

**CITY of NEWTON HOUSING PROJECT APPLICATION
for CPA, HOME and CDBG FUNDS**

PRIMARY APPLICANT

Contact (Name, mail & email address, daytime phone & fax):
 Josephine McNeil 617-964-3527
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 West Newton, MA 02465 jam_cando@msn.com
 Organization, if applicable: CAN-DO

PROJECT MANAGER Individual who will manage the project and provide updates on progress & expenditure of City funds.

Contact (Name, mail & email address, daytime phone & fax):
 SAME AS ABOVE
 Organization, if applicable:
 Role (Co-applicant, owner, developer, other): DEVELOPER/OWNER

PROJECT TITLE PEARL STREET

PROJECT ADDRESS 61 PEARL STREET
 NEWTON, MA 02458

BUDGET SUMMARY	Total project	Total City funds
	cost: \$1,370,000	requested: \$1,145,000

PROJECT SUMMARY Summarize proposed project: Identify rental or homeownership; no. of affordable/market-rate units & no. of bedrooms per unit; income level(s); special populations served, if applicable; accessibility barriers, if any; special features (support services, sustainability or energy conservation, historic preservation, etc.).

61 Pearl Street is presently a two and three story, multi-family dwelling of 4 living units. The ground floor accesses a foyer for entry to a single story one bedroom unit, and a stairway that accesses the two upper units; a separate entry for an attached two story one bedroom apartment is at the rear of the property. The second and a third floor units, above the single bedroom first level unit are one bedroom and two bedroom units respectively. The building is wood frame, mansard and hipped roofed, and constructed in the 1870s. The site is level and provides easy pedestrian and vehicular access within planting and lawn areas. It is immediately adjacent to a small public park.

The proposed renovations would repartition the existing four units into three two bedroom units. This would combine the first floor living area of the separately entered two story unit with the existing one bedroom ground level apartment. This unit would be renovated as a fully accessible unit with entry and exit ramps, accessible kitchen/bath/closets, two bedrooms, and would meet all other current accessibility requirements. The second level of the existing two story unit would be combined with the existing second floor one bedroom unit to provide a two bedroom/one bath living unit. The third floor two bedroom unit would remain, and would receive minor renovation work required by code or providing energy improvements. New exit doors, fire shutters; roofing, attic and basement insulation, on site vehicle paving, site landscaping/fencing, and structural and mechanical improvements will be included in the scope of the project.

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1. SOURCES OF FUNDS <i>Check all that apply and identify if funds are committed or proposed.</i>						
X CDBG						\$130,000
xHOME						\$350,000
xCommunity Preservation Fund						\$665,000
xPrivate bank loan						\$175,000
<input type="checkbox"/> Sales revenue						\$
xOther (identify source) Foundations						\$50,000
<input type="checkbox"/> Other (identify source)						\$
<input type="checkbox"/> Other (identify source)						\$
<input type="checkbox"/> Other (identify source)						\$
2. USES OF FUNDS <i>Check all that apply.</i>						
xAcquisition		xRehabilitation		<input type="checkbox"/> New construction		xMortgage buydown
<i>Categories below apply only to CPA funds -- please consult staff.</i>						<input type="checkbox"/> Site preparation/ remediation
xCreation		<input type="checkbox"/> Preservation		<input type="checkbox"/> Support		
3. TARGETED POPULATION <i>Check all that apply.</i>						
X Individual/Family		<input type="checkbox"/> Elderly		<input type="checkbox"/> Homeless/At Risk of Homelessness		
<input type="checkbox"/> Housing with support services (identify service providers):						
<input type="checkbox"/> Special needs (identify population):						
<input type="checkbox"/> Other (identify population):						
4. TYPE OF HOUSING <i>Check all that apply.</i>						
Homeownership				Rental		
<input type="checkbox"/> Single family				X Individual/family		
<input type="checkbox"/> Condominium(s)				<input type="checkbox"/> Group residence, congregate		
<input type="checkbox"/> Cooperative (s)				<input type="checkbox"/> Other (identify)		
5. UNIT COMPOSITION <i>List number of units in each category.</i>						
	Total	≤ 30% AMI	≤ 50% AMI	≤ 80% AMI	Between 80-100% AMI	Market rate
SRO						
1 BR						
2 BR			3			
3 BR						
4 BR/+						

PEARL STREET PROJECT

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 - C. Financing Commitment

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 - C. Mission Statement/Annual Budget

3. Community Need

4. Community Outreach

5. Evidence of Site Control

6. Site Plans & Zoning/Permitting
 - A. Aerial Photo/Parcel Map
 - B. Property History

7. Design & Construction
 - A. Existing and Hand-drafted proposed floor plan
 - B. Amenities
 - C. Sustainable elements

8. Fair Housing & Equal Opportunity
 - A. Relocation Plan
 - B. Reasonable Accommodation/Reasonable Modification Plan

9. Architectural Accessibilty

photo 2b not submitted

financial statements & attachments

3-9 posted separately online

1A

PEARL STREET DEVELOPMENT PROFORMA		Oct-10					
			ORIGINAL				
ITEM							
DEVELOPMENT BUDGET			\$ 780,000				
SUBTOTAL - ACQUISITION COST			\$ 780,000				
CONSTRUCTION COSTS:							
Direct Construction Costs			\$ 322,680				
Construction Contingency		15%	48,402				
Subtotal: Construction			\$ 371,082				
GENERAL DEVELOPMENT COSTS							
Architecture & Engineering including survey			\$ 18,500				
Building Permits			\$ 5,989				
Legal			\$ 3,000				
Title and Recording			\$ 5,000				
Real Estate Taxes		1 year	\$ 7,639				
Liability Insurance			\$ 2,900				
Builder's Risk insurance		1 year	\$ 5,000				
Appraisal			\$ 750				
Loan Interest			\$ 25,000				
Other		Pre-development	\$ 1,938				
Total			\$ 75,716				
Soft Cost Contingency		6%	\$ 4,543				
Subtotal: Gen. Dev.			\$ 80,259				
Subtotal: Acquis., Const., and Gen. Development			\$ 1,231,341				
>Developer Overhead/Fee			\$ 123,659				
Fund Replacement Reserve			\$ 15,000				
TOTAL DEVELOPMENT COSTS			\$ 1,370,000				
FUNDING SOURCES:							
City of Newton - CDBG			\$ 400,000				
City of Newton - LEAD Grant			\$ 80,000				
CPA GRANT			\$ 665,000				
Private Foundations			\$ 50,000				
Bank			\$ 175,000				
TOTAL SOURCES			\$ 1,370,000				

1B.

PEARL STREET OPERATING BUDGET			2010 BASIS	2011	2012	2013	2014	2015	2016	2017
Annual increase: income				3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
Annual increase: costs				5.0%	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
INCOME:	MONTHLY	ANNUAL								
3-2 bedroom (1479)	\$ 4,437.00	\$ 53,244								
		\$ 53,244								
Vacancy (5%)		\$ 2,662								
ANNUAL RENTAL INCOME			\$ 50,582	\$ 52,099	\$ 53,662	\$ 55,272	\$ 56,930	\$ 58,638	\$ 60,397	\$ 62,209
EXPENSES										
Administrative										
Management Fee @ 5% of income		\$ 2,529								
CAN-DO Administration		\$ 1,800								
TOTAL ADMINISTRATIVE			\$ 4,329	\$ 4,545	\$ 4,773	\$ 5,011	\$ 5,262	\$ 5,525	\$ 5,801	\$ 6,091
Maintenance:										
Janitorial Supplies		\$ 1,500								
Landscaping/Snow Removal		\$ 3,000								
Decorating/Repairs		\$ 5,000								
TOTAL MAINTENANCE			\$ 9,500	\$ 9,975	\$ 10,474	\$ 10,997	\$ 11,547	\$ 12,125	\$ 12,731	\$ 13,367
Utilities:										
Common area electric		\$ 300								
Water/Sewer		\$ 2,500								
TOTAL UTILITIES			\$ 2,800	\$ 2,940	\$ 3,087	\$ 3,241	\$ 3,403	\$ 3,574	\$ 3,752	\$ 3,940
Insurance		\$ 2,800								
Taxes		\$ 10,000								
Operating reserve		\$ 3,000								
TOTAL RESERVES/INSURANCE/TAXES			\$ 15,800	\$ 16,590	\$ 17,420	\$ 18,290	\$ 19,205	\$ 20,165	\$ 21,174	\$ 22,232
TOTAL OPERATING COSTS			\$ 32,429	\$ 34,050	\$ 35,753	\$ 37,541	\$ 39,418	\$ 41,389	\$ 43,458	\$ 45,631
NET OPERATING INCOME			\$ 18,153	\$ 18,049	\$ 17,909	\$ 17,731	\$ 17,513	\$ 17,250	\$ 16,939	\$ 16,578
Debt Service (P & I)	Monthly	Annual								
175,000@.06	\$ 1,137	\$ 13,644	\$ 13,644	\$ 13,644	\$ 13,644	\$ 13,644	\$ 13,644	\$ 13,644	\$ 13,644	\$ 13,644
DEBT SERVICE			\$ 13,644	\$ 13,644	\$ 13,644	\$ 13,644	\$ 13,644	\$ 13,644	\$ 13,644	\$ 13,644
NET CASH FLOW			\$ 4,509	\$ 4,405	\$ 4,265	\$ 4,087	\$ 3,869	\$ 3,606	\$ 3,295	\$ 2,934
DEBT SERVICE COVERAGE RATIO			1.33	1.32	1.31	1.30	1.28	1.26	1.24	1.22

1B

PEARL STREET OPERATING BUDGET		2018	2019	2020					
Annual increase: income		3.0%	3.0%	3.0%					
Annual increase: costs		5.0%	5.0%	5.0%					
INCOME:	MONTHLY								
3-2 bedroom (1479)	\$ 4,437.00								
Vacancy (5%)									
ANNUAL RENTAL INCOME		\$ 64,076	\$ 65,998	\$ 67,978					
EXPENSES									
Administrative									
Management Fee @ 5% of income									
CAN-DO Administration									
TOTAL ADMINISTRATIVE		\$ 6,396	\$ 6,716	\$ 7,051					
Maintenance:									
Janitorial Supplies									
Landscaping/Snow Removal									
Decorating/Repairs									
TOTAL MAINTENANCE		\$ 14,036	\$ 14,738	\$ 15,474					
Utilities:									
Common area electric									
Water/Sewer									
TOTAL UTILITIES		\$ 4,137	\$ 4,344	\$ 4,561					
Insurance									
Taxes									
Operating reserve									
TOTAL RESERVES/INSURANCE/TAXES		\$ 23,344	\$ 24,511	\$ 25,737					
TOTAL OPERATING COSTS		\$ 47,912	\$ 50,308	\$ 52,823					
NET OPERATING INCOME		\$ 16,163	\$ 15,690	\$ 15,154					
Debt Service (P & I)	Monthly								
175,000@.06	\$ 1,137	\$ 13,644	\$ 13,644	\$ 13,644					
DEBT SERVICE		\$ 13,644	\$ 13,644	\$ 13,644					
NET CASH FLOW		\$ 2,519	\$ 2,046	\$ 1,510					
DEBT SERVICE COVERAGE RATIO		1.18	1.15	1.11					

2A

STATEMENT OF CAPACITY

CAN-DO has developed numerous projects in the city of Newton over a 16 year period. Four of which were successfully completed utilizing CPA funds. One other is currently under construction.

CAN-DO Operating Budget, FY 2010

INCOME:

CHDO GRANT	\$	13,000
CONTRIBUTIONS/FUNDRAISING	\$	120,000
DEVELOPMENT FEES	\$	100,000
MANAGEMENT FEES	\$	19,000
GRANTS	\$	10,000

TOTAL INCOME: \$ **262,000**

EXPENSES:

SALARIES	\$	94,052
BENEFITS/TAXES	\$	23,695
E.D. RETIREMENT	\$	6,300
PAYROLL FEES	\$	2,000
AUTO EXPENSE	\$	6,192
ACCOUNTANT	\$	20,000
LEGAL		
INSURANCE	\$	3,000
LOAN PAYMENT	\$	16,000
RENT INCLUDING UTILITIES	\$	25,470
TRAVEL/TRANSPORTATION	\$	500
CONFERENCE FEES	\$	500
EQUIPMENT/FURNITURE	\$	500
OFFICE SUPPLIES	\$	2,000
PRINTING/COPYING/STAMPS	\$	1,500
TELEPHONE/FAX/CELL	\$	3,000
POSTAGE/DELIVERY	\$	1,000
DUES AND SUBSCRIPTIONS	\$	1,300
STAFF/BOARD DEVELOPMENT	\$	1,000
PUBLIC RELATIONS	\$	2,500
FUNDRAISING	\$	20,000

TOTAL EXPENSES: \$ **230,509**

Retirement Fund Payment Plan \$ (20,000)

NET INCOME \$ **11,491**

2C

MISSION STATEMENT

CAN-DO's mission is to develop and manage housing affordable to low-moderate income individual and families in the City of Newton