7531R401-586005) .....	\$14,000

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 the sum of forty-nine thousand three hundred twenty dollars (\$49,320) from the City’s FY2020 allocation from the Commonwealth Transportation Infrastructure Fund for the purpose of funding the installation of three Rectangular Rapid Flashing Beacons at prioritized crosswalk locations be and is hereby approved as follows:

FROM:	TNC Receipts Reserve (5548R401-597530) .....	\$49,320
TO:	Rectangular Rapid Flashing Beacons (7530R401-586005) .....	\$49,320

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 Public Facilities Committee through its Chair Alison Leary and the Finance Committee through its Chair Rebecca Walker Grossman, to appropriate and expend the sum of one million one hundred forty-six thousand five hundred dollars (\$1,146,500) from the Sewer Enterprise Fund-Undesignated Fund Balance Account #6100-3599 to fund the Infiltration & Inflow (I&I) CIP Project 8 Construction Services be and is hereby approved as follows:

FROM:	Sewer Enterprise Fund-Undesignated Fund Balance (6100-3599).....	\$1,146,500
TO:	Sewer System I&I Project 8 (7118L401-586007).....	\$1,146,500

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 and the Finance Committee through its Chair Rebecca Walker Grossman, to allocate the sum of seventeen thousand five hundred dollars (\$17,500) in Community Preservation Act funds from the FY22 Historic Resource Reserve Fund to the control of the Planning & Development Department to provide funding for the completion of the Newton Architectural Survey of structures built between 1940 and 1972 be and is hereby approved as follows:

FROM:	CPA Historic Budgeted Reserves (58B10498-57900B) .....	\$17,500
TO:	Newton Architectural Survey (58C11418-530100) .....	\$17,500

Under Suspension of Rules  
Readings Waived and Approved  
DRAFT

(SGD) CAROL MOORE  
City Clerk

(SGD) RUTHANNE FULLER  
Mayor

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

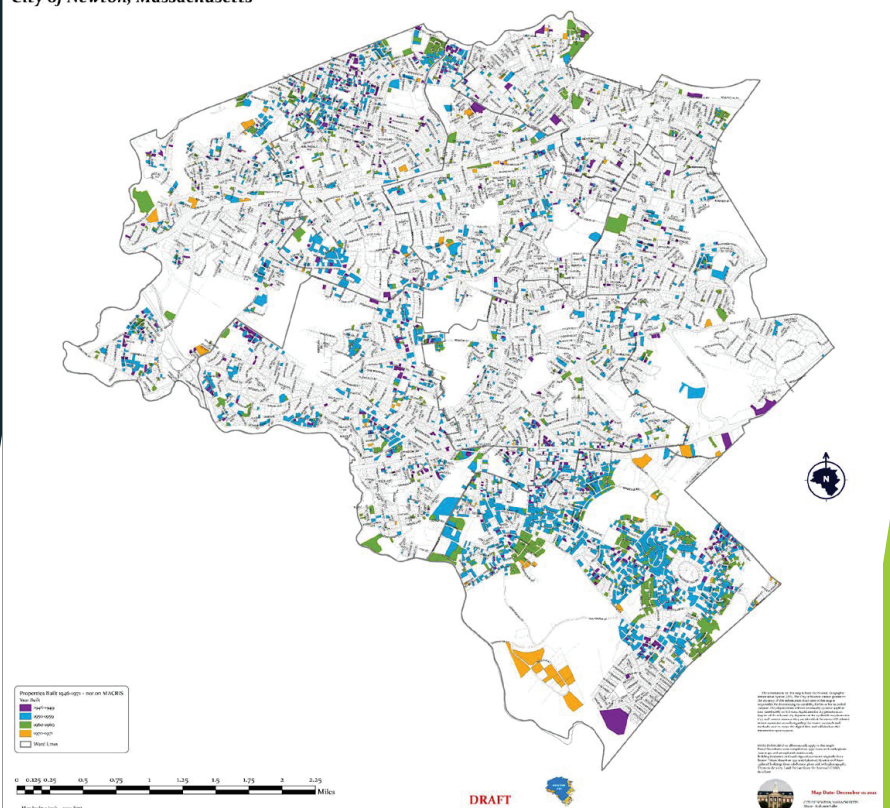
# Newton Architectural Survey, 1940 to 1972 Funding Recommendation

Community Preservation Committee  
Presentation to the Finance Committee  
February 14, 2022

## Project Overview

- ▶ The City Council has discussed changing the age trigger for the Demolition Review Ordinance from 50 to 75 years
- ▶ In a typical year, half of the Demo Review applications received by the NHC are for post 1945 structures
- ▶ Buildings constructed between 1940 and 1972 make up roughly 16.8% of the City's building stock
- ▶ City has more than 3,200 buildings built during this period that have yet to be surveyed

**Properties Built 1946-1971, not listed on MACRIS**  
*City of Newton, Massachusetts*



## Current Funding Request

CPA funding is requested to provide half of the project funding needed to hire preservation consultants to complete an in-depth architectural and historical survey of approximately 140 properties constructed between 1940 and 1972.

This project will be matched by grant funds from the Massachusetts Historical Commission's Survey and Planning Grant Program.

## Recommended CPA Project Funding

CPA Funding Accounts	Amount
CPA FY22 Historic Resource Reserve Funds	\$17,500
<b>TOTAL CPA PROJECT FUNDS:</b>	<b>\$17,500</b>

CPA Funding is recommended to be Historic Resource Funding.

## Project Funding Sources

Funding Sources	Amount
CPA Recommended Funding	\$17,500
MHC Survey and Planning Grant	\$17,500
<b>TOTAL CPA PROJECT FUNDS:</b>	<b>\$35,000</b>

## Timeline

February 2022 - Survey and Planning Grant Application submitted.

March 9, 2022 - MHC awards grant funding

Spring - Summer 2022 - Staff completes grant funding process with MHC, issues RFP for preservation consultants and awards contract

Fall 2022 - Spring 2023 - Consultants with City staff and MHC to complete survey project

June 30, 2023 - Grant project completed



# Questions & Discussion

► Thank you!





Ruthanne Fuller  
Mayor

**City of Newton, Massachusetts**  
Department of Planning and Development  
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Barney S. Heath  
Director

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**MEMORANDUM**

**DATE:** February 11, 2022

**TO:** Councilor Grossman, Chair, Finance  
Members of the Finance Committee

**FROM:** Barney Heath, Director, Department of Planning and Development  
Amanda Berman, Director of Housing and Community Development  
Eamon Bencivengo, Housing Development Planner

**RE:** **#100-22 Review and Discussion of current usage and future plans for Federal and State funding for Housing**  
COUNCILORS LAREDO, GROSSMAN, KALIS, LUCAS, MALAKIE, MARKIEWICZ, NORTON, WRIGHT, AND RYAN requesting a review and discussion with the Comptroller, the Planning Department, and the Law Department regarding how we are using federal and state funds that the city receives related to housing, including the amounts and sources of funds received, how those funds have been used in the past and plans for using them in the future, and what oversight the City Council has over the use of these funds

**CC:** Jonathan Yeo, Chief Operating Officer

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➤ **FEDERAL FUNDS – U.S. DEPARTMENT OF HOUSING & URBAN DEVELOPMENT (HUD)**

On an annual basis, the City of Newton receives approximately **\$3.5 million** from the U.S. Department of Housing & Urban Development (HUD) in Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and Emergency Solutions Grant (ESG) funds. HOME funds are received on behalf of the WestMetro HOME Consortium, consisting of twelve other member communities – the Towns of Bedford, Belmont, Brookline, Concord, Lexington, Natick, Needham, Sudbury, Watertown, and Wayland and the Cities of Framingham and Waltham. Newton is the lead entity of the WestMetro HOME Consortium. The overall goal of these three programs is to develop viable urban communities through the provision of decent housing, a suitable living environment, and the expansion of economic opportunities for low- and moderate-income persons.

As recipients of these funds, the City of Newton and the Consortium are required to engage in a five-year comprehensive strategy, known as the Consolidated Plan. The FY21-25 Consolidated Plan identified the most pressing needs in the community as they relate to low- to moderate-income individuals and families, analyzes market conditions that contribute to those needs, and outlines a strategic plan with actionable steps, goals, and priorities to support Newton's and the Consortium's most vulnerable populations.

Annually, the City and the Consortium must submit an Annual Action Plan (AAP) to HUD, which describes the anticipated uses of Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and Emergency Solutions Grant (ESG) funds received by the City for the fiscal year ahead. Recommendations are based on a five-year strategy captured in the FY21-FY25 Consolidated Plan, which is the result of data analysis and citizen-driven planning processes.

On Monday, April 5, 2021 the Planning and Development Board held a public hearing in consideration of the FY22 Annual Action Plan and voted to recommend to the Mayor approval of the FY22 Annual Action Plan. The public hearing was followed by a thirty-day public comment period. On April 12, 2021 Planning staff presented the FY22 Annual Action Plan to the City Council's Zoning & Planning Committee, who voted to authorize the Mayor to submit the plan to HUD. At the close of the thirty-day comment period, the FY22 Annual Action Plan was approved by the Mayor and formally submitted to HUD for its approval. This is the annual review and approval process for allocating federal CDBG, HOME, and ESG dollars in the City of Newton and WestMetro HOME Consortium.

***To view the full FY22 Annual Action Plan, as well as past program year plans, [click here.](#)***

In addition to the Annual Action Plans, the City of Newton and the WestMetro HOME Consortium must submit to HUD a Consolidated Annual Performance and Evaluation Report (CAPER) at the end of each program year. The CAPER provides a quantitative and qualitative analysis of the City's and the WestMetro HOME Consortium's accomplishments as they relate to the goals and priority needs established in the City's 2021-2025 Consolidated Plan and Annual Action Plan of the recently completed program year.

On September 13<sup>th</sup>, the Planning and Development Board held a public hearing in consideration of the Draft FY21 CAPER, which covers the time period between July 1, 2020 and June 30, 2021. Following the Housing and Community Development Division's presentation and the Planning & Development Board's vote of approval of the plan, the document was made available to the public for a 15-day period, during which time stakeholders had the opportunity to comment and receive responses from the Department. At the close of the public comment period, the Mayor approved the CAPER and staff submitted the plan to HUD for review and approval. This is an annual review and approval process that is required by HUD.

During FY21, the City of Newton and WestMetro HOME Consortium expended a total of **\$5,320,155.71** in federal resources (CDBG, ESG, HOME), including CDBG-CV and ESG-CV CARES Act funds, to address a variety of housing and community development activities. Of this total,

\$1,757,117.72 in CARES Act funds were expended to prevent, prepare for, and respond to COVID-19. Between its regular FY21 CDBG, ESG, and HOME programs, as well as its CDBG-CV and ESG-CV CARES

**\$3,563,037.99**

*To view the full FY21 CAPER, as well as past program year reports, [click here](#).*

#### **FY22 Allocations:**

On February 25, 2021, the City received official notice from HUD of its allocation for the FY22 program year (July 1, 2021 – June 30, 2022).

- \$1,935,056.00 in Community Development Block Grant (CDBG) funds
- \$1,491,865.00 in HOME Investment Partnership Program funds, and
- \$164,708.00 in Emergency Solutions Grant (ESG) funds

**Total:                      \$3,591,629.00**

#### **COMMUNITY DEVELOPMENT BLOCK GRANT (CDBG)**

Based on the priorities, needs and goals identified in the FY21-25 Consolidated Plan, the City of Newton allocated FY22 (FFY21) CDBG funds into four general categories:

- **Affordable Housing** (\$1,162,800 or 60% of CDBG funding), for housing program delivery, housing rehabilitation, and site acquisition and improvements related to the construction of new affordable units for low- and moderate-income households.
- **Human Service** (\$290,258 or 15% of CDBG funding), to provide grants for a total of thirteen human service projects through 13 sub-grantee agencies during FY22.
- **Architectural Access** (\$95,000 or 5% of CDBG funding), to construct an accessible pathway along the perimeter of Richard McGrath Park.
- **Program Administration** (\$386,998 or 20% of CDBG funding).

It is important to note that these percentage allocations are a result of a local, community-driven process. HUD does not mandate these percentages, but rather puts a cap on the amount of funds that can be allocated towards Human Services / Public Services (15%) and Program Administration (20%).

#### **Fair Housing**

In addition to the categories mentioned above, Fair Housing continues to be a focus for the City of Newton and WestMetro HOME Consortium. Continued education around fair housing laws, regulations and their enforcement are critical to ensure every person has equal opportunity and access to affordable housing in Newton. In FY22, the Consortium continues to implement the recommended actions in the FY21-25 [Analysis of Impediments to Fair Housing Choice report](#).

#### **Affordable Housing**

Approximately 60 percent of FY22 CDBG funding (\$1,162,800) plus \$42,250 in estimated FY22 (FFY21) program income, for a total of \$1,205,050, was allocated towards affordable housing projects identified during the program year. This funding is used to facilitate:

- The production of new affordable units through site acquisition and improvements,
- The rehabilitation of existing housing units for low- and moderate-income households,
- The preservation of existing affordable units,
- The support of affordable homeownership for low- and moderate-income households, and
- Housing program delivery

### ***Production of New Affordable Housing Units***

In FY22 (FFY21), CBDG and HOME funding allocated to the City of Newton has continued to be used for a variety of programs and activities to preserve and expand affordable opportunities across the city. In alignment with the FY21-FY25 Consolidated Plan, the Division seeks to fund affordable housing projects near amenities, village centers, and public transportation options to promote housing equality and economic and demographic diversity. The Division also looks to support projects that provide Newton seniors the opportunity to remain in the community as they age. Additionally, the Division identifies projects that expand the stock of accessible and visitable housing.

There are two projects receiving prior years CDBG and HOME funds from the City that began construction in the spring and summer of 2021. The first is the Newton Housing Authority's (NHA) Haywood House project. Haywood House received FY20 and FY21 CDBG funds to create 55 new affordable rental units for seniors. The income eligibility will range from 30% AMI and up to 99% AMI. Three of the units will be fully accessible and four units will be designated for households that have been homeless or are at risk of homelessness. The project will also include two elevators and community space for supportive services. The NHA received a Comprehensive Permit in July 2018 and in February 2020 was awarded approximately \$12 million in Low Income Housing Tax Credits (LIHTC) and an additional \$3.8 million in other soft loans from the Massachusetts Department of Housing & Community Development (DHCD). Construction began in Spring 2021.

The second project is the expansion of the Golda Meir House owned, developed, and managed by 2Life Communities. In FY21, the project was awarded FY18, FY20, and FY21 HOME funds to support the new construction of 68 affordable rental units for seniors ranging from 30% AMI and up to 99% AMI, including 9 units for chronically homeless adults with disabilities. The project received approximately \$17 million in Low Income Housing Tax Credits (LIHTC) and an additional \$5 million in other soft loans from the Massachusetts Department of Housing & Community Development (DHCD). Construction began in August 2021.

The City continues to support the redevelopment of the West Newton Armory as 100% affordable housing with supportive services. After receiving seven development proposals in September 2021 in response to the City's RFP, Mayor Fuller awarded Metro West Collaborative Development / Civico Development as the redevelopment team for this exciting project. The project will provide 43 units of intergenerational housing and supportive services to households at or below 60% AMI and 30% AMI, community space and passive open space for residents, a historic exhibit for the public, and new office space for Metro West Collaborative Development. The development team recently submitted a

funding pre-proposal to the City, requesting the use of CPA, CDBG, HOME, and Inclusionary Zoning funds. This request will be reviewed by the CPC and Planning & Development Board in the coming months.

In FY20, the City of Newton was awarded a \$200,000 Housing Choice Grant from the Department of Housing & Community Development (DHCD) to conduct a predevelopment feasibility study on the site, which was formerly operated by the National Guard and has since been vacant for over ten years. The City hired Affirmative Investments, an affordable housing development consultant team, to conduct this detailed study. The consultant completed and submitted its study to the City in FY21. After reviewing the report, the City Council closed its Reuse Process and recommended to the Mayor that the City purchase the Armory from the Commonwealth for 100% affordable housing.

### ***Preservation of Affordable Units***

In FY20 (FFY19), the Newton Housing Authority received funding approval from the City's Planning and Development Board and Community Preservation Committee to acquire and preserve the CAN-DO affordable housing portfolio of 33 units across 12 scattered sites in Newton. The City's Planning and Development Board voted to approve \$1,200,000 of CDBG funds (a combination of FY19, FY20 and FY21 funds) to support the acquisition and rehabilitation of the portfolio. The \$1,200,000 of CDBG funds have been used to reduce the portfolio's existing debt (\$648,648) and are now funding capital needs improvements across seven sites (\$551,352). In FY21 (FFY20), the Newton Housing Authority officially closed on the acquisition of the portfolio. During the closing process, CAN-DO added an additional property, 236 Auburn Street, to the sites to be acquired by the NHA. This increased the acquisition to 36 units across 13 scattered sites, 33 units of which were financed by CDBG funds.

In addition to the preservation of the CAN-DO portfolio, the City will also preserve affordable senior housing at 2Life Communities' Coleman House with FY21 CDBG funds (\$411,898) and FY22 HOME funds (\$119,155). In addition, the WestMetro HOME Consortium awarded the project a total of \$418,519 of combined FY19, FY20, and FY21 Consolidated Pool funds. The funds will be used to conduct a comprehensive rehabilitation to building mechanical systems and infrastructure, as well as accessibility design upgrades to each of the 146 units. The improvements will make the project more efficient and environmentally sustainable for the next several decades, as well as improving the quality of life for senior residents. Construction began in the summer of 2021 and will continue through FY23.

CDBG funds will also help to address the capital needs and improved energy efficiency of Nonantum Village Place, an existing 35-unit affordable senior housing project which is home to older adult households earning less than 50% AMI, with the majority of residents earning less than 30% AMI. FY22 CDBG funds, \$100,000, will support the project's soft costs, while CPA funds will offset the cost of construction. Another rehabilitation project that will utilize CDBG housing funds is 18-20 Coyne Road, an affordable group home for individuals with cognitive, developmental, and physical disabilities owned by Pathway to Possible. A combination of FY20 and FY21 CDBG funds (\$80,000) will support a driveway redesign that will establish greater accessibility for the residents and create additional parking spaces for the organization's handicapped van and 24-hour staff.

### ***Support Affordable Homeownership***

Staff continues to administer a Downpayment/Closing Cost Assistance program using CDBG funds. This program works to support and expand sustainable homeownership among low- and moderate-income households in Newton through a \$10,000 grant. The program targets first-time homebuyers of new and existing deed restricted homeownership units. Thus far, the program has supported five households in FY22, with an estimated two additional households to be served before the end of the program year.

### ***Rehabilitation of housing***

Staff continues to market and administer the Housing Rehabilitation program (Rehabilitation program) on a rolling basis, which provides homeowners and qualifying nonprofit organizations with deferred payment loans for repairs and improvements aimed at addressing issues related to health, safety, and building code violations. Through FY22 and prior year funding, it is anticipated that approximately two units of homeowner housing will be rehabilitated through CDBG assistance and 16 rental units, which are included in the acquisition of CAN-DO's portfolio of rental properties, as mentioned above.

### ***COVID-19 Emergency Housing & Utility Relief Program***

The City of Newton COVID-19 Emergency Housing Relief Program was developed in April 2020, as the economic impacts of the coronavirus were beginning to greatly affect many of the City's most vulnerable residents. Funded through \$3,200,000 of Community Preservation Act (CPA) funds and \$500,000 of Community Development Block Grant CARES Act (CDBG-CV) funds, the program was designed to provide temporary rental and mortgage assistance to Newton households at or below 80% AMI who experienced a reduced income as a direct result of COVID-19. The funding assistance, which was capped at \$2,500 per household per month, covered 70% of an eligible household's monthly rent or mortgage for up to three months, with possible three-month extensions for qualifying households (extensions funded through CPA funds). CDBG-CV funds were used to support households at the launch of the program in June 2020 through September 2020. These funds assisted a total of 185 Newton households and 551 individuals. At the close of the program in June 2021 a total of 250 households were served. Of these households, six received mortgage assistance with the remainder receiving emergency rental assistance. The average monthly housing payment provided to the households assisted was approximately \$1,100.

In October 2021, the City re-launched this program utilizing its federal American Rescue Plan Act (ARPA) funds. This temporary program is intended to provide a much-needed bridge of financial support for impacted residents as they continue to seek assistance from the Commonwealth's RAFT, ERMA, and ERAP Programs. The program is a collaboration between Mayor Ruthanne Fuller's Office, the Department of Planning & Development, the Health and Human Services Department, and Metro West Collaborative Development. The Program is administered by Metro West Collaborative Development, on behalf of the City of Newton.

Since launching the program in October 2021, a total of 160 households have been served. All 160 households have received at least two months of housing assistance and 67 of these households have also received up to \$700 of utility assistance.

**Human Services / Public Services**

To review information on the City's CDBG Human Services program, [click here](#).

**Architectural Access**

To review information on the City's CDBG Architectural Access program, [click here](#).

**HOME INVESTMENT PARTNERSHIP PROGRAM**

As the lead entity for the WestMetro HOME Consortium, the City receives and administers HOME funds for the City and twelve other member communities of the WestMetro HOME Consortium – the Towns of Bedford, Belmont, Brookline, Concord, Lexington, Natick, Needham, Sudbury, Watertown, and Wayland and the Cities of Framingham and Waltham. The purpose of the HOME Program is to provide funds for a wide range of housing activities, including developing, acquiring, and rehabilitating affordable housing or providing direct rental assistance to create affordable housing opportunities for low- and moderate-income people.

In FY22, the Consortium received approximately \$1.5 million. As part of HUD's official notice of allocation, the HUD Field Office determines the distribution of funds among each member community of the Consortium.

- Approximately 70% of HOME funds will be available for HOME programs and projects
- 5% will be allocated for operating expenses of certified Community Housing Development Organizations (CHDOs)
- 15% will be set-aside for housing activities to be undertaken specifically by certified CHDOs. CHDOs are nonprofit, community-based organizations that are certified by HUD and have the capacity to develop affordable housing within the Consortium.
- 10% will be allocated toward HOME administrative costs

The Consortium continues to focus on three goals in FY22:

- **Tenant Based Rental Assistance for Rental Housing (TBRA)**  
Financial support in the form of security deposits and first/last month's rent will be provided to an estimated 49 income eligible households through Tenant Based Rental Assistance programs in Bedford, Framingham, Natick, Waltham, and Wayland.
- **Rehabilitation of Existing Units**  
HOME funds will be used to rehabilitate three rental housing units in Brookline. Additionally, as mentioned above, FY22 HOME funds will be used to support the preservation of 146 units at 2Life Communities' Coleman House in Newton.
- **Production of Affordable Units**



Construction of 12 HOME-assisted rental units will be complete in FY22. Eleven of these units are part of Brookline's 370 Harvard Street project and one unit will be created through Concord Housing Authority's Gerow project.

### **EMERGENCY SOLUTIONS GRANT AND MCKINNEY-VENTO FUNDS**

The Massachusetts Balance of State (BoS) Continuum of Care (CoC), under the supervision of the Department of Housing and Community Development (DHCD), administers McKinney-Vento funds for the former Brookline-Newton-Waltham-Watertown (BNWW) CoC. The BNWW CoC, previously led by the City of Newton, merged with the BoS CoC in December of 2016. On January 29, 2021, HUD awarded the BoS CoC a total of \$18,845,535 in FFY21 funds, a 5.5% increase from the prior year largely due to the increase in Fair Market Rents (FMR). From that total, the BNWW region received \$2,105,894 for four projects across three sub-grantee agencies, including Advocates, Pine Street Inn, and The Second Step.

The City of Newton's Emergency Solutions Grant (ESG) funds are awarded to local providers through a competitive Request for Proposals (RFP), providing shelter operations/services, homelessness prevention, and rapid re-housing services throughout the BNWW region. On December 8, 2020, prior to the release of the RFP, Division staff consulted with former BNWW CoC social service providers and representatives from the four municipalities and BoS CoC to determine FY22 (FFY21) ESG funding priorities across its eligible components, outlined below:

- **Emergency Shelter Services** (\$92,150 or 56%): funds support essential services for individuals and families residing in an emergency shelter; shelter operations and costs such as building maintenance, rent, security, fuel, equipment, and furnishings; and renovations for emergency shelters.
- **Homelessness Prevention** (\$40,950 or 25%): funds support the stabilization and potential relocation, including short-term and medium-term rental assistance, security deposit, rent arrears, and moving costs, for individuals and families at immediate risk of homelessness.
- **Rapid Re-housing** (\$19,260 or 12%): funds support homeless individuals and families in moving them out of emergency shelters or places not meant for human habitation into permanent housing.

On January 6, 2021, the FY22 ESG RFP was released alongside the Human Service RFP and proposals were evaluated by a review committee comprised of representatives from the Newton Department of Planning and Development, Department of Health and Human Services, the BoS CoC, and the former BNWW CoC (non-ESG subrecipients). Subsequently, the review committee consulted with two representatives of the Planning and Development Board. Proposals were ranked on February 26, 2021 based on each project's past performance, staff capacity, target population, availability of other funding sources, and the most pressing needs in the region, which were identified in the FY21-25 Consolidated Plan. Furthermore, the review committee took into consideration the continued impacts of the coronavirus pandemic (COVID-19).

The City received six proposals from five nonprofit agencies, of which, four proposals were recommended for an ESG grant during the FY22 (FFY21) program year, following the recommendations of the ESG RFP Review Committee.

<b>FY22 ESG – Recommended Allocations</b>				
<b>Agency</b>	<b>Program</b>	<b>FY22 ESG Recommendations</b>	<b>FY21 ESG Awards</b>	<b>% Change</b>
<b>Emergency Shelter Services</b>				
Community Day Center of Waltham	Day and Seasonal Night Wrap-Around Services	\$69,133.00	\$16,500.00	319%
REACH Beyond Domestic Violence	Emergency DV Shelter Operations	\$23,000.00	\$21,250.00	8%
<b>Homelessness Prevention</b>				
Brookline Community Mental Health Center	Homelessness Prevention	\$40,936.00	\$49,670.78	-18%
<b>Rapid Re-housing</b>				
Brookline Community Mental Health Center	Homelessness Prevention	\$40,936.00	\$49,670.78	-18%
<b>Program Administration</b>				
City of Newton	Administration	\$12,375.00	\$12,580.05	-2%
<b>TOTAL</b>		\$164,708.00	\$167,734.00	-2%

➤ **STATE FUNDS – DHCD, MASS WORKS, HOUSING CHOICE AND LIHT FUNDS**

The following table shows the funding sources for seven Newton affordable housing projects that are complete, under construction, or in development. State funds, including Low Income Housing Tax Credits (LIHTC), account for 39% of the total sources of these seven projects.

Project Background			Project Funding Sources						Total Project Cost
Project	Description	Funding Year	CDBG	HOME	CPA	State	LIHTC	Other*	
West Newton Armory	Redevelopment of Armory into 43 units of permanently affordable intergenerational housing	FY23	\$ 930,000.00	\$ 340,000.00	\$ 3,000,000.00	\$ 4,255,043.00	\$ 10,770,629.00	\$ 5,731,500.00	\$ 25,027,172.00
Nonantum Village Place	Capital needs and improve the energy efficiency improvements of an existing 35-unit very low-income permanent affordable senior housing project	FY22	\$ 100,000.00	\$ -	\$ 500,000.00	\$ -	\$ -	\$ 292,338.00	\$ 892,338.00
Coleman House	Rehab and preservation of 146 low income senior housing at 2Life Communities' Coleman House Project.	FY22	\$ 411,898.00	\$ 641,695.06	\$ 4,214,622.00	\$ -	\$ -	\$ 24,930,000.00	\$ 30,198,215.06
Golda Meir House Expansion	Addition of 68 low income senior apartments to 2Life Communities' Golda Meir House through two additions of new construction. The project will also provide units to 9 chronically homeless individuals with disabilities.	FY21	\$ -	\$ 255,143.36	\$ 4,494,857.00	\$ 5,000,000.00	\$ 17,037,549.00	\$ 16,471,334.00	\$ 43,258,883.36
Haywood House	Newton Housing Authority's new construction of 55-units of affordable senior rental housing.	FY21	\$ -	\$ 875,000.00	\$ 3,077,900.00	\$ 3,888,000.00	\$ 11,855,000.00	\$ 10,927,770.00	\$ 30,623,670.00
236 Auburn Street	Creation of eight affordable rental units housing through the acquisition and rehabilitation of a three-family house converted to a single-family house, the addition of two attached modular homes and an addition of a new congregate house	FY18	\$ 1,172,939.00	\$ 876,549.64	\$ 977,700.00	\$ 695,995.00	\$ -	\$ 1,320,595.00	\$ 5,043,778.64
Myrtle Village	Development of seven units of affordable, deed restricted rental housing at two existing properties located at 12 Curve Street and 18-20 Curve Street	FY15	\$ 604,679.00	\$ 339,000.00	\$ 910,179.00	\$ -	\$ -	\$ 1,351,000.00	\$ 3,204,858.00
<b>TOTAL</b>			<b>\$ 3,219,516.00</b>	<b>\$ 3,327,388.06</b>	<b>\$ 17,175,258.00</b>	<b>\$ 13,839,038.00</b>	<b>\$ 39,663,178.00</b>	<b>\$ 61,024,537.00</b>	<b>\$ 138,248,915.06</b>
								*Comprised of sponsor equity, private debt, philanthropic contributions	

➤ **CONCLUSION**

The City's allocation and provision of Federal and State funding is intricate while supporting a wide range of housing projects, programs, and organizations. The Planning Department looks forward to a robust discussion with the Finance Committee as to how the City currently uses these funds and how they will be of benefit to the City in the future.