

February 11, 2016

Community Preservation Committee
c/o Alice Ingerson, Community Preservation Program Manager
Newton Planning and Development Department
City Hall, 1000 Commonwealth Avenue
Newton, MA 02459

Re: Nathaniel Allen Homestead, 35 Webster Street, West Newton

Dear Alice and Members of the Community Preservation Committee:

This letter is written as the Newton Cultural Alliance (NCA) presents to you our Proposal for additional funding for the Nathaniel Allen Homestead rehabilitation and reuse project at 35 Webster Street in West Newton, as we work to develop this property for community and educational arts and cultural use. The NCA is most grateful to the CPC for your consideration of this application for the Phase II work on this property; a significant part of the historic fabric of the City of Newton.

In addition to the material presented in the application and support materials we want to bring to your attention the following:

THIS PROPOSAL: This project, after initially being one request for \$2,000,000, following significant change in our business plan as the major projected tenant circumstance was altered, now has the unusual circumstance of being structured in two phases with a minor delay between phases. This is outlined as follows:

- Phase I, a request for \$300,000 was voted unanimously by the CPC and Board of Aldermen in 2014, to allow us to get a portion of the property open for public use has been completed.
- Minor delay: The Junior League of Boston approached us in the Fall of 2015 about doing a Show House project in the Spring of 2016 in the house ONLY (note barn) – providing both interior finishes - many of which will be left in July 2016 when the Show House ends, and media/public exposure to thousands across New England for the Allen House, NCA and West Newton.
- Phase II, this request for an additional \$2,000,000. This is an overall increase of \$300,000, making our total requests \$2,300,000 due to the increased costs of the project.
- This application for Phase II includes both a project overview with total project numbers as well as Phase II specific numbers.
- The two primary reasons for the budget changes are: 1) increase in construction costs over what they were at the time of the last presentation, 2) the decision, on the advice of several engineering firms, to construct a Geothermal HVAC system on the property as opposed to a more conventional cooling tower/chiller and boiler system. This kind of a system requires a significant extra expense in the beginning but thereafter the costs to run it are relatively minimal. The primary reasons for deciding on this system are: 1) the difficulty in

providing/retrofitting a standard cooling tower type system on this historic property of unusual design, 2) environmental, 3) long term cost savings.

- Not included in the budget figures are in-kind services and materials. The finishes that will be left behind by the Junior League designers and artisans are estimated to be valued at \$200,000. NCA's staff expense on this project is given in-kind, as supported by the NCA board, and valued at roughly \$35,000 per year.

Some additional thoughts:

CONSTRUCTION DRAWINGS: In earlier discussions with the CPC we understood that the Committee would like to see 100% Construction drawings for this project. Our architect, Donald Lang of Donald Lang Architects of Waban (dlaboston.com) and George Hu of Air Water Energy Engineers of Waltham (awe-e.com) completed 50% drawings in December 2015 and are well on their way to 100%. At the present time there are 115 drawings in this file. A table of contents of drawings is in the Plans section (5) of the packet. (Drawings available on request.)

ADJACENT PROPERTY POTENTIAL: In the Fall of 2014 NCA notified the CPC that an opportunity had arisen for us to acquire the property adjacent to the Allen House, located at 406 Cherry Street. We are now the owners of this property with the hope that one day the two properties may be merged and the Allen House "campus" will expand a bit providing additional program, outdoor and parking space. There is a map included in our materials which shows the logical connection of these two properties.

10 YEAR OPERATING BUDGET: The 10 year operating budget provided was prepared following a 6 month project with consultants from SOAR55 working ultimately on a Business Plan for the facility. Most, but not all, of the calculations have been done using simple and conservative escalators. The SOAR55 Executive Summary is included in our supplementary materials. The complete report is available on request.

HISTORIC RESTRICTION: The NCA together with architect Donald Lang are working with the Newton Historical Commission, staffed by Katy Holmes, on additional interior restrictions on the property and will appear before the Commission during the Spring of 2016.

We thank you for your consideration of this Proposal. Some of the Committee has toured the building in the past. If anyone would like to visit again to better understand this project please let us know.

Very truly yours,

Adrienne Hartzell

Adrienne Hartzell
Managing Director

**Newton Community Preservation Program
Grant Proposal**

**Newton Cultural Alliance - Nathaniel Allen Homestead
February 2016**

- 1 APPLICATION**
- 2 PHOTOS and MAPS** Section 2 posted separately on Newton CPC website.
- 3 PROJECT FINANCES**
 - 3a Pro Forma
 - 3b 10 Year Annual Operating Budget
 - 3c Non CPA Funding
 - 3d Purchasing - Summary
 - 3e SOAR55 Documents
- 4 SPONSOR FINANCES and QUALIFICATIONS**
 - 4a Organization Budget, P&L, Balance Sheet
 - 4b Project Manager
- 5 DESIGN and CONSTRUCTION** Sections 5a.1-5 and 5b posted separately on Newton CPC website.
 - 5a
 - 1 Introduction - Notable Changes
 - 2 Proposed Floor Plans and Roof Plan (5)
 - 3 Site/Landscape Plan
 - 4 Elevations
 - 5 50% CD Drawing Lists
 - 6 Cost Estimates This section included with section 4 above on Newton CPC website.
 - 5b Materials and Finishes



Newton, Massachusetts Community Preservation Program FUNDING REQUEST

 PRE-PROPOSAL

 PROPOSAL

Form last updated 11 February 2016.

(For staff use)
date rec'd:10 February
2016For full instructions, see www.newtonma.gov/cpa or contact us:

Community Preservation Program Manager,
City of Newton Planning & Development Department, 1000 Commonwealth Ave., Newton, MA 02459
aingerson@newtonma.gov 617.796.1144

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

Project TITLE	Nathaniel Allen Homestead, Phase 2		
Project LOCATION	Full street address (with zip code), or other precise location. 35 Webster St. , West Newton, MA 02465		
Project CONTACTS	Name & title or organization	Email	Phone
Project Manager	Adrienne Hartzell Managing Director, Newton Cultural Alliance	adrienne@newtonculture.org	617-969-6442 (h) 857-636-0199 (c)
Other Contacts	Laurel Farnsworth Board Member, Newton Cultural Alliance	df.1876.laurel@gmail.com	617-429-7297 (h) 617-244-2209 (c)
Project FUNDING	A. CPA funds requested: \$2,000,000 this request	B. Other funds to be used: 1) MA historic tax credits, 2) Private foundation grants, 3) Village Bank line of credit, 4) MA Cultural Council Facilities grant 5) capital campaign, 6) related CPC Phase I grant	C. Total project cost (A+B): \$5,900,000
Project SUMMARY	<p>Explain as concretely as possible how the project will use the requested CPA funds (use a cover letter rather than this space for general information about the sponsoring organization's accomplishments). You may provide more detail in attachments, but your PROJECT SUMMARY MUST FIT IN THE SPACE BELOW.</p> <p>The Nathaniel Allen Homestead is on the National Register of Historic Places and a Newton Landmark. Allen was a noted abolitionist and educator whose pioneering of co-education, racial integration and physical education resonates across the country even today. His daughters followed in his footsteps by operating their home as the Misses Allen School in the late 19th century. When the building was marketed for redevelopment as private condominiums in 2012, the Newton Cultural Alliance (NCA) was able to purchase it with a \$250,000 private gift on short notice.</p> <p>To develop its plan for the building's adaptive reuse by small Newton arts and cultural nonprofits, NCA has engaged an architect, engineer, attorney, & engineering consultants. Extensive repairs are necessary to create safe, functional offices, meeting rooms, classrooms, and an intimate space for recitals, lectures, poetry readings, small weddings, social events, and other community gatherings. The 1st floor parlors and grounds will be fully accessible for public events and the building is ADA compliant.</p> <p>Phase I of the rehabilitation was completed in part with a \$300,000 grant appropriated through unanimous votes of the CPC and the Board of Aldermen in 2013-2014. NCA recently also concluded an agreement for the Junior League of Boston to remodel the interior for its spring 2016 Show House fundraiser, which will bring extensive media and marketing exposure for the house, the NCA, and West Newton.</p> <p>In addition to CPC funding NCA needs \$3,600,000. While NCA has raised a total of \$550,000 in private funds and plans to raise \$700,000 more, individual donations cannot provide adequate funding. NCA has obtained a \$750,000 credit line from The Village Bank, \$600,000 in MA state historic tax credits, and is applying for an additional \$400,000 from this source. NCA has applied to the MA Cultural Council Cultural Facilities Fund in 2016 for a grant and will apply again in 2017 for funding totaling \$600,000. To ensure the facility's long-term viability, NCA has also developed an operating plan based on a 6-month study of similar facilities prepared with the help of SOAR55. NCA's plans provide very significant leverage for the requested investment of CPA funds. We hope the CPC will further support this project to save a site of historical interest throughout the City of Newton while enriching and benefiting the entire community.</p>		

Project TITLE		Nathaniel Allen Homestead, Phase 2	
USE of CPA FUNDS		HISTORIC RESOURCES	Preserve ✓
			Restore/rehabilitate ✓
COMMUNITY NEEDS		From each of at least 2 plans linked to the Guidelines & Forms page of www.newtonma.gov/cpa , provide a brief quote with plan title, year, and page number, showing how this project meets previously recognized community needs. You may also list other community benefits not mentioned in any plan.	
<p>The Allen House is listed in the Newton Comprehensive Plan 2007, Section 9 – “Planning for & with History,” pp. 9-1 to 9-18. It is #5 on the Historic Properties Map. In accordance with the goals of the Comprehensive Plan of doing more with history, (p. 9-6) our project will follow Newton’s growing historic trend “...seeing history everywhere. By rehabilitating and integrating historic resources into everyday life,” However, true to a “special place for reasons of the heart” (p. 9-7) the Allen Homestead’s distinct architecture and history define the character of the neighborhood.</p> <p>The Allen House is also listed in the Appendix of the Heritage Landscape Report (p.52, rev.2010) in the section titled Residential/Neighborhood. While many significant old trees remain, many are also are in very poor condition. The Newton Tree warden has visited the property and in consultation with GROUND, the landscape designer with whom NCA is working, we will be working with the City to make a full preservation plan in accordance with good tree care practice. Our attorney, parking and engineering consultants have tried to balance the preservation of as much of the landscape as possible with the parking requirements of the zoning code for an educational and cultural facility. We have appeared before the Historical Commission and have had our project approved.</p>			
COMMUNITY CONTACTS		List at least 3 Newton residents or organizations willing and able to comment on the project and its manager’s qualifications. No more than 1 should be a supervisor, employee or current work colleague of the project manager or sponsor. Consult staff on the community contacts required for your specific proposal.	
Name & title or organization		Email	Phone
Mailing address			
Karen Haywood, neighbor		ktapper41@hotmail.com	617-332-2888
69 Walker St., Newton 02460			
Erin Splaine, Minister, First Unitarian Society in Newton		minister@fusn.org	617-527-3203
First Unitarian Society of Newton, 1326 Washington St., Newton 02465			
Mr. Gorham Brigham		Fgb3@comcast.net	617-965-2482
401 Cherry St., Newton 02465			
Project TIMELINE		Phase or Task	
		Season & Year	
Historic commission, zoning approvals		2012 - 2013	
Administrative Site Plan Review (Newton Planning & Development Dept.)		Spring – Fall 2013	
City of Newton Engineering-review of utilities; MA Access board review, working drawings		2013 - 2014	
PHASE I: Contractor bidding, completion Phase I		2014 - 2015	
PHASE II: CPC presentation, subsequent City Council process and agreement		Spring 2016	
PHASE II: Contractor bidding		Late Spring 2016	
Junior League renovation/house décor		Spring 2016	
Interior and Exterior Demolition (incl. structural bracing)		Late summer/Fall 2016	
New Utilities and Foundation		Fall 2016	
Exterior repairs and begin interiors		Fall 2016	
Interior Repairs and elevator shaft		Winter 2017	
Elevator installation and interior finishes		Spring 2017	
Exterior paving, Landscaping, grounds		Summer 2017	
Final inspections		Fall 2017	

Project TITLE		Nathaniel Allen Homestead, Phase 2	
SUMMARY CAPITAL/DEVELOPMENT BUDGET			
Uses of Funds (revised for consistency with full budget attachment, 1 April 2016)			
Acquisition (11/12) purchase price + closing costs			\$250,000
Phase 1 and 1A: Partial Occupancy (design & construction, legal fees, utilities, maintenance)			\$944,000
Phase 2 (current request)			
Hard Costs (Construction)			\$4,006,000
including: \$607,700 mechanical (HVAC, utilities, etc.), net of \$150,000 incentives for geothermal energy; \$164,000 contingency			
Soft Costs (Architecture, Engineering, Finance, Insurance, Utilities, etc.)			\$690,000
including: \$65,000 debt service reserve; \$200,000 developer fee			
D. TOTAL USES (should equal C. on page 1 and E. below)			\$5,900,000
Sources of Funds		Status (requested, expected, confirmed)	
Acquisition & Phase 1/1A			
CPA funding	Received (appropriated October 2014)		\$300,000
Village Bank	Received - Line of credit		\$750,000
NCA Donations/foundation	Received to date 2/1/2016		\$550,000
Phase 2 (current request)			
CPA funding	Requested Spring 2016		\$2,000,000
MA Historic Tax Credits	Received – not yet used		\$600,000
Mass Cultural Council Cultural Facilities Grant	Expected Spring 2016		\$300,000
MA Historic Tax Credits	Spring/Summer 2016, additional applications		\$400,000
Capital Campaign	Begin May 2016		\$700,000
Mass Cultural Council	Additional Application Fall 2017		\$300,000
E. TOTAL SOURCES (should equal C. on page 1 and D. above)			\$5,900,000
SUMMARY ANNUAL OPERATIONS & MAINTENANCE BUDGET (cannot use CPA funds)			
Uses of Funds projected for FY 17, first year of occupancy See detailed 10-year projection attached.			
Annual contracts (maintenance - snow, cleaning, insurance, etc.)			\$24,000
Repairs and maintenance, utilities			\$29,500
Other: Mortgage, permits, property manager, reserve			\$70,250
F. TOTAL ANNUAL COST (should equal or be less than G. below)			\$123,750
Sources of Funds			
House office leases			\$61,200
House event rentals			\$41,400
Barn class rentals			\$0
Barn event rentals			\$0
Allen House Friends			\$20,000
Other event fees			\$2,400
G. TOTAL ANNUAL FUNDING (should equal or exceed F. above)			\$125,000

Project TITLE		Nathaniel Allen Homestead, Phase 2	
↓ Check off submitted attachments here.			
REQUIRED	x	PHOTOS	of existing site or resource conditions – 6 included
	x	MAP	of site in relation to nearest major roads
REQUIRED	PROJECT FINANCES printed and as computer spreadsheets, with both uses & sources of funds		
	x	project development pro forma/capital budget: include total cost, hard vs. soft costs and contingencies, and project management – amount and cost of time from contractors or staff (in-kind contributions by existing staff must also be costed)	
	x	project operating/maintenance budget, projected separately for each of the next 10 years (CPA funds may not be used for operations or maintenance)	
	W	non-CPA funding: commitment letters, letters of inquiry to other funders, fundraising plans, etc., including both cash and est. dollar value of in-kind contributions	
	W	purchasing of goods & services: briefly summarize sponsor’s understanding of applicable state statutes and City policies	
REQUIRED	SPONSOR FINANCES & QUALIFICATIONS		
	x	for sponsoring department or organization, most recent annual operating budget (revenue & expenses) & financial statement (assets & liabilities); each must include both public (City) and private resources (“friends” organizations, fundraising, etc.)	
	W	for project manager: relevant training & track record of managing similar projects	
REQUIRED	DESIGN & CONSTRUCTION		
	x	professional design & cost estimates: include site plan, floor plans & elevations	
	x	materials & finishes; highlight “green” or sustainable features & materials	

**Newton Community Preservation Program Grant Proposal
Newton Cultural Alliance – Nathaniel Allen Homestead
February 2016**

PRO FORMA

Uses of Funds				
	Acquisition and closing costs			\$ 250,000
Phase I	Design			\$ 196,000
	Construction			\$ 440,000
	Other: legal, insurance, site costs, finance			\$ 318,000
	Total Phase I			\$ 1,204,000
Phase II				
	General Conditions			\$ 725,000
	Masonry			\$ 108,000
	Concrete			\$ 123,000
	Metals			\$ 6,000
	Carpentry & millwork			\$ 500,000
	Envelope - roofing & insulation			\$ 165,000
	Doors and Windows			\$ 114,600
	Plaster			\$ 124,000
	Painting			\$ 88,200
	Tile - carpet and vinyl			\$ 110,000
	Flooring - wood			\$ 58,900
	Mechanical - less incentives of \$150K			\$ 607,700
	Plumbing			\$ 130,000
	Electrical - & fire alarm			\$ 190,500
	Elevator			\$ 75,000
	Specialties & equipment			\$ 46,100
	Fire stopping & suppression			\$ 110,000
	Total Hard Costs			\$ 3,282,000
	Site Costs			\$ 480,000
	Contingency			\$ 164,000
	Architecture & Engineering			\$ 330,000
	Finance Expenses			\$ 35,000
	Insurance			\$ 30,000
	Miscellaneous (Utilities, maint)			\$ 30,000
	Debt Service Reserve			\$ 65,000
	Developer Fee			\$ 200,000
	Owner supplied materials			\$ 80,000
	TOTAL Uses of Funds			\$ 5,900,000
Sources of Funds:				
	CPA			\$ 2,300,000
	Bank Debt			\$ 750,000
	Mass. Cultural Council			\$ 600,000
	NCA - donations to date			\$ 550,000
	Foundations / Captial Campaign			\$ 700,000
	Historic Credits in Basis			\$ 1,000,000
	TOTAL Sources of Funds			\$ 5,900,000

Newton Community Preservation Program Grant Proposal

Newton Cultural Alliance – Nathaniel Allen Homestead

February 2016

Cost Estimate

The Pro Forma statement of the budget for Phase II of this project was based on a consultant contractor’s work to develop a construction budget based on 50% CD’s. In earlier presentations we have provided lengthy detailed cost estimate documents done by the architect team. In this case we feel the estimated costs presented in the Pro Forma are likely to be more accurate as they were done by a construction contractor with sub-contractor bids and is reasonably close to the last detailed budget done by the architects.

One area of the Pro Forma that is potentially unclear is the General Conditions cost. The following is a breakdown of this expense including the amounts that are addition to the normal things considered General Conditions:

General Conditions	\$409,105
Project Requirements	\$57,550
Permits	\$68,332
Preconstruction	\$9,360
Construction management	\$180,653
	\$725,000

**Newton Cultural Alliance
Nathaniel Allen Homestead
10 year operating budget**

Permits & Licenses	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250	\$250
Property Manager	\$30,000	\$30,600	\$31,212	\$31,836	\$32,473	\$33,122	\$33,785	\$34,461	\$35,150	\$35,853	\$36,570
Mortgage Payment	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000	\$35,000
Reserve Fund	\$5,000	\$5,000	\$5,000	\$5,000	\$5,000	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500	\$2,500
Total Other Expenses	\$70,250	\$70,850	\$71,462	\$72,086	\$72,723	\$70,872	\$71,535	\$72,211	\$72,900	\$73,603	\$74,320
Total Expenses	\$123,750	\$130,460	\$132,305	\$134,188	\$136,110	\$135,572	\$137,573	\$139,616	\$141,701	\$143,829	\$146,000
Total Net Income	\$1,250	\$22,140	\$24,047	\$25,971	\$27,912	\$32,371	\$34,348	\$36,344	\$38,358	\$40,392	\$42,445



The Commonwealth of Massachusetts

*Secretary of the Commonwealth
State House, Boston, Massachusetts 02133*

*William Francis Galvin
Secretary of the Commonwealth*

March 27, 2014

Thomas Concannon
Newton Cultural Alliance
1301 Centre Street
Newton, MA 02459

RE: Massachusetts Rehabilitation Tax Credit Application, Nathaniel Allen House,
35 Webster Street (Phase 1 of 1), Newton, MA; MHC# HRC.492

Dear Mr. Concannon:

As Chairman of the Massachusetts Historical Commission, I am pleased to inform you that the above referenced project has been selected to receive \$300,000.00 of state rehabilitation tax credit funds. You remain eligible to apply for additional funds in future rounds, not exceeding a total of 20% of the qualified rehabilitation costs for the project.

This allocation is contingent upon the successful completion of the project and the approval of part three of the state rehabilitation tax credit application in accordance with the regulations (830 CMR 63.38R.1).

Once your project is complete and put into service, you may apply for a Part 3 Certification for your project. Part 3 certification and issuance of a Project Certificate by the Massachusetts Historical Commission is the final step of the tax credit process for a single-phase project. See 830 CMR 63.38R.1(4)(c). After the Project Certificate is issued, no additional credits can be allocated.

Please contact Brona Simon, Executive Director of the Massachusetts Historical Commission, if you have any questions concerning the next steps in this process.

We look forward to working with you toward the successful completion of your project. We hope that this allocation will help you to achieve your preservation goals.

Sincerely,

A handwritten signature in black ink, appearing to read 'W. Galvin', written over a large, faint circular stamp or watermark.

William Francis Galvin
Secretary of the Commonwealth
Chairman, Massachusetts Historical Commission

xc: Adrienne Hartzell

Regarding Massachusetts Historic Tax Credits grant of \$300,000 received in Round 31, July 2014.

The letter to President Thomas Concannon regarding this award is not able to be located. A duplicate has been requested. This information is available online at the following url:

<https://www.sec.state.ma.us/mhc/mhcpdf/round-31-awards.pdf>

December 4, 2015

Massachusetts Cultural Facilities Fund Grant Program
Massachusetts Cultural Council
10 St. James Avenue, 3rd Floor
Boston, MA 02116-3803
Cultural Facilities Fund

Dear Friends:

Please find enclosed the Required and Supplementary Materials for the Newton Cultural Alliance's MCC CFF 2015 application. If there are any questions please do not hesitate to contact us.

Sincerely

Adrienne Hartzell
Managing Director

February 11, 2016

Community Preservation Committee
c/o Alice Ingerson, Community Preservation Program Manager
Newton Planning and Development Department
City Hall, 1000 Commonwealth Avenue
Newton, MA 02459

Dear Members of the Community Preservation Committee:

On behalf of the Newton Cultural Alliance this brief letter is written to express to you that the NCA is fully aware of the requirements of MGL Ch. 30B and the City of Newton policies regarding purchasing of goods and services with funds received from the Newton Community Preservation Program. Our Board of Directors has reviewed the **City of Newton Procurement Policy for Community Preservation Program Grants to Private Organizations** of the Purchasing Department revised on September 16, 2013 for projects in excess of \$25,000 and understand the policy and its requirements. We were pleased to work with Nick Read of the City of Newton Purchasing Department, along with Maureen LeMieux, Newton CFO and Ouida Young of the Newton Law Department, to come to an agreement for our Phase I grant that allowed for a public bidding process and reasonable flexibility to adjust the project as needed, in small ways, to accommodate the inevitable unexpected circumstances that development of a historic structure such as the Allen House requires. We look forward to working together with this team again for the Phase II agreement.

Very truly yours,

Adrienne Hartzell Knudsen
Managing Director

BUSINESS PLAN FOR THE NATHANIEL ALLEN HOUSE NEWTON CULTURAL ALLIANCE

Presented to the Newton Cultural Alliance

by the SOAR 55 Management Consulting Template Subcommittee

Susan Glazer
Jane Mann
James Welch

November 13, 2015

EXECUTIVE OVERVIEW

The Newton Cultural Alliance (“NCA”) is seeking Community Preservation Committee (“CPC”) funds from the City of Newton to complete its renovation of the Allen House. The Newton CPC has asked NCA to submit a sustainable business plan for the Allen House including a detailed financial projection for the property as a multi-use cultural and performance facility.

NCA sought the assistance of the SOAR55 Management Consulting Group for help in developing this business plan to ensure the NCA would have a pathway to the financial viability of the property and the sustainability of NCA as an organization. Based upon research with similar arts and cultural organizations around the country, NCA members, and analysis of building revenue and expenses, the SOAR55 team developed a financial projection for 10 years of Allen House revenue sources and expenses.

Our findings show the Allen House has significant rental revenue potential. Research with local arts organizations indicates strong demand for performances, events, meetings, studios, and shared office space. There is also an opportunity to rent the first floor of the Allen House to private individuals and companies for meetings and events. Baseline projections show tenant leases and event rental revenue could result in breakeven operations in FY 2017 and support at least 80% of expenses in years 2 - 10, during which time the current mortgage must be largely repaid. NCA will need to seek additional revenue from sponsors, donors and grants to cover all Allen House expenses once this mortgage amortization begins.

The SOAR55 team recommends NCA embrace the opportunity that the Allen House affords to provide a cultural center for Newton. We suggest the NCA undertake a strategic planning process to ensure the alignment of its mission, vision, and short and long-term objectives. We also recommend the NCA develop a fund-raising plan to address the Allen House revenue shortfall and create a focused marketing plan to ensure the building is fully utilized by cultural organizations and the residents of Newton.

January, 2016

To Whom It May Concern:

We write this letter in support of the Newton Cultural Alliance's efforts to secure funding for the restoration of the Nathaniel Allen House. Since last spring, our team worked with the Newton Cultural Alliance (NCA) to develop a sustainable business plan for the historic Nathaniel Allen House. This plan is key to ensuring the financial stability of the Allen House once it is restored.

Based on our research with similar arts and cultural organizations around the country, NCA members, and an analysis of building revenue and expenses, we found there is significant demand by non-profit organizations to use the Nathaniel Allen House space for office, social, and performance activities. This demand will generate a significant portion of the rental revenue required to support its financial viability.

The SOAR55 Team, therefore, strongly endorses NCA's efforts to seek funding for the restoration of the Allen House. As noted in our report to the NCA, the Nathaniel Allen House is a historic treasure that, once renovated, will provide a vibrant cultural center for the City of Newton.

Sincerely,

SOAR55 Executive Management Consulting
Group
Susan Glazer
Jane Mann
Jim Welch

Newton Cultural Alliance
Profit & Loss Budget Overview
July 2015 through June 2016

Ordinary Income/Expense	
Income	
4 · Contributed support	108,000.00
5 · Earned revenues	27,400.00
5800 · Special events	40,700.00
Total Income	<u>176,100.00</u>
Gross Profit	176,100.00
Expense	
7200 · Salaries & related expenses	86,500.00
7500 · Other personnel expenses	19,500.00
8100 · Non-personnel expenses	37,460.00
8200 · Occupancy expenses	6,725.00
8500 · Misc expenses	7,300.00
8600 · Business expenses	100.00
Total Expense	<u>157,585.00</u>
Net Ordinary Income	<u>18,515.00</u>
Net Income	<u><u>18,515.00</u></u>

Newton Cultural Alliance
Profit & Loss Budget vs. Actual
 July 2015 through January 2016

	TOTAL	
	Jul 2015 - Jan 2016	Budget
Ordinary Income/Expense		
Income		
4 · Contributed support	58,855.00	79,000.00
5 · Earned revenues	11,334.25	20,700.00
5800 · Special events	24,026.00	35,700.00
Total Income	94,215.25	135,400.00
Expense		
7200 · Salaries & related expenses	44,169.72	56,517.00
7500 · Other personnel expenses	4,224.25	16,325.00
8100 · Non-personnel expenses	12,535.91	33,535.00
8200 · Occupancy expenses	7,330.00	6,725.00
8500 · Misc expenses	-929.45	5,050.00
8600 · Business expenses	0.00	65.00
Total Expense	67,330.43	118,217.00
Net Income	26,884.82	17,183.00

Newton Cultural Alliance
Balance Sheet
As of January 31, 2016

ASSETS

Current Assets

Checking/Savings

1000 · Village Bank

1001 · Village Checking #7985	3,863.19
1003 · Village Savings #4571	40.34
1005 · separate NACC Checking#0781	49.36
1009 · AHCC Checking#0047	19,446.20
1000 · Village Bank - Other	0.00

Total 1000 · Village Bank	<u>23,399.09</u>
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Total Checking/Savings	<u>23,399.09</u>
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TOTAL ASSETS	<u><u>23,399.09</u></u>
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LIABILITIES & EQUITY

Liabilities

Current Liabilities

Accounts Payable

2010 · Accounts payable	8,175.00
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Total Accounts Payable	<u>8,175.00</u>
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Other Current Liabilities

2100 · Payroll Liabilities	1,617.72
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2150 · Accrued expenses - other	3,500.00
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2310 · Deferred revenue	5,000.00
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2550 · Line of credit payable	0.00
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Total Other Current Liabilities	<u>10,117.72</u>
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Total Current Liabilities	<u>18,292.72</u>
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Total Liabilities	18,292.72
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Equity

3010 · Unrestrict (retained earnings)	-21,778.45
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Net Income	<u>26,884.82</u>
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Total Equity	<u>5,106.37</u>
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TOTAL LIABILITIES & EQUITY	<u><u>23,399.09</u></u>
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**Newton Community Preservation Program Grant Proposal
Newton Cultural Alliance – Nathaniel Allen Homestead
February 2016**

Project Management

To date the project management for Phase I, the Junior League Show House and the ongoing work on design and engineering has been done by Donald Lang, architect and Adrienne Hartzell Knudsen, NCA's Managing Director.

In Phase II NCA expects to engage in the late Spring of 2016 an independent Owner's Representative/Project Manager to work closely on the project and with the General Contractor and his contractors. We have a number of names and interviews with prospective personnel will begin in April with special attention being given to experience with the city's procurement process and in dealing with historic properties and their unique challenges.