

**54 Eddy Street**

(affordable housing)

30 April 2014

**FINAL REPORT**

Newton, Massachusetts  
Community Preservation  
Program

[www.newtonma.gov/cpa](http://www.newtonma.gov/cpa)



(photos continue from p. 5)

**CPA COMPLETION REPORT—APRIL 2014**  
**EDDY STREET PROJECT**  
**54 Eddy Street, Newton, MA 02465**

**CPA GRANT AMOUNT**     \$255,000  
**GRANT CLOSED**         March 2013  
**FUNDS RETURNED**      \$11,428

**OBJECTIVE:**

Create 2 units of permanent affordable housing; one unit for a family with an income below 50% of the area median income, the other for a family with an income below 80% of the area median income.

**PROJECT DESCRIPTION INCLUDING SCOPE OF WORK:**

Purchase and rehab existing 2 family house. Rehabilitation includes:

- Remove steam boilers and radiators;  
  Replace with hydronic boilers and baseboard radiators
- Removal of lead and asbestos
- Insulate exterior walls, basement and roof.
- Replace portion of roof that is covered with rubber membrane
- Replace brick pilings under porch
- Repair, parge front steps
- Front sidewalk retaining wall
- Repave driveway
- Remove wallpaper and repaint both units
- Install outlets in all rooms
- Redesign and build new kitchen in 3 bedroom unit
- Design and build 3/4 bath in 3 bedroom unit
- Rebuild bulkhead and doghouse
- Fiberglass roofing at main gable and doghouse
- New gutters and downspouts

**PROJECT TIMELINE**

- PURCHASE DATE – July 31, 2012
- BIDDING PERIOD – Dec. 2013 – June 30, 2013
- CONSTRUCTION BEGAN – July 18, 2013
- CERTIFICATE OF OCCUPANCY ISSUED – January 2014
- UNITS OCCUPIED         - February 2014

## **OCCUPANTS:**

Two homeless families moved into unit on February 1, 2014. One family moved from our transitional housing unit at Garfield House into the 3 bedroom unit. The other family who resided in Newton was able to avoid relocation to a shelter or hotel by relocating to the 2 bedroom unit.

## **SIGNIFICANT FACTOR –IMPACT OF PROCUREMENT PROCESS**

In December of 2013, we were informed that the City had instituted a new procurement policy which would require a public bidding process. My architect and I along with housing staff met with the Procurement Officer who explained the policy to us. After discussion with my architect it became clear that this new process would add costs to the project that we had not anticipated; therefore had not requested. We asked for a meeting with city staff to ask for a reconsideration of the policy. Our position was that it was not fair to impose this new procedure at that point in the project.

We suggested a hybrid of the new rules which was accepted by the City. We would identify 8 – 10 contractors who were on the housing office's list of HUD certified contractor's. We would issue a city-approved RFP, select a contractor and submit the rationale for the selection to the procurement officer.

We used that bid process to select 3 different contractors - the asbestos contractor, the lead contractor and the general contractor.

- Asbestos process – issued Request for Bids (RFB) for January 31<sup>st</sup> to 3 contractors; received responses by February 14<sup>th</sup>; selection made.
- Lead abatement process – issued RFB to 3 delading contractors on February 23<sup>rd</sup>; selection made early in March. Selected contractor informed withdrew his proposal due to personal business reasons. Reissued RFB to two losing bidders and selected replacement on April 16, 2013.
- General contractor process – issued RFB on May 7<sup>th</sup> to 9 contractors, bids closed on May 31<sup>st</sup>, four contractors responded, selection made on June 3<sup>rd</sup> and contract signed on June 17<sup>th</sup>.

Result of hybrid process increased soft costs - added 2 – 3 months to construction period, as well as increase in costs particularly soft costs – architect fees due to need for more fully developed plans, additional interest costs, and increased utility costs.

## EDDY STREET Final Report to Newton Community Preservation Committee

ITEM			ORIGINAL BUDGET	FINAL ACTUAL
<b>DEVELOPMENT BUDGET</b>			\$ 660,000	\$ 660,000
<b>SUBTOTAL - ACQUISITION COST</b>			<b>\$ 660,000</b>	<b>\$ 660,000</b>
<b>CONSTRUCTION COSTS:</b>				
Direct Construction Costs			\$ 212,700	\$ 228,524
Construction Contingency		10%	21,270	-
Lead/asbestos Testing Removal			45,000	32,536
<b>Subtotal: Construction</b>			<b>\$ 278,970</b>	<b>\$ 261,060</b>
<b>GENERAL DEVELOPMENT COSTS</b>				
Architecture & Engineering including survey			\$ 22,000	\$ 28,430
Building Permits			\$ 3,402	\$ -
Legal			\$ 5,000	\$ 950
Title and Recording			\$ 5,000	\$ 3,206
Real Estate Taxes			\$ 5,551	\$ 12,007
Liability Insurance			\$ 3,500	\$ 4,813
Builder's Risk insurance			\$ 5,000	\$ 3,576
Appraisal			\$ 625	\$ 525
Loan Interest			\$ 25,000	\$ 28,508
Pre-development			\$ 1,590	\$ 1,590
Other				\$ 7,212
<b>Total</b>			<b>\$ 76,668</b>	<b>\$ 90,817</b>
Soft Cost Contingency		10%	\$ 7,667	\$ -
<b>Subtotal: Gen. Dev.</b>			<b>\$ 84,335</b>	<b>\$ 90,817</b>
<b>Subtotal: Acquis., Const., and Gen. Development</b>				
			<b>\$ 1,023,305</b>	<b>\$ 1,011,877</b>
>Developer Overhead/Fee		8%	\$ 81,945	\$ 81,945
Fund Replacement Reserve			\$ 10,000	\$ 10,000
<b>TOTAL DEVELOPMENT COSTS</b>			<b>\$ 1,115,250</b>	<b>\$ 1,103,822</b>
<b>FUNDING SOURCES:</b>				
City of Newton - CDBG			\$ 645,250	\$ 645,250
City of Newton - Lead/asbestos removal			\$ 45,000	\$ 45,000
CPA GRANT			\$ 255,000	\$ 243,572
Charlesbank Homes			\$ 50,000	\$ 50,000
THE Village Bank			\$ 120,000	\$ 120,000
<b>TOTAL SOURCES</b>			<b>\$ 1,115,250</b>	<b>\$ 1,103,822</b>

# 54 Eddy Street (affordable housing)



original interior



kitchen renovations



living & dining room renovations

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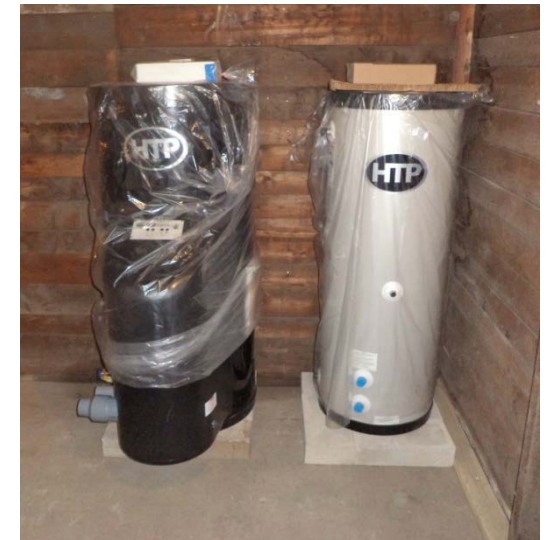


three-quarter bath added to 2<sup>nd</sup>/3<sup>rd</sup> floor unit



renovated  
bedroom  
in 2<sup>nd</sup>/3<sup>rd</sup>  
floor unit

new  
high-  
efficiency  
heating  
system





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repairs to driveway and walls