



Ruthanne Fuller
Mayor

Barney Heath
Director
Planning & Development

Cat Kemmett, Planning
Associate

Members

Peter Doeringer, Chair
Kelley Brown, Member
Jennifer Molinsky, Member
Kevin McCormick, Member
Sudha Maheshwari, Member
Chris Steele, Member
Barney Heath, Planning
Director *ex officio*
Lee Breckenridge, Alternate

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**PLANNING & DEVELOPMENT BOARD JOINT MEETING WITH THE COMMUNITY
PRESERVATION COMMITTEE MINUTES**

April 12, 2022

Members present:

Peter Doeringer, Chair
Kelley Brown, Vice-Chair
Jennifer Molinsky, Member
Kevin McCormick, Member
Sudha Maheshwari, Member
Barney Heath *ex officio*

CPC members present: Mark Armstrong, Dan Brody, Eliza Datta, Byron Dunker, Susan Lunin, Robert Maloney, Jennifer Molinsky, and Martin Smargiassi.

Staff present:

Lara Kritzer, Community Preservation Program Manager
Amanda Berman, Director of Housing & Community Development
Eamon Bencivengo, Housing Development Planner
Cat Kemmett, Planning Associate

Meeting held virtually by Zoom Meeting

1. Joint public hearing on the Funding Request Proposal for the West Newton Armory Affordable Housing Development

- **Request for precommitment of \$930,000 of FY24 and FY25 Newton Community Development Block Grant (CDBG) funds and \$118,000 of FY24 HOME funds**
- **Request for \$890,000 of Newton Inclusionary Zoning funds**
- **Request for \$3,000,000 in CPA Community Housing Funding**

Chair Doeringer opened the Planning and Development Board public meeting at 7:00 P.M. Chair Dan Brody opened the Community Preservation Committee's public meeting as well.

Taylor Bearden and David Oliveri from Civico Development and Caitlin Madden and Claire Comeau from Metro West Community Development (MWCD) were present to speak on the details of the request.

The team noted that the City had been working with the State since 2018 on the purchase of the property for use as a 100% affordable housing development. The project team had submitted a proposal in response to the City's RFP in September 2021. Since their proposal was chosen by the City, they have been meeting with numerous groups for feedback and

engaging with the community about the project. Their team meets weekly with City staff, including the City's ADA coordinator and others to take the project to another level. They explained that the proposal was to construct 43 units of affordable housing on the site which met universal design principles to meet the needs of residents of all ages and abilities. The project was designed to include pedestrian friendly open spaces as well as private patio and lawn areas for residents. The historic head house of the existing armory building will be preserved and will have publicly accessible meeting space and history exhibits.

The team then presented the street view of the project and noted how the head house would work with the proposed new building behind it. It was noted that the main entrance of the building would be located on Armory Street in a shared plaza space and gathering point facing the Trader Joe's building. In the first floor of the head house, about 1/3 of the interior space would be taken up by the management offices with the rest to be used for meeting and community rooms and open patio space. The MWCD offices will be moving into the second floor of the head house and the organization would be the ongoing steward of the property. The team then reviewed the timeline for the project, noting that they were currently working on pre-development and permitting which they anticipated to be complete in the Fall, with construction to begin in 2025.

Ms. Comeau explained that the proposal would include 43 new units of 100% affordable, intergenerational housing. Fifteen of the units would be available to households below 30% AMI and the other 28 would be available to households below 60% AMI. The units would be supported by an operating subsidy so that residents only paid 30% of their current income. She gave examples of the types of households that might live in these units and the supportive services which they planned to have available. MWCD planned to hire an onsite Residential Services Coordinator to oversee these services and felt that they could provide a robust experience for the tenants that included physical, mental, and emotional health resources as needed. Ms. Comeau also noted that the property would be managed by Maloney Properties which was an established property management firm. She noted that they were working with other organizations as well, including Newton Wellesley Hospital which was providing funding for programs to assist with housing security and other services. She ended by stating that the MWCD's physical presence in the building would help them to provide robust services to the tenants.

Ms. Madden next addressed the project funding, explaining that having local funding was necessary to securing state and other funding sources. She reviewed the proposed project budget, noting that the construction was budgeted for \$21 million. With the reserve and soft costs, overhead and development fees, the total project cost was budgeted to be \$27,844,312. Ms. Madden explained that their funding plan was to max out the State funding sources, take advantage of passive house programs, and take out a building loan. The amount of the loan would be based on what the completed project could support. Ms. Madden stated that after assembling all of these sources, the project was left with a \$5 million gap which they were hoping to fill with the CPA and other City funding. This was proposed to include \$3 million in CPA funds, \$930,000 from CDBG funding, \$890,000 from the City's Inclusionary Zoning funds, \$118,000 in City HOME funds, and \$222,000 to come from West Metro HOME Consortium funds. This \$5 million from the City would allow the project to leverage \$22 million in State and other funds to meet the \$27 million project budget.

Ms. Madden stated that by approving the local funding at this time, it would allow the project to advance many of the city's goals, and to be more competitive when it comes to seeking state funding. Mr. Brown asked if there are any important data points or logistics to understand about the project given that construction is not slated to begin for 3 years. Ms. Madden stated responded that the construction cost estimates are based on comparable projects. The construction market is unpredictable now due to supply chain issues and material shortages, but they hope that by the time construction begins, that volatility will be in the past. They plan to continue to monitor changes in these factors, and to seek additional funding to help weather any market changes that may impact the project. She also noted that they have the ability to raise tax credit equity, which can offset cost increases.

Mr. Brown noted that in the initial review phase, the estimated development cost per unit was listed as less than what is set forth in this plan and asked how the project team is handling that given the state sets per-unit caps. Ms. Madden said the state is also grappling with the escalating costs and that a significant contribution of money for the city will help make the case for the state to provide more funding.

Eliza Datta voiced support for the project, and for granting this funding request. Many projects coming through for this funding are for preservation projects, and this is an exciting project to provide new housing, and housing at deeper levels of affordability than these projects often provide. She acknowledged the huge amount of work from staff, the project team, and members of the community that has gotten the project to this point. She agreed that in a competitive funding environment, financial contribution from the city will help the project when it comes to seeking state funding.

Mr. McCormick asked if the amount listed for IZ funds is the total amount of money in that pot. Ms. Berman confirmed that that was correct. Mr. McCormick then asked if the amount listed for CDBG funds reflects all of what staff expects to be available for 2024-2025, because although this is a good use of the funds, it would be good to know if there are still funds available if another project opportunity arises. Ms. Berman responded that there will be some money set aside for other projects, but this financial commitment would comprise a substantial proportion of the funds available to the city. Staff project that about \$230,000 of funds from FY24 and \$700,000 of FY25 would go to this project, out of about \$800,000 of the available funds or year. She noted that there are not other large projects in the pipeline now, and not all funds from FY23 have been allocated yet.

Chair Doeringer asked what portion of HOME funding would be given under this plan. Ms. Berman said on average the city gets \$118,000 to 119,000 in HOME funds per year, so this plan would entail the city earmarking about one year's worth of HOME funds for the Armory.

Mr. McCormick asked for more information about planned services for the project. Ms. Comeau said that the resident services coordinator will have an office on site, and that the project team has a plan for services that they will continue to refine. They are already in the process of building community connections in order to better understand and anticipate the needs of residents.

Chair Doeringer asked for more details about the Housing for Success model and what considerations there were for financial workforce development. Ms. Madden said that Housing for Success is an overarching theme in their process. The intake process will incorporate financial management questions

to understand the needs of residents and financial independence will be a goal. For workforce development, they plan to support residents in their job search and do what they can to connect them to employers.

Ms. Molinsky said she is in favor of the project and is excited about the mix of units and levels of affordability. She asked about what factors or programming will be in place to support the intergenerational aspect of the plan and to make sure they are accessible. Mr. Bearden said that in terms of design, in common space they want to create a space welcoming for all ages and that can facilitate different types of interactions, and accessible.

Mr. Smargiassi asked what the total square footage of the building is, and what square footage of the units is. Mr. Bearden said the total square footage is 46,652 feet, and he can follow up at a later date with the square footage of just the units.

Mr. Maloney asked if it was normal for a project to seek such a large amount of funding from a city. Members of the project team responded that each community has different funding restrictions, interests, and capacity. Mr. Heath added that in many ways this project is unique, and though the amount of money being requested is significant, the benefits the project will bring to the community are also significant. Chair Doeringer also noted that the city got the property for a bargain, and the land itself is very valuable.

Sue Parsons, co-chair of the joint advisory planning group, voiced support for the project, especially for the great location and deep levels of affordability.

Mr. Brody said he was disappointed that the parking spaces are not all wired for EVs and asked if they could all be at least charger ready. Mr. Rearden said it is possible, and if budgeting allows then they will.

The CPC then voted to close the public hearing. They then voted to approve the item, which passed.

Mr. Bencivengo gave a brief presentation. He presented slides explaining the breakdown of each funding request, which are covered in the materials that were sent previously to the Board. Qualitatively, the project provides deep affordability that is much needed in the city and supportive services.

Upon a motion by Ms. Maheshwari and approved 5-0-1, with Director Heath abstaining, the Board voted to strongly endorse the West Newton Armory affordable housing development and recommends the approval of the request of a precommitment of FY24 and FY25 CDBG funds and HOME funds, and approves the request for Newton Inclusionary Zoning funds.

Chair Doeringer said that this meeting marks the last for member Sudha Maheshwari. Upon a motion by Mr. Brown, the Board voted unanimously and enthusiastically to approve the sentiment that the board is very grateful to Ms. Maheshwari for her years of service to the Board, for the wisdom of her contributions to their discussions, and for the good cheer and good sense that she brought to their meetings in person and virtually, and to wish her well.

2. Adjournment

City of Newton Planning and Development Board

Upon a motion by Mr. McCormick and approved unanimously, the meeting was adjourned at 8:22 PM.