



Finance Committee Agenda

City of Newton In City Council

Monday, February 8, 2016

7 PM
Room 204

Items Scheduled for Discussion:

Chairman’s Note: The Committee will review the June 30, 2015 Independent Financial Audit Report with Matt Hunt of Clifton, Larson, Allen, LLC, the City’s independent auditor. Please bring the Management Letter, GAO and OMB A-133 Reports, and the Comprehensive Annual Financial Report for the Fiscal Year ended June 30, 2015 that you received in this week’s packet.

Referred to Programs & Services and Finance Committees

#45-16 **Request to authorize transfer of \$60,000 to the Parks and Recreation Department**
HIS HONOR THE MAYOR requesting authorization to transfer the sum of sixty thousand dollars (\$60,000) from the Parks and Recreation Department Full-time Salaries Account to the Parks and Recreation Department Forestry/Tree Services Account for the purpose of funding contracted services in the Forestry Division of the Parks and Recreation Department. [01/25/16 @ 4:06 PM]
Programs & Services Approved 6-0 on 02/03/16

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEE

#47-16 **Transfer \$783,846 from various accounts for Auburndale Sq Traffic Improvements**
HIS HONOR THE MAYOR, requesting authorization to transfer the sum of seven hundred eight-three thousand eight hundred forty-six dollars to fully fund the Auburndale Square Traffic Improvements as follows:
From:
Riverside-Auburndale Improvements.....\$136,710
Repurposing Savings from Other Projects:
 Capital Project Fund Bond Balances Available
 for Appropriation\$327,752
 Unrestricted Capital Purposes\$27,061
 Bonded Capital Projects.....\$13,752
June 30, 2015 Free Cash\$278,571
To:
Auburndale Square Traffic Improvements\$783,846
[02-01-16 @ 11:53 AM]
Public Facil Approved Subject to Second Call 6-0-1 (Lappin abstaining) on 02/03/16

The location of this meeting is handicap accessible and reasonable accommodations will be provided to persons requiring assistance. If you need a special accommodation, *please contact Jini Fairley, at least two days in advance of the meeting: jfairley@newtonma.gov, or 617-796-1253. For Telecommunications Relay Service dial 711.*

The Committee will meet jointly with the Zoning & Planning Committee to discuss the below item:

Referred to Zoning & Planning and Finance Committees

#44-16 **Request to authorize transfer of \$100,000 to the Inspectional Services Department**
HIS HONOR THE MAYOR requesting authorization to transfer the sum of one hundred thousand dollars (\$100,000) from Free Cash to the Inspectional Services Department Full-time Salaries Account and to increase staffing levels in Inspectional Services Account by two full-time positions. [[01/25/16 @ 4:06 PM]

Referred to Land Use and Finance Committees

#356-15 **Request for CPA funding for two units of affordable housing at 10-12 Cambria Rd**
COMMUNITY PRESERVATION COMMITTEE recommending the appropriation of four hundred seventy-one thousand one hundred seventeen dollars (\$471,117) from the Community Preservation Fund to the Planning & Development Department for a grant to Citizens for Affordable Housing Development in Newton (CAN-DO), to create two units of permanently affordable rental housing at 10-12 Cambria Road, as described in the proposal submitted to the Community Preservation Committee in October 2015. [12/08/15 @ 12:08 PM]

Land Use Approved 6-0 on 02/02/16

#39-16 **Reappointment of Elizabeth Dromey by Mayor as Chair of the Board of Assessors**
ELIZABETH DROMEY, 15 Horace Road, Belmont, re-appointed as Chair of the Board of Assessors for a term expiring on February 1, 2019. (30 days – 03/02/16)
[01/25/16 @ 4:07 PM]

#41-16 **Request to authorize transfer of \$25,000 to the Human Resources Department**
HIS HONOR THE MAYOR requesting authorization to transfer the sum of twenty-five thousand dollars (\$25,000) from Free Cash to the Human Resources Department Full-time Salaries Account to absorb additional costs associated with a significant increase in workload. [01/25/16 @ 4:06 PM]

#42-16 **Request to authorize transfer of \$25,000 to the Financial Info Systems Department**
HIS HONOR THE MAYOR requesting authorization to transfer the sum of twenty-five thousand dollars (\$25,000) from Free Cash to the Financial Information Systems Department Full-time Salaries Account to absorb the costs of vacation and sick time buyouts for a retirement within the department. [01/25/16 @ 4:06 PM]

#43-16 **Request to authorize transfer of \$25,000 to the Assessing Department**
HIS HONOR THE MAYOR requesting authorization to transfer the sum of twenty-five thousand dollars (\$25,000) from Free Cash to the Assessing Department Full-time Salaries Account to absorb the costs of vacation and sick time buyouts as a result of the retirement of a long-term employee and to temporarily increase staffing levels by one full-time position while that employee transitions to retirement. [01/25/16 @ 4:06 PM]

Items Not Scheduled for Discussion at this Meeting:

- #40-16 Request to accept MGL 149 Sec 148C related to earned sick time for employees**
COUNCILOR SANGIOLO requesting that City of Newton formally accept and/or take all necessary steps to accept Massachusetts General Law Chapter 149, Section 148C, in order to qualify full-time, part-time, seasonal, and temporary employees coverage under the earned sick time regulation, 940 CMR 33, as approved by the voters of Massachusetts in the 2014 Election as Ballot Question 4 – Earned Sick Time for Employees. [01/19/16 @ 2:35 PM]

Referred to Programs & Services, Public Facilities, and Finance Committees

- #357-15 Request for CPA funding for the Newton Highlands Playground**
COMMUNITY PRESERVATION COMMITTEE recommending the appropriation of two million five hundred thousand dollars (\$2,500,000) from the Community Preservation Fund's open space and general reserves or fund balance to the Parks & Recreation Department, for the rehabilitation of the Newton Highlands Playground at Winchester and Dedham Streets, as described in the proposal submitted to the Community Preservation Committee in November 2015. [12/15/15 @ 12:32 PM]

REFERRED TO FINANCE AND APPROPRIATE COMMITTEES

- #288-15 Submittal by the Mayor of the FY17 Capital Improvement Plan**
HIS HONOR THE MAYOR submitting the FY 2017-FY 2021 Capital Improvement Plan pursuant to section 5-3 of the Newton City Charter. [10/01/15 @ 1:53 PM]
- #287-15 Submittal by the Mayor of the 5-Year Financial Forecast**
HIS HONOR THE MAYOR submitting the FY 2017-FY 2021 5-Year Financial Forecast for Board of Aldermen review/acceptance. [10/01/15 @ 1:53 PM]

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

- #223-15 Discussion on the process of licensing the use of city buildings**
ALD. LAREDO requesting a discussion of the process of licensing the current and future use of city building, including: (a) how licensees may request the use of city buildings; (b) the process for determining which licensees will get the use of city buildings; (c) how the fees for the use of city buildings are set; and (d) how the current process compares to the process for permitting the use of school buildings. [08/13/15 @ 11:20 AM]
- #190-15 Discussion of a policy to record all meetings and post all meeting materials online**
ALD. SANGIOLO requesting a discussion with the Executive Department relative to creating a policy to require audio recordings of all meetings of boards and commissions and requiring them to be posted to the City's website, as well as posting of all documentation that is reviewed by boards and commissions and/or by their designated City staff member.

#133-15 Authorization to negotiate leases for install of solar panels on city properties
HIS HONOR THE MAYOR requesting authorization to enter into negotiations for the potential lease on city properties for purposes of third-party construction, ownership, and operation of on-site renewable solar energy generation from which the City will purchase electric output and/or net metering credits. [05/11/15 @ 5:00 PM]

ITEM SPLIT INTO PART A AND PART B

PART A – Ground mounted solar panels at Rumford Avenue landfill, solar panels mounted on new carport structures at 60 Elliot Street, all roof mounted solar panel locations with the exception of City Hall, which is removed from the list of sites for solar panels. – BOA APPROVED on 11/16/15

PART B – Solar panels mounted on new carport structures at Newton South High School and solar panels mounted on new carport structures at the Library. HELD on 11/09/15

REFERRED TO ZONING & PLANNING, LAND USE AND FINANCE COMMITTEES

#104-15 Qualification of affordable units developed at Comm Ave, Pearl St, and Eddy St
ALD. JOHNSON, LAREDO, AND GENTILE requesting a report from the Planning Department re how many of the affordable units developed at Commonwealth Avenue, Pearl Street, and Eddy Street qualify for inclusion on the State's Subsidized Housing Inventory List; if a property is not on the list, what can be done to make it eligible. [04/09/15 @ 12:00 PM]

#84-15 Discussion with NCDF on repayment of deferred payments and accrued interest
ALD. GENTILE requesting a discussion with the Newton Community Development Foundation (NCDF) regarding their plans for repayment of the deferred rental payments and accrued interest on their ground lease with the City for the former Warren Junior High School site. [03-03-15 @ 2:57 PM]

REFERRED TO PUBLIC FACILITIES AND FINANCE COMMITTEES

#455-14 Ordinance amendment request to create a storm water rate fee structure
HIS HONOR THE MAYOR recommending amendment to Chapter 29, Section 80 **Sewer/Storwater use charge**. to create a storm water rate fee structure based upon square footage of impervious surface area.

REFERRED TO LAND USE AND FINANCE COMMITTEES

#49-14 Implementation of technology to monitor compliance with special permits
LAND USE COMMITTEE requesting discussion with the Chief Financial Officer and the Chief Information Officer regarding the critical need to implement technology which enables the development, management and use of shared, searchable, mobile-accessed (both read and write) database which contains parcel-based information that can be accessed by all city departments (including Planning, Inspectional Services (ISD), Assessing, Engineering, Fire, Police, Health), the Board of Aldermen and the community. This technology must support the work of ISD and other

departments in both the office and the field to more effectively and efficiently monitor and enforce compliance with approved special permits and other related Board Orders. [02/10/14 @ 6:47 PM]

#248-12 **Ordinance amendments to Article IV Purchases and Contracts**
RECODIFICATION COMMITTEE recommending that **ARTICLE IV. PURCHASES AND CONTRACTS, Secs. 2-182 through 2-205**, be amended to make it consistent with state law.

Respectfully submitted;

Leonard J. Gentile, Chair



SETTI D. WARREN
MAYOR

City of Newton, Massachusetts
Office of the Mayor

#45-16

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(617) 796-1100

Facsimile
(617) 796-1113

TDD/TTY
(617) 796-1089

E-mail
swarren@newtonma.gov

January 25, 2016

Honorable Board of Aldermen
Newton City Hall
1000 Commonwealth Avenue
Newton, MA 02459

RECEIVED
Newton Office
2016 JAN 25 PM 4:06
Diana J. ...
Newton, MA 02459

Ladies and Gentlemen:

I write to request that your Honorable Board docket for consideration a request to transfer the amount of \$60,000 from Acct # 01602011-511001 to Acct # 01602011-5243. The FY16 Budget included funding to expand staffing in the Forestry Division, however filling those positions has proven to be a challenge. Although the department expects to be fully staffed soon, we would like to utilize contracted services to accomplish some of the outcomes of the department.

Thank you for your consideration of this matter.

Very truly yours,

Setti D. Warren
Mayor

1000 Commonwealth Avenue Newton, Massachusetts 02459

www.newtonma.gov



DEDICATED TO COMMUNITY EXCELLENCE



SETTI D. WARREN
MAYOR

City of Newton, Massachusetts
Office of the Mayor

#47-16

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swarren@newtonma.gov

February 1, 2016

Honorable City Council
Newton City Hall
1000 Commonwealth Avenue
Newton, MA 02459

RECEIVED
Newton City Office
2016 FEB - 1 AM 11:53
DAVID A. OLSON, CHIEF
NEWTON, MA 02455

Ladies and Gentlemen:

I write to request that your Honorable Council docket for consideration a request to transfer the sum of \$783,846 from the following accounts and authorize the expenditure of the same amount for the Auburndale Square Signal Upgrades.

| | |
|--|-----------|
| Riverside – Auburndale Improvements | \$136,710 |
| Repurposing Savings from Other Projects: | |
| Capital Project Fund Bond Balances Avail for Appropriation | \$327,752 |
| Unrestricted Capital Purposes | \$ 27,061 |
| Bonded Capital Projects | \$ 13,752 |
| June 30, 2015 Free Cash | \$278,571 |

Although the original estimate for the project had approximated \$1,200,000, during the course of the design of this project last summer, the decision was made to expand the project to include the coordination all signals, minor geometric changes to improve flow and reduce congestion at all approaches, address carriage road access, pedestrian/bike safety and ADA compliance at the following intersections:

- Commonwealth Avenue @ Melrose Street
- Commonwealth Avenue @ Lexington Street
- Lexington Street @ Wolcott Street
- Lexington Street @ Freeman Street @ Auburndale Avenue

At that time it was estimated that the project would approximate \$1,700,000.

The City issued an IFB last fall. Three qualified bidders responded with the low bid totaling \$2,047,137 when adjusted to include Alternate 1 (ornamental mast arms) and required Police Details. It was believed that rebidding the project in the winter would yield an increase in the number of bidders and better pricing.

1000 Commonwealth Avenue Newton, Massachusetts 02459

www.newtonma.gov



DEDICATED TO COMMUNITY EXCELLENCE

Bids were received on January 21, 2016, and the Department of Public Works has recommended awarding to the low bidder, for the sum of \$1,983,846. Although the City received six qualified bids, the pricing remained virtually the same as reductions from reusing an existing mast arm and signal cabinets and reduced pricing in asphalt saved \$41,000.

Thank you for your consideration of this matter.

Very truly yours,

A handwritten signature in cursive script, appearing to read "Setti D. Warren".

Setti D. Warren
Mayor

FROM:

| | |
|--|-------------------|
| Riverside Traffic Mitigation - Auburndale Improvements | |
| 14K101A1-593034 | 136,710.59 |
| Capital Stabilization Fund | |
| 39A104-593034 | 13,751.81 |
| 39B104-593034 | 27,061.35 |
| Surplus Capital Project Balances - Available for Appropriation | |
| NSHS Athletic Field Improvements | |
| 31I401A-593034 | 72,189.69 |
| Mason Rice Sprinklers | |
| 31P4909-593034 | 13,268.38 |
| Carr Renovations | |
| 31P5916-593034 | 196,458.63 |
| Bigelow Staircase Replacement | |
| 31Q1921-593034 | 1,361.25 |
| FA Day Hot Water Heater | |
| 31Q1923-593034 | 25,000.00 |
| Fire Station #4 Windows | |
| 38A11508-593034 | 8,989.60 |
| Crafts St Garage Improvements | |
| 38E11510-593034 | 10,485.38 |
| Free Cash | |
| 01-3497 | <u>278,569.32</u> |
| Total | <u>783,846.00</u> |

TO:

| | |
|--|-------------------|
| Auburndale Square Traffic Improvements | |
| 34D001-586002 | <u>783,846.00</u> |

AK
2/2/2013

City of Newton



DEPARTMENT OF PUBLIC WORKS

OFFICE OF THE COMMISSIONER

1000 Commonwealth Avenue
Newton Centre, MA 02459-1449Setti D. Warren
Mayor

February 5, 2016

To: Maureen Lemieux, Chief Financial Officer
From: James McGonagle, Commissioner Public WorksSubject: Council Order #47-16, Auburndale Square Traffic Improvements
Answers to Councilor's QuestionsBudget Summary of the Auburndale Square Traffic Improvements Project:

| | |
|--------------------------|--------------------|
| *Traffic Control Devices | \$910,251 |
| *Other Incidental Work | \$254,250 |
| Road Work | \$619,345 |
| Police Details | \$200,000 |
| Total Bid | \$1,983,846 |

*Traffic Control Devices includes: traffic and pedestrian signal equipment, mast arms, electronic controllers, pullboxes, electrical handholds and service connections (overhead and underground)

*Other Incidental Work includes: Concrete sidewalks and driveway aprons, ADA ramps and equipment, asphalt sidewalks and driveway aprons, mobilization, loam, seed and mulch

Undergrounding of Utilities:

The scope of the project did not include the relocation of all utilities underground. For a project of this size, our design engineer has stated they would typically expect costs to vary anywhere from \$1M - \$2M per mile depending on the complexity and number of conflicts. This Auburndale project is approximately 0.4 miles; costs to the City would also include the relocation of any water, sewer, and drain mains that would conflict with the proposed underground utilities. The actual costs would need to be estimated based on the design.

Original request for \$2,000,000:

See Board Order #129-15, dated 5/11/15. These are the additional traffic signal projects as they were estimated in May 2015.

| | <u>Estimated</u> | <u>Projected Cost</u> |
|--|------------------|-----------------------|
| Auburndale Square Project | \$1,200,000 | \$1,983,846 |
| Watertown Street at Adams Street | \$150,000 | \$179,000 |
| California Street at Bridge Street | \$75,000 | \$75,000 |
| Nahanton Street at Winchester Street | \$250,000 | \$154,000 |
| Washington Street at Prospect/Auburn/Perkins | \$375,000 | \$430,000 |

Standardizing light and pedestrian pole mast arm types from standard galvanized steel to a decorative design with powder coated finishes did increase the projected cost.

Funds requested in this council order:

| | |
|----------------------------|-------------|
| Bid amount | \$1,983,846 |
| Current funds available | \$1,200,000 |
| Additional funds requested | \$783,846 |



SETTI D. WARREN
MAYOR

City of Newton, Massachusetts
Office of the Mayor

#44-16

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E-mail
swarren@newtonma.gov

January 25, 2016

Honorable Board of Aldermen
Newton City Hall
1000 Commonwealth Avenue
Newton, MA 02459

RECEIVED
NEWTON, MA
2016 JAN 25 PM 4:06

Ladies and Gentlemen:

I write to request that your Honorable Board docket for consideration a request to transfer the sum of \$100,000 from June 30, 2015 Certified Free Cash to Acct # 0122001-511001 Inspectional Services Full Time Salaries.

As you know, the City has been experiencing unprecedented requests for building, electrical and plumbing permits. To keep up with the demand, it is imperative that the staffing levels in ISD be increased, therefore, along with the request for additional funding, I request an increase of 2 FTE's for the department.

Thank you for your consideration of this matter.

Very truly yours,

Setti D. Warren
Mayor

1000 Commonwealth Avenue Newton, Massachusetts 02459

www.newtonma.gov



DEDICATED TO COMMUNITY EXCELLENCE



Setti D. Warren
Mayor

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

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www.newtonma.gov

James Freas,
Acting Director

Community Preservation Committee Funding Recommendation for 10-12 CAMBRIA ROAD (WEST NEWTON) AFFORDABLE HOUSING

date: 7 December 2015
from: Community Preservation Committee
to: The Honorable Board of Aldermen/City Council

PROJECT GOALS & ELIGIBILITY

CAN-DO (Citizens for Affordable Housing in Newton Development Organization) will use the recommended project grant to rehabilitate an existing two-family home as two units of permanently affordable rental housing, one for a homeless family currently living in a hotel or motel and whose household income is up to 50% of the area-wide median, and one for a family currently living in CAN-DO's transitional housing for survivors of domestic violence, whose household income is up to 80% of the area median. Each unit will have two bedrooms and one bathroom. The project's only significant remodeling is relocating an opening onto the rear stairwell, to create more usable space in the second-floor unit's kitchen.

The project is eligible for CPA funds as the creation of affordable housing.

RECOMMENDED FUNDING

On 19 November 2015, the Community Preservation Committee recommended appropriating \$471,117 for this project by a vote of 5-1 (member Rick Kronish opposed, members Michael Clarke, Don Fishman and Jonathan Yeo absent). The CPC recommends that funds be appropriated from the Community Preservation Fund's current reserve and fund balance for housing, and general fund balance, to the Planning & Development Department for a grant to CAN-DO, for any use included in this summary budget:

| 10-12 Cambria Road (Affordable Housing) Project Budget | | | | |
|--|----------|-------------------|--------------------------------|-------------------|
| USES | | | SOURCES | |
| Acquisition (Mortgage Elimination) | | \$ 610,000 | City of Newton - CDBG/HOME | \$ 309,293 |
| Construction (including 10% contingency) | | \$ 148,528 | Newton CPA Funding | \$ 471,117 |
| Other Development Costs (Soft Costs) | | | Charlesbank Homes (grant) | \$ 50,000 |
| Architect, Engineer, Survey | | \$ 22,000 | Federal Home Loan Bank (grant) | \$ 75,000 |
| Permits, Legal, Appraisal, Taxes, Insurance | | \$ 22,030 | Total Uses | \$ 905,410 |
| Loan Interest | 8 months | \$ 20,112 | | |
| Soft Cost Contingency | 10% | \$ 6,414 | | |
| Developer Overhead/Fee | 8% | \$ 66,327 | | |
| Initial Funding of Replacement Reserve | | \$ 10,000 | | |
| Total Uses | | \$ 905,410 | | |

website www.newtonma.gov/cpa

contact Alice E. Ingerson, Community Preservation Program Manager

email aingerson@newtonma.gov phone 617.796.1144

SPECIAL ISSUES CONSIDERED BY THE CPC

Project Funding Sources & Costs CPC member Rick Kronish voted against the project primarily because he regarded the amount of its request for locally-controlled subsidies as excessive. He faulted the project for failing to use local subsidies to leverage available state and federal funds. The 5 CPC members voting in favor appreciated that the project's \$390,205 total public subsidy per unit was much lower than the \$482,014 per-unit total public subsidy for CAN-DO's previous project, on Taft Avenue, in part because CAN-DO has proposed only the minimum necessary repairs and remodeling at Cambria Road.

Community Building & Community Support Kronish also expressed his concern that the development of only 2 or 3 affordable units at a time, dispersed across the city, made it difficult to provide supportive services efficiently and threatened to engender a sense of isolation among the units' residents. Other CPC members felt that living in a mixed-income neighborhood would help to integrate the project's residents into the broader Newton community.

Petitions, letters and comments submitted by all but one member of the public supported this proposal. This will be CAN-DO's third property on Cambria Road, with a cumulative total of 15 bedrooms. As noted by one person at the public hearing, the lack of any comments from residents of this fairly short street suggested that the earlier CAN-DO projects, developed in 2004 and 2006, have been seen as good neighbors.

Listing on the Subsidized Housing Inventory The state Dept. of Housing & Community Development has approved an affirmative marketing/tenant selection plan for listing CAN-DO's Taft Avenue project on the SHI. The new Cambria Road project should also be eligible for the SHI because it will use basically the same plan.

Alternative Strategies for Affordable Housing In the context of Newton's challenging real estate market, most CPC members applauded CAN-DO for continuing to develop permanently affordable units in existing 2- and 3-family homes, with a deliberately minimal impact on neighborhood streetscapes.

However, many CPC members also voted in favor of this project in part because the Committee has recently had limited alternatives for supporting affordable housing. Since 2011, all housing proposals to the CPC have come from CAN-DO, with only two exceptions: Myrtle Village (a 7-unit project first proposed in 2011) and the City's homebuyer assistance program. Most CPC members would welcome the opportunity to consider housing projects that leverage a higher proportion of their total public funding from non-local sources or that require smaller public subsidies per unit. The CPC recognized that the projects most likely to meet these criteria would be on a larger scale and designed to create many more than 2 or 3 affordable units at a time.

ADDITIONAL RECOMMENDATIONS (*funding conditions*)

1. The CPC assumes all recommended funds will be appropriated within 6 months, and the two affordable units will be occupied within 18 months, after the date of this recommendation. If either of these deadlines cannot be met, CAN-DO will submit a written request asking the CPC to extend that deadline.
2. Grant funds will be released on a reimbursement basis through a detailed grant agreement including but not limited to requirements for initial, continued and final release of funds, confirmation of non-CPA funding, permits, procurement, contracting, verification of construction work, and cost documentation.
3. CAN-DO will provide project status reports to CPC staff upon request and, as a prerequisite for release of the final 10% of grant funds, will present an in-person and written final report to the CPC summarizing project outcomes and comparing actual to budgeted expenditures.
4. Any CPA funds appropriated but not used for the purposes stated herein will be returned to the Newton Community Preservation Fund.

KEY OUTCOMES The Community Preservation Committee will evaluate this project based on how well it meets goals 1 and 3 above.

ATTACHMENTS (delivered to the clerks of the Land Use Committee and Finance Committee)

- Copy of the CPC's project webpage, with links to additional information:
www.newtonma.gov/gov/planning/cpa/projects/cambria.asp#10-12
- Slide presentation to the CPC on 19 November 2015
- Proposal & supporting materials, including memo from City of Newton Housing staff

#356-15



Community Preservation Program

Cambria Road Community Housing

| | | |
|--------------------|------------------|--|
| total CPA funding: | \$351,025 | 11-13 Cambria Road |
| | \$200,000 | 18-20 Cambria Road |
| | \$551,025 | total CP funds appropriated (community housing) |
| | \$471,117 | 10-12 Cambria Road - CPA funding requested |

total projects: 3 (listed below in reverse chronological order)

contacts: Josephine McNeill, Executive Director
Citizens for Affordable Housing in Newton
Development Organization (CAN-DO)
1075 Washington St.
West Newton, MA 02465
email: jam_cando@msn.com
phone: 617.964.3527
website: <http://www.newtoncando.org/>

10 - 12 Cambria Road

location: 10-12 Cambria Road
West Newton, MA 02465

goals: Create 2 units of rental housing, each with 2 bedrooms, permanently affordable to households at up to 50% and 80% of area median income.

| | | |
|-------------------------|------------------|--|
| total funding | \$471,117 | CPA |
| (anticipated requests): | \$309,293 | City of Newton CDBG/HOME funds (federal) |
| | \$50,000 | Charlesbank Homes (foundation grant) |
| | \$75,000 | Federal Home Loan Bank (grant) |
| | \$905,410 | total cost |

Proposal Review & Appropriations

21 August 2015 [pre-proposal](#), including timeline, scope of work and draft development and operating budgets
[maps & photos](#) submitted with pre-proposal

7 August 2015 [description of this property in Newton's Assessors Database](#)

19-20 October 2015 **full proposal:**

- [project summary](#), including: budgets (development & operating), timeline, deed, scope of work & cost estimates, design/sustainability
- [project budgets](#) (repeated from document above, with pre-proposal budgets for comparison)
- [maps & photographs](#)
- [sponsor information](#), including: organization mission & portfolio, project team qualifications, Board of Directors, annual operating budget, most recent annual audit
- petition of support (phone numbers and email addresses omitted online to protect confidentiality):
[part 1](#) (19 October 2015), [part 2](#) (17-20 November 2015)

additional documents for full proposal:

- 6 August 2015 [home inspection report](#) *This long file may load slowly.*
- 20 August 2015 [bank appraisal](#) (submitted & posted 16 November 2015)
- 21 September 2015 [Newton Housing Partnership letter](#) to Planning & Development Board
- 15 October 2015 [independent appraisal](#), commissioned by Newton CPC
- 16 November 2015 [Housing staff memo to CPC](#) (revised from October 2015 memo to Planning & Development Board)
- September 2015 - [community letters about this proposal](#) (rec'd through 17 November 2015)
- 19 November 2015 [presentation to CPC public hearing](#)
- 7 December 2015 [CPC funding recommendation](#)

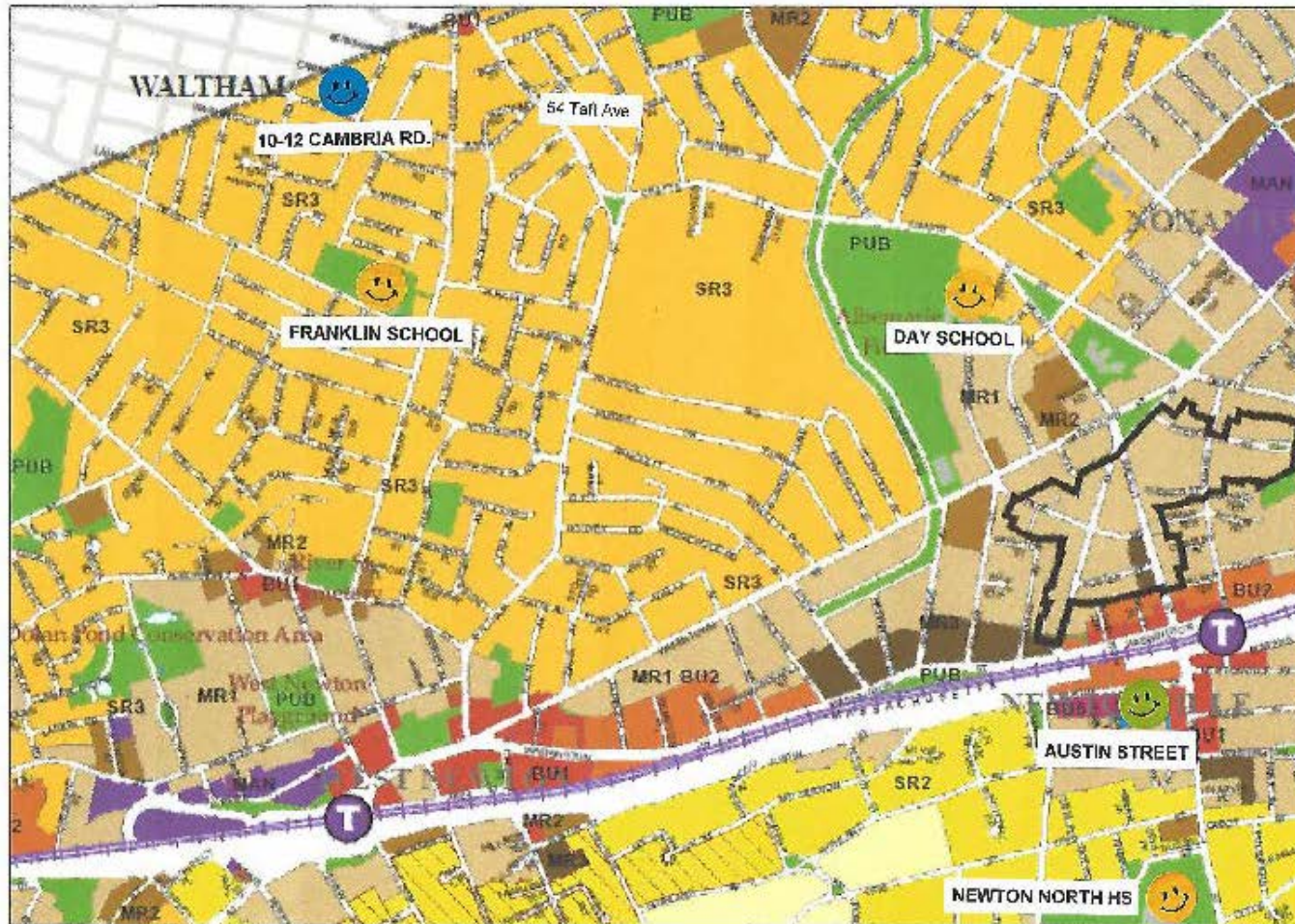
10-12 CAMBRIA ROAD CPA PROPOSAL #05A-15

Citizens for Affordable Housing Development in Newton Organization (CAN-DO)



Presented
19 November 2015

VICINITY MAP



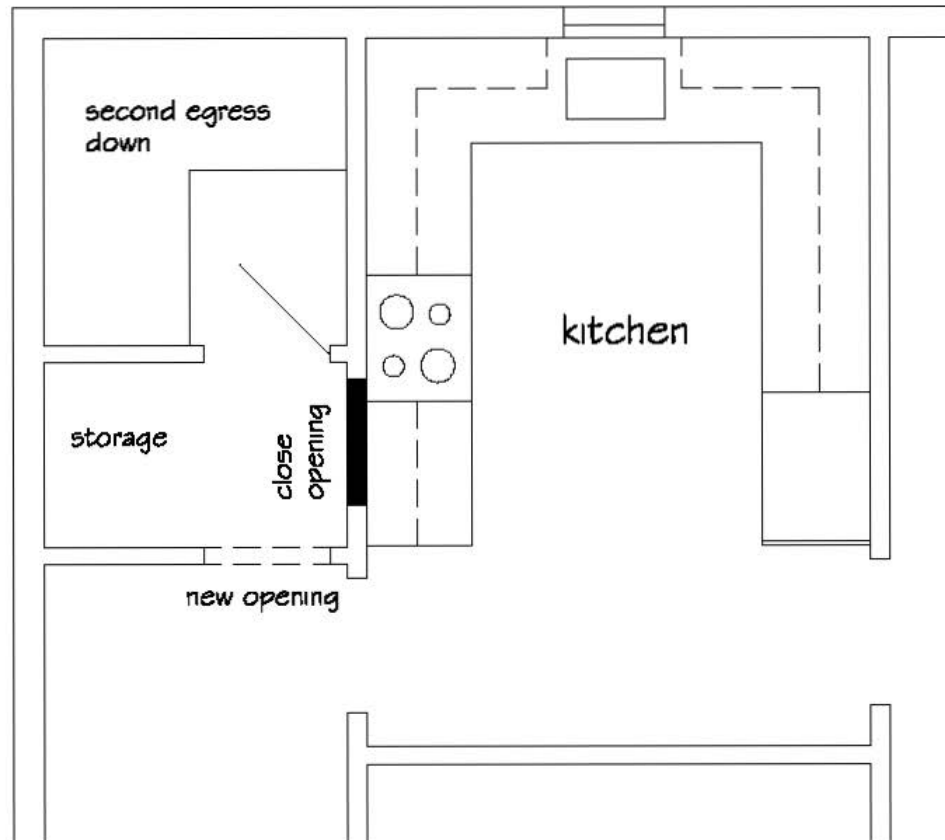
The property is located in West Newton, close to the Waltham border. The 554/556 MBTA bus route which runs between Waltham and Newton is within two blocks of the property. Within one block is a convenience store, and a laundromat. The elementary school is within walking distance, the middle school is approx. one mile away and the high school is within 1.5 miles, both accessible on the bus line.

PROJECT DESCRIPTION

Renovations to the existing two-family home:

- Replace Roof;
- Repartitioning of second floor kitchen with new cabinets and appliances;
- Addition of new heating system (currently both units on one system); insulation of attic, rim joists and exterior walls;
- Repoint masonry chimney to prevent failure;
- Repair siding, siding trim, seal penetrations and repair gutters and downspouts to prevent water infiltration;
- Porch repair of decking, structural supports, lattice to prevent failure; Remove basement ceilings and wall finishes to determine extent of mold, remediation if necessary and to provide proper access to electrical panes;
- Remove/encapsulate/cover basement asbestos flooring tile;
- Repair/replace basement rotted/termite damaged partitions and stair
- Replace termite damaged frame sills in basement;
- Replace/repair misc. plumbing including waste lines and valves;
- Repair electrical connections; and
- Lead paint testing and removal.

REDESIGNED SECOND FLOOR KITCHEN



Renovated Kitchen Plan
!2 Cambria Road, Newton, MA

DEVELOPMENT PROFORMA

| USES / DEVELOPMENT BUDGET: | | | |
|--|----------|-----|-------------------|
| SUBTOTAL - ACQUISITION COST | | | \$ 610,000 |
| CONSTRUCTION COSTS: | | | |
| Direct Construction Costs | | | \$ 135,025 |
| Construction Contingency | | 10% | \$ 13,503 |
| Total Construction | | | \$ 148,528 |
| TOTAL ACQUISITION AND CONSTRUCTION | | | \$ 758,528 |
| SOFT COSTS | | | |
| Architect/Engineer | | | \$ 20,000 |
| Survey | | | \$ 2,000 |
| Building Permits | | | \$ 2,430 |
| Legal | | | \$ 3,500 |
| Title and Recording | | | \$ 2,500 |
| Real Estate Taxes | | | \$ 5,500 |
| Liabilty Insurance | | | \$ 4,000 |
| Builder's Risk insurance | | | \$ 3,500 |
| Appraisal | | | \$ 600 |
| Loan Interest | 8 months | | \$ 20,112 |
| Pre-development | | | |
| Relocation | | | |
| Subtotal | | | \$ 64,142 |
| Soft Cost Contingency | | 10% | \$ 6,414 |
| Subtotal: SOFT COSTS | | | \$ 70,556 |
| Subtotal:Acquis.,Const., and Gen. Development | | | \$ 829,084 |
| >Developer Overhead/Fee | | 8% | \$ 66,327 |
| Fund Replacement Reserve | | | \$ 10,000 |
| TOTAL DEVELOPMENT COSTS | | | \$ 905,410 |

| FUNDING SOURCES: | |
|----------------------------|-------------------|
| City of Newton - CDBG/HOME | \$ 309,293 |
| CPA GRANT | \$ 471,117 |
| Charlesbank Homes | \$ 50,000 |
| FLHB | \$ 75,000 |
| TOTAL SOURCES | |
| | \$ 905,410 |

10 YEAR OPERATING BUDGET

| 10-12 CAMBRIA ROAD 10 YEAR OPERATING BUDGET | | | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | |
|--|-----------------------------|------------------|------------------|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Annual increase: income | | 0.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | |
| | Annual increase: costs | | 0.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | |
| INCOME: | | MONTHLY | ANNUAL | | | | | | | | | | |
| | 2 BR (50%) | \$ 924.00 | \$ 11,088 | (+\$1100/mo.minus Utilities = \$924 - Lo HOME | | | | | | | | | |
| | 2 BR (80%) | \$ 1,466.00 | \$ 17,592 | (+\$1623/mo. Utilities = \$1466 NHA rent | | | | | | | | | |
| | | | \$ 28,680 | | | | | | | | | | |
| | Vacancy rate - 10% | | \$ 2,868 | | | | | | | | | | |
| ANNUAL INCOME | | | \$ 25,812 | \$ 25,812 | \$ 26,328 | \$ 26,855 | \$ 27,392 | \$ 27,940 | \$ 28,499 | \$ 29,069 | \$ 29,650 | \$ 30,243 | \$ 30,848 |
| EXPENSES | | | | | | | | | | | | | |
| Administrative: | | | | | | | | | | | | | |
| | Mgmt Fee @ 5% of income | \$ 1,291 | | | | | | | | | | | |
| | Legal | \$ 300 | | | | | | | | | | | |
| | Audit | \$ 500 | | | | | | | | | | | |
| | TOTAL ADMINISTRATIVE | \$ 2,091 | \$ 2,091 | \$ 2,153 | \$ 2,218 | \$ 2,284 | \$ 2,353 | \$ 2,424 | \$ 2,496 | \$ 2,571 | \$ 2,648 | \$ 2,728 | |
| Maintenance: | | | | | | | | | | | | | |
| | Extermination | \$ 500 | | | | | | | | | | | |
| | Landscaping/Snow Removal | \$ 1,500 | | | | | | | | | | | |
| | Decorating/Repairs | \$ 2,000 | | | | | | | | | | | |
| | TOTAL MAINTENANCE | \$ 4,000 | \$ 4,000 | \$ 4,120 | \$ 4,244 | \$ 4,371 | \$ 4,502 | \$ 4,637 | \$ 4,776 | \$ 4,919 | \$ 5,067 | \$ 5,219 | |
| Utilities: | | | | | | | | | | | | | |
| | Common area electric | \$ 250 | | | | | | | | | | | |
| | Water/Sewer | \$ 2,000 | | | | | | | | | | | |
| | TOTAL UTILITIES | \$ 2,250 | \$ 2,250 | \$ 2,318 | \$ 2,387 | \$ 2,459 | \$ 2,532 | \$ 2,608 | \$ 2,687 | \$ 2,767 | \$ 2,850 | \$ 2,936 | |
| Other costs: | | | | | | | | | | | | | |
| | Insurance | \$ 2,500 | | | | | | | | | | | |
| | Taxes | \$ 5,500 | | | | | | | | | | | |
| | Operating Reserve | \$ 2,000 | | | | | | | | | | | |
| | Supportive Services | \$ 5,000 | | | | | | | | | | | |
| | TOTAL OTHER COSTS | \$ 15,000 | \$ 15,000 | \$ 15,450 | \$ 15,914 | \$ 16,391 | \$ 16,883 | \$ 17,389 | \$ 17,911 | \$ 18,448 | \$ 19,002 | \$ 19,572 | |
| TOTAL OPERATING COSTS | | | \$ 23,341 | \$ 23,341 | \$ 24,041 | \$ 24,762 | \$ 25,505 | \$ 26,270 | \$ 27,058 | \$ 27,870 | \$ 28,706 | \$ 29,567 | \$ 30,454 |
| NET CASH FLOW | | | \$ 2,471 | \$ 2,471 | \$ 2,287 | \$ 2,093 | \$ 1,887 | \$ 1,670 | \$ 1,440 | \$ 1,199 | \$ 944 | \$ 676 | \$ 394 |

POPULATION TO BE SERVED

- One 2 bedroom unit will be marketed to a family currently living in a hotel or motel at rent level below 50% of the area median income.
- One bedroom unit will be marketed to a family living in transitional housing in Newton with an income below 70% of the area median income.
- Supportive services to be provided.

PERMITTING NEEDED

- NONE, AS OF RIGHT

SUPPORT

- Newton Housing Partnership
- Planning and Development Board
- Board Aldermen: Ted Hess-Mahan, Barbara Glazer-Brousal, James Cote
- Petitions containing 100 plus signatures

City of Newton

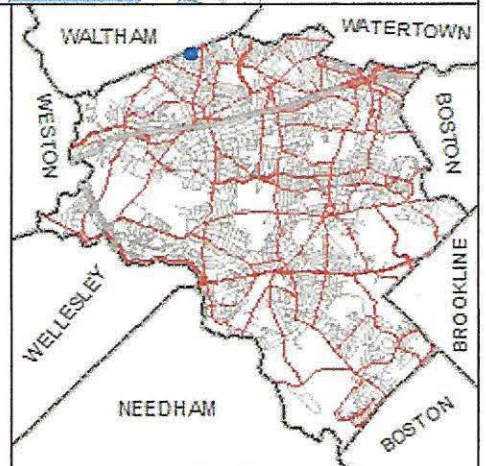


Property ID: 34045 0012
Address: 10 CAMBRIA RD
Owner: CLOSE ROBERT E



MAP FOR REFERENCE ONLY
 NOT A LEGAL DOCUMENT

Because of different update schedules, current property assessments may not reflect recent changes to property boundaries. Check with the Assessors' Office to confirm boundaries uses at the time of assessment.



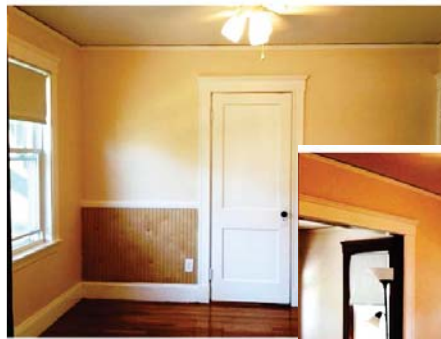
#356-15
10-12 Cambria Road
exterior photos
(* from realtor),
August 2015
from pre-proposal



10-12 Cambria Road
exterior photos
(* from realtor),
August 2015

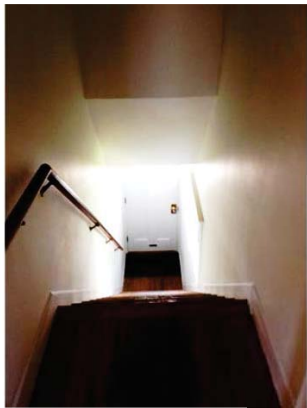


#356-15
10-12 Cambria Road
exterior photos
(* from realtor),
August 2015
from pre-proposal



10-12 Cambria Road
interior photos from realtor,
August 2015

from pre-proposal
#356-15
10-12 Cambria Road
interior photos
from realtor,
August 2015

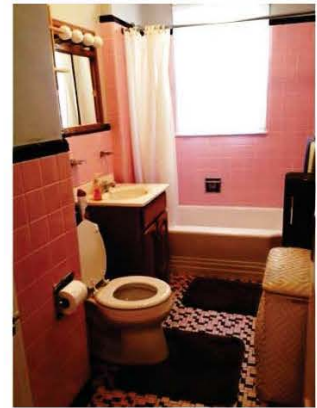


10-12 Cambria Road
interior photos from realtor,
August 2015



#356-15
10-12 Cambria Road
interior photos from realtor,
August 2015

from pre-proposal





Setti D. Warren
Mayor

#356-15

Newton, Massachusetts
FUNDING REQUEST for
AFFORDABLE HOUSING DEVELOPMENT
FY15 or FY16

(For staff use)
date rec'd:

Rec'd 19-20
October 2015

PRE-PROPOSAL PROPOSAL

| | | | | |
|--|---|--|----------------------------------|---|
| Project TITLE | 10-12 Cambria Road Affordable Housing | | | |
| Project LOCATION | Full street address (with zip code), or other precise location. 10-12 Cambria Road, West Newton, MA 02465 | | | |
| Project CONTACTS | Name & title of organization | Email | Phone | Mailing address |
| Manager/ Developer | Josephine McNeil, Executive Director, CAN-DO | Jam_cando@msn.com | 617-964-3527 | 1075 Washington Street West Newton, MA 02465 |
| Other Contacts | None provided. | | | |
| Project FUNDING | Newton CDBG/HOME/CPA funds requested: \$780,410 | Total other funds to be used: \$125,000 | Total project cost: \$905,410 | |
| Project SUMMARY & NEEDS | Location (amenities within walking distance, access to transit); short summary of details on page 2 (rehabilitation or new construction; target population; type of housing; unit composition; special features); and brief citations (section & page) showing how the project meets needs identified in Newton's <i>Comprehensive Plan, Consolidated Plan, or Community Preservation Plan</i> (if relevant). | | | |
| <p>The property is located in West Newton, close to the Waltham border. The 554/556 MBTA bus route which runs between Waltham and Newton is within two blocks of the property. Within one block is a convenience store, and a laundromat. The elementary school is within walking distance, the middle school is approx. one mile away and the high school is within 1.5 miles, both accessible on the bus line.</p> <p>The existing two-family will be renovated:</p> <ul style="list-style-type: none"> - Replace Roof; repartitioning of second floor kitchen with new cabinets and appliances; - Addition of new heating system (currently both units on one system); insulation of attic; - Repoint masonry chimney to prevent failure; - Repair siding, siding trim, seal penetrations and repair gutters and downspouts to prevent water infiltration; - Porch repair of decking, structural supports, lattice to prevent failure; Remove basement ceilings and wall finishes to determine extent of mold, and to provide proper access to electrical panes; - Remove/encapsulate/cover basement asbestos flooring tile; - Repair/replace basement rotted/termite damaged partitions and stair - Replace termite damaged frame sills; - Replace/repair misc. plumbing including waste lines and valves; - Repair electrical connections; and - Lead paint testing and removal. <p>The population to be served by the housing are extremely low and low income homeless families. This is a population identified as the top priority on p. 113 of the FY16-20 Consolidated Plan. (SP-25)</p> | | | | |

| | |
|----------------------|--|
| Project TITLE | 10-12 Cambria Road Affordable Housing |
|----------------------|--|

SOURCES OF FUNDS *Check all that apply and identify if funds are committed or proposed.*

| | | | |
|--|-----------|---|----------|
| X CDBG funds | \$189,690 | <input type="checkbox"/> Other (identify sources) | |
| <input type="checkbox"/> HOME funds | \$119,603 | Private Foundation | \$50,000 |
| X CPA funds | \$471,117 | FHLBBoston of AHP | \$75,000 |
| <input type="checkbox"/> Private bank loan | \$ | | \$ |

USES OF FUNDS *Check all that apply.*

| | | | |
|---|--|--|--|
| <input type="checkbox"/> Acquisition | <input checked="" type="checkbox"/> Rehabilitation | <input checked="" type="checkbox"/> Mortgage buydown | <input type="checkbox"/> Site preparation/ remediation |
| For CPA: <input checked="" type="checkbox"/> Creation | | | |

TARGET POPULATION & SPECIAL FEATURES *Check all that apply.*

| | |
|---|--|
| <input checked="" type="checkbox"/> Individual/Family | <input checked="" type="checkbox"/> Homeless/At Risk of Homelessness |
| <input type="checkbox"/> Special needs/disabilities (identify population & provider of support services, if any): No information entered. | |
| <input type="checkbox"/> Special features (historic preservation, sustainability, etc.): No information entered. | |

TYPE OF HOUSING *Check all that apply.*

| | |
|--|---|
| <input checked="" type="checkbox"/> Rental | <input type="checkbox"/> Combination or other (identify): No information entered. |
| <input checked="" type="checkbox"/> Individual/single family | |

UNIT COMPOSITION *List the development's number of units in each category.*

| | Total | ≤ 30% AMI | ≤ 50% AMI | ≤ 80% AMI | 80-100% AMI | Market-rate |
|------|-------|-----------|-----------|-----------|-------------|-------------|
| 2 BR | | | 1 | | | |
| 3 BR | | | | 1 | | |

OUTREACH *Summarize efforts to date to communicate with abutters, neighborhood residents & ward aldermen.*

I have spoken to one ward alderman who has committed to communicating with his colleagues in Ward 3.

This a an existing property and no changes will be made to the exterior; thus there is no obligation to notify neighbors.

Attachments struck out below are available on the CPC webpage for this project,

www.newtonma.gov/gov/planning/cpa/projects/cambria.asp#10-12

| Project TITLE | | 10-12 Cambria Road Affordable Housing | |
|---|----------------------------|--|--|
| Required | Check if included | HOUSING PROPOSAL ATTACHMENTS CHECKLIST Pre-proposals need only the attachments highlighted in yellow. | |
| always | X | PETITION of SUPPORT | (2-page petition provided; phone numbers and emails omitted online) |
| always | X | PHOTOS | of site conditions & surroundings (2-3 photos may be enough for pre-proposal) |
| | X | MAP | of site in relation to nearest major roads, schools, shopping, transit, etc. |
| | X | TIMELINE | including financing, permitting, construction & occupancy |
| SITE CONTROL & PROJECT FINANCES | | | |
| always | X | Deed | |
| | X | Developer commitment to pursue permanent affordability (statement on attachments list) | |
| | SEPARATE ONLINE | Appraisal by an independent, certified real estate appraiser (commissioned by CPC & posted separately on CPC website) – First 3 pages submitted to Board, full appraisal online | |
| | X | Development pro forma | |
| | X | Scope of construction work , supported by professional cost estimates | |
| | X | Non-Newton funding : summary on attachments list | |
| | X | Market analysis : including prevailing/trending rents or prices & target population – summary on attachments list | |
| as needed | ONLINE ONLY | Home inspection report by a licensed professional, for rehabilitation projects | |
| rental only | X | 10-year operating budget (pre-proposals need only a short draft) | |
| | NONE | Rental subsidy, if any : sources, commitment letters or application/decision schedules | |
| DEVELOPER CAPACITY & QUALIFICATIONS | | | |
| always | X | Organization mission & current housing portfolio , including how this project fits both | |
| | X | Previous similar projects completed , with photographs | |
| | X | Resumes for development team , including affiliations with City boards or commissions | |
| | X | Most recent audited annual financial statement of parent company or organization | |
| | | Statements on attachments list. | Fair housing training completed Any past fair housing complaints & their resolution |
| nonprofits | X | Most recent annual operating budget | |
| | X | Board of directors : including skills, experience, tenure & affiliations | |
| SITE REVIEW, ZONING & PERMITTING | | | |
| always | | Statements on attachments list | Brief property history , covering at least the previous 30 years of ownership & use Environmental mitigation plan , including lead paint, asbestos, underground tanks |
| | | Development is by right. | Confirmation of review by Development Review Team (DRT) and zoning relief / permits required – no review requested |
| | NONE | Other approvals required : Newton Conservation or Historical Commission, Commission on Disability, Mass. Historical Commission, Mass. Architectural Access Board, etc. | |
| DESIGN & CONSTRUCTION | | | |
| always | X | Site & floor plans, elevations One partial sketch floor plan attached. | |
| | X | Materials & finishes ; highlight “green” or sustainable features or proposed certification | |
| RELOCATION, FAIR HOUSING & ACCESSIBILITY | | | |
| always | X | Affirmative marketing & resident selection | |
| | X | Reasonable accommodation/reasonable modification policy | |

Attachments struck out below are available on the CPC webpage for this project,
www.newtonma.gov/gov/planning/cpa/projects/cambria.asp#10-12

10-12 CAMBRIA ROAD PROPOSAL ATTACHMENTS

- ~~1. LETTERS OR PETITONS OF SUPPORT~~ ~~ATTACHMENT #1~~
2. PHOTOS ATTACHMENT #2
3. MAP ATTACHMENT #3
4. TIMELINE ATTACHMENT #4
5. SITE CONTROL & PROJECT FINANCES
 - ~~a. Deed~~ ~~ATTACHMENT #5~~
 - b. The developer is committed to permanent affordability as a condition of the city funding.
 - ~~c. Appraisal~~ ~~ATTACHMENT #6~~
 - d. Development Proforma ATTACHMENT #7
 - e. Scope of Work and Cost Estimates ATTACHMENT #8
 - f. Non-Newton Funding – Federal Home Loan Bank of Boston application submitted in September - response expected in December of 2015; Charlesbank Home submitted in October – response expected in February.
 - g. Market analysis – Massachusetts currently has approximately 1500 families living in hotels/motels many of whom are seeking 2-bedroom units.
 - ~~h. Home inspection report~~ ~~City housing staff is in possession of the report.~~
 - i. 10 year operating budget ATTACHMENT #9
 - j. There are no rental subsidies; the state is not presently offering subsidies.
6. DEVELOPER CAPACITY & QUALIFICATIONS
 - ~~a. Organization mission & current housing portfolio~~ ~~ATTACHMENT #10~~
 - b. CAN-DO has the used the model set forth in the proposed project for the acquisition and renovation of a 2 or 3 family dwelling to create housing affordable to low-income families for approximately 20 years. This model has produced 15 units of housing in Newton which will be affordable into perpetuity. Attached are photos of all our projects including: Falmouth Road; Jackson Road; 11-13 Cambria Road; 18-20 Cambria Road; 2148-50 Commonwealth Avenue; Eddy Street and Pearl Street.
 - ~~c. Resumes for development team~~ ~~ATTACHMENT #11~~
 - ~~d. Most recent audited annual financial statement was submitted via e-mail.~~
 - e. Project manager, Josephine McNeil has completed fair housing training.
 - f. Organization has not had any fair housing complaints filed against it.
 - ~~g. 2015 annual operating budget~~ ~~ATTACHMENT #12~~
 - ~~h. Board of Directors~~ ~~ATTACHMENT #13~~
7. SITE REVIEW, ZONING & PERMITTING

- a. History – This property was built as a 2 family structure in 1938. I found no evidence of a use other than residential in the building jacket.
- b. Environmental Mitigation Plan – Lead paint and asbestos are present and remediation is included in construction budget.
- c. I assume it was not required to be presented to DRT as project is by right and there is no change in the design of the exterior.
- d. There are no approvals needed.

8. DESIGN & CONSTRUCTION

- a. Scope of work does not include any change in plan with exception of second floor kitchen. *ATTACHMENT #14*
- b. Letter from Architect *ATTACHMENT #15*
- c. Not Applicable

9. AFFIRMATIVE FAIR HOUSING MARKETING PLAN

- a. Affirmative Marketing & resident selection plan *ATTACHMENT #16*
- ~~b. Reasonable accommodation /reasonable modification policy *ATTACHMENT #17*~~

Rec'd & corrected by CPC staff 24 August 2015,
corrected to accompany project full proposal 20 October 2015

| 10-12 CAMBRIA ROAD TIMELINE | |
|--|------------------------|
| Offer | 28-Jul-15 |
| Housing Partnership (1st discussion) | 12-Aug-15 |
| Purchase & Sale | August-September 2015 |
| Housing Partnership (2nd discussion) | 9-Sep-15 |
| CPC pre-proposal discussion | 9-Sep-15 |
| full proposal due to CPC | 19-Oct-15 |
| Closing | October 2015 |
| P&D Board | October 2015 |
| CPC public hearing & possible funding vote | 19-Nov-15 |
| Board of Aldermen committees / vote | November-December 2015 |
| Grant agreements/ deed restriction | January 2016 |
| Bidding | January-February 2016 |
| Construction | February-March 2016 |
| Marketing/Rent-Up | March 2015 |
| Occupancy | April 2015 |

Received by CPC staff 20 October 2015

10-12 CAMBRIA ROAD DEVELOPMENT PRO FORMA

ORIGINAL

| ITEM | | | |
|--|----------|-----|-------------------|
| DEVELOPMENT BUDGET | | | |
| SUBTOTAL - ACQUISITION COST | | | \$ 610,000 |
| CONSTRUCTION COSTS: | | | |
| Direct Construction Costs | | | \$ 135,025 |
| Construction Contingency | | 10% | \$ 13,503 |
| Total Construction | | | \$ 148,528 |
| TOTAL ACQUISITION AND CONSTRUCTION | | | \$ 758,528 |
| SOFT COSTS | | | |
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| Building Permits | | | \$ 2,430 |
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| Appraisal | | | \$ 600 |
| Loan Interest | 8 months | | \$ 20,112 |
| Pre-development | | | |
| Relocation | | | |
| Total | | | \$ 64,142 |
| Soft Cost Contingency | | 10% | \$ 6,414 |
| Subtotal: SOFT COSTS | | | \$ 70,556 |
| Subtotal: Acquis., Const., and Gen. Development | | | \$ 829,084 |
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| Fund Replacement Reserve | | | \$ 10,000 |
| TOTAL DEVELOPMENT COSTS | | | \$ 905,410 |
| FUNDING SOURCES: | | | |
| City of Newton - CDBG/HOME | | | \$ 309,293 |
| CPA GRANT | | | \$ 471,117 |
| Charlesbank Homes | | | \$ 50,000 |
| FLHB | | | \$ 75,000 |
| TOTAL SOURCES | | | \$ 905,410 |

inc. lead/asbestos remediation

Received by CPC staff 20 October 2015

| 10-12 CAMBRIA ROAD 10 YEAR OPERATING BUDGET | | | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 | 2021 | 2022 | 2023 | 2024 | |
|--|--------------------------|----------------|------------------|---|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|-----------|
| | Annual increase: income | | 0.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | 2.0% | |
| | Annual increase: costs | | 0.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | 3.0% | |
| INCOME: | | MONTHLY | ANNUAL | | | | | | | | | | |
| | 2 BR (50%) | \$ 924.00 | \$ 11,088 | (+ \$1100/mo. minus Utilities = \$924 - Lo HOME | | | | | | | | | |
| | 2 BR (80%) | \$ 1,466.00 | \$ 17,592 | (+ \$1623/mo. Utilities = \$1466 NHA rent | | | | | | | | | |
| | | | \$ 28,680 | | | | | | | | | | |
| | Vacancy rate - 10% | | \$ 2,868 | | | | | | | | | | |
| ANNUAL INCOME | | | \$ 25,812 | \$ 25,812 | \$ 26,328 | \$ 26,855 | \$ 27,392 | \$ 27,940 | \$ 28,499 | \$ 29,069 | \$ 29,650 | \$ 30,243 | \$ 30,848 |
| EXPENSES | | | | | | | | | | | | | |
| Administrative: | | | | | | | | | | | | | |
| | Mgmt Fee @ 5% of income | \$ 1,291 | | | | | | | | | | | |
| | Legal | \$ 300 | | | | | | | | | | | |
| | Audit | \$ 500 | | | | | | | | | | | |
| TOTAL ADMINISTRATIVE | | | \$ 2,091 | \$ 2,091 | \$ 2,153 | \$ 2,218 | \$ 2,284 | \$ 2,353 | \$ 2,424 | \$ 2,496 | \$ 2,571 | \$ 2,648 | \$ 2,728 |
| Maintenance: | | | | | | | | | | | | | |
| | Extermination | \$ 500 | | | | | | | | | | | |
| | Landscaping/Snow Removal | \$ 1,500 | | | | | | | | | | | |
| | Decorating/Repairs | \$ 2,000 | | | | | | | | | | | |
| TOTAL MAINTENANCE | | | \$ 4,000 | \$ 4,000 | \$ 4,120 | \$ 4,244 | \$ 4,371 | \$ 4,502 | \$ 4,637 | \$ 4,776 | \$ 4,919 | \$ 5,067 | \$ 5,219 |
| Utilities: | | | | | | | | | | | | | |
| | Common area electric | \$ 250 | | | | | | | | | | | |
| | Water/Sewer | \$ 2,000 | | | | | | | | | | | |
| TOTAL UTILITIES | | | \$ 2,250 | \$ 2,250 | \$ 2,318 | \$ 2,387 | \$ 2,459 | \$ 2,532 | \$ 2,608 | \$ 2,687 | \$ 2,767 | \$ 2,850 | \$ 2,936 |
| Other costs: | | | | | | | | | | | | | |
| | Insurance | \$ 2,500 | | | | | | | | | | | |
| | Taxes | \$ 5,500 | | | | | | | | | | | |
| | Operating Reserve | \$ 2,000 | | | | | | | | | | | |
| | Supportive Services | \$ 5,000 | | | | | | | | | | | |
| TOTAL OTHER COSTS | | | \$ 15,000 | \$ 15,000 | \$ 15,450 | \$ 15,914 | \$ 16,391 | \$ 16,883 | \$ 17,389 | \$ 17,911 | \$ 18,448 | \$ 19,002 | \$ 19,572 |
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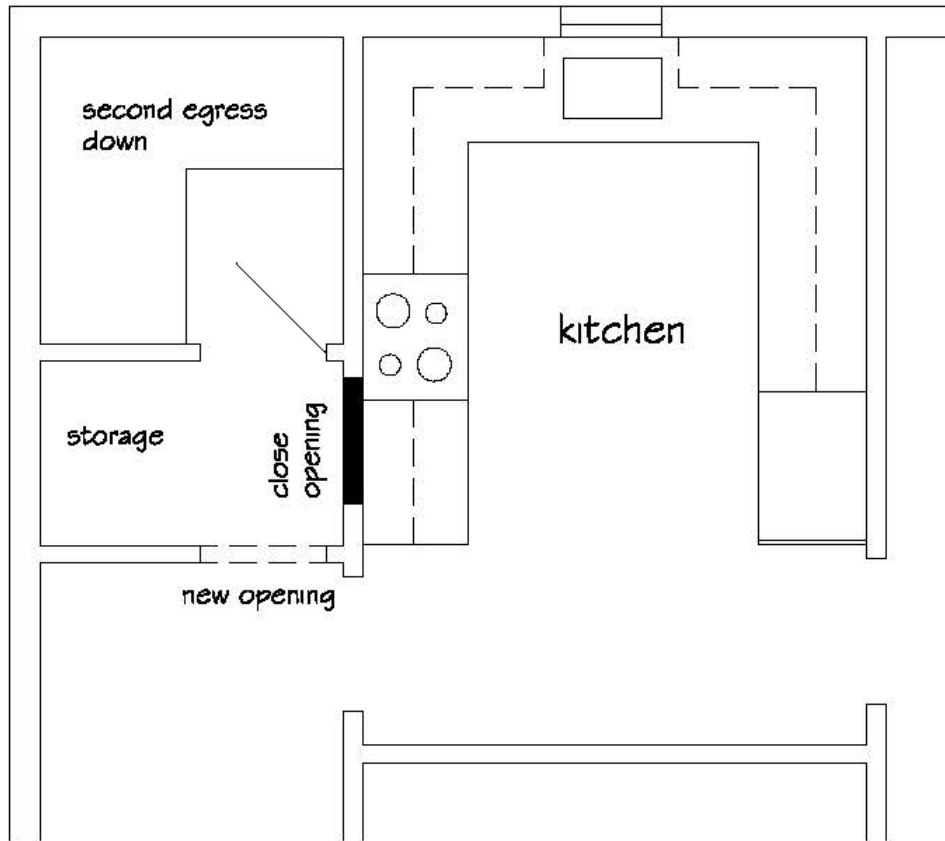
Rec'd by CPC staff for pre-proposal 21 August 2015,
reformatted as 1-page summary. For additional detail, see
full scope online, submitted with proposal in October 2015.

Terrence G. Heinlein AIA
1 Aberdeen Road
Weston, MA 02493

| Proposed scope of work, and associated costs, for the partial renovation of 10-12 Cambria Road, Newton, MA | |
|--|------------------|
| PROPOSED SCOPE OF WORK | |
| BASEMENT | |
| Remove and dispose basement ceiling and wall finishes. | \$1,600 |
| Allow remediation of possible/likely wall mold. | \$12,500 |
| Remove/encapsulate/cover basement asbestos flooring and pipe cover. | \$5,300 |
| Remove and replace basement damaged partitions and stair. | \$1,400 |
| Replace termite damaged frame wall sills. | \$8,800 |
| Repair nonconforming electrical connections. | \$850 |
| Repair nonconforming plumbing, including waste and valves. | \$1,900 |
| Modification to existing heating system, including new boiler. | \$15,000 |
| TOTAL BASEMENT AREA SCOPE AND RELATED COSTS | \$47,350 |
| FIRST FLOOR | |
| Repair of side access stairs, railing, and landing. | \$1,750 |
| Removal and refinishing of interior entry stair ceiling to increase height. | \$2,100 |
| Repair first floor main entry porch, including frame, deck, and skirt. | \$8,300 |
| TOTAL FIRST FLOOR AREA SCOPE AND RELATED COSTS. | \$12,150 |
| SECOND FLOOR | |
| Demolition of existing second floor kitchen, and alcove. | \$850 |
| Reframing of existing second floor kitchen, and alcove. | \$900 |
| Second floor kitchen cabinetry. | \$7,400 |
| Second floor kitchen appliances. | \$3,100 |
| Second floor drywall. | \$1,700 |
| Second floor trim. | \$450 |
| Second floor doors, frames, hardware. | \$1,150 |
| Second floor painting. | \$2,300 |
| Second floor heating, ventilating, exhaust. | \$2,600 |
| Second floor plumbing. | \$1,350 |
| Second floor electrical (relocate panel) | \$5,200 |
| TOTAL SECOND FLOOR AREA SCOPE AND RELATED COSTS. | \$27,000 |
| EXTERIOR ENVELOPE | |
| Repair, seal, and replace coil stock trim, and damaged siding components. | \$9,400 |
| Repair gutters and downspouts. Add splashblocks. | \$1,025 |
| Repoint masonry chimney. | \$2,200 |
| Replace roofing, underlayment and drip edges. | \$12,000 |
| TOTAL EXTERIOR ENVELOPE SCOPE AND RELATED COSTS | \$24,625 |
| MISCELLANEOUS | |
| Lead paint testing and remediation. | \$14,500 |
| Insulation of rim joists, exterior walls, and attic (work by nonprofit energy company) | \$9,400 |
| TOTAL MISCELLANEOUS SCOPE AND RELATED COSTS. | \$23,900 |
| TOTAL PROJECTED SCOPE COSTS | \$135,025 |
| 10% CONTINGENCY | \$13,503 |
| TOTAL CONSTRUCTION SCOPE COSTS | \$148,528 |

| PROPOSED PROJECT SCHEDULE: | weeks required |
|--|-----------------------|
| Construction Documents (post P & D board approval) | 5 |
| Construction Bidding. | 3 |
| Construction Contract Signing | 2 |
| Construction Phase | 12 |
| TOTAL | 22 |

REDESIGNED SECOND FLOOR KITCHEN



Renovated Kitchen Plan
12 Cambria Road, Newton, MA

Terrence G. Heinlein AIA Architect

TGHARCHITECT.COM

HEINLEINTG@AOL.COM

September 14, 2015

Federal Home Loan Bank of Boston Affordable Housing Program
800 Boylston Street
Boston, Massachusetts

Re: Sustainable Development Building Practices for 10-12 Cambria Road, Newton, MA

To Whom It May Concern:

This letter is to summarize the sustainable development building practices included in the development of the renovations to the above referenced project for Citizens for Affordable Housing in Newton Development Organization Inc.

New open cell foam insulation by Icynene or equal, shall be added to first floor perimeter rim joists at the exterior wall, and fiberglass insulations and/or cellulose insulations shall be placed at the first floor and attic framing planes. The existing structure currently has little or no insulation at these locations.

All new bath plumbing fixtures shall be low demand fixtures with dual flush by Toto or equal, including 1.28 gpf water closets, 2.0 gpm showerheads and kitchen faucets by Symmons or equal, with 1.5 gpm bath faucets. The new boiler, by Burnham or equal, shall be specified with a minimum of 87 percent efficiency.

Energy Star appliances and lighting fixtures shall be provided at the new upper floor unit kitchen.

All residents shall be instructed as to the correct and efficient use, and maintenance, of the new boiler, plumbing fixtures, appliances and lighting fixtures, and shall be given manuals from suppliers as indicating proper use and maintenance.

The common lower level space shall have designated locations for the City of Newton provided recycling containers for residents' use.

If you have any additional questions regarding the sustainable development building practices to be specified for this project, please contact me.

Sincerely,


Terrence G. Heinlein AIA

Small Residential Income Property Appraisal Report

File No. 424278GK

The purpose of this summary appraisal report is to provide the lender/client with an accurate, and adequately supported, opinion of the market value of the subject property.

| | |
|---------|--|
| SUBJECT | Property Address 10 CAMBRIA ROAD City NEWTON State MA Zip Code 02465-1117 |
| | Borrower CITIZENS FOR AFFORDABLE HOUSING IN NEWTON Owner of Public Record ROBERT CLOSE County MIDDLESEX |
| | Legal Description BOOK: 31353, PAGE: 208, MIDDLESEX COUNTY REGISTRY OF DEEDS. |
| | Assessor's Parcel # 34-045-0012 Tax Year 2015 R.E. Taxes \$ 4,782 |
| | Neighborhood Name WEST NEWTON Map Reference 15764 Census Tract 3746.00 |
| | Occupant <input type="checkbox"/> Owner <input type="checkbox"/> Tenant <input checked="" type="checkbox"/> Vacant Special Assessments \$ NONE <input type="checkbox"/> PUD HOA \$ 0.00 <input type="checkbox"/> per year <input type="checkbox"/> per month |
| | Property Rights Appraised <input checked="" type="checkbox"/> Fee Simple <input type="checkbox"/> Leasehold <input type="checkbox"/> Other (describe) |
| | Assignment Type <input type="checkbox"/> Purchase Transaction <input checked="" type="checkbox"/> Refinance Transaction <input type="checkbox"/> Other (describe) |
| | Lender/Client CITY OF NEWTON Address 1000 COMMONWEALTH AVENUE, NEWTON, MA 02459 |
| | Is the subject property currently offered for sale or has it been offered for sale in the twelve months prior to the effective date of this appraisal? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No |

Report data source(s) used, offering price(s), and date(s). **PER MLS LISTING#71871628 SUBJECT WAS LISTED FOR SALE ON 07/10/2015 FOR \$649,000 AND WENT UNDER AGREEMENT FOR \$610,000 WITHIN 75 DAYS. SUBJECT WAS SOLD FOR \$610,000 ON 09/23/2015.**

| | |
|----------|---|
| CONTRACT | I <input type="checkbox"/> did <input type="checkbox"/> did not analyze the contract for sale for the subject purchase transaction. Explain the results of the analysis of the contract for sale or why the analysis was not performed. |
| | Contract Price \$ _____ Date of Contract _____ Is the property seller the owner of public record? <input type="checkbox"/> Yes <input type="checkbox"/> No Data Source(s) _____ |
| | Is there any financial assistance (loan charges, sale concessions, gift or downpayment assistance, etc.) to be paid by any party on behalf of the borrower? <input type="checkbox"/> Yes <input type="checkbox"/> No If Yes, report the total dollar amount and describe the items to be paid. _____ |

Note: Race and the racial composition of the neighborhood are not appraisal factors.

| Neighborhood Characteristics | | 2-4 Unit Housing Trends | | 2-4 Unit Housing | | Present Land Use % | |
|--|--|-------------------------|-------|------------------|-------|--------------------|--|
| Location <input checked="" type="checkbox"/> Urban <input type="checkbox"/> Suburban <input type="checkbox"/> Rural | Property Values <input type="checkbox"/> Increasing <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Declining | PRICE | AGE | One-Unit | 60% % | | |
| Built-Up <input checked="" type="checkbox"/> Over 75% <input type="checkbox"/> 25-75% <input type="checkbox"/> Under 25% | Demand/Supply <input type="checkbox"/> Shortage <input checked="" type="checkbox"/> In Balance <input type="checkbox"/> Over Supply | \$(000) | (yrs) | 2-4 Unit | 15% % | | |
| Growth <input type="checkbox"/> Rapid <input checked="" type="checkbox"/> Stable <input type="checkbox"/> Slow | Marketing Time <input checked="" type="checkbox"/> Under 3 mths <input type="checkbox"/> 3-6 mths <input type="checkbox"/> Over 6 mths | 549 Low | 50 | Multi-Family | % | | |
| Neighborhood Boundaries SEE ATTACHED ADDENDUM. | | 2790 High | 200 | Commercial | 5% % | | |
| | | 850 Pred. | 100 | Other CONDOS | 20% % | | |
| Neighborhood Description SEE ATTACHED ADDENDUM. | | | | | | | |
| Market Conditions (including support for the above conclusions) SEE ATTACHED ADDENDUM. | | | | | | | |

| | |
|--|---|
| SITE | Dimensions 100' x 50' x 100' x 50' Area 5000 sf Shape RECTANGULAR View NEIGHBORHOOD |
| | Specific Zoning Classification SR3 Zoning Description 7,000 SF MINIMUM LOT SIZE & 70' MINIMUM FRONTAGE |
| | Zoning Compliance <input type="checkbox"/> Legal <input checked="" type="checkbox"/> Legal Nonconforming (Grandfathered Use) <input type="checkbox"/> No Zoning <input type="checkbox"/> Illegal (describe) SEE ATTACHED ADDENDUM. |
| | Is the highest and best use of the subject property as improved (or as proposed per plans and specifications) the present use? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe. THE HIGHEST AND BEST USE IS THE CURRENT USE. |
| | Utilities Public Other (describe) Public Other (describe) Off-site Improvements—Type Public Private |
| | Electricity <input checked="" type="checkbox"/> <input type="checkbox"/> Water <input checked="" type="checkbox"/> <input type="checkbox"/> Street ASPHALT <input checked="" type="checkbox"/> <input type="checkbox"/> |
| | Gas <input checked="" type="checkbox"/> <input type="checkbox"/> Sanitary Sewer <input checked="" type="checkbox"/> <input type="checkbox"/> Alley NONE <input type="checkbox"/> <input type="checkbox"/> |
| | FEMA Special Flood Hazard Area <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No FEMA Flood Zone X FEMA Map # 25017C 0551E FEMA Map Date 06/04/2010 |
| Are the utilities and off-site improvements typical for the market area? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If No, describe. | |
| Are there any adverse site conditions or external factors (easements, encroachments, environmental conditions, land uses, etc.)? <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No If Yes, describe. SEE ATTACHED ADDENDUM. | |

| GENERAL DESCRIPTION | | FOUNDATION | | EXTERIOR DESCRIPTION materials/condition | | INTERIOR materials/condition | |
|---|--|--|--|---|---|------------------------------|--|
| Units <input checked="" type="checkbox"/> Two <input type="checkbox"/> Three <input type="checkbox"/> Four | <input type="checkbox"/> Concrete Slab <input type="checkbox"/> Crawl Space | Foundation Walls | STONE/AVERAGE | Floors | HRDWD/AVG | | |
| <input type="checkbox"/> Accessory Unit (describe below) | <input checked="" type="checkbox"/> Full Basement <input type="checkbox"/> Partial Basement | Exterior Walls | VINYL/GOOD | Walls | PLASTER/AVG | | |
| # of Stories 2 # of bldgs. 1 | Basement Area 858 sq. ft. | Roof Surface | ASPHALT /GOOD | Trim/Finish | WOOD/GOOD | | |
| Type <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Att. <input type="checkbox"/> S-Det./End Unit | Basement Finish PART/FINISHED % | Gutters & Downspouts | MTL & MTL/GOOD | Bath Floor | CERAMIC/AVG | | |
| <input checked="" type="checkbox"/> Existing <input type="checkbox"/> Proposed <input type="checkbox"/> Under Const. | <input checked="" type="checkbox"/> Outside Entry/Exit <input type="checkbox"/> Sump Pump | Window Type | DBL. HUNG/GOOD | Bath Wainscot | CER./WOOD/AVG | | |
| Design (Style) 2-FAMILY | Evidence of <input type="checkbox"/> Infestation | Storm Sash/Insulated | YES/YES/GOOD | Car Storage | | | |
| Year Built 1938 | <input type="checkbox"/> Dampness <input type="checkbox"/> Settlement | Screens | YES/GOOD | <input type="checkbox"/> None | | | |
| Effective Age (Yrs) 12 | Heating/Cooling | | Amenities | | <input checked="" type="checkbox"/> Driveway # of Cars 4 | | |
| Attic <input checked="" type="checkbox"/> None | <input type="checkbox"/> FWA <input checked="" type="checkbox"/> HWBB <input type="checkbox"/> Radiant | <input type="checkbox"/> Fireplace(s) # 0 | <input type="checkbox"/> WoodStove(s) # 0 | Driveway Surface | PAVED | | |
| <input type="checkbox"/> Drop Stair <input type="checkbox"/> Stairs | <input type="checkbox"/> Other Fuel GAS | <input type="checkbox"/> Patio/Deck 0 | <input type="checkbox"/> Fence 0 | Garage # of Cars | | | |
| <input type="checkbox"/> Floor <input type="checkbox"/> Scuttle | <input type="checkbox"/> Central Air Conditioning | <input type="checkbox"/> Pool 0 | <input checked="" type="checkbox"/> Porch 2 | Carport # of Cars | | | |
| <input type="checkbox"/> Finished <input type="checkbox"/> Heated | <input type="checkbox"/> Individual <input checked="" type="checkbox"/> Other NONE | <input type="checkbox"/> Other 0 | | Att. <input checked="" type="checkbox"/> Det. <input type="checkbox"/> Built-in | | | |
| # of Appliances Refrigerator 2 Range/Oven 2 Dishwasher 2 Disposal 2 Microwave 2 Washer/Dryer 1 Other (describe) | | | | | | | |
| Unit # 1 contains: 5 Rooms 2 Bedroom(s) 1 Bath(s) 870 Square feet of Gross Living Area | | | | | | | |
| Unit # 2 contains: 5 Rooms 2 Bedroom(s) 1 Bath(s) 858 Square feet of Gross Living Area | | | | | | | |
| Unit # 3 contains: Rooms Bedroom(s) Bath(s) Square feet of Gross Living Area | | | | | | | |
| Unit # 4 contains: Rooms Bedroom(s) Bath(s) Square feet of Gross Living Area | | | | | | | |
| Additional features (special energy efficient items, etc.) UNIT #1 HAS FINISHED ROOM IN THE BASEMENT WITH HALF BATHROOM. THERE IS ALSO ASBESTOS TILE IN THE BASEMENT. THERE IS ONLY ONE WATER HEATER AND HEATING SYSTEM FOR 2 UNITS. | | | | | | | |
| Describe the condition of the property (including needed repairs, deterioration, renovations, remodeling, etc.). SEE ATTACHED ADDENDUM. | | | | | | | |

Small Residential Income Property Appraisal Report

File No. 424278GK

IMPROVEMENTS

Are there any physical deficiencies or adverse conditions that affect the livability, soundness, or structural integrity of the property? [] Yes [X] No If Yes, describe THERE ARE NO PHYSICAL DEFICIENCIES NOR ADVERSE CONDITIONS THAT AFFECT THE LIVABILITY, SOUNDNESS, OR STRUCTURAL INTEGRITY OF THE PROPERTY.

COMPARABLE RENTAL DATA

Table with columns: FEATURE, SUBJECT, COMPARABLE RENTAL NO. 1, COMPARABLE RENTAL NO. 2, COMPARABLE RENTAL NO. 3. Rows include: 10 CAMBRIA ROAD, 9-11 NOBLE STREET, 128-130 LINWOOD AVENUE, 11 CLINTON STREET. Includes unit breakdown and utilities.

Analysis of rental data and support for estimated market rents for the individual subject units reported below (including the adequacy of the comparables, rental concessions, etc.) THE RENTAL COMPS REPRESENT THE CURRENT RENTAL MARKET IN NEWTON. RENTAL CONCESSIONS ARE NOT PREVALENT IN THIS MARKET.

SUBJECT RENT SCHEDULE

Rent Schedule table with columns: Leases, Actual Rents, Opinion Of Market Rent. Rows for units 1, 2, 3, 4. Includes summary rows for total actual and estimated monthly rents.

PRIOR SALE HISTORY

I [X] did [] did not research the sale or transfer history of the subject property and comparable sales. My research [X] did [] did not reveal any prior sales or transfers of the subject property for the three years prior to the effective date of this appraisal.

Small Residential Income Property Appraisal Report

File No. 424278GK

| There are 1 comparable properties currently offered for sale in the subject neighborhood ranging in price from \$ 575,000 to \$ 799,000 | | | | | | | | | | | | | | | |
|--|--|--------------------|---|--|--|---|--|--|---|------------------------|--|---|--|-----------------|--|
| There are 13 comparable sales in the subject neighborhood within the past twelve months ranging in sale price from \$ 599,000 to \$ 825,000 | | | | | | | | | | | | | | | |
| FEATURE | | | SUBJECT | | | COMPARABLE SALE NO. 1 | | | COMPARABLE SALE NO. 2 | | | COMPARABLE SALE NO. 3 | | | |
| 10 CAMBRIA ROAD Address NEWTON, MA 02465-1117 | | | 39 RUSTIC STREET NEWTON, MA 02458 | | | 56 DERBY STREET NEWTON, MA 02465 | | | 8-10 ADAMS TERRACE NEWTON, MA 02458 | | | | | | |
| Proximity to Subject | | | 1.59 miles NE | | | 0.43 mile SE | | | 1.43 miles SE | | | | | | |
| Sale Price | | | \$ 605,000 | | | \$ 700,000 | | | \$ 599,000 | | | | | | |
| Sale Price/Gross Bldg. Area | | | \$ 0.00 sq. ft | | | \$ 380.03 sq. ft | | | \$ 321.10 sq. ft | | | \$ 289.37 sq. ft | | | |
| Gross Monthly Rent | | | \$ 3,000 | | | \$ EST. 3000 | | | \$ EST. 3200 | | | \$ EST. 2800 | | | |
| Gross Rent Multiplier | | | N/A | | | 201.67 | | | 218.75 | | | 213.93 | | | |
| Price Per Unit | | | \$ N/A | | | \$ 302,500 | | | \$ 350,000 | | | \$ 299,500 | | | |
| Price Per Room | | | \$ N/A | | | \$ 67,222 | | | \$ 70,000 | | | \$ 59,900 | | | |
| Price Per Bedroom | | | \$ | | | \$ 151,250 | | | \$ 175,000 | | | \$ 149,750 | | | |
| Rent Control | | | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No | | | |
| Data Source(s) | | | INSPECTION | | | MLS-PIN#71830947 | | | MLS-PIN#71850299 | | | MLS-PIN#71845390 | | | |
| Verification Source(s) | | | ASSESSOR | | | ASSESSOR/EXT.INSPECT. | | | ASSESSOR/EXT.INSPECT. | | | ASSESSOR/EXT.INSPECT. | | | |
| VALUE ADJUSTMENTS | | DESCRIPTION | | DESCRIPTION | | +(-) Adjustment | | DESCRIPTION | | +(-) Adjustment | | DESCRIPTION | | +(-) Adjustment | |
| Sale or Financing | | | | NONE KNOWN | | | | NONE KNOWN | | | | NONE KNOWN | | | |
| Concessions | | | | DOM-6 | | | | DOM-23 | | | | DOM-14 | | | |
| Date of Sale/Time | | | | 07/14/15 | | | | 08/11/15 | | | | 07/29/15 | | | |
| Location | | AVERAGE | | AVERAGE | | | | AVERAGE | | | | INFERIOR 5% | | 29,950 | |
| Leasehold/Fee Simple | | FEE SIMPLE | | FEE SIMPLE | | | | FEE SIMPLE | | | | FEE SIMPLE | | | |
| Site | | 5000 sf | | 7617 sf | | 0 | | 13503 sf | | -68,000 | | 3500 sf | | 0 | |
| View | | NBHD/GOOD | | NBHD/GOOD | | | | NBHD/GOOD | | | | NBHD/GOOD | | | |
| Design (Style) | | 2-FAMILY | | 2-FAMILY | | | | 2-FAMILY | | | | 2-FAMILY | | | |
| Quality of Construction | | AVERAGE | | AVERAGE | | | | AVERAGE | | | | AVERAGE | | | |
| Actual Age | | 77 YEARS | | 120 YEARS | | 0 | | 125 YEARS | | 0 | | 135 YEARS | | 0 | |
| Condition | | AVERAGE | | AVERAGE | | | | AVERAGE | | | | AVERAGE | | | |
| Gross Building Area | | 50 1,728 | | 1592 | | 6,800 | | 2,180 | | -22,600 | | 2070 | | -17,100 | |
| Unit Breakdown | | Total Bdrms. Baths | | Total Bdrms. Baths | | | | Total Bdrms. Baths | | | | Total Bdrms. Baths | | | |
| Unit # 1 | | 5 2 1 | | 3 1 1 | | 0 | | 3 1 1 | | 0 | | 5 2 2 | | -6,000 | |
| Unit # 2 | | 5 2 1 | | 6 3 1 | | 0 | | 7 3 1 | | 0 | | 5 2 2 | | -6,000 | |
| Unit # 3 | | | | | | | | | | | | | | | |
| Unit # 4 | | | | | | | | | | | | | | | |
| Basement Description | | FULL | | FULL | | | | FULL | | | | FULL | | | |
| Basement Finished Rooms | | P/FIN. W/H.BATH | | UNFINISHED | | 9,000 | | UNFINISHED | | 9,000 | | UNFINISHED | | 9,000 | |
| Functional Utility | | AVERAGE | | AVERAGE | | | | AVERAGE | | | | AVERAGE | | | |
| Heating/Cooling | | CENTRAL/NONE | | SPRT/NONE | | 0 | | SPRT/NONE | | 0 | | SPRT/NONE | | 0 | |
| Energy Efficient Items | | NONE | | NONE | | | | NONE | | | | NONE | | | |
| Parking On/Off Site | | 2 OPEN | | 1 GARAGE/2 OPEN | | -8,000 | | 2 OPEN | | | | 2 OPEN | | | |
| Porch/Patio/Deck | | PORCHES | | PORCHES | | | | PORCHES | | | | PORCHES | | | |
| Net Adjustment (Total) | | | | <input checked="" type="checkbox"/> + <input type="checkbox"/> - | | \$ 7,800 | | <input type="checkbox"/> + <input checked="" type="checkbox"/> - | | \$ 81,600 | | <input checked="" type="checkbox"/> + <input type="checkbox"/> - | | \$ 9,850 | |
| Adjusted Sale Price of Comparables | | | | Net Adj. 1.3% % | | \$ 612,800 | | Net Adj. -11.7% % | | \$ 618,400 | | Net Adj. 1.6% % | | \$ 608,850 | |
| | | | | Gross Adj. 3.9% % | | \$ 612,800 | | Gross Adj. 14.2% % | | \$ 618,400 | | Gross Adj. 11.4% % | | \$ 608,850 | |
| Adj. Price Per Unit (Adj. SP Comp / # of Comp Units) | | | | \$ 306,400 | | | | \$ 309,200 | | | | \$ 304,425 | | | |
| Adj. Price Per Room (Adj. SP Comp / # of Comp Rooms) | | | | \$ 68,089 | | | | \$ 61,840 | | | | \$ 60,885 | | | |
| Adj. Price Per Bdrm. (Adj. SP Comp / # of Comp Bedrooms) | | | | \$ 153,200 | | | | \$ 154,600 | | | | \$ 152,213 | | | |
| Value Per Unit | | \$ 305,000 X | | 2 Units = \$ 610,000 | | | | Value Per GBA \$ 354.00 X | | 1,728 GBA = \$ 611,712 | | | | | |
| Value Per Rm. | | \$ 60,500 X | | 10 Rooms = \$ 605,000 | | | | Value Per Bdrms. \$ 152,500 X | | 4 Bdrms. = \$ 610,000 | | | | | |
| Summary of Sales Comparison Approach including reconciliation of the above indicators of value. SEE ATTACHED ADDENDUM. | | | | | | | | | | | | | | | |
| Indicated Value by Sales Comparison Approach \$ 610,000 | | | | | | | | | | | | | | | |
| Total gross monthly rent \$ 3,000 X gross rent multiplier (GRM) 204.00 = \$ 612,000 Indicated value by the Income Approach | | | | | | | | | | | | | | | |
| Comments on income approach including reconciliation of the GRM THE GRM IS BASED UPON TOTAL TENANT OCCUPANCY OF THE SUBJECT. THE INDICATED GRM IS WITHIN THE RANGE OF MARKET DATA. | | | | | | | | | | | | | | | |
| Indicated Value by: Sales Comparison Analysis \$ 610,000 Income Approach \$ 612,000 Cost Approach (if developed) \$ 0 | | | | | | | | | | | | | | | |
| SEE ATTACHED ADDENDUM. | | | | | | | | | | | | | | | |
| Pages 4-31 of this appraisal are available on the CPC webpage for this project, www.newtonma.gov/gov/planning/cpa/projects/cambria.asp#10-12 | | | | | | | | | | | | | | | |
| This appraisal is made <input checked="" type="checkbox"/> "as is," <input type="checkbox"/> subject to completion per plans and specifications on the basis of a hypothetical condition that the improvements have been completed, <input type="checkbox"/> subject to the following repairs or alterations on the basis of a hypothetical condition that the repairs or alterations have been completed, or <input type="checkbox"/> subject to the following required inspection based on the extraordinary assumption that the condition or deficiency does not require alteration or repair: SEE ATTACHED ADDENDUM. | | | | | | | | | | | | | | | |
| Based on a complete visual inspection of the interior and exterior areas of the subject property, defined scope of work, statement of assumptions and limiting conditions, and appraiser's certification, my (our) opinion of the market value, as defined, of the real property that is the subject of this report is \$ 610,000 as of 10/14/2015, which is the date of inspection and the effective date of this appraisal. | | | | | | | | | | | | | | | |

SALES COMPARISON APPROACH

INCOME

RECONCILIATION

**FAIR HOUSING AFFIRMATIVE MARKETING PLAN
FOR 10-12 Cambria Road, NEWTON, MA 02465**

10-12 Cambria Road is a 2- unit property located at West Newton. The property has two 2- bedroom units . Each unit contains 2 bedrooms, living room, dining room and full bath

The units will be marketed to the following organizations and individuals in the priority order listed:

- Group 1 – Preference to an individual who has successfully completed the two 2 transitional housing program in CAN-DO'S transitional housing programs at the Kayla Rosenberg House and The Louis Garfield House at the time the 3 bedroom unit is ready for occupancy.
- Group 2 – Families seeking a 2-bedroom unit who are housed in the motel/hotel program administered by MBHP on behalf of the Department of Housing and Community Development.
- Group 3 – Families seeking a 2 – bedroom unit who are housed in shelters administered by the MBHP on behalf of the Department of Housing and Community Development.

Outreach for units:

- Group One applicants will be selected by CAN-DO from among its potential group of 8 families on the Newton Housing Authority Domestic Violence Wait List.
- Group Two and Three applicants will receive marketing materials from MBHP case managers located at motels , hotels and shelters identified by MBHP. CAN-DO will send marketing materials to the case managers at the selected locations.
- A representative from CAN-DO will schedule an informational meeting at each of the locations. Informational packets will be available to attendees.

Interested applicants can request informational packets including an application by sending a written request by mail e-mail or in-person to CAN-DO, 1075 Washington Street, West Newton, MA 02465; via fax – 617-964-35963; via e-mail – jam_cando@msn.com.

Selection Process:

Upon receipt, applications will be assigned a number based upon the date received; earliest return will receive the lowest number. Qualified applicants will be placed in a lottery. The first 3 lottery winners will be processed. If the applicant has the ability to pay rent and receives a favorable reference from the former landlord, he/she will be offered the unit. If more than one applicant is qualified then the applicant with the lowest number will be offered the unit. If none of the applicants are qualified, the next three lottery applicants in the lottery will be notified and the same process will be followed until a qualified applicant is found.





Setti D. Warren
Mayor

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

#356-15

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James Freas
Acting Director

MEMORANDUM

To: Community Preservation Committee

From: Elizabeth Valenta, Housing Programs Manager, Planning and Development Department
James Freas, Acting Director, Planning and Development Department

Cc: Josephine McNeil, Executive Director, CAN-DO, Inc.

Date: November 12, 2015 *emailed to CPC staff 10:30 am, 16 November 2015*

Re: 10-12 Cambria Road Affordable Housing Proposal

1. Overview

The Sponsor, Citizens for Affordable Housing in Newton Development Organization (CAN-DO, Inc.), is proposing to create two units of affordable rental housing through acquisition and rehabilitation of an existing two-family house located at 10-12 Cambria Road, Newton. The project would consist of two 2-BR units and will target families who are at-risk of homelessness. Supportive services will be provided to the households by CAN-DO. One unit will be affordable to households earning at or below 50% of Area



Median Income (AMI) and the other unit will be affordable to households earning at or below 80% AMI. The project targets a priority population, extremely low and low income homeless families, as identified in the *FY16-20 Consolidated Plan*.

The projected total development cost is \$905,410. The Sponsor is seeking \$471,117 in Community Preservation Act (CPA) funding, \$309,293 in total federal Community Development Block Grant (CDBG) and HOME Investment Partnerships Program (HOME) funding and \$125,000 from other sources.

2. Project Description:

The property is an existing 1,716 sq. ft. two-family house built in 1938. It is located on a 5,000 sq. ft. lot in the SR3 zone. This is a two-story home with vinyl siding, concrete foundation and an asphalt shingled roof. The existing two units have ten (10) total rooms, four (4) bedrooms and two (2) bathrooms. The unit also has an enclosed 44 square foot porch, 98 square foot deck and 66 square foot porch area. The project consists of the following unit mix and characteristics:

| Unit | Affordability Level | Proposed Rent | # of Bedrooms | # of Baths | Living type | Gross Living Area |
|------|---------------------|---------------|---------------|------------|--------------------------------|------------------------|
| 1 | <80% AMI | \$1,466 | 2 | 1 | Two-family attached, two-story | 858 square feet (est.) |
| 2 | <50% AMI | \$924 | 2 | 1 | Two-family attached, two story | 858 square feet (est.) |

3. CDBG and HOME Requirements***3.A. Income Targeting and Rents***

As proposed, the project will meet CDBG income targeting criteria. Each unit will be rented to moderate-income households. Moderate-income households are defined as households earning at or below 80% of AMI.

The proposed rent structure assumes that tenants will pay for utilities. Under the City's Affordable Rent Policy, *"monthly rents charged to tenants cannot exceed 35 percent (if cost of rent only) of the monthly adjusted income of a household whose gross income is 70 percent of the Boston AMI."* If HOME funds are utilized for the project, at least one unit must charge no more than the Low HOME rent limit. The proposed rents for these units comply with this threshold, as shown below.

2 Bedroom Unit w/ 3 person Household size at or below 50% AMI

| | Household Size | Max Gross Rent | (-) Utility Allowance | (=) Net Rent |
|----------|----------------|----------------|-----------------------|--------------|
| Low HOME | 3 person | \$1,108 | \$194 | \$924 |

In contrast, the median market rent for 2 and 3 bedroom units is \$2,200 and \$2,650, respectively.¹

3.B. Eligible Costs

The proposed use of CDBG and HOME funds would reimburse the project for acquisition, rehabilitation, deleading and soft costs. CPA funds would likely be used for acquisition, construction and soft costs.

3.C. Affordability Period

¹ As of September, 2014. <http://www.zillow.com/newton-ma/home-values/>

If funding for this project is approved, the City will impose an initial 30-year affordability period enforced by a declaration of affordable housing covenants running with the land. The City will submit an application to the Massachusetts Department of Housing and Community Development requesting that the project remain affordable in perpetuity.

3.D. Labor Requirements/ Procurement

The wage requirements of the Davis-Bacon Act do not apply to this project because it consists of less than eight total units. The Division will manage the competitive bid process in conjunction with the Purchasing Department in accordance with the City's Procurement Policy for Affordable Housing Projects.

3.E. Environmental Review

The City is required to conduct an environmental review prior to commitment of federal funds. As part of the assessment, if funding for this project is approved, staff will review evidence that the property is free of potentially hazardous materials and that the project will not have any adverse effect on the surrounding environment. The lead inspection report found the presence of lead, on some doors and windows. The costs for the lead abatement are estimated to be \$14,500.

4. Development Entity and Capacity

The Sponsor has demonstrated past experience in developing affordable rental housing using the acquisition-rehabilitation model, with 11 similarly developed units in its portfolio. Each of the completed units are occupied by low-or moderate-income tenants who represent numerous ethnic and racial backgrounds.

5. Design and Construction

5.A. Site Plans & Zoning / Permitting

The proposal will not require zoning relief.

5.B. Proposed Rehabilitation

The Division's Housing Rehabilitation/Construction Manager has reviewed the inspection report and the preliminary scope of work submitted by the project architect. The estimated cost of rehabilitation is approximately \$148,528, which includes necessary deleading. The rehabilitation scope includes:

- *Exterior Building Envelope Repairs:* Replace Roof; Repoint masonry chimney to prevent failure; Repair siding, siding trim, seal penetrations and repair gutters and downspouts to prevent water infiltration; Porch repair of decking, structural supports, lattice to prevent failure;
- *Interior Building Repairs/Rehab:* repartitioning of second floor kitchen with new cabinets and appliances;
- *Mechanical/Electrical System Repair/Replacement:* Addition of new heating system (currently both units on one system); insulation of attic; Replace/repair misc. plumbing including waste lines and valves; Repair electrical connections;

- *Basement Repair and Mold/Asbestos Remediation:* Remove basement ceilings and wall finishes to determine extent of mold, and to provide proper access to electrical panels; Remove/encapsulate/cover basement asbestos flooring tile; Repair/replace basement rotted/termite damaged partitions, stair and frame sills;
- *Lead paint testing and removal.*

The estimated rehabilitation cost is \$86/square foot. Recent projects with substantial rehabilitation have cost \$97/square foot, \$105/square foot and \$113/square foot, while projects with moderate rehabilitation have cost \$63/square foot and \$37/square foot.²

Staff believes that the scope of work consists of legitimate items that need attention or will avoid future issues.

6. Financials

The feasibility analysis is based on the Development Budget and an Operating Pro Forma and ten-year Operating Budget, both revised August 21, 2015. Particular items to note are identified below:

6.A. Proposed Financial Structure

The projected total development cost is \$905,410 (\$452,705 total cost per unit and \$390,205 public subsidy per unit). The proposed sources consist of 86% public subsidy (CDBG, HOME and CPA funds), 14% foundation grants (Charlesbank Homes and Federal Home Loan Bank). The purchase price of the property is \$610,000. An independent appraisal found the property value to be \$610,000, thus supporting the actual purchase price.

Overall, the project is financially feasible, but due to the limited amount of private debt the project can take on, a significant public subsidy is required. The principal reason for the amount of public subsidy is the current market conditions, as Newton's land cost continues to increase. The median sale price for a single-family dwelling in 2014 is \$948,250, which is up from \$890,000 in 2013.³ The median sale price of a two-family dwelling is \$795,000 in 2014, compared to \$665,000 in 2013.⁴ Sixty-Seven percent of the project cost is for acquisition. The cost is further compounded by the tradeoff of project scale and the project's affordability level. Spreading the cost over two units result in a higher per unit cost. A project with more units could potentially have a greater impact on the surrounding neighborhood, but could also substantially reduce the overall cost (if the project includes market rate units) and the cost per unit. The proposal is underwritten at rents affordable to households at 50% AMI and 80% AMI. However, the sponsor has indicated that the target population will be at lower income levels

² Total rehabilitation cost divided by gross building area. \$97/square foot – 54 Eddy Street \$105/square foot - 61 Pearl Street; \$113/square foot - existing group residence; \$63/square foot - 20-22 Falmouth Road; \$37/square foot - 2148-50 Commonwealth Avenue

³ The Warren Group <http://rers.thewarrengroup.com/sor/tssearch.asp>; calendar year 2013 and 2014 (year-to-date for 2014)

⁴ City of Newton Assessor's Department; calendar year 2013 and 2014 (year-to-date for 2014)

and likely have housing vouchers. For comparative purposes, the table below shows the total development costs, total public subsidy per unit and subsidy per bedroom of similar projects since 2005.

| Project Address/ Sponsor/Year | Project Type and Scope | Affordable Units | Total Development Cost | Total Public Subsidy/Unit ⁵ | Total Public Subsidy/Bed |
|---|---|---------------------|---------------------------|---|-----------------------------|
| 10-12 Cambria Road, 2015 | Rental – Acquisition/Rehab | 2 | \$905,410 | \$390,205 | \$195,103 |
| 54 Taft Avenue CAN-DO 2014 | Rental – Acquisition, Rehab/Construction | 2 | \$1,134,029 | \$482,014 | \$192,806 |
| 54 Eddy St. CAN-DO 2012 | Rental – Acquisition and Rehab | 2 | \$1,115,250 | \$472,625 | \$189,050 |
| 61 Pearl Street CAN-DO 2010 | Rental – Acquisition and Rehab | 3 | \$1,370,000 | \$381,667 | \$190,833 |
| 2148-50 Commonwealth Ave. CAN-DO 2009 | Rental – Acquisition and Rehab | 2 | \$950,000 | \$337,500 | \$135,000 |
| 11-13 Cambria Road CAN-DO 2006 | Rental – Acquisition and Rehab | 2 | \$1,437,511 | \$315,512 | \$126,205 |
| 20-22 Falmouth Street CAN-DO 2005 | Rental – Acquisition and Rehab | 2 | \$1,178,933 | \$325,601 | \$130,240 |
| 163 Jackson Road CAN-DO 2005 | Rental – Acquisition and Rehab | 2 | \$1,178,048 | \$325,158 | \$130,063 |

6.B. Developer Fee

The developer fee and overhead are projected at \$66,327, or 8% of total development costs, excluding the replacement reserve fund. The proposed fee is within the standard recommended by the National Council of State Housing Agencies of 15%. It is also lower than the 10% distribution limit allowed under Chapter 40B.

6.C. Cash Flow

The proposal is viable from a cash flow perspective with sufficient income to cover expenses based on a projected \$2,471 Net Operating Income (e.g. income after expenses) once the property is fully leased. The proposal reflects a fully funded development with no mortgaged debt.

7. Architectural Accessibility

7.A. Design and Construction Applicability

⁵ Includes all HOME, CDBG and/or CPA public subsidy grants and loans

The City's Accessibility in Affordable Housing Guidelines encourages applicants to enhance the accessibility of their projects to the extent that it is financially feasible. The Sponsor has not proposed adding accessibility features.

8. Fair Housing and Equal Opportunity

CDBG or HOME does not require affirmative marketing for a project of this size. However, the Massachusetts State Department of Housing and Community Development Local Initiative Program will require the submittal of an affirmative marketing plan prepared in accordance with Section III of the Chapter 40B Guidelines, including a description of the lottery process that will be used for the project.

If approved, this proposal would, to the greatest extent possible, provide employment and training opportunities to lower-income area residents and businesses during construction, as required by Section 3 of the Housing and Urban Development Act of 1968.

9. Community Need

Affordable rental housing is in great demand. The Newton Housing Authority waiting list for family public housing is approximately seven years. According to the U.S. Census approximately 24 percent of Newton's population earning below 80% of AMI and many of these residents are housing cost burdened. This cost burdening is due in part to the change in the demographics of the City which has steadily transitioned from an economically diverse community to one of concentrated affluence. Between 2000 and 2013, the number of households earning below \$125,000 declined by almost 4,700 while households earning over \$200,000 increased by more than 4,200. Most of the limited new or re- construction is targeted to this demographic and often eliminates modest cost housing.

As stated in the City's *FY16-20 Consolidated Plan* and the *FY16 Annual Action Plan*, it is a priority objective to provide deeper development subsidies per unit in projects, so long as the developer provides at least one of the following: 1) units that are accessible to persons with disabilities, where not required by applicable law and there is a substantiated market demand; 2) units for low-income households (at or below 50% of AMI) that do not have rental assistance; 3) units that provide permanent supportive housing to homeless persons including veterans; and 4) units for persons with special needs with accompanying support services.

This proposal creates new affordable rental housing opportunities for one household earning up to 80% of AMI and one household earning up to 50% AMI without rental assistance, meeting the priority objective #2 identified above.

10. Recommendation

The division presented the project to the Planning and Development Board on October 5, 2015. At that time the Division presented concern regarding several issues including (1) incomplete proposal submission; (2) outstanding questions regarding tenant selection and supportive services; and (3) the question of meeting conditions imposed for the funding of the Taft Avenue project prior to funding a new project. These concerns have been responded to, the complete

proposal has been submitted, the tenant selection and supportive services will be added as a condition to funding and the Board agreed to review the CAN-DO's financial and organization status at the December meeting.

The division also recommended the project only be funded by HOME funds and that the CDBG funds are reserved to be allocated following the issuance of an RFP in the spring of 2016. However, the Planning and Development Board voted to fully fund the project the requested amount taking into consideration the merits of the project and the sequential order of the request and the issuance of the notice of the RFP.

Based on the Planning and Development Board's recommendations and allowances for conditions for commitment and organizational oversight by the Board, the division recommends the project be fully funded in the amount requested **\$309,293** with the following allocations:

| | | | |
|--|---|-----------|-------------------|
| HM16-06B | EN Project Funds | \$ | 98,496.90 |
| HM16-06C | CHDO Set-Aside | \$ | 21,106.55 |
| HM14-06(B) | EN Project Funds | \$ | 482.72 |
| HM15-06(B) | EN Project Funds | \$ | 3,172.20 |
| HM13-06(B) | EN Project Funds | \$ | 17,163.00 |
| HM15-09(C) | CHDO Set-Aside Competitive Pool Relinquished Funds | \$ | 25,578.00 |
| Total HOME Funding | | \$ | 165,999.37 |
| Total Recommended CDBG Funding | | \$ | 143,293.63 |
| Total HOME and CDBG Project Funding | | \$ | 309,293.00 |

The amount listed in HM15-09 is CHDO Set-Aside funding that was originally allocated to a member of the WestMetro HOME Consortium. The exclusive use of that funding by the member has expired and per the Mutual Cooperation Agreement the funds are to be relinquished into a pool to be allocated through a RFP process. CAN-DO will submit a proposal for the HM15-09 funding for the 10-12 Cambria Road project. The RFP proposals are due December 18th and allocations will be made on January 14, 2016. In the event that the project is not awarded the additional \$25,578.00 in funds, the division will request the amount be made available from CDBG funding.

The division recommends that the following items be added to the conditional commitment to the project:

- CHDO Recertification Approval
- Commitment letter for non-Newton funding
- Additional narrative of supportive services for residents

- Adoption of the Taft Avenue Affirmative Fair Housing Marketing Plan as approved by DHCD.

Finally, the Division requests that CAN-DO take clear steps to meet conditions outlined in the approval of CDBG and HOME funds for Taft Avenue (Attachment B), specifically, the organizational requirements including the submission of financial audit, operating budget, etc. and the submission of organizational strategic plan. While these items are not specifically tied to the funding of Cambria Road, there is clear directive that it is imperative that these conditions are met in a timely manner.

While the project funding is recommended, it is worthwhile to note that the Division continues to seek projects that leverage city-controlled federal funds to develop a greater number of affordable housing units and introduce greater diversity of housing unit types into Newton's housing stock. Such larger projects are essential to ensuring opportunities for households across the full range of low and moderate incomes and meeting the needs of Newton's changing demographics, which are the outcomes driving the Mayor's goal of creating 800 new units of SHI eligible housing, by 2021. To this end, the City is currently engaged in a process to develop a City-wide Housing Strategy which will in part help to identify housing development goals and set criteria to promote diverse affordable housing development in the City of Newton. The criteria will be used to guide the evaluation of proposals for projects that seek an allocation of City controlled funding through the RFP that will be issued in the of Spring 2016.

David A. Olson

From: Michael Lepie <bikerml@aol.com>
Sent: Monday, February 01, 2016 7:29 AM
To: David A. Olson
Cc: bikerml@aol.com
Subject: Fwd: Can-Do's : Taft Ave, Cambrian Road, Cherry St, and SHI

Mr. Olson,
Please pass this on to all of the city Counselors .

Counselors,
Document A attached clearly shows that Can-Do's Veteran's house, Pearl Street and Eddy Street are not part of the city's SHI.
Your docket # 104-15
Isn't it about time to stop giving tax payer money to Can-Do ?

Sent from my iPad

Begin forwarded message:

From: Michael Lepie <bikerml@aol.com>
Date: February 1, 2016 at 7:14:59 AM EST
To: swarren@newtonma.gov
Cc: dkahn@newtonma.gov, jfreas@newtonma.gov, aingerson@newtonma.gov,
mlemieux@newtonma.gov, agoldman@newtonma.gov, dzaleznik@newtonma.gov,
bikerml@aol.com
Subject: Can-Do's : Taft Ave, Cambrian Road, Cherry St, and SHI

Mr. Mayor,

Some facts to open your eyes before you give Can-Do even more tax payer's funds

Re : Can-Do's Taft Ave, Cambrian Road, Cherry St, Subsidized Housing Inventory

1. Can-Do's last three projects Veterans House, any veterans living here? Pearl Street and Eddy Street a total of seven units of affordable housing, can not be used in the city's subsidized housing inventory (SHI)

The reason, Can-Do does not use a lottery system to find tenants, they only rent to friends and family.

Document A attached from planning dept.
Councilor Docket # 104-15

2. Can-Do's Taft Ave project, that was funded last year is sitting empty without any work being done. This is another 40b project . Councilor Docket # 55-15.

According to the financials given to the planning and development board on 12/7/15 it appears Can-Do received \$47,429 of their development fee CPA funds for a project sitting empty for almost a year. Every month Taft Ave is costing Can-Do carrying costs without any money coming in, only money going out .

Document B attached

I would be very surprised if Taft Ave's two units of housing will be able to be included in the city's SHI, because in Can-Do's paperwork they say the units are saved for a small special group of people, once again avoiding a lottery system to find tenants.

3. If you look at Can-Do's financials, with eyes open, you will see Can-Do is running a Ponzi scheme .

A new project with large development fees is needed to pay old bills.

Document B attached , if large developer fees and donations stop , Can-Do stops.

They need new funds, developer fees and donations to pay old bills, a Ponzi Scheme.

4. Can-Do is looking for increased funding on their Cambrian Rd.

Councilor Docket # 356-15.

5. Cherry Street, \$537,611 of CPA funds for Can-Do's developer fee !

Taking one of the oldest and most historical buildings in the city and making it into a four unit apartment building with five more pre fab buildings added to this site.

What credentials does Can-Do have to do this very large complicated development like this ?

Last time Can-Do tried a project this large they lost a million dollars of tax payer funds.

2.5 million dollars for this lot with an historic building on it seems very expensive.

No one except Can-Do would be allowed to change an historic building this way.

6. Developer fee to be paid to Can-Do with CPA funds for Taft Ave, Cambria Rd, and Cherry St is \$704,385, not a bad pay check.

Who's the winner the tax payers or Can-Do ?

Answer : Can-Do now they have the cash to keep their Ponzi Scheme going.

Summary :

How can the city give more money to Can-Do an organization with, not only a proven failed business plan, but a year old empty Taft Ave project ?

Can-Do can not finish one project Taft Ave and now they want two more projects funded with tax payer funds.

When will you stop the entitled Can-Do ?

Thank You,
Michael Lepie
Senior Citizen & Tax Payer

Sent from my iPad

Begin forwarded message:

From: Michael Lepie <bikerm1@aol.com>
Date: January 30, 2016 at 6:23:11 PM EST
To: bikerm1@aol.com
Subject: Can do

12/

CAN-DO
Profit & Loss Budget vs. Actual
 January through September 2015

| Ordinary Income/Expense | Jan - Sep 2015 | Budget | % of Budget |
|--------------------------------------|-----------------|----------------|-------------|
| Income | | | |
| Total 4000 - Grants | 16,578 | 13,400 | 139% |
| 4100 - Contributions & Donations | 8,051 | 4,500 | 180% |
| Total 4101 - Fundraising Revenues | 109,290 | 110,000 | 99% |
| 4150 - Rent | 387,244 | 407,382 | 95% |
| 4180 - Vacancies | -13,939 | -18,655 | 75% |
| 4200 - Interest Income | 63 | 90 | 59% |
| 4250 - Laundry Income | 2,082 | 3,755 | 55% |
| 4600 - Developer Fees | 47,429 | 30,000 | 158% |
| 4650 - Management Fee Income | 21,753 | 23,925 | 91% |
| Total Income | 580,571 | 574,397 | 101% |
| Expense | | | |
| Total 6010 - Insurance | 33,867 | 31,131 | 109% |
| Total 6020 - Management Fees | 19,953 | 22,128 | 90% |
| Total 6030 - Administrative Expenses | 191,245 | 198,360 | 96% |
| Total 6040 - Supportive Services | 789 | | |
| Total 6050 - Condo Fees | 3,485 | 3,524 | 99% |
| Total 6060 - Landscaping / Snow | 32,787 | 22,840 | 144% |
| Total 6070 - Facility Maintenance | 39,108 | 39,300 | 100% |
| Total 6075 - Utilities | 35,006 | 36,365 | 96% |
| Total 6080 - Property Taxes | 41,491 | 60,610 | 68% |
| Total Expense | 397,726 | 414,256 | 96% |
| Net Ordinary Income | 182,845 | 160,142 | 114% |
| Other Income/Expense | | | |
| Other Expense | | | |
| Total 9010 - Interest Expense | 91,388 | 83,430 | 110% |
| Total 9200 - Development Costs | 16,252 | | |
| Total 9300 - Capital Costs | 8,520 | 15,000 | 57% |
| Total Other Expense | 116,160 | 98,430 | 118% |
| Net Other Income | -116,160 | -98,430 | 118% |
| Net Income | 66,685 | 61,712 | 108% |

*? TRF ?
to Me ? →*

with 1521 Beacon St
App-into

12/15

Housing Projects Approved 2010-Present

| Address / Project Name | No. of Units | Units Eligible for SHI | Project Type | Permit Date |
|---|--------------|------------------------|--------------------|--------------|
| 200-230 Boylston St*** | 100 | 15 | SP | 12/6/2010 |
| 152 Adams Street* | 9 | 1 | SP | 2/19/2013 |
| Riverside Station*** | 290 | 44 | SP | 10/7/2013 |
| 429 Cherry St | 13 | 3 | SP | 12/2/2013 |
| 75 & 83 Court Street*** | 36 | 9 | CP | 10/2/2014 |
| 12 and 18-20 Curve Street*** | 7 | 7 | CP | 12/4/2014 |
| Kessler Woods @ Lagrange Street** | 88 | 13 | SP | 4/21/2015 |
| 54 Taft Avenue*** | 2 | 2 | CP | 9/29/2015 |
| 47 Goddard Street*** | 4 | 1 | CP | 10/22/2015 |
| 28 Austin Street*** | 68 | 68 | SP | 12/8/2015 |
| 135 Rowe Street**** | 135 | 135 | CP | Under Review |
| TOTAL | 752 | 298 | | |
| * Recently completed | | | SP= special permit | |
| ** Under construction | | | CP= Comp. Permit | |
| *** Permit granted but not under construction | | | | |
| **** Under review | | | | |

NB: 135 Wells Avenue is not included in this list as the request to waive the Deed Restriction to allow for housing was

Sent from my iPad



SETTI D. WARREN
MAYOR

City of Newton, Massachusetts
Office of the Mayor

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E-mail
swarren@newtonma.gov

January 25, 2016

Honorable City Council
Newton City Hall
1000 Commonwealth Avenue
Newton, MA 02459

RECEIVED
MAYOR'S OFFICE
2016 JAN 25 PM 4:07

Ladies and Gentlemen:

I hereby reappoint Elizabeth Dromey of 15 Horace Road, Belmont as Chair of the Board of Assessors for a term expiring February 1, 2019.

Thank you for your attention to this matter.

Very truly yours,

Setti D. Warren
Mayor

1000 Commonwealth Avenue Newton, Massachusetts 02459

www.newtonma.gov



DEDICATED TO COMMUNITY EXCELLENCE



SETTI D. WARREN
MAYOR

City of Newton, Massachusetts
Office of the Mayor

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E-mail
swarren@newtonma.gov

January 25, 2016

Honorable Board of Aldermen
Newton City Hall
1000 Commonwealth Avenue
Newton, MA 02459

Ladies and Gentlemen:

I write to request that your Honorable Board docket for consideration a request to transfer the sum of \$25,000 from June 30, 2015 Certified Free Cash to Acct # 0110901-511001 Human Resources Department Full Time Salaries.

The Human Resources Department has had an employee out on maternity leave and has also been experiencing a significant increase in workload as all of the recently negotiated collective bargaining agreements have required implementation. Human Resources is a small, critical department that does not have payroll flexibility to absorb additional costs. This funding is necessary so that the department will be able to fulfill its operational mission.

Thank you for your consideration of this matter.

Very truly yours,

Setti D. Warren
Mayor

RECEIVED
NEWTON, MA
2016 JAN 25 PM 4:06

1000 Commonwealth Avenue Newton, Massachusetts 02459

www.newtonma.gov



DEDICATED TO COMMUNITY EXCELLENCE



SETTI D. WARREN
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Office of the Mayor

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E-mail
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January 25, 2016

Honorable Board of Aldermen
Newton City Hall
1000 Commonwealth Avenue
Newton, MA 02459

Ladies and Gentlemen:

I write to request that your Honorable Board docket for consideration a request to transfer the sum of \$25,000 from June 30, 2015 Certified Free Cash to Acct # 0111801-511001 Financial Information Services Full Time Salaries.

As you may know, the Manager of F.I.S., Ann Cornaro has announced her retirement after 44 years of service to the City of Newton. F.I.S. is a small, critical department that does not have any payroll savings accumulated to absorb the costs of vacation and sick buyout. This funding is necessary so that the department will be able to fill Ann's position upon her retirement.

Thank you for your consideration of this matter.

Very truly yours,

Setti D. Warren
Mayor

RECEIVED
Newton City Hall
2016 JAN 25 PM 4:06

1000 Commonwealth Avenue Newton, Massachusetts 02459

www.newtonma.gov



DEDICATED TO COMMUNITY EXCELLENCE



SETTI D. WARREN
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swarren@newtonma.gov

January 25, 2016

Honorable Board of Aldermen
Newton City Hall
1000 Commonwealth Avenue
Newton, MA 02459

Ladies and Gentlemen:

I write to request that your Honorable Board docket for consideration a request to transfer the sum of \$25,000 from June 30, 2015 Certified Free Cash to Acct # 0110601-511001 Assessing Department Full Time Salaries.

The Assessing Department is losing a long term employee. The Assessing Department is a small, critical department that does not have payroll flexibility to absorb the costs of vacation and sick buyout. This funding is necessary so that the department will be able to fulfill its operational mission. In addition to the funding request, I ask that the Council authorize a temporary increase in FTE while this employee is transitioning to retirement.

Thank you for your consideration of this matter.

Very truly yours,

Setti D. Warren
Mayor

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2016 JAN 25 PM 4: 06

1000 Commonwealth Avenue Newton, Massachusetts 02459

www.newtonma.gov



DEDICATED TO COMMUNITY EXCELLENCE