

**COMMUNITY PRESERVATION FUNDING AGREEMENT between
CITIZENS FOR AFFORDABLE HOUSING IN NEWTON
DEVELOPMENT ORGANIZATION, INC.
and the CITY of NEWTON to support the development of
AFFORDABLE COMMUNITY HOUSING at 54 EDDY STREET**

This AGREEMENT made as of March 25, 2013 by and between Citizens for Affordable Housing in Newton Development Organization, Inc., a Massachusetts corporation, having a usual place of business located at 1075 Washington Street, Newton, MA 02465 (hereinafter "Grantee") and the City of Newton, a municipal corporation organized and existing under the laws of the Commonwealth of Massachusetts, acting by and through its Director of Planning and Development or her designated staff, but without personal liability to her, (hereinafter the "City"); collectively, the "parties."

WITNESSETH THAT:

WHEREAS, the Grantee has purchased a two-family building known and numbered 54 Eddy Street, Newton, Massachusetts (hereinafter "the Property"); and

WHEREAS, the Grantee intends to reduce the principal of the existing mortgage, rehabilitate the Property and create two units of permanently affordable rental housing; and

WHEREAS, a two-bedroom unit will be rented to households whose gross annual income does not exceed 50 percent of the area median income and a three-bedroom unit will be rented to households whose gross annual income does not exceed 80 percent of the area median income; and

WHEREAS, the Grantee applied for and received approval from the Community Preservation Committee ("CPC") and the Board of Aldermen, upon the Funding Recommendation of the CPC, for a grant in the amount of \$255,000.00, subject to certain conditions set forth herein; and

NOW THEREFORE, the parties do mutually agree to the following General Provisions:

****GENERAL PROVISIONS****

1. Subject Matter. This Agreement sets forth the terms and conditions under which the Grantee shall receive funding from the City in the amount of Two Hundred Fifty-Five Thousand (\$255,000.00) Dollars. The Grantee agrees to use such funding to create two units of permanently affordable rental housing in accordance with the terms and conditions of the approval of the Board of Aldermen (Attachment A) and the Funding Recommendation of the CPC (Attachment B) (the "Project").

2. Conditions for Initial Release of Funds.

Grantee agrees to meet the following conditions prior to requesting the initial release of grant funds:

- (a) Grantee shall reasonably assist the City in publicizing the Project and shall provide progress reports as requested by the CPC or the Board of Aldermen.

(b) Grantee understands and agrees that it may not request payment from this grant for any costs already covered by or charged to any other funding source. Requests for payment should be addressed to:

Housing Program Manager
Department of Planning and Development
City of Newton
1000 Commonwealth Avenue
Newton Centre, MA 02459

(c) The two rental units shall remain subject to a Declaration of Affordable Housing Covenants executed by Grantee in connection with funding received from the Community Development Block Grant Program, which meets the requirements in the Funding Recommendation of the CPC and is recorded in the Middlesex South Registry of Deeds. A copy is attached hereto as Exhibit C.

(d) The deed evidencing the Grantee's ownership of the Property is recorded in the Middlesex South Registry of Deeds in Book 59642, Page 224. A copy is attached hereto as Exhibit D.

(e) The Grantee shall provide evidence that it has secured all other funding sources necessary to complete the Project, including rates and terms.

(f) The Grantee shall submit a Reasonable Accommodation/Reasonable Modification Plan and an Affirmative Fair Housing Marketing Plan in accordance with Paragraph 12 herein that have both been approved in writing by the City of Newton Housing Program Manager.

(g) Once the foregoing conditions have been met, and notwithstanding the conditions in paragraph 3(a) below, Grantee may request reimbursement for costs that are included in the CPC Funding Recommendation in an amount not to exceed \$25,000 (twenty-five thousand dollars), following the procedure set forth in paragraph 3(b) below.

3. Conditions for Subsequent Release of Funds.

Once the conditions in paragraph 2 above have been met, Grantee may submit to the City at the address listed in 2(a) above requests for reimbursement of approved project costs as set forth in Grantee's proposal to the CPC and in the CPC's Funding Recommendation to the Board of Aldermen, as significant portions of the work are completed but no more often than monthly, subject to the following conditions:

(a) Request for Payment of Construction Costs.

Prior to requesting reimbursement of costs associated with construction, Grantee shall submit the following:

- final scope of work and specifications for construction and an executed construction contract, as approved by the City of Newton Purchasing Department, in compliance with the 5 February 2013 letter from Newton Chief Financial Officer Maureen Lemieux to CAN-DO, included here as Attachment I.
- required demolition, building or other permits

(b) Submissions Required with Requests for Reimbursement.

With any request for reimbursement, Grantee shall submit to the City's Housing Program Manager, for forwarding to the CPC:

- documentation of the approved reimbursable costs incurred (such as architect's or contractor's invoices, or copies of other paid bills)
- a status report showing current projected date of occupancy and percentage completion of tasks from the scope of work/ specifications in 3(b) above that are complete vs. remaining, as well as any changes made in that scope of work in response to site conditions or requests from City inspectors or departments; and expenditures to date, in a format based on the original approved project budget (to permit clear comparison of planned and actual expenditures).

After inspection of the work by the City of Newton's housing construction and rehabilitation coordinator, or a City employee with equivalent qualifications, and approval of Grantee's request for payment, the City shall make a periodic progress payment to Grantee in the amount of the invoice attributable to the completed portion of the work.

(c) Conditions for Final Release of Funds

Upon satisfactory completion of the Project, but prior to the release of the final \$25,500 (10%) of CPA grant funds, Grantee shall submit to the City in writing and present to the CPC in person a final project report, including

- a copy of the certificate of occupancy
- certification by the project architect that the project was completed in accordance with the final approved plans
- a table comparing the costs and sources in the original approved project budget to the actual costs and sources, with a short narrative explaining the differences
- analysis of project results, including some description of households served, [and while protecting tenants' privacy and following fair housing guidelines in 4(b) above] and suggestions, if any, for improving the funding and management process or final results of similar future projects
- If units have not been rented at the time of this final report, Grantee may omit the description of households served from the report but must submit that information to the City of Newton's Housing Program Manager as soon as the units are rented.

Once the final report has been presented and submitted, Grantee shall submit to the City a request for payment in full of any remaining balance of approved project costs, together with copies of invoices from Grantee's contractor(s). Payment of any remaining balance shall be made to Grantee within thirty days, subject to final inspection and approval of the work by the City. In the event any dispute arises concerning the work, an equitable amount shall be retained pending resolution thereof.

(d) Completion Deadline and Return of Unspent Funds

All funds shall be spent within 18 months from the date of execution of this Agreement, or by any extension of this deadline granted in writing by the Director of Planning and Development.

Grantee shall return to the City's Community Preservation Fund any portion of the grant funds not used for the Project.

4. **Conditions Subsequent to Receipt of Funds.**

(a) Grantee shall manage the rehabilitated Property as affordable rental housing, with one 2-bedroom unit and one 3-bedroom unit, in accordance with the proposal submitted to the CPC and attached hereto as Attachment H.

(b) The rental units shall be marketed in accordance with the approved Affirmative Fair Housing Marketing Plan described in paragraph 2(f) above.

(c) Grantee shall cooperate with the City and do all things reasonably necessary to obtain from the Department of Housing and Community Development of the Commonwealth of Massachusetts (DHCD) approval of a perpetual Declaration of Affordable Housing Covenants executed by Grantee as described in 2(c) above, which meets the requirements in the Funding Recommendation of the CPC; and to apply to (DHCD) to have the rental units for this project included in the City's Subsidized Housing Inventory, including but not limited to, completing the necessary application and executing and recording in the Registry of Deeds, a Regulatory Agreement in a form approved by DHCD.

5. **Insurance Requirements** Grantee shall keep the property insured at all times and in such amounts as deemed reasonable and prudent in accordance with standard construction practices and in compliance with Attachment G hereof.
6. **Initial Reporting Requirement.** Before a lease is signed and prior to initial occupancy of each affordable unit, Grantee shall submit a report to the Housing Program Manager as required in identifying the household composition (number in household) characteristics and income of the prospective tenant households.
7. **Recapture of Funds.** If the Grantee fails to comply with the requirements of this Agreement, the approval of the Board of Aldermen, or the Funding Recommendation of the CPC, then the funds shall revert back to the City's Community Preservation Fund, and the Grantee shall be liable to repay the entire amount of the funding to the City. The City may take such steps as necessary, including legal action, to recapture such funds.
8. **Record Keeping** The Grantee agrees to keep such records as are kept in the normal course of business and as may be required by the City. Upon reasonable notice, Grantee shall provide the City with full and free access to such records with respect to utilization of the proceeds of this Agreement.
9. **Termination.** In the event the Grantee fails to fulfill all obligations under the terms of this Agreement, the approval of the Board of Aldermen, or the Funding Recommendation of the CPC, then the City shall have the right, in its sole discretion, to terminate this Agreement upon written notice to the Grantee. Upon such termination, the City shall be free to pursue any rights or remedies available at law or in equity, including without limitation, recapture of funds under paragraph 7.

10. **Compliance with Applicable Laws.** The Grantee shall comply with all applicable local, state and federal laws, ordinances, regulations or codes during the term of the Project.
11. **Equal Opportunity.** The Grantee shall comply with all applicable local, federal and state laws governing discrimination and equal opportunity.
12. **Fair Housing Marketing.** The Grantee and its assigns shall adopt and implement affirmative marketing procedures for the Property consistent with the City of Newton's requirements under the Community Development Block Grant Program, to affirmatively further fair housing.
13. **Monitoring.** The City shall annually evaluate the performance of the Grantee and may make a determination as to whether the Grantee has conformed with this Agreement and has a continuing capacity to carry out the funded activities in the manner required pursuant to this Agreement. With reasonable notice and during normal business hours and as often as the City may deem necessary, Grantee shall make available all such records and documents as requested by said parties for audit and/or monitoring. The City may examine and make copies of such records and may audit all contracts, procurement records, invoices, materials, payrolls, personnel records, conditions of employment, and all documents relating to all matters covered by this Agreement.
14. **Successors and assigns.** The terms of this Agreement, including, but not limited to the Reporting Requirements in paragraph 6, shall be binding on the Grantee's successors and assigns. The Grantee shall promptly provide notice of any change in ownership of the Property to the City.
15. **Conflict of Interest; Bonus and Benefit Prohibited.**
 - (a) No member, officer, or employee of the City or its designees or agents, no member of the governing body of the City of Newton or the Commonwealth of Massachusetts, and no other public official of such locality or localities who exercises any functions or responsibilities with respect to the subject funding programs during his or her tenure or for one year thereafter, shall have any interest or benefit, direct or indirect, in any contract or subcontract, or in the proceeds thereof, in connection with this Agreement, including work to be performed.
 - (b) Grantee shall not pay bonus, commission, or fee for the purpose of obtaining the City's approval of or concurrence to complete the work financed in whole or in part by this Agreement.
16. **Indemnification.** The Grantee shall indemnify, hold harmless, and defend the City and its departments, officers, employees, servants, and agents from and against all actions, causes of actions, claims, demands, damages, costs, loss of services, expenses, and compensation, including attorneys' fees and interest arising out of or resulting directly from the services rendered pursuant to this Agreement, provided that any such action, cause of action, claim, demand, damage costs, loss of service, expense, compensation (1) in any way grows out of bodily injury, sickness, disease or death, or to injury to or destruction of tangible property which (2) is caused in whole or in part by any act or omission of the Grantee, anyone directly or indirectly employed by any of them or

anyone for whose acts any of them may be liable, regardless of whether or not it is caused in part by a party indemnified hereunder.

17. **Notice.** Any notice, demand, request, consent, approval, communication either party is required to give to the other party or any person shall be in writing and either served personally or sent by prepaid, first class mail to the respective addresses set forth below. Either party may change its address by notifying the other party of the change of address in writing.

To the City: Director of Planning and Development
Planning and Development Department
Newton City Hall
1000 Commonwealth Avenue
Newton Centre, MA 02459

To Grantee: Executive Director
Citizens for Affordable Housing in Newton Development
Organization, Inc.
1075 Washington Street
Newton, MA 02465

18. **Changes.** In the event that changes in the Project become necessary, including but not limited to changes in funding, scope, or duration, the Grantee shall request the change in writing. If the City agrees to such changes, they must be approved in writing by the City and incorporated into this Agreement as amendments.
19. **Other Provisions.** All other provisions, if any, are set forth within the following SCHEDULES attached hereto and made a part hereof as listed below:

Attachment A, Approval of the Board of Aldermen
Attachment B, Approval and Funding Recommendation of the CPC
Attachment C, Declaration of Affordable Housing Covenants
Attachment D, Deed of property to CAN-DO
Attachment E, Tax Attestation
Attachment F, Clerk's Certificate and Vote
Attachment G, Insurance Requirements
Attachment H, Grantee's CPC Proposal
Attachment I, Procurement Procedure Required by City of Newton (5 February 2013 letter from Chief Financial Officer Maureen Lemieux to CAN-DO)

**** SIGNATORIES ****

IN WITNESS WHEREOF the parties hereto have executed this AGREEMENT in three sets to be effective when executed by His Honor the Mayor of the City of Newton.

GRANTEE:

Citizens for Affordable Housing in Newton Development Organization, Inc.

By: Josephine McNeil
Josephine McNeil,
Its: Executive Director

CITY OF NEWTON:

By: C. Havens
Candace Havens
Director of Planning and Development

I certify funds are available in the amount of \$255,000 in Account 21C11419-5797 for this Agreement.

By: [Signature] 03/07/13
Comptroller of Accounts

Approved as to legal form and character

By: Maria M. Lawler
Assistant City Solicitor

CONTRACT APPROVED

By: [Signature] 3/23/13
Setti D. Warren, Mayor Date

ATTACHMENT A

#413-12

CITY OF NEWTON
IN BOARD OF ALDERMEN

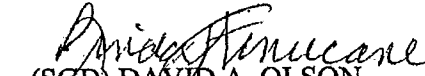
December 17, 2012

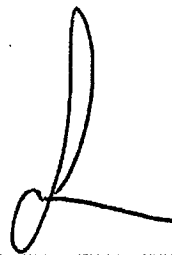
ORDERED:

That, in accordance with the recommendations of the Community Preservation Committee through its Chairman Leslie Burg; the Land Use Committee through its Chairman Ted Hess-Mahan; and the Finance Committee through its Chairman Leonard J. Gentile, the sum of two hundred fifty-five thousand dollars (\$255,000) is hereby appropriated from the fiscal 2013 Community Housing and General Reserves of the Community Preservation Fund to the control of the Planning and Development Department to create two affordable units of rental housing at 54 Eddy Street, West Newton as detailed in the Community Preservation Committee's November 27, 2012 funding recommendation to the Board of Aldermen; be and is hereby approved as follows:

FROM:	CPA Fund Balance – Community Housing (21-3321C).....	\$255,000
TO:	54 Eddy Street Housing (21C11419-5797).....	\$255,000

Under Suspension of Rules
Readings Waived and Approved
22 yeas 0 nays 2 absent (Aldermen Kalis and Merrill)


(SGD) DAVID A. OLSON
City Clerk
acting


(SGD) SETTI D. WARREN
Mayor

Date: December 28, 2012

ATTACHMENT B



Setti D. Warren
Mayor

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

Telephone
(617) 796-1120
Telefax
(617) 796-1142
TDD/TTY
(617) 796-1089
www.newtonma.gov

Candace Havens
Director

**Community Preservation Committee
FUNDING RECOMMENDATION**

date: 27 November 2012
from: Community Preservation Committee
to: The Honorable Board of Aldermen
for: **54 Eddy Street, affordable housing**

PROJECT GOALS & ELIGIBILITY

This project will rehabilitate a two-family home built in 1910 to create rental units, deed-restricted to be permanently affordable to one household at up to 50% of the area-wide median income (2 bedrooms) and one at up to 80% of the area-wide median income (3 bedrooms). No change will be made to the building's footprint. The project is eligible under the Community Preservation Act as the creation of affordable housing.

RECOMMENDED FUNDING

On 14 November 2012 by a unanimous vote of 7-0 (member Michael Clarke absent, Newton Historical Commission position currently vacant), the Community Preservation Committee recommended that the requested \$255,000 be appropriated for a grant to Citizens for Affordable Housing Development in Newton (CAN-DO) for this project, as described in the proposal and updates submitted July-November November 2011, with funds to be used for all eligible purposes included implicitly or explicitly in the summary budget at right:

DEVELOPMENT BUDGET for 54 EDDY STREET		
USES		
Acquisition		\$ 660,000
Construction		
Direct Construction Costs, incl. lead/asbestos removal		\$ 257,700
Contingency	10%	21,270
General Development		
Architecture, Engineering, Survey		\$ 22,000
Building Permits, Legal, Title, Etc.		\$ 15,617
Taxes & Insurance		\$ 14,051
Mortgage Loan Interest		\$ 25,000
Contingency	10%	\$ 7,667
Developer Overhead/Fee	8%	\$ 81,945
Capitalization of Replacement Reserve		\$ 10,000
Total		\$ 1,115,250
SOURCES		
City of Newton - CDBG (incl. lead/asbestos removal)		\$ 690,250
RECOMMENDED CPA FUNDS		\$ 255,000
Charlesbank Homes (Foundation Grant)		\$ 50,000
Village Bank Mortgage (after write-down)		\$ 120,000
Total		\$ 1,115,250

website www.newtonma.gov/cpa
contact Alice E. Ingerson, Community Preservation Program Manager
email aingerson@newtonma.gov phone 617.796.1144

ATTACHMENT B

SPECIAL ISSUES CONSIDERED BY THE CPC

Location: This site is within comfortable walking distance of 3 public schools (elementary, middle, and secondary), shopping and public transportation.

Project Costs & Population Served: The sponsor has requested a relatively high public subsidy so this project can serve low-income households without rental vouchers. This goal is consistent with Newton's *Consolidated Plan for Housing & Community Development* and longstanding recommendations of the Newton Housing Partnership. It also recognizes the uncertain future of federal funding for Section 8 vouchers.

Scope of Work & Sustainability: All permanently deed-restricted affordable rental housing generates below-market rents, by definition, but rents affordable to this project's low-income tenants must be even lower than usual. De-leading and asbestos removal are required by the project's federal funding. The project's additional proposed major repairs and improvements are all supported by the home inspector's report, the Newton Housing Partnership and the City of Newton's Housing rehabilitation staff, including adding a ¾ bath on the floor that currently contains only the 3 bedrooms of the larger unit, and conversion of the heating system from oil and steam radiators to gas and hot-water baseboard units. The new heating system is expected to pay for itself fairly quickly through energy savings. All together, these up-front investments will ensure that few major repairs are needed in the project's first 10-20 years, allowing CAN-DO to build a replacement reserve for the project's long-term future, even with very low operating income.

Developer Fee & Organizational Finances: The requested 8% developer fee is very low by affordable housing industry standards. As usual, this fee is also "at risk" to cover any actual development costs that exceed those budgeted. Financial statements for CAN-DO as an organization as a whole and for its completed projects; as reviewed by the Planning & Development Board in September-October 2012, are available from the project's CPC webpage.

ADDITIONAL RECOMMENDATIONS (*funding conditions*)

- 1. Funding sources & spending authority:** All funds should be drawn from the current Community Preservation Fund fund balance restricted to affordable housing, allocated as community housing, and appropriated to the spending authority of the Director of Planning and Development.
- 2. Grant agreement:** This agreement must cover but should not be limited to: pre-conditions for the initial release of funds (including evidence that the project can be completed as approved(commitment of other needed funds, executed construction contracts, and required City permits; and final approval and filing of the affordable housing deed restriction); procedures for the release of construction funds on a reimbursement basis and of the developer fee; requirements for publicizing the project and regular progress reports to the Community Preservation Committee or Board of Aldermen ; and pre-conditions for releasing the final 10 percent of funds, including verified completion of construction & an in-person presentation & written report on final project results to the CPC.
- 3. Deadlines:** All funds must be spent within 18 months after they become available, or by any extension of that deadline granted in writing by the Director of Planning and Development
- 4. Return of unspent funds:** Any CPA funds not used for the purposes stated in the attached proposal or this recommendation must be returned to the Newton Community Preservation Fund.

KEY OUTCOMES

The Community Preservation Committee will evaluate this project based on these key outcomes:

- 1.** on-time, within-budget completion of the scope of construction as described in the proposal submitted 15 July 2012 and updates or supporting information submitted through 14 November 2012
- 2.** initial occupancy within 2 months of completion, and continued occupancy in perpetuity, by one household with up to 50% and another with up to 80% of the area-wide median income

ATTACHMENTS listed on the following page are also available from this project's link on the CPC's *Proposals & Projects* webpage: <http://www.newtonma.gov/gov/planning/cpa/projects/default.asp#Pending>

ATTACHMENT B

Newton CPC Funding Recommendation for **Eddy Street (housing)**, 27 November 2012,

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ATTACHMENTS delivered to the clerks of the Land Use and Finance Committees:

- ♦ Sponsor's slide presentation to the Planning & Development Board & CPC
- ♦ Proposal & current attachments, including development & operating budgets
- ♦ Current scope of work & cost estimates
- ♦ Selected pages from appraisals: sketch floor plans & photos, conclusion of independent appraisal commissioned by CPC
- ♦ Letter from Newton Housing Partnership
- ♦ Memo from City of Newton Housing staff

Additional documents available from this project's link on the *CPC Proposals & Projects* webpage:

<http://www.newtonma.gov/gov/planning/cpa/projects/default.asp#Pending> :

- ♦ Photos: from realtor website, by City of Newton Housing staff and by project architect (best in color)
- ♦ Deed, confirming purchase price
- ♦ Full appraisals: one commissioned for the Village Bank & independent appraisal for the CPC
- ♦ Acquisition/site control documents: P&S, deed, mortgage & assignment of rents
- ♦ Full home inspector's report (very thorough)
- ♦ Letter from sponsor re: other funding sources being explored (very preliminary)
- ♦ Petition with supporting signatures, submitted by sponsor
- ♦ Sponsor's overall & past project financial statements reviewed by the Planning & Development Board in September –October 2012

DECLARATION OF AFFORDABLE HOUSING COVENANTS

CITIZENS FOR AFFORDABLE HOUSING IN NEWTON DEVELOPMENT ORGANIZATION, INC. (CAN-DO), a non-profit corporation organized under the laws of the Commonwealth of Massachusetts, having an address of **1075 Washington Street, Newton, MA 02465**, and owner in fee simple of property known as **54 Eddy Street** in Newton, Massachusetts, acting by and through its **Executive Director** pursuant to a Certificate of Vote recorded herewith (the "Owner") hereby covenants and agrees for itself, its successors, heirs and assigns, that the parcel described in Exhibit A, attached hereto and incorporated herein, (hereinafter the "Property") shall be subject to the following restrictions for the benefit of the Newton Community Development Authority, having a mailing address of Newton City Hall, 1000 Commonwealth Avenue, Newton Centre, Massachusetts, 02459 (the "NCDA"), its successors and permitted assigns.

The consideration for this Declaration of Affordable Housing Covenants (hereinafter "Covenant") is a loan to the Owner from the Newton Community Development Authority, which is evidenced by a promissory note and secured by a mortgage of the Property of even date recorded herewith at the Middlesex South District Registry of Deeds.

The terms of this Covenant authorized by Massachusetts General Laws, Chapter 184, §§31-33 and otherwise by law, are as follows:

1. **Purpose.** The purpose of this Covenant is to ensure that the Property will be retained as affordable housing for occupancy by low and moderate-income households as defined by the U.S. Department of Housing and Urban Development's (HUD) Community Development Block Grant (CDBG) Program. This Covenant is intended to be construed as an affordable housing restriction as defined in Section 31 of Chapter 184 of the Massachusetts General Laws which has the benefit of Section 32 of said Chapter 184.

2. **Covenants.** The Owner intends, declares and covenants on behalf of itself, its successors and assigns that these covenants, agreements, and restrictions are not merely personal covenants of the Owner and shall run with the land and shall bind the Owner, its successors and assigns and inure to the benefit of the NCDA, and its successors and assigns.

3. **Term.** For the maximum duration permitted by law with the approval of the Commonwealth of Massachusetts, pursuant to General Laws, Chapter 184, Sections 31-33, and in the event such approval is not given, for a period of thirty (30) years from the date of this Covenant and for such further time thereafter (up to 99 years) as this Covenant may be lawfully extended (including without limitation extensions permitted under General Laws, Chapter 184, Sections 27-30), the property shall be maintained as affordable housing as defined in paragraph 1 above.

4. **Completion Date.** The date on which all required Certificates of Occupancy and/or Certificates of Approval for the rental units on the Property are issued by the City of Newton Inspectional Services Department and the Owner has provided written notification to the NCDA and the NCDA has verified that all units are fully occupied, as provided in the Loan

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ATTACHMENT C

Agreement of near date between the NCDCA and the Owner. If the units receive Certificates of Occupancy and/or Certificates of Approval and/or are occupied on different dates, then the Completion Date shall be the date of occupancy of the unit that is occupied last.

5. Owner's Warranties and Representations. During the term of this Covenant as defined in paragraph 3 beginning from the Completion Date as defined in paragraph 4 above, (hereinafter "affordability period") the Owner shall comply with the following requirements:

- A. The Owner shall provide two units of rental housing at the Property which shall be rented at affordable rents as defined by the Federal Department of Housing and Urban Development. The CDBG-assisted units will comply with the following income and affordable rent requirements:
 - (i) The two-bedroom unit must be occupied by households with incomes that do not exceed 50 percent of area median income for the Boston-Cambridge-Quincy Metropolitan Statistical Area (MSA), adjusted for family size. The three-bedroom unit must be occupied by households with incomes that do not exceed 80 percent of the area median income for the Boston-Cambridge-Quincy Metropolitan Statistical Area, adjusted for family size. The actual income limits are determined by HUD and published annually in the Federal Register;
 - (ii) Except as may be permitted or required by a subsidy program with which the Owner or tenant participates, rents, inclusive of utilities, may not exceed 40 percent of the monthly income of a household whose gross income is 70 percent of the area median income for the Boston-Cambridge-Quincy MSA, adjusted for household size, and for the two-bedroom unit, 40 percent of the monthly income of a household whose gross income is 50 percent of the area median income for the Boston-Cambridge-Quincy MSA, adjusted for household size.
 - (iii) A tenant household whose income met the income limits at the time of initial occupancy, but whose income eventually exceeds 80 percent of the area median income for the three-bedroom unit, or 50 percent for the two-bedroom unit, may remain in the unit, provided that the rent is adjusted so that the "over-income" tenant household is paying not less than 40 percent of their monthly gross income for rent and utilities. As soon as the "over-income" tenant household vacates the Property, the Owner must re-rent the unit to an income-eligible household.
- B. The Owner represents warrants and covenants that the determination of whether a resident meets the income requirements set forth herein shall be made by Owner at the time of the leasing of the units and thereafter at least annually on the basis of the current income of such resident. The Owner shall maintain as part of its records, copies of all leases governing the rental of the units as may be executed throughout the affordability period and all initial and annual income certification(s) by the tenant(s) of the units. At the request of the NCDCA, the Owner shall provide copies of records documenting the annual and monthly gross and adjusted income of each resident occupying the units. For residents who have Section 8 certificates, the NCDCA may rely

ATTACHMENT C

on the housing assistance payment contract from the applicable housing authority in lieu of income verification by the Owner. In addition to the foregoing, Owner shall keep such additional records and prepare and submit to NCDA such reports as the NCDA may deem necessary to ensure compliance with the requirements of this Covenant and of the CDBG Program.

- C. Prior to initial occupancy of the units and annually thereafter, the Owner shall submit to the NCDA a proposed schedule of monthly rent and monthly allowances for utilities and services for the units. Such schedule shall be subject to the approval of NCDA for compliance with the requirements of applicable HUD regulations. After approval of a schedule of rent and allowances by NCDA, rents shall not be increased without either (a) a specific request by Owner for a rent increase or (b) the next annual schedule of rents and allowances. Notwithstanding the foregoing, rent increases shall be subject to the provisions of outstanding leases and shall not be implemented without at least 30 days prior written notice by Owner to the affected tenant(s).
- D. The Owner shall not demolish any part of the Property or substantially subtract from any real or personal property of the Property except in conjunction with renovation or rehabilitation of the Property or construction of a new project on the Property, in either case subject to the prior written consent of the NCDA, which consent shall not be unreasonably withheld. The Owner shall not permit the use of any residential unit for any purpose other than housing.
- E. The Owner represents, warrants and agrees that if the Property, or any part thereof, shall be damaged or destroyed, the Owner (subject to the approval of the lender(s) which will provide the financing) will use its best efforts to repair and restore the Property to substantially the same condition as existed prior to the event causing such damage or destruction, and the Owner represents, warrants and agrees that the Property shall thereafter continue to operate in accordance with the terms of this Covenant.
- F. Any use of the Property or activity thereon which is inconsistent with the purpose of this Covenant is expressly prohibited. The Owner shall carry out each activity provided for in this Covenant in compliance with all applicable federal laws and regulations described in 24 CFR 570, Community Development Block Grant Program, as amended.

6. Condition of Property. By its acceptance of this Covenant, NCDA does not undertake any liability or obligation relating to the condition of the Property.

7. Instruments to Enforce Covenant. The NCDA is authorized to record or file any notices or instruments appropriate to ensuring the enforceability of this Covenant; and the Owner on behalf of itself and its successors and assigns appoints the NCDA its attorney-in-fact to execute, acknowledge and deliver any such instruments on its behalf. Without limiting the foregoing, the Owner and its successors and assigns agree to execute any such instruments upon request. The Owner and the NCDA intend that the restrictions arising hereunder take effect upon the date hereof, and to the extent enforceability by any person ever depends upon the approval of

ATTACHMENT C

governmental officials, such approval when given shall relate back to the date hereof regardless of the date of actual approval or the date of filing or recording of any instrument evidencing such approval.

8. Covenants to be Referenced in Deed. These restrictive covenants shall be contained or referenced in any deed of conveyance of the subject Property or any other instruments conveying a non-leasehold interest in the Property or any part thereof and shall be equally binding on any subsequent owner of the title thereto whether acquired by grant, sale or any other means and such subsequent owner shall comply with this restriction for the remaining duration of said restriction.

9. Foreclosure. At least 60 days prior to the foreclosure auction sale by a lender or other transfer in lieu of foreclosure, the lender shall notify the NCDA of its intent to so foreclose and shall allow the NCDA the option/opportunity to assume the mortgage. In the event of such assumption of the mortgage, the Owner shall not further pledge or hypothecate said Property and the Owner's recapture of any equity it may have shall be deferred until such time as the Property is sold. If the option is exercised, the NCDA may direct the sale of the Property at any time during the period of affordability and shall undertake to sell the property within a reasonable period of time after the expiration of the affordability period. In the event of such a sale, the monies received shall be applied first to any and all encumbrances outstanding with respect to the property in order of priority, next to the costs of sale, then to repay the NCDA and/or the City of Newton for any amounts expended on the assumption of the mortgage. Any sums remaining after the above payments shall then be paid to the person or entity which was Owner of record prior to assumption of the mortgage, in full satisfaction of its equity interest in the Property.

In the event the NCDA chooses not to exercise its option to assume the mortgage referenced above, then the affordability restriction created hereunder shall terminate upon foreclosure or by instrument in lieu of foreclosure, provided that the holder of the mortgage gives the NCDA not less than 60 days prior written notice of the mortgagee's intention to foreclose upon the Property or to accept an instrument in lieu of foreclosure. Thereafter, if at any time following foreclosure or other transfer in lieu of foreclosure but still during the term of affordability, as defined in paragraph 5, the Owner of Record prior to foreclosure, any subsidiary thereof, or any newly formed entity that includes the former Owner or those with whom s/he or it has had family or business ties obtains ownership interest in the Property, the affordability period shall be revived in accordance with its original term.

10. Notices. All notices required under this Covenant shall be deemed to have been received if mailed, postage prepaid to the following:

For the NCDA:

Sole Member
Newton Community Development Authority
City Hall, 1000 Commonwealth Avenue
Newton, MA 02459

ATTACHMENT C

For Owner:

Executive Director
Citizens for Affordable Housing in Newton Development
Organization, Inc.
1075 Washington Street
Newton, MA 02465

11. Enforcement.

- A. The rights hereby granted shall include the right of NCDA to enforce this Covenant by appropriate legal proceedings and to obtain injunctive and other equitable relief against any violations, including without limitation relief requiring restoration of the Property to its condition prior to any such violation (it being agreed that the NCDA will have no adequate remedy at law), and such restoration shall be in addition to, and not in limitation of, any other rights and remedies available to the NCDA. The Owner covenants and agrees to reimburse NCDA all reasonable costs and expenses (including without limitation reasonable counsel fees) incurred in enforcing this Covenant or in taking reasonable measures to cure any violation hereof, provided that a violation of this Covenant is acknowledged by Owner or determined by a court of competent jurisdiction to have occurred.
- B. Without limitation on any other rights or remedies of the NCDA, its successors and assigns, the NCDA shall be entitled to the following remedies, which shall be cumulative and not mutually exclusive:
- (i) specific performance of the provisions of this Covenant, which shall be the preferred remedy;
 - (ii) voiding of any rental arrangement that violates this Covenant;
 - (iii) in the case of any rental arrangement where the Owner is found to have violated willfully or in bad faith, then money damages for charges in excess of rents permissible under this Covenant;
 - (iv) If any action is brought to enforce this Covenant, the prevailing party shall be entitled to reasonable attorneys' fees and other costs of bringing such action, in addition to any other relief or remedy to which such party may be entitled.
 - (v) The Owner hereby grants to the NCDA and its duly authorized representatives the right to enter upon the Property upon reasonable notice for the purpose of enforcing the restrictions contained in this Covenant and to take any reasonable and appropriate action under the circumstances to cure any violation of the provisions of this Covenant. Notwithstanding the definition of Owner hereinbefore contained, the rights of enforcement for violations of this Covenant shall survive any subsequent sale or transfer of the Property.

12. **Certificate.** Any party may rely on a certificate signed by the Owner and the NCDA as to any facts relative to this Covenant.

ATTACHMENT C

13. Governing Law. This Covenant shall be governed by the laws of the Commonwealth of Massachusetts. Any amendments to this Covenant must be in writing and executed by all of the parties hereto. If any provision of this Covenant shall to any extent be held invalid, the remainder shall not be affected.

ATTACHMENT C

IN WITNESS WHEREOF the said Citizens for Affordable Housing in Newton Development Organization, Inc. has caused its corporate seal to be hereto affixed and these present to be signed, acknowledged and delivered in its name and behalf by Josephine McNeil, Executive Director, its duly authorized representative, this 28th day of MARCH, 2013.

Citizens for Affordable Housing in Newton Development Organization, Inc.

By: Josephine McNeil
Josephine McNeil, Executive Director

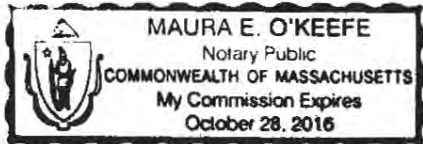
3/28/13
Date

COMMONWEALTH OF MASSACHUSETTS

MIDDLESEX, SS.

March 28, 2013

On this 28th day of MARCH, 2013, before me, the undersigned notary public, personally appeared the above-named **Josephine McNeil**, proved to me through satisfactory evidence of identification, which were PERSONAL KNOWLEDGE, to be the person whose name is signed on the preceding document, and acknowledged to me that she signed it voluntarily for its stated purpose, as **Josephine McNeil for Citizens for Affordable Housing in Newton Development Organization, Inc.**, a non-profit corporation.



[Signature]
Notary Public

My Commission expires: 10/28/16

ATTACHMENT C

EXHIBIT A
PROPERTY DESCRIPTION
54 Eddy Street, Newton, Massachusetts

The land in Newtonville, Middlesex County, Massachusetts and bounded and described as follows:

A certain parcel of land with the buildings thereon, situated in the part of said Newton formerly called Newtonville, being Lot 16 on a plan of land in Newtonville, owned by William L. Waugh and James S. Wilson, dated December 6, 1909, and recorded with Middlesex South District Deeds, at end of Book 3489 and bounded and described as follows:

WESTERLY: by Eddy Street, forty-one and 25/100 (41.24) feet;
NORTHERLY: by Lot 69 on a plan of lots in Newtonville belonging to the Harrington Estate, Irving T. Farnham, engineer, dated April 26, 1906, and recorded with said deeds, Book 179, Plan 8, one hundred forty-two and 78/100 (142.78) feet;
EASTERLY: on Lot 12 on said first mentioned plan, forty-two and 09/100 (42.09) feet; and
SOUTHERLY: on lot 15 on said first mentioned plan, one hundred thirty-four and 28/100 (134.28) feet.

Containing 5,715 square feet more or less.

For Mortgagor's title see Deed of Margaret Frances Murray, Trustee of The Helen M. Hallaran Trust – 2005, to Citizens for Affordable Housing In Newton Development Organization, Inc., recorded with Middlesex South District Registry of Deeds at Book 59642, Page 224.

ATTACHMENT D

Bk: 59642 Pg: 224

A2

JOSEPH ROSSI
ATTORNEY AT LAW
2120 COMMONWEALTH AVENUE
NEWTON, MA 02466

2012 00158652
Bk: 59642 Pg: 224 Doc: DEED
Page: 1 of 2 07/31/2012 11:34 AM

DEED

I, MARGARET FRANCES MURRAY, Trustee of The Helen M. Hallaran Trust - 2005 under Declaration of Trust dated March 11, 2005 (see Trustee's Certificate recorded with Middlesex South District Registry of Deeds at Book 44986, Page 41), of Southborough, Worcester County, Massachusetts FOR CONSIDERATION PAID AND IN FULL CONSIDERATION OF Six Hundred Sixty Thousand and 00/100 (\$660,000.00) dollars GRANT TO Citizens For Affordable Housing In Newton Development Organization, Inc., a Massachusetts Non-Profit Corporation, at 1075 Washington Street, Newton, Middlesex County, Massachusetts 02465

with QUITCLAIM COVENANTS

The land in Newtonville, Middlesex County, Massachusetts, and bounded and described as follows:

A certain parcel of land with the buildings thereon, situated in the part of said Newton formerly called Newtonville, being Lot 16 on a plan of land in Newtonville, owned by William L. Waugh and James S. Wilson, dated December 6, 1909, and recorded with Middlesex South District Deeds, at end of Book 3489 and bounded and described as follows:

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- EASTERLY: on Lot 12 on said first mentioned plan, forty-two and 09/100 (42.09) feet; and
- SOUTHERLY: on Lot 15 on said first mentioned plan, one hundred thirty-four and 28/100 (134.28) feet.

Containing 5,715 square feet more or less.

The signatory to this document hereby waives and releases any and all right, title and interest it may of acquired under Massachusetts General Laws, Chapter 188, commonly known as the Massachusetts Homestead Act.

Property Address: 54 Eddy Street, Newton, MA 02460
Grantee's Address: 1075 Washington Street, Newton, MA 02465

ATTACHMENT E

CERTIFICATION OF TAX COMPLIANCE

Pursuant to MG c. 62C, § 49A and requirements of the City of Newton, the undersigned acting on behalf of the Contractor certifies under the penalties of perjury that the Contractor is in compliance with all laws of the Commonwealth relating to taxes including payment of all local taxes, fees, assessments, betterments and any other local or municipal charges (unless the Contractor has a pending abatement application or has entered into a payment agreement with the entity to which such charges were owed), reporting of employees and contractors, and withholding and remitting child support.*

Josephine McNeil

**Signature of Individual
or Corporate Contractor (Mandatory)

*** Contractor's Social Security Number
(Voluntary) or Federal Identification Number

Print Name: Josephine McNeil

Date: 2/27/2013

By: _____
Corporate Officer
(Mandatory, if applicable)

Print Name: _____

- * The provision in this Certification relating to child support applies only when the Contractor is an individual.
- ** Approval of a contract or other agreement will not be granted until the City receives a signed copy of this Certification.
- *** Your social security number may be furnished to the Massachusetts Department of Revenue to determine whether you have met tax filing or tax payment obligations. Providers who fail to correct their non-filing or delinquency will not have a contract or other agreement issued, renewed, or extended.

ATTACHMENT F

CITIZENS FOR AFFORDABLE HOUSING IN NEWTON DEVELOPMENT ORGANIZATION, INC.

CERTIFICATE OF AUTHORITY - CORPORATE

The undersigned hereby certifies on behalf of Citizens for Affordable Housing in Newton Development Organization, Inc., d/b/a CAN-DO a Massachusetts corporation (the Corporation), that she is the duly elected and acting Clerk of the Corporation and that:

1. Attached hereto as Exhibit A is a true, correct and complete copy of certain Votes taken at a Meeting of the Board of Directors of the Corporation on December 12, 2012 and said Votes have not been revised, rescinded, amended or otherwise modified and, as of February 27th, are in full force and effect; and
2. Michelle Hayes is the duly qualified and acting President of the Corporation; Betsy Harper is the duly qualified and acting Treasurer of the Corporation and Josephine McNeil is the dully qualified and acting Executive Director of the Corporation.



Clerk: Lonna Carter

COMMONWEALTH OF MASSACHUSETTS

Middlesex, ss

March th 6, 2013

On this th 6 day of March, before me, the undersigned notary public, personally appeared Lonna Carter, proved to me through satisfactory evidence of identification, which were personally known to me, to be the person whose name is signed on the preceding document, and acknowledged that she signed it voluntarily for its stated purpose, as Clerk of Citizens for Affordable Housing in Newton Development Organization, Inc., d/b/a CAN-DO.


Notary Public
My commission expires:
July 18, 2014

CERTIFICATE OF VOTE OF THE BOARD OF DIRECTORS

EXHIBIT A

CERTIFICATE OF VOTE OF THE BOARD OF DIRECTORS

I, Lonna Carter, Clerk of Citizens for Affordable Housing in Newton Development Organization, Inc. d/b/a CAN-DO hereby certify that the following is a true copy of votes taken at the Meeting of the Board of Directors held on December 12, 2012 at 7:00 p.m. at the Eliot Church of Newton, 474 Centre Street, Newton, Massachusetts 02458.

A quorum being present upon motion duly made and seconded it was:

VOTED: That the Corporation authorize either the Executive Director or the President to execute the funding agreement and all notes, mortgages and other customary financing documents necessary in connection with a Forgivable Deferred loan in the amount of \$255,000.00 from the Newton Community Preservation Committee for the purpose of paying for soft and construction costs relating to the development of 54 Eddy Street, West Newton, MA 02465. property.

VOTED: That the President or the Treasurer or either of them be and hereby are authorized to act on behalf of the Corporation in executing any and all documents, instruments or certifications usual, customary or necessary and in the form suitable in their judgment for carrying out the votes herein taken.

Attachment G

Insurance

1. General. Grantee, and contractors and subcontractors engaged by Grantee, its agents or designees to perform the site work and construction work, shall, at all times, be required to maintain insurance coverage consistent with the character of the Project. Grantee agrees to keep copies of each policy and certificate on file, and to provide such copies to the City upon request.

The following coverage will be required at the minimum amounts indicated below:

Workmen's Compensation Employer's Liability	Statutory Coverage \$100,000 Coverage B
Comprehensive General Liability Bodily Injury	\$500,000 each occurrence \$1,000,000 aggregate
Property Damage	\$500,000 each occurrence \$1,000,000 aggregate

NOTE: The comprehensive General Liability policy must included coverage for:

- Independent contractor's liability
- Products and completed operations liability for a period of not less than one year
- Broad form property damage liability
- Contractual liability

2. Property Insurance.

a. Hazard Insurance. Grantee shall keep the Property continuously insured against damages resulting from hazards by maintaining an adequate extended coverage policy. In the event of distribution of hazard insurance proceeds in lieu of restoration or repair following loss to the structures, an amount of the proceeds equal to the amount of the grant distributed to Grantee by the City under the terms of this AGREEMENT are hereby assigned and shall be paid to the City.

b. Restoration or Repair of Property. In the event of fire, hazard or other similar occurrence resulting in the partial or total loss of the Property, Grantee shall restore the Property unless Grantee and the City determine that it is impossible or impractical to do so.

CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)
2/04/2013

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).

PRODUCER INSURANCE MARKETING AGENCIES 306 MAIN STREET Worcester, MA 01608 508 753-7233	CONTACT NAME: mag	
	PHONE (A/C, No, Ext): 508 753-7233	FAX (A/C, No):
E-MAIL ADDRESS:		
INSURER(S) AFFORDING COVERAGE		NAIC #
INSURER A: Lloyds Of London		
INSURER B: Twin City Fire Ins. Co.		29459
INSURER C: Hartford Fire Insurance		
INSURER D:		
INSURER E:		
INSURER F:		

INSURED

**Citizens for Affordable Housing in
Newton Dev Org, Inc d/b/a CAN-DO**
1075 Washington Street
West Newton, MA 02465


COVERAGES **CERTIFICATE NUMBER:** **REVISION NUMBER:**

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL INSR	SUBR WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS			
A	GENERAL LIABILITY			QMP1229902	07/31/2012	07/31/2013	EACH OCCURRENCE \$ 1,000,000			
	<input checked="" type="checkbox"/> COMMERCIAL GENERAL LIABILITY						DAMAGE TO RENTED PREMISES (Ea occurrence) \$ 50,000			
	<input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR						MED EXP (Any one person) \$ 1,000			
	<input checked="" type="checkbox"/> BI/PD Ded:500						PERSONAL & ADV INJURY \$ 1,000,000			
	GEN'L AGGREGATE LIMIT APPLIES PER:									GENERAL AGGREGATE \$ 2,000,000
	<input type="checkbox"/> POLICY	<input type="checkbox"/> PRO-JECT	<input type="checkbox"/> LOC							PRODUCTS - COMP/OP AGG \$
										\$
C	AUTOMOBILE LIABILITY			08SBAKC8175	10/05/2012	10/05/2013	COMBINED SINGLE LIMIT (Ea accident) \$ 1,000,000			
	<input type="checkbox"/> ANY AUTO						BODILY INJURY (Per person) \$			
	<input type="checkbox"/> ALL OWNED AUTOS	<input type="checkbox"/> SCHEDULED AUTOS	<input type="checkbox"/> NON-OWNED AUTOS				BODILY INJURY (Per accident) \$			
	<input checked="" type="checkbox"/> HIRED AUTOS	<input checked="" type="checkbox"/> NON-OWNED AUTOS					PROPERTY DAMAGE (Per accident) \$			
							\$			
	UMBRELLA LIAB	<input type="checkbox"/> OCCUR					EACH OCCURRENCE \$			
	EXCESS LIAB	<input type="checkbox"/> CLAIMS-MADE					AGGREGATE \$			
	DED	RETENTION \$					\$			
B	WORKERS COMPENSATION AND EMPLOYERS' LIABILITY			08WECGQ2394	05/31/2012	05/31/2013	<input checked="" type="checkbox"/> WC STATUTORY LIMITS <input type="checkbox"/> OTH-ER			
	ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N	N/A				E.L. EACH ACCIDENT \$ 100,000			
							E.L. DISEASE - EA EMPLOYEE \$ 100,000			
							E.L. DISEASE - POLICY LIMIT \$ 500,000			
A	Building Spec Causes Loss			QMP1229902	7/31/2012	7/31/2013	\$660,000, \$2,500 Ded. Replacement Cost 90% Coinsurance			

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (Attach ACORD 101, Additional Remarks Schedule, if more space is required)

City of Newton included as mortgagee and additional insured with respect to building at 54 Eddy St., Newton, MA 02465.

CERTIFICATE HOLDER City of Newton 1000 Commonwealth Ave. Newton, MA 02459	CANCELLATION SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.
	AUTHORIZED REPRESENTATIVE 

ATTACHMENT H

Received 6/29/12; revised

Citizens for Affordable Housing
in Newton

CAN-DO



Development Organization, Inc.
June 29, 2012

1075 Washington Street
West Newton, MA 02465

Phone: 617-964-3527

Fax: 617-964-3593

E-mail: jam_cando@msn.com

Website: www.newtoncando.org

Josephine McNeil, Executive Director

Ms. Trisha Guditz, Housing Planner
City of Newton Planning Department
Newton City Hall
1000 Commonwealth Avenue
Newton, MA 02459

The version of this grant agreement on the Newton CPC website omits Attachment H, because the full proposal as submitted is already available through a separate link on the site.

Re: 54 Eddy Street – Eddy Street Project

Dear Ms. Guditz: *Trish*

Please find enclosed for your review our One Stop application requesting \$660,000 in CDBG funds for the acquisition of the above-referenced property.

CAN-DO plans to renovate this existing 2-family dwelling containing one 2-bedroom unit and one 3-bedroom unit to provide housing for one very low income family and one low-income family. We are setting rents at a level that would allow families without vouchers to rent the units. The 2-bedroom units is priced at \$1100 which is lower than the High Home rent and the 3 bedroom unit is priced at \$1600 and would be affordable to a family without a voucher earning 65% of the AMI.

We are using our now familiar method of financing the purchase with a loan from The Village Bank in the amount of \$660,000, which will be paid off to the amount of the permanent mortgage (\$120,000). On Tuesday of this week, we received approval from the CPC to submit a full application for \$255,000 in CPA funds. It is my understanding that this application to you satisfies the requirement for that application. The remaining funding for the project will be provided by Charlesbank Homes, assuming that our application for funding in the amount of \$50,000 is approved. I feel fairly confident, as we have received funding from them for each of our past projects of this type.

In the attached binder you will find the One Stop Application and the required attachments.

Please let me know if you are in need of any additional information.

Sincerely,

Josephine
Josephine McNeil
Executive Director

CC: Alice Ingerson (Letter Only)

ATTACHMENT I



SETTI D. WARREN
MAYOR

City of Newton, Massachusetts
Office of the Mayor

Telephone
(617) 796-1100

Facsimile
(617) 796-1113

TDD/TTY
(617) 796-1089

E-mail
swaren@newtonma.gov

February 5, 2013

Josephine McNeil, Executive Director
CAN-DO Development Organization, Inc.
1075 Washington Street
West Newton, Massachusetts 02465

RE: Renovation of 54 Eddy Street, Newton Massachusetts ("Project")

Dear Ms. McNeil:

I want to thank you and Terry Heinlein for meeting with the City last Thursday. As discussed, we are hoping to establish basic procedures for the award of contracts using public funds. The procedures are being established for all such contracts administered by the City. The goal is to assure that all procurements are fair and open, and the contracts are awarded to the lowest responsive and responsible bidder.

You and Mr. Heinlein stated that the implementation of our proposed procedures in the middle of a Project would be burdensome. Your arguments were persuasive. Accordingly, although we will require an advertised bid process on future projects, you may use a quote process for the Eddy Street Project.

We have agreed that you shall use your pool of prequalified contractors, as follows:

1. CAN-DO identifies the contractors in its prequalified pool;
2. CAN-DO describes how each of the prequalified contractors was selected;
3. CAN-DO will solicit written quotes from each of the prequalified contractors;
4. CAN-DO will submit a completed City of Newton-Quote Summary Sheet (enclosed) and copies of all quotes to the City's Purchasing Department;
5. The Department will identify the lowest responsive and responsible quoter and CAN-DO will prepare and execute three (3) copies of contract;

1000 Commonwealth Avenue Newton, Massachusetts 02459

www.newtonma.gov



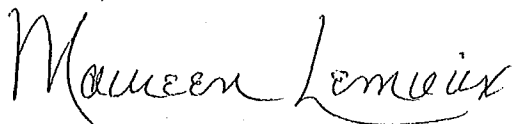
DEDICATED TO COMMUNITY EXCELLENCE

ATTACHMENT I

6. CAN-DO will forward the executed contracts to the City which will attach and execute the CAN-DO Contract Approval Cover Sheet (enclosed); and
7. On full execution of the CAN-DO Contract Approval Cover Sheet, the City will release funds to CAN-DO.

My goal has been to accommodate your concerns for the Eddy Street Project in a manner that is consistent with the City's goals for an open and fair procurement.

Sincerely,



Maureen Lemieux,
Chief Financial Officer

This letter supersedes my letter dated January 31, 2013.

