



Ruthanne Fuller  
Mayor

**City of Newton, Massachusetts**  
Department of Planning and Development  
1000 Commonwealth Avenue Newton, Massachusetts 02459

Telephone  
(617) 796-1120  
Telefax  
(617) 796-1142  
TDD/TTY  
(617) 796-1089  
www.newtonma.gov

Barney S. Heath  
Director

**MEMORANDUM**

**DATE:** April 8, 2020

**TO:** Councilor Crossley, Chair  
Members of the Zoning and Planning Committee

**CC:** Mayor Ruthanne Fuller  
Jonathan Yeo, Chief Operating Officer  
Maureen Lemieux, Chief Financial Officer

**FROM:** Barney S. Heath, Director of Planning and Development  
Amanda Berman, Director of Housing & Community Development  
Tiffany Leung, Senior Community Development Planner

**RE:** FY21 Annual Action Plan and FY21-25 Consolidated Plan

**OVERVIEW**

The Housing and Community Development Division of the Planning and Development Department are pleased to present a summary of the City of Newton and WestMetro Home Consortium FY21-25 Consolidated Plan and FY21 Annual Action Plan. The Planning and Development Board held a public hearing on Monday, April 6<sup>th</sup> and voted to recommend both the FY21-25 Consolidated Plan and FY21 Annual Action Plan as presented to the Mayor. We hope the Zoning & Planning Committee will vote at its April 13<sup>th</sup> meeting to authorize the submission of these plans to HUD for the City of Newton Community Development Block Grant (CDBG) and Emergency Solutions Grant (ESG) funds and the WestMetro HOME Consortium’s HOME Investment Partnerships Program (HOME) funds.

Annually, the City of Newton receives Community Development Block Grant (CDBG), HOME Investment Partnerships Program (HOME), and Emergency Solutions Grant (ESG) funds from the U.S. Department of Housing and Urban Development (HUD). HOME funds are received on behalf of the WestMetro HOME Consortium (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.

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 identifies 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.

While each of these programs is unique, the overarching purpose of the three programs is to support low- to moderate-income individuals and families, as well as individuals and families who are homeless or at-risk of homelessness, through the creation and rehabilitation of affordable housing, direct financial assistance to renters and homebuyers, the provision of supportive and human services, financial support for emergency shelter operations, and the expansion of economic opportunities.

The FY21-25 Consolidated Plan includes the following sections: 1.) The Executive Summary, 2.) The Process - the planning process and citizen participation, 3.) The Needs Assessment - an assessment of the housing and community development needs in Newton and the Consortium, 4) The Market Analysis - an analysis of market conditions that contribute to these needs, 5.) The Strategic Plan - a strategic plan outlining actionable steps, goals, and priorities, and 6.) The Appendix. For the next five years, the Consolidated Plan will guide the use of CDBG, HOME, and ESG funds to address the identified needs. Finally, the FY21 Annual Action Plan is the first year of the Consolidated Plan and describes the anticipated uses of CDBG, HOME, and ESG funds for the fiscal year ahead (July 1, 2020-June 30, 2021). Recommendations are based on the needs, goals and strategies captured in the FY21-FY25 Consolidated Plan.

While Brookline, Framingham, and Waltham are member communities of the HOME Consortium, these communities are also CDBG entitlement communities and receive their own annual CDBG allocations from HUD. In addition to detailing their housing needs, priorities and strategies as they relate to WestMetro HOME Consortium funds in this Consolidated Plan, these entitlement communities must each submit their own five-year Consolidated Plan and Annual Action Plan related to their CDBG allocations. However, throughout the following pages of this plan, CDBG-funded housing projects and programs in Brookline, Framingham, and Waltham are discussed, as they complement the housing projects and programs funded through HOME.

The draft FY21-25 Consolidated Plan and draft FY21 Annual Action Plan can be downloaded here: <http://www.newtonma.gov/gov/planning/hcd/default.asp>

### **FY21-25 CONSOLIDATED PLAN GOALS**

The Needs Assessment and Market Analysis set the stage for the development of "The Strategic Plan" section of the Consolidated Plan, which outlines overarching goals, priorities, and actionable steps to be undertaken by the City of Newton and WestMetro HOME Consortium over the next five years.

The FY21-25 Consolidated Plan identifies the following five overarching Goals for the City of Newton:

**1. Affordable Housing**

Create, preserve, and rehabilitate safe, decent, and affordable rental and ownership housing and provide financial support to income-eligible first-time homebuyers.

**2. Fair Housing**

Continued education around fair housing laws, regulations and their enforcement are critical to ensuring that every individual and household has equal opportunity and access to affordable housing in Newton and the WestMetro HOME Consortium.

**3. Human Services**

Financial support for programs that directly provide stability across the lifespan for Newton's low- to moderate-income population.

**4. Supportive Services for Homeless and At-Risk of Homeless**

Provide supportive services for individuals and families that are homeless or at-risk of homelessness, including financial support for existing emergency and transitional housing.

**5. Architectural Access**

Removal of material and architectural barriers restricting mobility and accessibility of elderly or severely disabled persons, through public thoroughfares, public buildings, parks and recreational facilities, and nonprofit agencies.

The Plan also identifies the following three overarching Goals for the WestMetro HOME Consortium:

**1. Affordable Housing**

HOME funds will be used to create and rehabilitate safe, decent, and affordable rental and ownership housing throughout the Consortium, including public housing.

**2. Tenant Based Rental Assistance (TBRA)**

HOME funds will be used for Tenant Based Rental Assistance programs (security deposit and full assistance programs) throughout the Consortium to assist income-eligible households in moving into a reasonably-priced rental unit.

**3. Community Housing Development Organizations (CHDO)**

HOME funds will be used to support the operations of certified Community Housing Development Organizations (CHDO's) actively developing in the WestMetro HOME Consortium. Funds will also be used to support these organizations in the development and rehabilitation of affordable rental housing throughout the Consortium.

**FY21 ANNUAL ACTION PLAN**

The FY21 Annual Action Plan is the first year of the Consolidated Plan and describes the anticipated uses of CDBG, HOME, and ESG funds for the fiscal year ahead (July 1, 2020-June 30, 2021).

Recommendations are based on the needs, goals and strategies captured in the FY21-FY25 Consolidated Plan.

**FY21 (FFY20) FEDERAL FUNDING AMOUNTS**

➤ Community Development Block Grant (CDBG)	\$1,931,323.00
➤ HOME Investment Partnerships Program (HOME)	\$1,480,032.00
➤ Emergency Solutions Grant (ESG)	\$167,734.00

**Total** **\$3,579,089.00**

**COMMUNITY DEVELOPMENT BLOCK GRANT**

Based on the priorities, needs and goals identified in the FY21-25 Consolidated Plan, the City of Newton has allocated FY21 (FFY20) CDBG funds into four general categories:

• <b>Affordable Housing</b>	\$1,158,800.40 (60% of CDBG funding)
• <b>Human Services</b>	\$289,698 (15% of CDBG funding)
• <b>Architectural Access</b>	\$96,560 (5% of CDBG funding)
• <b>Program Administration</b>	\$386,265 (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 (15%) and Program Administration (20%).

**Fair Housing**

In addition to the categories mentioned above, Fair Housing will continue 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 FY21, the Consortium will finalize its updated Analysis of Impediments to Fair Housing report and will begin to implement recommended actions.

**Affordable Housing**

Approximately 60 percent of FY21 CDBG funding (\$1,158,800.40) plus \$65,000 in estimated FY21 (FFY20) program income, for a total of \$1,223,800.40, will be allocated towards affordable housing projects identified during the program year. This funding will be 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

In February 2020 (FFY19), the Newton Housing Authority received funding approval from the City's Planning & 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 & Development Board voted to approve \$1,200,000 of CDBG funds to support the acquisition and rehabilitation of the portfolio. As CDBG funding is pulling from FY19, FY20, and FY21 dollars, the Planning and Development Board approved a substantial amendment to the FY19 and

FY20 Annual Action Plans and FY16-FY20 Consolidated Plan, as well as a conditional pre-commitment of \$82,415.82 of FY21 funds via the City's Housing Rehabilitation Program.

### **Human Services**

HUD caps the human service allocation at 15 percent of the City's total annual CDBG grant. As a result, \$289,698 plus an estimated \$15,000 in program income, for a total of \$304,698 will be made available for the FY21 Human Service program.

The FY21 (FFY20) Human Service Request for Proposals (RFP) was released on January 6, 2020, and proposals were evaluated by a review committee comprised of representatives from the Department of Planning and Development and the Department of Health and Human Services. Subsequently, the review committee consulted with two representatives of the Planning and Development Board. Proposals were ranked on March 2, 2020 based on their alignment and consistency with the City's three priority areas:

- Enrichment and Care for Vulnerable Youth, Ages 0-18
- Stability and Self-Sufficiency for Vulnerable Adults, Ages 19-61
- Promoting Economic Security and Vitality for Older Adults, Ages 62+

In addition to the priority areas, the review committee took into consideration the program's past performance, target population, and the most pressing needs in the community, which were identified in the FY21-FY25 Consolidated Plan.

The City received fifteen proposals, thirteen of which will be awarded Human Service grants during the FY21 (FFY20) program year, following the recommendation of the Human Service RFP Review Committee. The selected programs will directly benefit low- to moderate-income Newton residents and will provide a critical network of supports to assist in stabilizing vulnerable individuals and families across the lifespan.

<b>Recommended FY21 Human Service Program Allocations</b>				
<b>Agency</b>	<b>Program</b>	<b>FY21 Award</b>	<b>FY20 Awards</b>	<b>% Change</b>
Riverside Community Care	Mental Health Services Promoting Self-Sufficiency	\$50,000.00	\$40,000.00	20%
Family ACCESS	Social Mobility for Young Families	\$48,000.00	\$48,000.00	0%
The Second Step	Community Programs for Adult Survivors of Domestic Violence	\$35,000.00	\$35,000.00	0%
Newton Housing Authority	Resident Services Program	\$33,410.00	\$23,000.00	31%
Newton Community Development Foundation	Resident Services Program	\$31,000.00	\$28,000.00	10%
John M. Barry Boys & Girls Club of Newton	Financial Aid for Teens and Families	\$17,000.00	\$16,000.00	6%
Jewish Family and Children's Services	Stabilization and Recovery Services	\$15,408.00	\$12,500.00	19%
2Life Communities (formerly JCHE)	CaringChoices and Wellness Nursing for Low-Income Seniors	\$15,000.00	\$12,500.00	17%
Barry L. Price Rehabilitation Center	Promoting Successful Life Transition for Adults with Intellectual and Developmental Disabilities	\$15,000.00	\$15,000.00	0%
Plowshares Education Development Center	Tuition Assistance for Pre-School and School-Age Care	\$15,000.00	\$10,000.00	33%
Horace Cousens Industrial Fund	Emergency Grants for Vulnerable Individuals and Families	\$12,000.00	\$12,000.00	0%
REACH Beyond Domestic Violence	Individual Support and Advocacy for Adult Survivors of Domestic Violence	\$11,880.00	\$11,520.00	3%
Society of St. Vincent de Paul*	Housing Emergency Assistance Program	\$6,000.00	N/A	N/A
Economic Mobility Pathways	Career Family Opportunity Program	\$0.00	\$35,000.00	-100%
Newton Dept. of Senior Services	Senior Fitness Program	\$0.00	\$10,000.00	-100%
<b>TOTAL</b>		<b>\$304,698.00</b>	<b>\$308,520.00</b>	<b>-1%</b>

\*Society of St. Vincent de Paul is a new applicant this year

### **Architectural Access**

Approximately 5 percentage of CDBG funding (\$96,560) plus \$31,882.33 from prior year's CDBG funds, for a total of \$128,442.33, will be allocated to two access projects. These projects include:

- Phase I of the reconstruction of the Marty Sender Path, connecting The Cove/Auburndale Playground and Lyons Park in Auburndale, and
- The installation of curb cuts city-wide

### **Program Administration**

HUD caps the program administration allocation at 20 percent of the City's total annual CDBG grant. As a result, \$386,264 plus an estimated \$20,000 in program income, for a total of \$406,264, will be allocated for program administration.

### **HOME INVESTMENT PARTNERSHIPS 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.

The Consortium anticipates receiving a total of \$1,480,032. 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
- 10% will be allocated toward HOME administrative costs
- 5% will be allocated for operating expenses of certified Community Housing Development Organizations (CHDOs); CHDOs are nonprofit, community-based organizations that are certified by HUD and have the capacity to develop affordable housing within the Consortium
- 15% will be set-aside for housing activities to be undertaken specifically by certified CHDOs

### **The Consortium will focus on three goals in FY21:**

- **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 fifty-seven 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 homeowner-occupied housing units in Framingham and two rental units in Waltham.
- **Production of Affordable Units**  
Construction of four HOME-assisted rental units will be completed in FY21. Two of these units are part of Phase II of The Coolidge at Sudbury and two are included in Belmont's Bradford Estate 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 14, 2020, HUD awarded the BoS CoC a total of \$12,131,412 in FFY19 funds, a 6.25% decrease from the prior year. From that total, the BNWW region received \$1,681,344 for five projects across three sub-grantee agencies, including Advocates, Pine Street Inn, and The Second Step.

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. In addition, local providers may seek ESG funds to support contributing data for the Homeless Management Information System (HMIS) or the implementation of a comparable database for domestic violence providers.

On December 6, 2019, Division staff consulted with former BNWW CoC housing and social service providers and a representative from the BoS CoC to determine FY21 (FFY20) ESG funding priorities across its eligible components, outlined below:

- **Emergency Shelter Services** (\$70,000 or 41.7%): 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** (\$56,170.78 or 33.5%): 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** (\$23,383.17 or 13.9%): funds support homeless individuals and families to move out of emergency shelters or places not meant for human habitation into permanent housing.
- **Homeless Management Information System (HMIS)** (\$5,600 or 3.3%): funds support the costs associated with establishing and operating a comparable database for domestic violence providers.
- **Program Administration** (\$12,580.05 or 7.5%): funds support Division staff salaries for those managing ESG projects.

On January 6, 2020, the FY21 ESG RFP was released alongside the Human Service RFP and proposals were evaluated by a review committee comprised of representatives from the Department of Planning and Development, Department of Health and Human Services, 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 March 2, 2020 based on each project's past performance, staff capacity, target population, and the most pressing needs in the region, which were identified in the FY21-25 Consolidated Plan.



The City received eight proposals from five nonprofit agencies and all eight proposals will receive ESG grant during FY21 (FFY20) program year, following the recommendations of the ESG RFP Review Committee.

<b>FY21 ESG Allocations</b>				
<b>Agency</b>	<b>Program</b>	<b>FY21 Recommendations</b>	<b>FY20 Awards</b>	<b>% Change</b>
<b>Emergency Shelter Services</b>				
The Second Step	Transitional DV Shelter Operations	\$21,250.00	\$17,800.00	16%
REACH Beyond Domestic Violence	Emergency DV Shelter Operations	\$21,250.00	\$17,800.00	16%
Community Day Center of Waltham	Day Shelter Operations	\$16,500.00	\$16,800.00	-2%
Middlesex Human Service Agency	Bristol Lodge Men's & Women's Shelters	\$11,000.00	\$13,000.00	-18%
<b>Homelessness Prevention</b>				
Brookline Community Mental Health Center	Homelessness Prevention	\$49,670.78	\$53,500.00	-7%
The Second Step	Homelessness Prevention	\$6,500.00	\$6,500.00	0%
<b>Rapid Re-housing</b>				
Brookline Community Mental Health Center	Rapid Re-housing	\$23,383.17	\$18,450.00	27%
The Second Step*	Rapid-Re-housing	N/A	\$6,132.62	N/A
<b>HMIS</b>				
REACH Beyond Domestic Violence	Comparable HMIS Database	\$5,600.00	N/A	N/A
<b>Program Administration</b>				
City of Newton	Administration	\$12,580.05	\$12,207.38	3%
<b>TOTAL</b>		\$167,734.00	\$162,765.00	3%

### **SUMMARY OF FY21-25 CONSOLIDATED PLAN NEEDS ASSESSMENT AND MARKET ANALYSIS**

Kicking off in the Spring of 2019, staff from the City of Newton's Housing and Community Development Division of the Planning and Development Department (staff) consulted with a number of community leaders, elected officials, board and committee members, staff from other city departments, representatives from state agencies, and housing and social service providers to identify Newton's most pressing needs as they relate to low- and moderate-income individuals and families living in Newton.

The Division's consultations with service providers and experts involved needs assessment sessions with other City departments and City boards and commissions, such as Health and Human Services, Economic Development, Conservation, Public Works, Senior Services, Engineering, Parks and Recreation, Transportation, the Commission on Disability, the Fair Housing Committee, and the Newton Housing Partnership; brown bag lunches / discussions with our Human Service and ESG subrecipients; focused meetings and phone calls with other agencies and individuals including Continuum of Care partners at the Balance of State (DHCD); and three Community Needs Assessment Meetings open to the public in late September / early October 2019.

Additionally, Division staff relied upon the data, analysis, and projections of a variety of federal, state, local departments and agencies, as well as regional organizations and educational institutions. The following entities and data sources played an important role in the Needs Assessment and Market Analysis of the Consolidated Plan:

- U.S. Census Bureau, 2010 Decennial Census
- American Community Survey Estimates
- U.S. Department of Housing and Urban Development
- Comprehensive Housing Affordability Strategy (CHAS)
- Office of Community Planning & Development Maps
- U.S. Bureau of Labor Statistics
- MA Department of Labor and Workforce Development
- City of Newton Departments of Assessing & Inspectional Services
- The Warren Report

Simultaneously, staff from the HOME Consortium communities consulted with local housing providers, nonprofits, social services agencies, broadband companies and municipal departments to assess housing needs and develop programs, policies, and projects to address these needs. In some instances, these consultations forged new long-term connections and partnerships that will continue beyond the Consolidated Planning process. Participation by formalized groups that had been previously established to enhance coordination between providers, policymakers, advocates, and other entities, reinforced the ongoing effectiveness of this approach.

Not surprisingly, affordable rental housing surfaced as the most pressing need in Newton and throughout the WestMetro HOME Consortium.

In Newton, affordable family-sized units, fully-accessible and affordable units persons with disabilities, affordable units for seniors with support services, and mixed-income multifamily developments are all housing types that are in urgent need, particularly for those individuals and families at or below 50% of the Area Median Income (AMI). There is also a desire by many low-to-moderate income households in Newton for housing near or within village centers, providing easy access to transit, employment, and amenities.

A Housing Market Analysis of the Consortium showed the following important points:

- Half of the residential property in the Consortium are single-family detached structures.
- Approximately 64% of the Consortium's 190,889 residential units are owner-occupied and 79% of these owner-occupied homes have three or more bedrooms.
- Alternatively, only 22% of renters throughout the Consortium live in homes with three or more bedrooms.
- Boston's escalating real estate prices bring more households looking for affordable rental units to the Consortium communities, putting more pressure on an already limited supply of rental housing.
- Affordable rental units for the elderly and persons with disabilities is cited as a critical need throughout the Consortium. People with a disability face greater challenges than the general population in finding appropriate housing and the Consortium lacks an adequate supply of accessible, affordable housing.
- In Newton, affordable family-sized units, fully-accessible and affordable units persons with disabilities, affordable units for seniors with support services, and mixed-income multifamily developments are all housing types that are in urgent need, particularly for those individuals and families at or below 50% of the Area Median Income (AMI).
- There is also a desire by many low-to-moderate income households in Newton for housing near or within village centers, providing easy access to transit, employment, and amenities.