



2Life
COMMUNITIES

Age affordably. Live well.

Formerly Jewish Community Housing for the Elderly (JCHE)

November 8, 2018

Community Preservation Committee
c/o Alice Ingerson
Newton City Hall
1000 Commonwealth Ave
Newton Centre, MA 02459

Re: Golda Meir House Expansion
Revised Unit-Income Mix

Dear Community Preservation Committee,

Thank you for supporting 2Life Communities' recent proposal to add 69 apartments to Golda Meir House. In response to a comment presented by the Newton Fair Housing Commission, we are now proposing to create a 2-bedroom at the 30% AMI level and reduce the number of apartments planned for New England Conservatory graduate students. The total proposed number of units for each income level has not changed. The number of age-restricted units will increase from 57 to 58.

Previous Proposal:

UNIT TYPE	≤ 30% AMI (Sec 8 PBV)	≤ 50% AMI (MRVP PBV)	≤ 60% AMI	<100% AMI	Unrestricted	TOTAL
1 BR	8	20	18	8	5	59
2 BR		2	2	2	4*	10
TOTAL	8	22	20	10	9	69

*includes 1 resident manager unit with no rent and 2 units with reduced rent set-aside for NEC graduate students. Rents for all other units with no income restriction are proposed to be below a true "market rate."

Current Proposal:

UNIT TYPE	≤ 30% AMI (Sec 8 PBV)	≤ 50% AMI (MRVP PBV)	≤ 60% AMI	<100% AMI	Unrestricted	TOTAL
1 BR	7	20	18	8	6	59
2 BR	1	2	2	2	3*	10
TOTAL	8	22	20	10	9	69

*includes 1 resident manager unit with no rent and 1 unit with reduced rent set-aside for NEC graduate students. Rents for all other units with no income restriction are proposed to be below a true "market rate."



As before, we will seek an allocation of project-based vouchers from the Department of Housing and Community Development (DHCD) for all units in the 30% AMI and 50% AMI categories, which will cover the difference between 30% of residents' actual incomes and the contract rents. In combination, these two categories will include 9 non-age restricted, 1-bedroom units for chronically homeless individuals.

Please see attached an updated 10-year operating budget reflecting this change. Thank you again for your support and please contact me at (617) 912-8475 with any questions.

Sincerely,



Lizbeth Heyer
Chief of Real Estate and Innovation



Golda Meir House Expansion											
10 Year Operating Budget											
Updated Nov. 8, 2018											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
Income											
Sec 8 Units	154,260	157,345	160,492	163,702	166,976	170,316	173,722	177,196	180,740	184,355	
MRVP Units	326,328	332,855	339,512	346,302	353,228	360,292	367,498	374,848	382,345	389,992	
LIHTC- 60% Units	282,264	287,909	293,667	299,541	305,532	311,642	317,875	324,233	330,717	337,332	
NEC Units	9,600	9,792	9,988	10,188	10,391	10,599	10,811	11,027	11,248	11,473	
Moderate + Market	436,200	444,924	453,822	462,899	472,157	481,600	491,232	501,057	511,078	521,299	
Commercial	85,000	86,700	88,434	90,203	92,007	93,847	95,724	97,638	99,591	101,583	
Other	43,764	44,639	45,532	46,443	47,372	48,319	49,285	50,271	51,277	52,302	
Gross Revenue	1,337,416	1,364,164	1,391,448	1,419,277	1,447,662	1,476,615	1,506,148	1,536,271	1,566,996	1,598,336	
Vacancy	(71,121)	(72,543)	(73,994)	(75,474)	(76,983)	(78,523)	(80,094)	(81,695)	(83,329)	(84,996)	
Effective Gross Income	1,266,295	1,291,621	1,317,454	1,343,803	1,370,679	1,398,092	1,426,054	1,454,575	1,483,667	1,513,340	
Percent Change		2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
Expenses											
Management Fee	64,683	65,976	67,296	68,642	70,015	71,415	72,843	74,300	75,786	77,302	
Administration/Payroll	114,000	117,420	120,943	124,571	128,308	132,157	136,122	140,206	144,412	148,744	
Maintenance & Operating	123,800	127,514	131,339	135,280	139,338	143,518	147,824	152,258	156,826	161,531	
Resident Services	50,000	51,500	53,045	54,636	56,275	57,964	59,703	61,494	63,339	65,239	
Security	20,000	20,600	21,218	21,855	22,510	23,185	23,881	24,597	25,335	26,095	
Utilities	145,000	149,350	153,831	158,445	163,199	168,095	173,138	178,332	183,682	189,192	
Taxes, Insurance	105,000	108,150	111,395	114,736	118,178	121,724	125,375	129,137	133,011	137,001	
Total Operating Expenses	622,483	640,510	659,066	678,165	697,823	718,058	738,885	760,324	782,390	805,104	
Per Apartment	9,026	9,288	9,557	9,834	10,119	10,412	10,714	11,025	11,345	11,674	
Percent Change		2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	
Net Operating Income	643,813	651,111	658,388	665,638	672,855	680,034	687,169	694,252	701,276	708,236	
Replacement Reserves	(24,150)	(24,875)	(25,621)	(26,389)	(27,181)	(27,996)	(28,836)	(29,701)	(30,592)	(31,510)	
Cash Flow after RR	619,663	626,236	632,767	639,248	645,674	652,038	658,332	664,550	670,684	676,726	
Debt Service											
First Mortgage P&I	(563,221)	(563,221)	(563,221)	(563,221)	(563,221)	(563,221)	(563,221)	(563,221)	(563,221)	(563,221)	
MIP	(11,295)	(11,210)	(11,120)	(11,025)	(10,925)	(10,819)	(10,707)	(10,589)	(10,465)	(10,333)	
DSCR	1.10	1.11	1.12	1.13	1.15	1.16	1.17	1.18	1.19	1.20	
Cash Flow after Debt Service	45,147	51,806	58,426	65,002	71,528	77,998	84,404	90,740	96,998	103,172	
Cash Flow Priority Payments											
Investor Asset Mgmt Fee	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	
Partnership Mgmt Fee	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	
Deferred Developer Fee	35,147	41,506	47,817	54,075	60,273	66,405	72,463	78,441	84,330	84,544	
Cash Flow to General Partner	0	0	0	0	0	0	0	0	0	5,022	
Cash Flow to Investor Limited Partner	0	0	0	0	0	0	0	0	0	558	
Total Priority Payments	45,147	51,806	58,426	65,002	71,528	77,998	84,404	90,740	96,998	103,172	
Cash Flow after Priority Payments	0	0	0	0	0	0	0	0	0	0	