



Ruthanne Fuller
Mayor

City of Newton, Massachusetts

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Barney S. Heath
Director

Community Preservation Committee Funding Recommendation for COVID-19 Emergency Housing Relief Program Additional Funding

Date: January 19, 2021
From: Community Preservation Committee
To: The Honorable City Council
Cc: Her Honor Mayor Ruthanne Fuller


PROJECT GOALS & ELIGIBILITY This proposal requests additional funding to extend the City's COVID-19 Emergency Housing Relief Program through June 2021. In May 2020, the City partnered with Metro West Collaborative Development (MWCD) to oversee and administer a joint program utilizing CPA and Federal CARES CDBG funding to provide housing assistance to households with incomes below 80% AMI which were negatively impacted by the ongoing COVID-19 pandemic. To date, the program has successfully provided over \$1.6 million to assist 211 households by paying 70% of their monthly housing costs. However, the program's initial term of three months has provided to be too short a time period to address the negative impacts of the ongoing Covid-19 crisis. Because most program participants needed far less per month than originally anticipated (the average household receives approximately \$1,400 per month in assistance), the City was able to extend the program to first six and then eight months of assistance with the initial funding allocation. The program is anticipated to run out of funding this spring, but it is unlikely that most households will see any improvement in their situations by that time. The current request will allow the program to continue assisting households through June 2021, providing a full year of housing assistance to the majority of recipients who entered the program in July 2020. This project is CPA-eligible as the support of affordable housing.

RECOMMENDED FUNDING On January 12, 2021, the Community Preservation Committee voted unanimously to recommend allocating \$1,200,000 in CPA funds for the support of community housing to the control of the Planning & Development Department for a grant to the Metro West Collaborative Development for the purpose of providing emergency housing relief to income eligible households through June 2021. The funding is proposed to be taken from existing community housing reserve funds and existing FY21 budget reserve as follows:

Sources of Funds	Amount
CPA Housing Reserve Funds (Account 58C10498-57900C)	\$401,837
CPA Housing Reserve Funds – Prior Year Fund Balance (Account 5820-3599)	\$431,305
FY21 Budget Reserve (Account 58R10498-579000)	\$366,858
Total Funds Recommended	\$1,200,000

website www.newtonma.gov/cpa

contact Lara Kritzer, Community Preservation Program Manager
email lkritzer@newtonma.gov phone 617.796.1144

Preserving the Past  Planning for the Future

SPECIAL ISSUES CONSIDERED BY THE CPC

CPC members have continued to express their support for providing CPA funds to assist households who have been negatively impacted by the ongoing Covid-19 pandemic since the program was first proposed in May 2020. It was noted at the start of this program that many Newton households were already cost burdened prior to the emergency, and that this condition would only be exacerbated by current crisis. Over the first six months of the program, the CPC received regular updates on the program and twice approved extensions to the length of the program, first to six months in September and then to eight months in December, as it became clearer that economic conditions were not improving. During these reviews, it was noted that the majority of the program's participants are considered to be very or extremely low income households, and that many were in danger of losing their existing units without this assistance. While the program's maximum allowed income was set at 80% AMI, 90% of the households in the program have incomes below 65% AMI and over half of the program's current participants have far lower incomes below 30% AMI. As a result, the program is assisting some of Newton's most vulnerable households to remain in their existing units and avoid homelessness.

ADDITIONAL RECOMMENDATIONS *(funding conditions)*

1. That the program be continued as initially designed through June 2021 with the elimination of the \$7,500 maximum allowed assistance per household and the option that program participants can continue to receive assistance for up to one year with income recertifications at three-month intervals.
2. The program will be made available to all households which meet the income threshold requirements, irrespective as to whether they are already receiving housing assistance from other sources.
3. The CPC assumes all recommended funds will be appropriated within twelve (12) months after the date of this recommendation. If this deadline cannot be met, the applicants should submit a written request to the CPC to extend that deadline.
4. The release of the additional CPA funds will be governed by the existing grant agreement between the City of Newton and the Metro West Development Collaborative which was executed on July 20, 2020.
5. Any CPA funds appropriated but not used for the purposes stated herein should be returned to the Newton Community Preservation Fund.

KEY OUTCOMES

The Community Preservation Committee will continue to evaluate this project based on its success in using Newton CPA funds to support vulnerable, lower income households in Newton who have been negatively impacted by the COVID-19 crisis to remain in their existing housing situation. The success of this program will be measured by its ability to provide assistance and stability to Newton's most vulnerable and at-risk households during the Covid-19 crisis.

ATTACHMENTS

- Additional funding proposal application
- Program presentation made at the January 12 CPC Meeting

The above attachments are also available on the CPC project webpage along with links to additional information not attached to this recommendation. This information is available at:

<https://www.newtonma.gov/government/planning/community-preservation-program/proposals-projects/covid-19-emergency-housing-relief-program>

**Newton, Massachusetts Community Preservation Program
FUNDING REQUEST**

(For staff use)
date rec'd:

City of Newton



Ruthanne Fuller
Mayor

 PRE-PROPOSAL

 PROPOSAL

Updated December 14, 2020

Please submit this completed file directly – do not convert to PDF or other formats.

For full instructions, see www.newtonma.gov/cpa or contact us:

Lara Kritzer, Community Preservation Program Manager,
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lkritzer@newtonma.gov 617.796.1144

You may adjust the space for each question, but the combined answers to all questions on this page must fit on this page.

Project TITLE	COVID-19 Emergency Housing Relief Program Additional Funding		
Project LOCATION	Full street address (with zip code), or other precise location. Citywide		
Project CONTACTS	Name & title or organization	Email	Phone
Project Manager	Amanda Berman, Dir. Housing & Community Dev., Planning and Dev. Dept.	aberman@newtonma.gov	617-796-1147
Other Contacts	Barney Heath, Dir., Planning & Dev. Dept.	bheath@newtonma.gov	617-796-1120
Co-Applicant	Jennifer Van Campen, Exec. Dir., Metro West Collaborative Development	jvc@metrowestcd.org	617-923-3505
Project FUNDING	A. New CPA funds requested: \$1,200,000	B. Other funds to be used: \$2,500,000	C. Total project cost (A+B): \$3,700,000
USES OF FUNDS	<input checked="" type="checkbox"/> Rental Assistance		<input checked="" type="checkbox"/> Mortgage Assistance
TARGET POPULATION, TYPE OF HOUSING, SPECIAL FEATURES			
Individuals <input checked="" type="checkbox"/>	Families <input checked="" type="checkbox"/>	Seniors <input checked="" type="checkbox"/>	Homeless/At Risk of Homelessness <input checked="" type="checkbox"/>
Rental <input checked="" type="checkbox"/>	Ownership (including condominiums) <input checked="" type="checkbox"/>	% Area Median Income:	Up to 80% AMI
Project SUMMARY	Explain how the project will use the requested CPA funds. You may provide more detail in attachments, but your PROJECT SUMMARY MUST FIT IN THE SPACE BELOW.		
<p>Additional funding is requested to extend the Covid-19 Emergency Housing Relief Program to provide up to 12 months of assistance to income-eligible households who continue to be negatively impacted by the ongoing pandemic. Established in July 2020, the program was designed to assist households at or below 80% AMI with up to 70% of their housing costs, with a maximum per month expenditure of \$2,500. To date, the program has assisted 211 low and very low-income households, with 90% of households at or below 65% AMI. Approximately 60% of individuals served by the program are people of color. Despite the success of the program, nearly all of the member households are still in critical need of additional housing support. Many will continue to be out of work for the foreseeable future and eviction moratoriums have, or will be, ending in the next month. While the program was originally conceived as a three-month assistance program, the average monthly assistance was much lower than the \$2,500 initially projected. Existing funding was available to cover two approved funding extensions: the first three-month extension allowed for up to 6 total months of assistance and the second two-month extension allowed for up to 8 total months of housing assistance, pending a recertification of program eligibility at the end of each three-months of assistance. For the program recipients who joined in July 2020, the extended 8-month program will end in February, long before economic conditions are expected to improve. The requested funding is the amount necessary to extend the program through June 2021. This will provide up to 12 months of assistance to those initial program participants, and additional assistance to those who entered at later dates in 2020 and 2021. The hope is that this additional funding will help to protect Newton's most at-risk households from losing their homes through the end of the current crisis.</p>			

Project TITLE	COVID-19 Emergency Housing Relief Program Additional Funding		
USE of CPA FUNDS	COMMUNITY HOUSING	✓	Support
COMMUNITY NEEDS	From each of at least 2 plans linked to the <u>Guidelines & Forms</u> page of www.newtonma.gov/cpa , provide a brief quote with plan title, year, and page number, showing how this project meets previously recognized community needs. You may also list other community benefits not mentioned in any plan.		
The COVID-19 Emergency Housing Relief Program supports affordable housing as recognized in the following plans:			
<p>Comprehensive Plan: The Housing Section emphasizes the importance of protecting the City's diversity and lists it as the first of the section's "Housing Goals" (p. 5-12). The section stresses the need to "undertake a program of positive actions that will assure fair and equal housing opportunities for a population that is at least as diverse as at present." The goal also recognizes the need for this diverse population to be able to "maintain suitable housing at affordable costs." The proposed Housing Relief program will assist those Newton residents who have been negatively impacted by the COVID-19 pandemic to remain in their existing housing, in the process helping to maintain both the diversity of the City and the affordability of its housing stock.</p>			
Further, establishing an emergency housing assistance program is specifically suggested as Potential Housing Action 2E, Finance and Development (p.5-20)			
<p>Consolidated Plan 7/2015 to 6/2020: (p.103) This section states that 29% of Newton households were already cost burdened or extremely cost burdened prior to the current crisis. The program to date has predominantly assisted Newton's lowest income households with 55% of participants at or below 30% AMI and 90% at or below 65% AMI.</p>			
<p>Community Outreach: The Mayor, multiple City Councilors, and numerous City residents and affordable housing advocates have taken part in the development of this program and have expressed support for the continued use of CPA funding. Over the last six month, City staff and officials have read numerous articles and attended webinars on the creation of Emergency Housing assistance programs throughout the state, with support from state organizations including the Community Preservation Coalition, Mass. Housing Partnership, Citizens Housing and Planning Association (CHAPA), and the Metropolitan Area Planning Council (MAPC) amongst others.</p>			
COMMUNITY CONTACTS	List at least 3 Newton residents or organizations willing and able to comment on the project and its manager's qualifications. No more than 1 should be a supervisor, employee or current work colleague of the project manager or sponsor. Consult staff on the community contacts required for your specific proposal.		
	Name & title or organization	Email	Phone
	Fran Godine, Engine 6	godine@comcast.net	6-17-969-2625
	Meghan Kennedy, Director of Social Services, City of Newton Health & Human Services Dept.	mkenedy@newtonma.gov	617-796-1282
	Lizbeth Heyer, Chair Newton Housing Partnership	lheyer@2lifecommunities.org	617-912-8400

You may adjust the space for each question, but the combined answers to all questions on this page must fit on this page.
Full proposals must include separate, detailed budgets in addition to this page.

Project TITLE		COVID-19 Emergency Housing Relief Program	
SUMMARY BUDGET for RENTAL & MORTGAGE ASSISTANCE			
Uses of Funds			
Direct Assistance: Additional program funding to provide up to 12 months of rental and homeowner assistance (deed-restricted ownership units only) between July 2020 and June 2021 for approximately 250 Newton Households (maximum monthly assistance of \$2,500)			\$1,200,000
Program Admin Fee (Funded in Initial Funding Request – No further funding required)			\$ 0
D. TOTAL USES (should equal C. on page 1 and E. below)			\$1,200,000
Sources of Funds		Status (requested, expected, confirmed)	
CPA funding – Additional Funding		Requested	\$1,200,000
CPA Funding (June 2020) Anticipated to continue to fund the program through February 2021		Confirmed	\$2,000,000
CDBG Funding (Initial program expenses through September 2020)		Confirmed	\$500,000
E. TOTAL SOURCES (should equal C. on page 1 and D. above).			\$3,700,000
SUMMARY BUDGET for PROGRAM ADMINISTRATON			
Uses of Funds			
Administrative costs for Metro West Collaborative Development Administration and Oversight of Program are \$500 per approved application for initial review, \$50 per household for later recertifications. The maximum administrative cost is not to exceed 7.5% of original program funding (\$187,500 – includes CDBG and CPA admin costs). This expense does not change with the projected extension of the program.			\$187,500
F. TOTAL PROGRAM ADMINISTRATION COST (should equal G. below)			\$187,000
Sources of Funds			
CPA Funding			\$150,000
CDBG Funding			\$37,500
G. TOTAL ANNUAL FUNDING (should equal F. above)			\$187,500
Project TIMELINE		Phase or Task	
		Season & Year	
Program Development and Funding Reviews and Approvals		April -May 2020	
First wave of assistance paid		July 1, 2020	
Program extended from three to six months		September 2020	
Program extended to eight months		December 2020	
Proposal for Additional Funding to extend program through June 2021		December - January 2020	
Last month of assistance paid		June 2021	

Project TITLE	COVID-19 Emergency Housing Relief Program		
↓ Check off submitted attachments here.			
Separate, detailed budget attachments REQUIRED.	PROGRAM FINANCES printed and as computer spreadsheets, with both uses & sources of funds		
	X	Rental & mortgage assistance budget for the extended period envisioned	
	X	Updated Financial Information on Program to Date	
REQUIRED	PROGRAM MANAGEMENT		
	NA	Draft Program Guidelines and Lottery Process, including Outreach/Affirmative Marketing Plan	
	NA	Draft application/instructions (for applicants)	
	NA	Draft monitoring documents for both CDBG and CPA funds	
REQUIRED.	SPONSOR FINANCES & QUALIFICATIONS, INSTITUTIONAL SUPPORT		
	NA	For sponsoring department or organization, most recent annual operating budget (revenue & expenses) (CDBG FY21 budget)	
	NA	For project manager and third party organization: relevant training & track record of managing similar projects	
	X	COVER LETTER	from Planning & Development Director, confirming commitment of staff time for project management
OPTIONAL for all proposals.	X	LETTERS of SUPPORT	from Newton residents, organizations, or businesses