



Finance Committee Report

City of Newton **In City Council**

Monday, November 28, 2022

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

Absent: Councilor Kalis

City staff present: Comptroller Steve Curley, Chief Financial Officer Maureen Lemieux, Deputy Director of Planning and Development Barney Heath, Senior Financial Analyst Perry Rosenfield, Housing Development Planner Eamon Bencivengo, ADA Coordinator Jini Fairley

Items scheduled for discussion:

#527-22 Acceptance of \$235,500 from Massachusetts Dept. of Housing & Community Development and MassDevelopment Housing Choice Grant Program

HER HONOR THE MAYOR requesting authorization to accept and expend the sum of two-hundred-thirty-five thousand, five hundred dollars (\$235,500) in grant funding from the Massachusetts Dept. of Housing & Community Development and MassDevelopment's Housing Choice Grant program for the City to conduct an analysis of the best manner to preserve and redevelop four homes for affordable housing which the City purchased in late 2021 from the Walker Center for Ecumenical Exchange.

Action: **Finance Approved 7-0**

Note: Director of Planning and Development Barney Heath stated that the department applied for this grant using the state's One-Stop Application Process in the Spring of 2022. He added that with these funds they are following a similar feasibility strategy to the West Newton Armory project.

Housing Development Planner Eamon Bencivengo stated that the purpose of these grant funds is to procure affordable housing feasibility consultants to help explore the possibilities of redeveloping the four homes purchased from the Walker Center into permanent affordable housing. Mr. Bencivengo added that having the consultant onboarded early in the project will allow the JAPG, City Council, and City as a whole to stay informed on the project. Mr. Bencivengo concluded by giving a brief timeline. The Department aims to release an RFP to secure a feasibility consultant in the 1st quarter of 2023 and be under contract by June, and anticipates a feasibility report by the end of the 2023 calendar year.

Councilors asked the following questions:

Q: A Councilor asked if the consultant selection process would be truly open, or if the Department already has someone in mind.

A: Mr. Heath stated that the Department plans to draft a well-rounded RFP that outlines the skillset and attributes necessary for this project. They expect a number of proposals, and believe they will be able to narrow down to one or two candidates, and hold interviews if necessary.

Q: A Councilor asked that the Department keep the City Council well informed on the progress of this project by sending out the RFP and any deadlines once they become available, so any Ward 4 Councilors can confidently answer constituent questions.

A: Mr. Heath stated that he would be happy to provide all updates.

Q: A Councilor asked how the Department arrived at their proposed number of \$235,500.

A: Mr. Bencivengo stated that this number is an estimate based on their experience from the West Newton Armory project, and they feel that this amount of money will secure a highly skilled consultant.

Q: A Councilor asked if there would be a JAPG meeting after the consultant report.

A: Mr. Heath stated that they aim to have the consultant onboarded and equipped with baseline data before approaching the JAPG, making the process more efficient.

Q: A Councilor asked if these funds would cover the cost of any work being done on the project, or only cover the cost of the consultant, and if there will be protections against running out of time on the contract before the report and any presentations are completed.

A: Mr. Bencivengo stated that this would cover the cost of the consultant, and that the RFP will be as up front as possible about the expected timeline, as well as ensure that the consultant will have enough contingency to stay on for a few additional meetings if necessary.

Q: A Councilor asked if this project will be sensitive to the historic nature of these buildings.

A: Mr. Heath stated that the aim for their consultant will be to work within the envelope of what is already on the property, mainly focusing on the interior of the building. Mr. Heath added that any exterior changes to the buildings will need to be approved by the Auburndale Historic District.

Councilors made the following comments:

A Councilor stated that they are thrilled to support this project, echoed by two other Councilors.

Councilor Oliver motioned to approve the item.

#529-22 Request to transfer \$7,000 from Disability Commission Receipts Reserved
HER HONOR THE MAYOR requesting authorization to transfer the sum of seven thousand dollars (\$7,000) from Acct # 5500-335518 Disability Commission Receipts Reserved for Appropriation to Acct # 01C10802-513010 Operation Access – Disability Commission for the purpose of funding targeted enforcement during the holidays by the Police of accessible parking violations.

Action: **Finance Approved 7-0**

Note: ADA Director Jini Fairley stated that as shopping habits and parking ticket levels have returned to normal for the first time since Covid began, this money will be crucial in helping fund police overtime to ensure that accessible parking spaces are open for those who need them. She added that the requested \$7,000 is in line with what has been sufficient funding in the past. Ms. Fairley concluded by stating that this item has the full support of the Newton Police.

Councilors asked the following questions:

Q: A Councilor asked what the difference is between normal enforcement and the targeted enforcement dictated by this program.

A: The main difference is that enforcement is happening at hours not typically covered by parking control officers, such as evenings and weekends.

Councilors made the following comments:

Councilor Gentile motioned to approve the item.

#530-22 Transfer \$174,000 to the Building Demolition/Other Repairs
HER HONOR THE MAYOR requesting authorization to transfer the sum of one-hundred and seventy-five thousand dollars (\$174,000) from June 30, 2022, Certified Free Cash, to 01C2202-524130 Building Demolition/Other Repairs for the emergency demolition of a residential structure located at 91 Newtonville Avenue.

Action: **Finance Held 7-0**

Note: Chief Financial Officer Maureen Lemieux noted that she was not expecting to speak on this item because she anticipated that a representative from the Inspectional Services Department would attend the meeting, but would speak to the best of her knowledge regarding this item. She stated that this Committee has already approved \$220,000 for this project, but since there were hazardous materials inside the building, there was an extra \$190,000 cost incurred to remove the debris. Ms. Lemieux clarified that they are only asking for \$175,000 because the existing demolition account has enough money to cover the rest of the cost. Ms. Lemieux added that the City may not recoup the amount of money that the City has lost on this

property between unpaid property taxes and demolition costs, but the site still needs to be made safe.

Councilors asked the following questions:

Q: A Councilor asked if there would be any effort to recoup some of the lost funds by either contacting the former owners' closest living relatives, reselling the land, or repurposing the land.

A: Ms. Lemieux stated that specific plans for the land are beyond her working knowledge of the issue. She added that from her experience, the City will either take the property and resell it, or if the heirs to the property sell it, the City will be first in line to be paid back. Since there is no structure on the property, Ms. Lemieux feels it will likely be taken back by the city.

Q: A Councilor asked if it could be confirmed that these funds have already been spent before being approved.

A: Ms. Lemieux stated that she believes that the money has been spent. She added that she docketed the item immediately once they received word of the additional expense from ISD.

Q: A Councilor asked if the Comptroller has received an invoice for this work.

A: Mr. Curley stated that his office has not received an invoice yet, so his records show that there have been no costs incurred. He added that he believes that the work has been done and the money has been committed.

Councilors made the following comments:

A Councilor stated that since this work has already been done, it's appropriate to approve this item. The Councilor added that they are in the process of docketing an item that prevents work being done before funding is approved.

A Councilor stated that they have docketed an item in the past to better understand how the City deals with buildings in disrepair and that it has to be easier to avoid properties falling through the cracks like this.

A Councilor stated that hazardous materials can incur a hefty price tag, so the amount required to complete this demolition isn't surprising. The Councilor added that the City and specifically the Treasurer must be more aggressive in preventing properties from falling far behind on property taxes and suggested a conversation with the Treasurer.

A Councilor stated that the Finance Committee is supposed to ensure that funds are not spent before being approved, and that this constitutes a big issue. The Councilor added that this item should be held until someone from ISD comes to a meeting to answer Councilors' questions, since the money has already been spent.

Ms. Lemieux stated that this money did not go through the proper procedure, so the vendor proceeded at their own risk, and that the only thing committing the City to this spending is the City of Newton's good name. She added that since this money did not go through the proper procedure, there is likely no purchase order that allows this to go forward.

A Councilor added that the site may not be fully cleared, meaning that the money may not have been committed yet.

Ms. Lemieux stated that the Commissioner of ISD could have deemed that the site was unsafe to leave the property in its current state and felt that this work an emergency, which would be permitted under state law. She reminded the Committee that this is mere speculation, and she does not know if this is true.

A Councilor agreed that this item should be held until the Committee can get further information.

Councilor Oliver motioned to hold the item.

The Committee adjourned at 7:43 PM

Respectfully submitted,

Rebecca Walker Grossman, Chair