

for 12 February 2014  
Newton CPC public hearing

# Proposal 54 Taft Avenue Affordable Housing (CAN-DO)



Project budgets (also posted in same file as main proposal):

- ◆ Development (acquisition, soft costs, construction)
- ◆ Construction scope of work & pricing
- ◆ 10-year Operating Budget

**TAFT AVENUE**

ITEM		ORIGINAL COST
<b><u>DEVELOPMENT BUDGET</u></b>		
<b>SUBTOTAL - ACQUISITION COST</b>		<b>\$ 590,000</b>
<b><u>CONSTRUCTION COSTS:</u></b>		
Direct Construction Costs		\$ 357,750
Construction Contingency	(≈ 8%)	27,738
<b>Total Construction</b>		<b>\$ 385,488</b>
<b>TOTAL ACQUISITION AND CONSTRUCTION</b>		<b>\$ 975,488</b>
<b><u>GENERAL DEVELOPMENT COSTS (Soft Costs)</u></b>		
Architect/Engineer		\$ 20,000
Survey		\$ 2,000
Building Permits		\$ 6,700
Legal		\$ 3,500
Title and Recording		\$ 2,500
Real Estate Taxes		\$ 5,500
Liability Insurance		\$ 4,000
Builder's Risk insurance		\$ 3,500
Appraisal		\$ 600
Loan Interest		\$ 20,000
Pre-development		
Relocation		
<b>Total General Development</b>		<b>\$ 68,300</b>
Soft Cost Contingency	10%	\$ 6,830
<b>Subtotal: Gen. Dev.</b>		<b>\$ 75,130</b>
<b><u>Subtotal:Acquis.,Const., and Gen. Development</u></b>		
		<b>\$ 1,050,618</b>
>Developer Overhead/Fee	8%	\$ 83,411
Fund Replacement Reserve		\$ 10,000
<b>TOTAL DEVELOPMENT COSTS</b>		<b>\$ 1,144,029</b>
<b><u>FUNDING SOURCES:</u></b>		
City of Newton - CDBG/HOME		\$ 485,000
CPA GRANT		\$ 584,029
Charlesbank Homes		\$ 60,000
Fundraising Eliot Church/CAN-DO		\$ 15,000
<b>TOTAL SOURCES</b>		<b>\$ 1,144,029</b>

Originally submitted 10.12.2014

Revised 11.04.2014

Revised 12.15.2014

## TAFT AVENUE SCOPE OF WORK AND PRICING

Prepared by Architect, Terri Heinlein

### Existing House:

Replace front and side stairs and railing -	\$5,200
New windows and new front door (lead) -	\$12,500
Repair basement stairs -	\$1,000
Chimney removal and new framing -	\$2,500
Remove and replace roof -	\$7,000
Insulation of building envelope -	\$5,000
Painting – interior and exterior -	\$11,000
Removal of tree -	\$2,000
Scoping of sewer line and replacement -	\$10,500
Remove and replace retaining wall and stairs -	\$6,500
Soft and hard landscaping -	\$7,000

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TOTAL	\$70,200
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New unit – approx.. 1100 Sq. Ft. \$287,550

### MATERIALS & FINISHES

- ◆ Engineered lumber, low-usage water fixtures, hi-efficiency boiler, low VOC paint throughout.
- ◆ Wood shingle siding and trim to match and align w/ existing.
- ◆ Parked concrete foundation .
- ◆ Fiberglass asphalt 3 tab roofing shingles.
- ◆ Interior veneer plaster walls and ceiling.
- ◆ Flat 1x 4 wood window and door casings.
- ◆ 1x6 baseboard with cap.
- ◆ Marmoleum at kitchen and bath floors (not vinyl).
- ◆ Oak strip flooring at living, bedrooms and stair.
- ◆ Painted trim.
- ◆ Two panel doors.

Revised Nov. 3

**Taft Avenue  
10 Year Operating Budget**

			2015	2016	2017	2018	2019	2020	2021	2022	2023	2024
Annual increase: income			0.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%
Annual increase: costs			0.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%	3.0%
<b>INCOME:</b>	<b>MONTHLY</b>	<b>ANNUAL</b>										
2 BR LOW HOME	\$ 948.00	\$ 11,376	(+ \$153/mo. utilities = \$1101 LOW HOME rent)									
3 BR 70% Rent	\$ 1,572.00	\$ 18,864	(+ \$203/mo. utilities = \$1775 70% rent)									
		\$ 30,240										
Vacancy rate - 05%		\$ 1,512										
<b>ANNUAL INCOME</b>		<b>\$ 28,728</b>	<b>\$ 28,728</b>	\$ 29,303	\$ 29,889	\$ 30,486	\$ 31,096	\$ 31,718	\$ 32,352	\$ 32,999	\$ 33,659	\$ 34,333
<b>EXPENSES</b>												
<b>Administrative:</b>												
Mgmt Fee @ 5% of income		\$ 1,436										
Legal		\$ 300										
Audit		\$ 500										
<b>TOTAL ADMINISTRATIVE</b>		<b>\$ 2,236</b>	\$ 2,236	\$ 2,303	\$ 2,373	\$ 2,444	\$ 2,517	\$ 2,593	\$ 2,670	\$ 2,750	\$ 2,833	\$ 2,918
<b>Maintenance:</b>												
Extermination		\$ 500										
Landscaping/Snow Removal		\$ 1,500										
Decorating/Repairs		\$ 2,000										
<b>TOTAL MAINTENANCE</b>		<b>\$ 4,000</b>	\$ 4,000	\$ 4,120	\$ 4,244	\$ 4,371	\$ 4,502	\$ 4,637	\$ 4,776	\$ 4,919	\$ 5,067	\$ 5,219
<b>Utilities:</b>												
Common area electric		\$ 250										
Water/Sewer		\$ 2,500										
<b>TOTAL UTILITIES</b>		<b>\$ 2,750</b>	\$ 2,750	\$ 2,833	\$ 2,917	\$ 3,005	\$ 3,095	\$ 3,188	\$ 3,284	\$ 3,382	\$ 3,484	\$ 3,588
<b>Other costs:</b>												
Insurance		\$ 2,500										
Taxes		\$ 8,500										
Operating Reserve		\$ 2,000										
* Supportive Services		\$ 4,200										
<b>TOTAL OTHER COSTS</b>		<b>\$ 17,200</b>	\$ 17,200	\$ 17,716	\$ 18,247	\$ 18,795	\$ 19,359	\$ 19,940	\$ 20,538	\$ 21,154	\$ 21,788	\$ 22,442
<b>TOTAL OPERATING COSTS</b>		<b>\$ 26,186</b>	\$ 26,186	\$ 26,972	\$ 27,781	\$ 28,615	\$ 29,473	\$ 30,357	\$ 31,268	\$ 32,206	\$ 33,172	\$ 34,167
<b>NET CASH FLOW</b>		<b>\$ 2,542</b>	\$ 2,542	\$ 2,331	\$ 2,107	\$ 1,872	\$ 1,623	\$ 1,361	\$ 1,084	\$ 793	\$ 487	\$ 165
REVISED 12-15-2015												
REVISED 12-31-2015												
REVISED JAN 6 2015												

\* NOTE: Supportive services will be offered by a volunteer licensed social worker and a supportive services coordinator who will assess families' needs for assistance. A focus will be on financial management; including credit counseling, budgeting and asset building; and education and employment training. The short and long-term goals will be to help families attain economic self-sufficiency and reduce their reliance on public benefits.