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Community Preservation Committee
Funding Recommendation for the West Newton Armory
Affordable Housing Development Project

Date: March 16, 2021
From: Community Preservation Committee
To: The Honorable City Council

PROJECT GOALS & ELIGIBILITY This proposal requests \$21,270 in CPA community housing funds for pre-development costs associated with the acquisition of the West Newton Armory building and site. The State offered the property to the City in 2019 for \$1 so long as it was used for a completely affordable housing development. After a year of studying the feasibility of such a development at this site, City Council voted on February 1 to have the Mayor purchase the property for future affordable housing. The current request for funding relates to the pre-development work necessary to acquire the site for this purpose, namely the completion of a Phase II Environmental Assessment of the property. This assessment, as well as a noise assessment and a Memorandum of Agreement with the Massachusetts Historical Commission, are required by HUD and must be completed before the property is acquired later this year.

This project is eligible for CPA funding for the support and acquisition of community housing.

RECOMMENDED FUNDING At its monthly meeting on Tuesday, March 9, 2021, the Community Preservation Committee unanimously recommended, with a vote of 9 to 0, that \$21,270 in Community Preservation Act community housing funding be appropriated from the FY21 CPA Annual Budgeted Reserves to the control of the Planning & Development Department for the completion of the Phase II Environmental Assessment required for the acquisition of the West Newton Armory for future affordable housing development.

CPA Funding Sources and Uses	
FY21 CPA Annual Budgeted Reserves (Account #58R10498-579000)	\$939,541
West Newton Armory Affordable Housing Development Project Funding	\$21,270
Remaining Funding in Account Available After Project Funding	\$918,271

www.newtonma.gov/cpa

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SPECIAL ISSUES CONSIDERED BY THE CPC

The CPC recognizes that this is a necessary first step to a much larger affordable housing project which will assist Newton in meeting its affordable housing goals. The project is well leveraged with other grant funding received by the City for affordable housing work and has documented support from the City Council and public.

Funding leverage & project costs: The CPA funding request is 52% of the overall project and is matched with \$20,000 from the DHCD grant received by the City for the development of this site. The grant was initially used to hire the affordable housing consultants who assisted the City in determining the feasibility of the site and are now helping to draft an RFP to find an affordable housing developer to continue the project. The matching funds and CPA funding will be jointly used to cover the studies necessary to complete the City's due diligence for HUD and allow it to move forward with the purchase.

Community Need: Newton has a well-documented need for the additional affordable housing units which are the ultimate goal of this project. The property is located on one of Newton's main thoroughfares between two villages with direct access to bus routes and the commuter rail, making it an excellent location for future affordable housing development. The City has already stated its support for the acquisition of the site specifically for use as affordable housing.

ADDITIONAL RECOMMENDATIONS (*funding conditions*)

1. CPA Funding may only be used for work associated with the predevelopment of the site, including the completion of the Phase II Environmental Assessment, Noise Assessment, or MHC Memorandum of Agreement required by HUD for the acquisition of the West Newton Armory for future development as affordable housing.
2. All recommended CPA funds should be appropriated by the City Council within 6 months and in use within 1 years of the date of any CPC recommendation. If either deadline cannot be met, the applicants should request a written extension from the CPC, which the CPC may grant at its discretion.
3. Any periodic reports or interim deliverables prepared as part of this project, as well as the final Phase II Environmental Assessment, must be shared with the CPC for online posting.
4. Any CPA funds appropriated but not used for the purposes stated herein must be returned to the Newton Community Preservation Fund.

KEY OUTCOMES

The Community Preservation Committee will evaluate this project based on its success in using CPA funds to complete the requirements necessary for the City's successful acquisition of the West Newton Armory site for the future development of affordable housing units.

ATTACHMENTS

- Proposal and selected attachments submitted to the CPC for the March 9, 2021 Public Hearing
- March 9, 2021 Project Presentation to the CPC

Additional information not attached to this recommendation, including petitions and letters of support, are available on the CPC's website at:

<https://www.newtonma.gov/government/planning/community-preservation-program/proposals-projects/west-newton-armory>