

January Newsletter

From City Councilor Marc Laredo



Dear Friends,

I hope that you are staying safe and healthy, and that the worst of the latest COVID surge is behind us. As always, I remain committed to devoting whatever city resources may be necessary to help us return to a sense of normalcy. Here are my latest thoughts on city affairs:

Budget

On January 20, 2022, the Mayor convened a meeting with the City Council and the School Committee to discuss the fiscal year 2023 budget (July 1, 2022 – June 30, 2023).

These are three takeaways:

1. This will be a very tight budget as we continue to face the loss of revenue from items such as meals taxes, parking fees, and similar sources. The total budget (for both schools and city services) is scheduled to increase by 3.61%, with the schools receiving a 3.5% increase, city services increasing by 3%, and the balance of the increase used to pay for retirees' pensions and health benefits).
2. The city will receive \$63 million of ARPA (American Rescue Plan Act) funds from the federal government by the end of fiscal year 2024, of which a little over one-third already has been spent (or committed, including in the proposed 2023 budget). All of this money will be spent at the Mayor's discretion

although she has stated on multiple occasions that she will consult with the City Council about her spending plans.

3. The city will continue to aggressively fund its retirees' pension and other post-retirement benefits (a 9.6% increase from the prior year's funding).

Here are two issues for us to consider as we evaluate the budget:

1. Should we use more of our ARPA money to supplement the 2023 budget? While typically we want to avoid using one-time money for on-going expenses, these funds could be used to temporarily replace revenues that we will be receiving again in the future, such as lost meals taxes and parking fees. I think that we can appropriately use more ARPA funds for next year's budget, although we should be prudent in doing so.
2. The Fuller Administration, and Mayor Warren before her, committed to an aggressive plan to fully fund our obligations to our city retirees. This admirable and difficult decision puts the city's financial future on a sounder footing. Nevertheless, we should be having a more robust discussion about the rate of this increase. The current 9.6% yearly increase places a large and growing strain on our operating budget (as the amount we pay each year grows, the 9.6% yearly increase has a compounding effect).

Housing Choice

Massachusetts recently enacted a "Housing Choice" law that has important implications for Newton. Under the new statute, cities and towns that benefit from MBTA transit (such as Newton) are required to enact a zone or zones around transit stations totaling at least fifty acres (with a minimum of fifteen units an acre) and have the capacity to have at least 8,330 units of housing where developers can construct this housing by right or risk losing certain state funding. The City Council's Zoning and Planning

Committee is beginning its analysis of this statute and considering whether to adopt it and if we do, the location and configuration of these zones. Some points to consider:

- ***Where can we place these zones?*** There are eleven transit stations in or near Newton that can be used to create these zones (eight along the T and three near the commuter rail stops in Auburndale, West Newton, and Newtonville).
- ***What is at risk if we do not create the zones?*** It is not clear yet if we are absolutely required to create the zones or if we simply lose potential funding if we do not create them. We do know that communities that do not enact this legislation will no longer be eligible for funding from certain state funding sources. Over the last five years, the city has received approximately \$460,000 a year from these sources and we need to better understand what applications are pending (while others may use a shorter or long look-back period, I think five years is a reasonable and more accurate figure to use). While all funding is important, the potential loss should be put in perspective - the city's annual budget is almost \$500 million a year plus substantial federal and state money that we receive each year.
- ***How many units will be built?*** The 8,330 units figure means that the total capacity of the zones must be for at least 8,330 units. It does not mean that a minimum of 8,330 new and existing units must be built within the new zones. Rather, the zoning must be changed to allow a capacity of at least 8,330 total units (including what presently exists) to be built as of right within the zones. Nevertheless, it is reasonable to anticipate a significant increase in development in these areas, including many more teardowns of existing homes to create new multi-family units
- ***Density versus size?*** The less dense the zones, the larger the zones will need to be in order to accommodate the 8,330 potential units. In considering the density of a zone, one includes streets, sidewalks, and other similar spaces in the calculation, not just the residential parcels themselves. This means that the zones will feel denser than one might anticipate because of the need to maintain these open areas.
- ***What local control will we lose?*** The statute greatly reduces the level of local control over many

projects – is that the right decision? Some will say this is good and that we need to make it easier for developers to construct housing in the city. However, having served as a member of the City Council’s Land Use Committee for over a decade (including four years as chair), it is my view that projects end up far better when they go through the special permit process. Our process makes them more environmentally sound and aesthetically pleasing, and is an opportunity to address the concerns of the immediate neighbors most affected by them.

- ***What effect will these zones have on our overall housing supply?*** Since June 2021, Councilor Pam Wright and I have been working with the city’s Planning and Assessing Departments to obtain precise and concrete data about our housing supply in the City of Newton. Earlier this year, the Planning Department released its report. Of note is that in 2015, we had 32,392 units of housing and as of the end of 2021 we had 35,378 units of existing or approved units of housing, or a roughly ten percent increase in our housing stock (almost all of the new units are or will be apartments or condominiums). There are multiple other projects being planned in the city, including one at Washington and Craft Streets (208 units), another on Christina and Charlemont Streets (410 units), and many smaller ones that will be outside of any new zones we create. We need to look at this potential legislation in the total context of the current and anticipated growth in our housing supply.
- ***If we adopt these new zones, where should they be located?*** Should we have one zone or multiple zones? If multiple, how many? Is it better to locate them in already relatively dense neighborhoods such as Newtonville or in areas like Waban with primarily single-family residences on larger lots? These are likely to be very challenging conversations.

This is an important, ongoing discussion that I urge all Newton residents to follow closely.

Gath Pool

On January 18, 2022, I joined 22 of my City Council colleagues in asking the Mayor's office to engage in a robust discussion with the City Council about building a year-round aquatics facility to replace Gath Pool ([here is a link to the memo](#)). We must look at this from a long-term perspective and the benefits that it will provide both now and in future decades. As we stated in the memo, "[t]he residents of Newton deserve excellent recreational facilities. A new year-round pool is an investment that would be a valuable community asset for years to come."

As always, I welcome your thoughts, questions, comments, and criticisms!

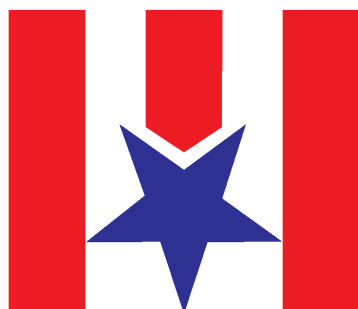
Thanks,

Marc

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