

## **Newton's Consolidated Plan**

While Newton is often thought of as an affluent community, not all residents of the City enjoy the high standard of living that comes from a comfortable income. As a result of this, the City of Newton receives federal funding to address the needs of low income individuals and neighborhoods that have lower income households.

## **What is the Consolidated Plan**

The City of Newton receives federal funds to address housing, economic development, human resources and other issues for low-income and households and communities. In particular, Newton receives funding under three programs:

- Community Development Block Grants (CDBG)
- HOME Investment Partnerships Program
- Emergency Solutions Grant

The Department of Housing and Urban Development (HUD) requires that the city update and file its consolidated plan every five years on how these funds will be spent. The plan needs to include:

- Assessment of needs
- Strategic Plan to meet these needs
- Guiding document for allocating federal funds
- Opportunity for the community to set spending priorities for the next five years

The City's last plan ran from 2010 to 2015. The city is currently in the middle of collecting data for the 2015-2020 plan. While several initial public meetings have already been held to bring the community up to date on data, further presentations will be held in the fall to review the needs assessment, formulate objectives and strategies, and provide a hearing for the actual draft plan.

## **The Programs**

The three programs contained in the plan are:

### **Community Development Block Grant (CDBG)**

The CDBG was established in 1974 to develop viable urban communities through decent housing, a suitable living environment, and expanded economic opportunities.

Historically, Newton has used its CDBG funds to pay for:

- Housing (54%)

- Program Administration (20%)
- Human Services (15%)
- Neighborhood Improvements (6%)
- Access (5%)

### **HOME Investment Partnerships Program**

The HOME program was designed to provide decent, safe, and sanitary affordable housing to lower-income households. It is also explicitly designed to operate with private sector partners and leverage their direct participation.

In order to administer HOME funds, Newton is the lead member of the West Metro HOME Consortium and is responsible for distributing funds to 13 other communities (Bedford, Belmont, Brookline, Concord, Framingham, Lexington, Lincoln, Natick, Needham, Sudbury, Waltham, Watertown, and Wayland)

### **Emergency Solutions Grant**

The ESG was designed to support operations and services of homeless shelters, prevent families and individuals from becoming homeless, and rapidly re-house homeless individuals and families.

As with HOME, Newton is lead agency for a Continuum of Care, which serves people facing housing instability. Brookline, Waltham, and Watertown are in the same Continuum of Care network.

### **Background – The City’s Data**

The City’s Planning Department has provided a full set of background data on Newton’s current situation for:

- Population Change – Including projections that show that population under age 15 should remain stable. However, population age 65+ will increase from roughly 13,000 in 2010 to over 20,000 by 2030
- Income – Newton’s median household income is \$113,416. 6.2% of our population is below the poverty line, and 20.7% are qualified as LMI (low or moderate income)
- Neighborhood Statistics – For the purposes of CDBG, the City identifies census block groups with households in the LMI category. Through this analysis, the City has identified 8 block groups in Nonantum, Newton Corner, and Newtonville with over 25-27% LMI households for additional CDBG focus and attention
- Persons with Disabilities - In 2012, 5,988 individuals or 7% of the Newton population reported a disability.

- Housing Projections – The overall household size (number of individuals in a household) is projected to decline. As a result, even though Newton’s population will only increase by 5% from 2010 to 2030, the number of households in Newton is expected to increase by 10% and demand for housing units will increase over this same time by 11%
- Housing Cost Burden - HUD guidelines recommend a housing cost burden of no more than 30% of gross annual income. Currently, 17% of Newton Households have a housing burden of 30% or greater, and 12% have a cost burden of 50% or greater.

This last issue has been exacerbated by residential price inflation in the City. Specifically, the median priced single-family home in Newton in 2010 was \$735,000. In order to afford this under HUD guidelines, a family would need to have an income of at least \$200,000.

### **Next Steps**

All of the data and steps for the Consolidated Plan may be found at [http://www.newtonma.gov/gov/planning/hcd/consolidated\\_plan.asp](http://www.newtonma.gov/gov/planning/hcd/consolidated_plan.asp)

Additionally, the City is seeking input from the community to help set priorities as needs, objectives, and strategies are formulated. The link to the survey may be found on the same page identified above.