

**COMMUNITY PRESERVATION FUNDING AGREEMENT between
CITIZENS for AFFORDABLE HOUSING DEVELOPMENT in NEWTON (CAN-DO)
and the CITY of NEWTON to support the development of
AFFORDABLE COMMUNITY HOUSING at 54 TAFT AVENUE**

This AGREEMENT made as of November 20, 2015, 2015 by and between Citizens for Affordable Housing Development in Newton (CAN-DO), 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 his designated staff, but without personal liability to him, (hereinafter the "City"); collectively, the "Parties."

WITNESSETH THAT:

WHEREAS, the Grantee owns the real property with buildings thereon known and numbered 54 Taft Avenue, Newton, Massachusetts (hereinafter the "Property"); and

WHEREAS, the Grantee intends to pay off an existing mortgage, rehabilitate and expand the Property and create two (2) units of permanently affordable rental housing; and

WHEREAS the resulting project will include one (1) two-bedroom unit rented to households whose gross annual household income does not exceed 50% of area median income and one (1) three-bedroom unit rented to households whose gross annual household income does not exceed 70% of 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 \$584,029, 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 Five Hundred Eighty Four Thousand Twenty Nine (\$584,029) Dollars. The Grantee agrees to use such funding to create two (2) 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 (the "Project")(**Attachment B**).

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 under this Funding

Agreement for any costs already covered by or charged to any other funding source.

Requests for payment should be addressed to:

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

(c) Grantee agrees to execute a Declaration of Affordable Housing Covenants in recordable form, in accordance with M.G.L. c. 184 § 32. Said Declaration will be a perpetual restriction, the terms of which will preserve the Property's affordable housing rental units for qualifying households and will conform with the requirements of the Project and any other requirements imposed in connection with funding received under the Community Development Block Grant Program. A copy of the Declaration of Affordable Housing Restrictions is attached hereto as **Attachment C**. Once fully executed and recorded with the Middlesex South Registry of Deeds, a copy of the recorded Declaration shall be substituted for and replace Attachment C.

(d) Grantee shall provide proof of ownership of the Property as evidenced by a deed recorded with the Middlesex South Registry of Deeds attached hereto as **Attachment 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 an allocation plan approved in writing by the City of Newton Housing Programs Manager, showing how total project costs will be covered by applying funds from each source only to costs that are eligible uses of funds from that source.

(g) The Grantee shall submit a Reasonable Accommodation/Reasonable Modification Plan and an Affirmative Fair Housing Marketing Plan in accordance with Paragraph 14 herein, approved in writing by the City of Newton Housing Programs Manager. Such approval shall not be unreasonably withheld.

3. Conditions for Subsequent Release of Funds.

Once the conditions in paragraph 2 above have been met to the satisfaction of the Housing Programs Manager, Grantee may submit requests for reimbursement of approved project costs as set forth in Grantee's proposal to the CPC (**Attachment H**) and in the CPC's Funding Recommendation to the Board of Aldermen (**Attachment B**). Requests for payment must be mailed to the address at Paragraph 2(b). Requests may be made as significant portions of the work are completed, but no more often than monthly, and 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:

- i. A final scope of work and specifications for construction and an executed contract for all work set forth in Grantee's CPC proposal. Said contract must be certified by the City of Newton Purchasing Department having been procured in compliance with the City's current procurement policy for private grantees receiving Newton CDBG and CPA funding, included here as **Attachment I**.
- ii. The project's Comprehensive Permit, and any demolition, building or other permits as

may be required.

(b) Submissions Required with Requests for Reimbursement.

With any request for reimbursement, Grantee shall remit fully executed MassDocs Requisition Forms as supplied by City staff to the City's Housing Programs Manager, for forwarding to the CPC, including:

- i. Documentation of the approved reimbursable costs incurred, such as, but not limited to, architect's or contractor's invoices and copies of other paid bills.
- ii. A status report showing current projected date of occupancy and percentage completion of tasks from the scope of work/ specifications in 3(a)(i). Said status report shall contain: a description of the work that is complete, work that remains to be completed, as well as any changes made in that scope of work in response to site conditions or requests from City inspectors or departments, as well as all expenditures to date in a format based on the original approved project budget, to permit clear comparison of planned and actual expenditures.

(c) Inspections Prior to Disbursement

Upon any submission for reimbursement under this section, the work specified in a request shall be inspected by the City of Newton's housing construction and rehabilitation coordinator, or another City employee with equivalent qualifications. Once inspected, and approval of Grantee's request for payment is granted, the City shall make periodic progress payments to Grantee in the amount of the invoice attributable to the completed portion of the work.

4. Conditions for Final Release of Funds.

Upon completion of the Project to the satisfaction of the Housing Programs Manager, but prior to the release of the final \$58,400 (10%) of CPA grant funds, Grantee shall submit to the City, in writing, and present to the CPC in person a final project report which shall include the following:

- (a) Certification by the project architect that the project was completed in accordance with the final approved plans
- (b) 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
- (c) Analysis of project results, including a description of households served and suggestions, if any, for improving the funding and management process or final results of similar future projects
- (d) 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 issuance of the Certificate of Occupancy 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.

5. 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 CPC or its designee.

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

6. Conditions Subsequent to Receipt of Funds.

(a) Grantee shall manage the rehabilitated Property as affordable rental housing, with one (1) 3-bedroom unit and one (1) 2-bedroom unit, in accordance with Grantee's proposal to the CPC (**Attachment H**) and in the CPC's Funding Recommendation to the Board of Aldermen (**Attachment B**).

(b) Grantee shall market the rental units in accordance with the approved Affirmative Fair Housing Marketing Plan described in paragraph 2(g) 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 (**Attachment B**).

(d) Grantee shall 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.

7. 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 the standards outlined further in **Attachment G**.

8. 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 Programs Manager, identifying the household composition, characteristics and income of the prospective tenant households.

9. 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.

10. 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.

11. 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 9.

12. 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.

13. Equal Opportunity.

The Grantee shall comply with all applicable local, federal and state laws governing discrimination and equal opportunity.

14. 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.

15. 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.

16. Successors and Assigns.

The terms of this Agreement, including but not limited to the reporting, marketing, insurance and monitoring requirements in paragraphs 6, 7, 8 and 15 shall be binding on the Grantee's successors and assigns. The Grantee shall promptly provide notice to the City of any change in ownership of the Property.

17. 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 any 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.

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

19. 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:
Josephine McNeil, Executive Director
Citizens for Affordable Housing in Newton Development Organization, Inc.
1075 Washington Street
Newton, MA 02465

20. 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.

21. Other Provisions.

All other provisions, if any, are set forth within the following ATTACHMENTS attached hereto and made a part hereof as listed below:


- A. Approval of the Board of Aldermen by Board Order dated April 6, 2015
- B. CPC Funding Recommendation
- C. Declaration of Affordable Housing Covenants
- D. Deed of the Property
- E. Certification of Tax Compliance
- F. Corporate Certificate of Authority, Certificate of Vote of Board of Directors, and Certificate of Good Standing for CAN-DO, Inc.
- G. Insurance Requirements
- H. Grantee's CPC Funding Request for Affordable Housing Development
- I. City of Newton Procurement Policy for Affordable Housing Projects Receiving CPA, CDBG, or HOME Funds

IN WITNESS WHEREOF the Parties hereto have executed this Agreement in three sets to be effective when executed by the Mayor of the City of Newton.

CITIZENS FOR AFFORDABLE HOUSING IN NEWTON, INC.

By:  11/10/2015
Josephine McNeil, Executive Director Date

CITY OF NEWTON

By:  11/18/15
James Freas Date
Interim Director of Planning and Development

I certify that funds are available within Account # 21C11421-5797 in the amount of \$584,029.00 for this Agreement.

By:  11/18/15
David C. Wilkinson Date
Comptroller of Accounts

Approved as to legal form and character

By:  11/19/15
ASST. City Solicitor NAURA O'KEEFE Date

CONTRACT APPROVED

By:  11/20/15
Setti D. Warren, Mayor Date

#55-15

CITY OF NEWTON
IN BOARD OF ALDERMEN

April 6, 2015


ORDERED:

That, in accordance with the recommendations of the Land Use Committee through its Chairman Marc C. Laredo; and the Finance Committee through its Chairman Leonard J. Gentile, five hundred eighty-four thousand twenty-nine dollars (\$584,029) be appropriated from the Community Preservation Fund as shown below to the Planning and Development Department for a grant to create two units of permanently affordable rental housing at 54 Taft Avenue, West Newton, as detailed in the Community Preservation Committee's February 2015 funding recommendation to the Board of Aldermen and the January 2015 Taft Avenue proposal to the Community Preservation Committee.

| | |
|-------------------------------|--------------|
| From: CPA Fund Balance | |
| (21-3321)..... | \$149,794.31 |
| CPA Community Housing Reserve | |
| (21R10498 – 5790C) | \$422,807.00 |
| CPA Housing Fund Balance | |
| (21-3321C) | \$11,427.69 |
| To: Taft Avenue Housing | |
| (21-C11421-5797)..... | \$584,029 |

Under Suspension of Rules
Readings Waived and Adopted
24 years ~~0~~ days


(SGD) DAVID A. OLSON
City Clerk


(SGD) SETH D. WARREN
Mayor

Date 4/14/15

For 54 Taft Avenue
City of Newton



Setti D. Warren
Mayor

City of Newton CPA Grant Agreement with CAN-DO

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

ATTACHMENT B

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

James Freas,
Acting Director

**Community Preservation Committee
Funding Recommendation for
TAFT AVENUE (Affordable Housing)**

date: 25 February 2015
from: Community Preservation Committee
to: The Honorable Board of Aldermen

PROJECT GOALS & ELIGIBILITY

CAN-DO (Citizens for Affordable Housing in Newton Development Organization) will use the recommended project grant to rehabilitate and expand an existing home in West Newton, built in 1916, to create two units of rental housing, each with one bathroom. The existing 3-bedroom home will be permanently affordable to a households at up to 80% of area median income (AMI). A new, two-story, 2-bedroom rear addition will be permanently affordable to a household at up to 50% AMI, selected initially from formerly homeless families currently housed temporarily in hotels or motels. The project's operating budget (which will not use CPA funds) includes supportive services.

This project is eligible for CPA funding as the creation of affordable housing.

RECOMMENDED FUNDING

On 12 February 2015 by a vote of 6-0 (Don Fishman absent, Rick Kronish recused, no current Planning & Development Board appointee) the Community Preservation Committee recommended appropriating \$584,029 for this project from the Community Preservation Fund's housing fund balance and reserves to the Planning & Development Department, for a grant to CAN-DO for the purposes in this summary budget:

| Taft Avenue (Affordable Housing) - Development Budget | |
|---|--------------------|
| Uses | |
| Acquisition (Mortgage Elimination) | \$590,000 |
| Construction, incl. ≈ 8% contingency | \$385,488 |
| Soft costs (architectural, engineering & legal services, taxes, insurance, etc.), incl. 10% contingency | \$75,130 |
| Developer fee (8% of total costs, excl. replacement reserve) | \$83,411 |
| Replacement Reserve | \$10,000 |
| TOTAL | \$1,144,029 |
| Sources | |
| Community Preservation Act Funds | \$584,029 |
| CDBG/HOME (Newton-controlled federal funds) | \$485,000 |
| Charlesbank Homes (foundation grant) | \$60,000 |
| Community Fundraising (Eliot Church/CAN-DO) | \$15,000 |
| TOTAL | \$1,144,029 |

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

SPECIAL ISSUES CONSIDERED BY THE CPC

Community support The CPC received comments from both the public and the Planning Dept. questioning both this project's high costs and the long-term sustainability of CAN-DO's continuing focus on small-scale, infill housing development. However, the overwhelming majority of comments received supported the project's high public subsidy as necessary to create new affordable housing with a minimal impact on neighborhood character. Taft Avenue residents have said they will welcome these new neighbors.

Project costs The CPC was initially skeptical of this project's requested public subsidy, which is significantly higher, both per bedroom and per unit, than for any previous housing project in Newton. However, the CPC recognized that CAN-DO had tried to minimize this project's public funding requests by foregoing some components typical of its past projects (such as updating existing kitchens and bathrooms), and by obtaining a special community fundraising commitment. The project's high public subsidy will also allow it to house one family at risk of homelessness, a population poorly served by other housing options in Newton.

The CPC also recognized that the project's high costs were due primarily to a factor beyond CAN-DO's control: Newton's extraordinarily competitive real estate market. Over the past two years, CAN-DO's attempts to purchase 2- or 3-family properties in fairly good condition have been frustrated repeatedly when the sellers received competing offers in cash, above asking prices, and without mortgage or inspection contingencies.

Supportive seller The independent appraisal commissioned by the CPC itself fully supported the price CAN-DO offered for this property. Yet the seller of this property has also supported the project in an unusual way, by continuing to honor that price while deferring an actual purchase and sale agreement until CAN-DO receives at least preliminary positive responses to its public funding requests.

City and CAN-DO alternative strategies Although the CPC supported this proposal, members also urged the City of Newton to take the lead in creating new, alternative strategies for helping to contain the cost of affordable housing development, including but not limited to development at higher densities than CAN-DO has traditionally undertaken. The CPC also urged CAN-DO to seek strategic alternatives to its longstanding reliance on developer fees from high-cost, low-density projects to cover its organizational operating costs.

ADDITIONAL RECOMMENDATIONS *(funding conditions)*

1. Grant funds will be released on a reimbursement basis through a detailed grant agreement including but not limited to requirements for initial, continued and final release of funds, confirmation of non-CPA funding, permits, procurement, contracting, verification of construction work, and cost documentation.
2. The project will be completed within 18 months of the date when CPA funds are appropriated by the Board of Aldermen, or by any extension of that deadline granted in writing by the CPC or its designee.
3. CAN-DO will provide to the CPC and Board of Aldermen project status reports upon request, and as a prerequisite for release of the final 10% of grant funds, will present an in-person and written final report to the CPC summarizing project outcomes and comparing actual to budgeted expenditures.
4. Any CPA funds appropriated but not used for the purposes stated herein will be returned to the Newton Community Preservation Fund.

KEY OUTCOMES

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

- Completion of the project within the budget and by the deadlines listed above.
- Continued occupation of the project's two rental units by households meeting the income guidelines in the original proposal, as verified through annual monitoring by the Planning & Development Department.

ATTACHMENTS

(delivered to the clerks of the Land Use Committee and Finance Committee)

- Original proposal and attachments
- Proposal sponsor's slide presentation to the CPC (12 February 2015)
- Copy of the CPC's webpage for this project, with links to the full text of documents excerpted in the proposal itself: www.newtonma.gov/gov/planning/cpa/projects/taft.asp
- All written public comments received on this proposal through 11 February 2015.

Bk: 65174 Pg: 190

2



Bk: 65174 Pg: 190 Doc: DEED
Page: 1 of 2 04/08/2015 11:32 AM

QUITCLAIM DEED

Laurence D. Sarner, being unmarried, of Newton, Massachusetts

for and in consideration paid of Five Hundred and Ninety Thousand and 00/100 (\$590,000.00) Dollars, hereby grants to

Citizens for Affordable Housing in Newton Development Organization, Inc., a Massachusetts Corporation with a principal place of business at 1075 Washington Street, Newton, Massachusetts

WITH QUITCLAIM COVENANTS

a certain parcel of land, with the buildings thereon, situated in West Newton, Middlesex County, Massachusetts, being Lots 56-57, the Northerly portion of Lot #7 and the Northwesterly portion of Lot #8 on a plan entitled "West Newton Terrace, West Newton, Mass. Owned by J. W. Wilbur" dated December 20, 1910, made by A. L. Eliot, C.E., recorded with the Middlesex South Registry of Deeds, Plan Book 190, Plan 50, bounded and described as follows:

54 Taft Ave, Newton

- NORTHEASTERLY by Taft Avenue, sixty (60) feet;
- NORTHWESTERLY by Lot #58 and Lot #6 on said plan, one hundred three and 01/100 (103.01 feet, more or less;
- SOUTHWESTERLY by the remaining portions of Lots #7 and #8 on said plan forty-five (45) feet, more or less;
- SOUTHEASTERLY by part of Lot #8 on said plan, twenty-three and 25/100 (23.25) feet, more or less;
- SOUTHWESTERLY again by part of Lot #8 on said plan, fifteen (15) feet; and
- SOUTHEASTERLY again by Lot #55, as shown on said plan, eighty (80) feet.

MASSACHUSETTS EXCISE TAX
Southern Middlesex District ROD # 001
Date: 04/08/2015 11:32 AM
Otr# 220418 04125 Dec# 00048111
Fee: \$2,890.40 Cons: \$590,000.00

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 September 30, 2015 and said Votes have not been revised, rescinded, amended or otherwise modified and, as of November 9, 2015, are in full force and effect; and
2. James Thompson 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.



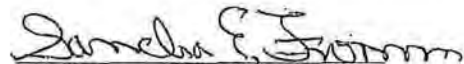
Assistant Clerk, Richard Hassinger

COMMONWEALTH OF MASSACHUSETTS

Middlesex, ss

November 9, 2015

On this 9th day of November, before me, the undersigned notary public, personally appeared Richard Hassinger, proved to me through satisfactory evidence of identification, which were MA Lic. 578853098, 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:

June 25, 2021

EXHIBIT A

CERTIFICATE OF VOTE OF THE BOARD OF DIRECTORS

I, Richard Hassinger, as Assistant 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 September 30 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 \$584,029.00 from the Newton Community Preservation Committee for the purpose of paying down a first mortgage for acquisition, and to pay for soft and construction costs relating to the development of 54 Taft Avenue, West Newton, MA 02465.

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 \$485,000.00 from the Newton Community Development Authority for the purpose of paying down a first mortgage for acquisition and to pay for soft costs, construction costs and the developer fee relating to the development of 54 Taft Avenue, West Newton, MA 02465.

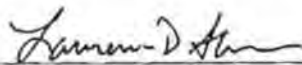
VOTED: That the President or the Treasurer or the Executive Director any of them be and hereby are acting individually authorized to act on behalf of the Corporation in executing any and all documents, instruments or certifications usual, customary or necessary and in the form suitable in their judgment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

Bk: 65174 Pg: 191

By virtue of this deed, Grantor hereby releases any and all rights of Homestead as shown as a matter of record or by operation of law and further states under the pains and penalties of perjury that there are no other persons entitled to the protection of the Homestead Act.

Being the same premises conveyed to the Grantor by Deed of Gary Haller and Suzanne Haller recorded with the Middlesex South Registry of Deeds in Book 31756, Page 319.

Witness my hand and seal this 6th day of April, 2015.




Laurence D. Sarner

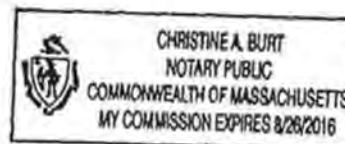
COMMONWEALTH OF MASSACHUSETTS

MIDDLESEX, SS

On this 6th day of April, 2015, before me the undersigned notary public, personally appeared Laurence D. Sarner and proved to me through satisfactory evidence of identification, which was AA, to be the person whose name is signed on the preceding or attached document and acknowledged to me that he signed it voluntarily for its stated purpose.



Notary Public
My commission expires:



ATTACHMENT E

CERTIFICATION OF TAX COMPLIANCE

Pursuant to M.G.L. c.62C, §49A and requirements of the City, 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

[Redacted Signature]

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

Print Name: Josephine McNeil

By: Josephine McNeil
Corporate Officer
(Mandatory, if applicable)

Date: 11/10/2015

Print Name: Josephine McNeil

* 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.

Executed
File Copy

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 Taft Avenue, Newton, Massachusetts 02465**, 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, (the "Property") shall be subject to the following restrictions for the benefit of the **Newton Community Development Authority**, an agency organized and existing pursuant to Chapter 705 of the Acts of 1975 and Chapter 121B of the General Laws of the Commonwealth of Massachusetts, as amended, 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 (the "Covenant") is a loan to the Owner from the NCDA, 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 and HOME Investment Partnerships Programs. 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 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 NCDCA and the NCDCA has verified that all units are fully occupied, as provided in the CDBG and HOME Program Loan Agreement of even date between the NCDCA and the Owner. If the units receive Certificates of Occupancy and 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 HUD for the twenty (20) year period of HOME affordability. Notwithstanding the above, upon completion of the twenty (20) year period, any HOME Program imposed rules not also mandated by other programs, shall expire. The expiration of the HOME rules shall not impact the affordability period placed on the units by any other programs. The HOME and CDBG-assisted units will comply with the following income and affordable rent requirements:

(i) The two-bedroom HOME 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) Initial rent for the two-bedroom unit, including utilities, may not exceed the LOW HOME rent limit as determined and published annually by HUD Initial rent for the three-bedroom unit, including utilities, may not exceed the Fair Market Rent as determined and published annually by HUD.

(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 of the area median income 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 30 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.

(iv) After the expiration of the (20) year period of HOME affordability, units must continue to be occupied by households as defined above in Section 5.A.

- 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 NCDA, the Owner shall provide copies of records documenting the annual and monthly gross and adjusted income of each resident occupying the units. 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 HOME and 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 utility 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 and 24 CFR Part 92, the HOME Investment Partnership 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 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. At least 30-days prior to the filing of such notices or instruments the NCDA shall notify the Owner in writing.

8. **Covenants to be Referenced in Deed.** These restrictive covenants shall be contained or referenced in any subsequent 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

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; and
 - (vi) 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.

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.

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 10th day of NOVEMBER, 2015.

Citizens for Affordable Housing in Newton Development Organization, Inc.

By: Josephine McNeil
Josephine McNeil, Executive Director

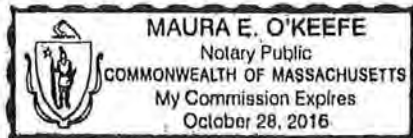
11/10/2015
Date

COMMONWEALTH OF MASSACHUSETTS

MIDDLESEX, SS.

NOVEMBER 10, 2015

On this 10th day of NOVEMBER, 2015, 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, Executive Director, for Citizens for Affordable Housing in Newton Development Organization, Inc., a non-profit corporation.



[Signature]
Notary Public
My Commission expires: 10/28/15

EXHIBIT A

LEGAL DESCRIPTION

54 Taft Avenue, Newton, Massachusetts

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

A certain parcel of land with the buildings thereon, situated in West Newton, Middlesex County, Massachusetts, being Lots 56-57, the Northerly portion of Lot #7 and the Northwesterly portion of Lot #8 on a plan entitled "West Newton Terrace, West Newton, Mass. Owned by J.W. Wilbur" dated December 20, 1910, made by A.L. Elliot, C.E., recorded with Middlesex South Registry of Deeds, Plan Book 190, Plan 50, bounded and described as follows:

- NORTHEASTERLY by Taft Avenue, sixty (60) feet;
- NORTHWESTERLY by Lot #58 and Lot #6 on said plan, one hundred three and 01/100 (103.01 feet, more or less;
- SOUTHWESTERLY by the remaining portions of Lots #7 and #8 on said plan forty-five (45) feet, more or less;
- SOUTHEASTERLY by part of Lot #8 on said plan, twenty-three and 25/100 (23.25) feet, more or less;
- SOUTHWESTERLY again by part of Lot #8 on said plan, fifteen (15) feet; and
- SOUTHEASTERLY again by Lot #55, as shown on said plan, eighty (80) feet.

For title see Deed of Laurence D. Sarnier to Citizens for Affordable Housing In Newton Development Organization, Inc., dated April 6, 2015 and recorded with the Middlesex South Registry of Deeds at Book 65174, Page 190.

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 include 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.



Newton, Massachusetts
FUNDING REQUEST for AFFORDABLE HOUSING DEVELOPMENT
FY14 or FY15

PRE-PROPOSAL

PROPOSAL

This form is NOT self-explanatory. Please complete it in consultation with staff.

You may adjust the space for each question,

but the combined answers to all questions on this page must fit on this page.

(For staff use)
date rec'd:

Rec'd
15 December
2014 - 9 January
2015, corrected
19 February
2015

Setti D. Warren
Mayor

| | | | | |
|---|--|--|---|---|
| Project TITLE | TAFT AVENUE | | | |
| Project LOCATION | Full street address (with zip code), or other precise location. 54 Taft Avenue, West Newton, MA 02465 | | | |
| Project CONTACTS | Name & title of organization | Email | Phone | Mailing address |
| Manager/ Developer | Josephine McNeil, Executive Director, CAN-DO | Jam_cando@msn.com | 617-964-3527 | 1075 Washington Street West Newton, MA 02465 |
| Project FUNDING | Newton CDBG/HOME/CPA funds requested: \$1,069,029 | Total other funds to be used: \$75,000 | Total project cost: \$1,144,029 | |
| Project SUMMARY & NEEDS | Location (amenities within walking distance, access to transit); short summary of details on page 2 (rehabilitation or new construction; target population; type of housing; unit composition; special features); and brief citations (section & page) showing how project meets needs identified in Newton's <i>Comprehensive Plan, Consolidated Plan, or CPC Funding Guidelines</i> (if relevant). | | | |
| <p>Location: Within 1 block of Express Bus 556 to Newtonville and Franklin Elementary School bus routes; ½ mile of Albemarle Park; 1 mile of the village centers of West Newton and Newtonville, both with grocery stores, drug stores, restaurants and houses of worship; and about 1.2 miles from both Day Middle School and Newton North High School.</p> <p>Project Description: The project will rehabilitate an existing 1470 sq. ft. home, remove the back porch, and add an 1100 sq. ft. addition, to create two units of permanently affordable rental housing: a 3-bedroom unit for households at up to 80% of area median income (AMI), and a 2-bedroom unit for households at up to 50% of AMI. Each unit will have one bathroom. The scope of work includes: replacing roof; replacing front porch stairs and side porch stairs and railings; repairing basement steps; replacing windows and front door which contain lead; scoping sewer lines and replacing, if necessary; removal and replacing retaining walls at parking area and around yard; removing chimney; painting interior and exterior; insulation of building envelope and soft and hard landscaping;.</p> <p>Permitting: The project will require a Comprehensive Permit, as the property is a SR3 neighborhood and does not have the required frontage to add a unit by special permit.</p> <p>The project meets objectives in these city-wide plans:</p> <p>Comprehensive Plan: The Housing Section emphasizes Newton's steady decrease in both affordable rental and homeownership, and the need to protect the City's diversity. On pp. 5-8 the section highlights "the importance of bringing affordability to existing housing." This project is using an existing house.</p> <p>Consolidated Plan: To reduce overcrowding and cost burdening for low-income families, pp. 100-120 recommend deeper subsidies. The level of subsidy we are requesting will enable us to provide a 3-bedroom unit at a rent approximately \$400 less than federally established Section 8 rents for Newton.</p> <p>Community Preservation Guidelines: "With respect to community housing," the Community Preservation Act encourages all CPCs to "recommend, wherever possible, the reuse of existing buildings ..." (section 5B). Newton's <i>CPC Funding Guidelines</i> encourage housing projects that meet goals in the <i>Comprehensive Plan</i> and the <i>Consolidated Plan</i>, and with a strong probability of success. The 5 permanent rental projects CAN-DO has completed with CPC funds since 2003 all continue to serve the targeted populations and are well-maintained.</p> | | | | |

City of Newton Funding Request for Housing Development

FORM, page 2 of 3

You may adjust spaces, but the combined answers to all questions on this page must fit on this page.

SOURCES OF FUNDS *Check all that apply and identify if funds are committed or proposed.*

| | | | |
|--|-----------|--|----------|
| <input checked="" type="checkbox"/> CDBG funds | \$360,000 | <input checked="" type="checkbox"/> Other (identify sources) | |
| <input checked="" type="checkbox"/> HOME funds | \$125,000 | CharlesBank Homes (Foundation) | \$60,000 |
| <input checked="" type="checkbox"/> CPA funds | \$584,029 | Eliot Church Fundraising | \$15,000 |
| <input type="checkbox"/> Private bank loan | \$0 | | \$ |

USES OF FUNDS *Check all that apply.*

| | | | |
|---|--|--|--|
| <input checked="" type="checkbox"/> Acquisition | <input checked="" type="checkbox"/> Rehabilitation | <input checked="" type="checkbox"/> New construction | <input checked="" type="checkbox"/> Mortgage buy down |
| Categories below apply only to CPA funds -- please consult staff. | | | <input type="checkbox"/> Site preparation/ remediation |
| <input checked="" type="checkbox"/> Creation | <input type="checkbox"/> Preservation | <input type="checkbox"/> Support | |

TARGET POPULATION & SPECIAL FEATURES *Check all that apply.*

| | | |
|---|----------------------------------|--|
| <input checked="" type="checkbox"/> Individual/Family | <input type="checkbox"/> Elderly | <input checked="" type="checkbox"/> Homeless/At Risk of Homelessness |
| <input checked="" type="checkbox"/> Special features (historic preservation, sustainability, etc.): Addition (new construction) building will include a high efficiency boiler; NStar-rated appliances and 3U value or better windows. | | |

TYPE OF HOUSING *Check all that apply.*

| | | |
|---|--|---|
| <input type="checkbox"/> Individual/single family | <input checked="" type="checkbox"/> Rental | <input type="checkbox"/> Combination or other (identify): |
|---|--|---|

UNIT COMPOSITION *List the development's number of units in each category.*

| | Total | ≤ 30% AMI | ≤ 50% AMI | ≤ 80% AMI | 80-100% AMI | Market-rate |
|------|-------|-----------|-----------|-----------|-------------|-------------|
| 2 BR | | | 1 | | | |
| 3 BR | | | | 1 | | |

OUTREACH *Summarize efforts to date to communicate with abutters, neighborhood residents & ward aldermen.*

All of the Ward 3 aldermen have been notified in writing about the project. As soon as the property is under agreement, I will speak with the immediate abutters.

A letter of support from Eliot Church (Newton Corner) is included with this proposal.

City of Newton Funding Request for Housing Development

FORM, page 3 of 3

| Required for | | Check if included | HOUSING PROPOSAL ATTACHMENTS CHECKLIST Review full instructions thoroughly with staff prior to submission. Attachments posted separately on the CPC website are highlighted below. Other attachments are part of the file including the main proposal & this checklist. | |
|---|------------------------|---|--|--|
| all | X | LETTERS or PETITIONS of SUPPORT, if available | | |
| all | X | PHOTOS | of site conditions & surroundings (2-3 photos may be enough for pre-proposal) | |
| | X | MAP | of site in relation to nearest major roads, schools, shopping, transit, etc. | |
| | X | TIMELINE | including financing, permitting, construction & occupancy | |
| SITE CONTROL & PROJECT FINANCES | | | | |
| all | X | Legally binding option, purchase & sale agreement or deed - Accepted Offer | | |
| | X | Developer commitment to pursue permanent affordability | | |
| | X | Appraisal by an independent, certified real estate appraiser – commissioned & rec'd by CPC | | |
| | X | Development pro forma (pre-proposals need only a short draft) | | |
| | X | Non-Newton funding: sources, commitment letters or application/decision schedules | | |
| | X | Market analysis: including prevailing/trending rents or prices & target population | | |
| as needed | X | Home inspection report by a licensed professional, for rehabilitation projects | | |
| | None. | Budget for temporary or permanent relocation, - There are no existing tenants. | | |
| rental | X | 10-year operating budget (pre-proposals need only a short draft) | | |
| | None. | Rental subsidy, if any: No subsidy proposed. | | |
| DEVELOPER CAPACITY & QUALIFICATIONS | | | | |
| all | X | Organization mission & current housing portfolio, including how this project fits both | | |
| | X | Previous similar projects completed, with photographs | | |
| | X | Resumes for development team, including affiliations with City boards or commissions | | |
| | X | Most recent audited annual financial statement of parent company or organization | | |
| | None | Fair housing training completed | | |
| | None | Any past fair housing complaints & their resolution | | |
| nonprofits | X | Most recent annual operating budget | | |
| | X | Board of directors: including skills, experience, tenure & affiliations | | |
| SITE REVIEW, ZONING & PERMITTING | | | | |
| all | X | Brief property history, covering at least the previous 30 years of ownership & use | | |
| | X | Environmental mitigation plan, including lead paint, asbestos, underground tanks | | |
| | X | Confirmation of review by Development Review Team (DRT) and zoning relief / permits required (such as parking, building, demolition, comprehensive or special permit) | | |
| | None required, per DRT | Other approvals required: Newton Conservation or Historical Commission, Commission on Disability, Mass. Historical Commission, Mass. Architectural Access Board, etc. | | |
| DESIGN & CONSTRUCTION | | | | |
| all | X | Scope of construction work, supported by professional cost estimates | | |
| | X | Site & floor plans, elevations | | |
| | X | Materials & finishes; highlight "green" or sustainable features or proposed certification | | |
| as needed | X | Detailed site & floor plans, elevations for major rehabilitation and all new construction | | |
| RELOCATION, FAIR HOUSING & ACCESSIBILITY | | | | |
| all | None | Plans/notices for relocation – No relocation required. | | |
| | X | Affirmative marketing & resident selection policy. | | |
| | X | Reasonable accommodation/reasonable modification policy | | |
| | None proposed. | Architectural access worksheet: applicable requirements & proposed features | | |

Submitted 15 December 2013

Reformatted by CPC staff to include only
required information not submitted as
separate attachments, 7 January 2015

TAFT AVENUE

Additional Required Information

Developer commitment to pursue affordability:

CAN-DO will execute an Affordability Restriction.

Market Analysis:

I have not done a formal market analysis. However it is common knowledge that there is a need for housing for families with incomes below 80%.

During a month, I receive no less than five calls from families with and without vouchers seeking either a 2 or 3 bedroom unit. At least two of those calls are seeking a 3 bedroom affordable unit.

The tenants who are moving from our domestic violence 3-bedroom units, there are three, are experiencing great difficulty finding units. In addition, families in our permanent 2-bedroom units who need a 3rd bedroom are experiencing difficulty also. I currently have 2 such families, who have been looking for a 3-bedroom unit for over a year, because they want to remain in units for the schools, they continue to look in Newton. Each of these families is headed by single minority women. We will reach out to organizations serving homeless families.

Brief property history:

Review of building jacket revealed that property has been in existence as a single family dwelling at least since 1926 when a building permit was issued for electrical or plumbing.

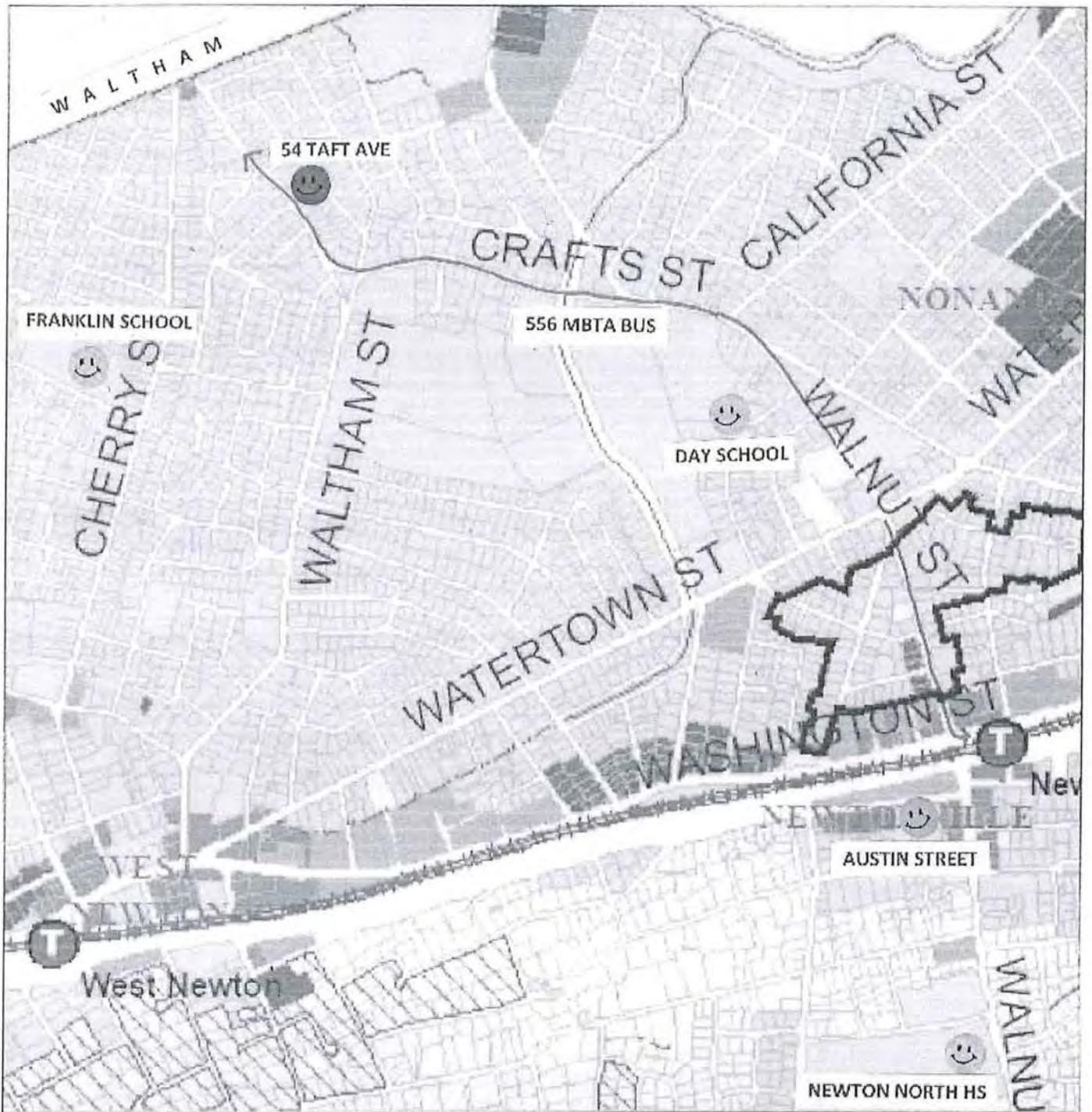
Environmental mitigation:

A lead paint test was performed and revealed lead in windows and front door. Scope of work includes replacement of windows and replacement of door. Awaiting report.

Confirmation of review by DRT (Development Review Team) and zoning relief:

The project was reviewed by DRT on October 21st. Project will require a comprehensive permit.

54 Taft Avenue, West Newton



Nearby amenities: One block from the intersection of Waltham and Craft Streets, within walking distance of Albemarle Park (1/2 mile), West Newton village (approx. 1 mile), Newtonville village center (approx. 1 mile), Express Bus 556 (1 block) to Newtonville and Franklin Elementary School school bus routes; Day Middle School (1.2 miles) and Newton North (1.25 miles). Near grocery stores, drug stores, restaurants, and houses of worship in both villages.

54 Taft Avenue



Submitted 15 December 2014

TAFT AVENUE

| ITEM | | ORIGINAL COST |
|--|--------|---------------------|
| DEVELOPMENT BUDGET | | |
| SUBTOTAL - ACQUISITION COST | | \$ 590,000 |
| CONSTRUCTION COSTS: | | |
| Direct Construction Costs | | \$ 357,750 |
| Construction Contingency | (≈ 8%) | 27,738 |
| Total Construction | | \$ 385,488 |
| TOTAL ACQUISITION AND CONSTRUCTION | | \$ 975,488 |
| GENERAL DEVELOPMENT COSTS (Soft Costs) | | |
| 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 | | |
| Total General Development | | \$ 68,300 |
| Soft Cost Contingency | 10% | \$ 6,830 |
| Subtotal: Gen. Dev. | | \$ 75,130 |
| Subtotal:Acquis.,Const., and Gen. Development | | |
| | | \$ 1,050,618 |
| >Developer Overhead/Fee | 8% | \$ 83,411 |
| Fund Replacement Reserve | | \$ 10,000 |
| TOTAL DEVELOPMENT COSTS | | \$ 1,144,029 |
| FUNDING SOURCES: | | |
| City of Newton - CDBG/HOME | | \$ 485,000 |
| CPA GRANT | | \$ 584,029 |
| Charlesbank Homes | | \$ 60,000 |
| Fundraising Eliot Church/CAN-DO | | \$ 15,000 |
| TOTAL SOURCES | | \$ 1,144,029 |

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 |

| | |
|-------|----------|
| TOTAL | \$70,200 |
|-------|----------|

| | |
|----------------------------------|-----------|
| 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.
- ◆ Paved 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

Rec'd 7 January 2015

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% |
| INCOME: | MONTHLY | ANNUAL | | | | | | | | | | |
| 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 | | | | | | | | | | |
| ANNUAL INCOME | | \$ 28,728 | \$ 28,728 | \$ 29,303 | \$ 29,889 | \$ 30,486 | \$ 31,096 | \$ 31,718 | \$ 32,352 | \$ 32,999 | \$ 33,659 | \$ 34,333 |
| EXPENSES | | | | | | | | | | | | |
| Administrative: | | | | | | | | | | | | |
| Mgmt Fee @ 5% of income | | \$ 1,436 | | | | | | | | | | |
| Legal | | \$ 300 | | | | | | | | | | |
| Audit | | \$ 500 | | | | | | | | | | |
| TOTAL ADMINISTRATIVE | | \$ 2,236 | \$ 2,236 | \$ 2,303 | \$ 2,373 | \$ 2,444 | \$ 2,517 | \$ 2,593 | \$ 2,670 | \$ 2,750 | \$ 2,833 | \$ 2,918 |
| Maintenance: | | | | | | | | | | | | |
| Extermination | | \$ 500 | | | | | | | | | | |
| Landscaping/Snow Removal | | \$ 1,500 | | | | | | | | | | |
| Decorating/Repairs | | \$ 2,000 | | | | | | | | | | |
| TOTAL MAINTENANCE | | \$ 4,000 | \$ 4,000 | \$ 4,120 | \$ 4,244 | \$ 4,371 | \$ 4,502 | \$ 4,637 | \$ 4,776 | \$ 4,919 | \$ 5,067 | \$ 5,219 |
| Utilities: | | | | | | | | | | | | |
| Common area electric | | \$ 250 | | | | | | | | | | |
| Water/Sewer | | \$ 2,500 | | | | | | | | | | |
| TOTAL UTILITIES | | \$ 2,750 | \$ 2,750 | \$ 2,833 | \$ 2,917 | \$ 3,005 | \$ 3,095 | \$ 3,188 | \$ 3,284 | \$ 3,382 | \$ 3,484 | \$ 3,588 |
| Other costs: | | | | | | | | | | | | |
| Insurance | | \$ 2,500 | | | | | | | | | | |
| Taxes | | \$ 8,500 | | | | | | | | | | |
| Operating Reserve | | \$ 2,000 | | | | | | | | | | |
| * Supportive Services | | \$ 4,200 | | | | | | | | | | |
| TOTAL OTHER COSTS | | \$ 17,200 | \$ 17,200 | \$ 17,716 | \$ 18,247 | \$ 18,795 | \$ 19,359 | \$ 19,940 | \$ 20,538 | \$ 21,154 | \$ 21,788 | \$ 22,442 |
| TOTAL OPERATING COSTS | | \$ 26,186 | \$ 26,186 | \$ 26,972 | \$ 27,781 | \$ 28,615 | \$ 29,473 | \$ 30,357 | \$ 31,268 | \$ 32,206 | \$ 33,172 | \$ 34,167 |
| NET CASH FLOW | | \$ 2,542 | \$ 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 | | | | | | | | | | | | |

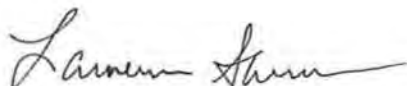
* NOTE: Supportive services will be offered by a volunteer licensed social worker and a supportive services coordinator who will assess families' needs for assistance. A focus will be on financial management; including credit counseling, budgeting and asset building; and education and employment training.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



I agree to the purchase and sale price of \$590,000.00 with a mutually agreeable Purchase and Sale Agreement to be signed on or before November 15, 2014.

I would appreciate your providing me with the contact information for your attorney. My attorney's contact information is below.

Christine A. Burt
Attorney At Law
564 Main Street
Waltham, MA 02452
781-894-9200 phone
781-894-8329 fax


LAURENCE SARNIER

On Fri, Oct 31, 2014 at 11:14 AM, Josephine McNeil <jam_cando@msn.com> wrote:
Hi Larry,

We reviewed the numbers and determined that we do not need to decrease the offer.

Would you please send me a statement, not as a reply to this e-mail but as a separate e-mail stating that you have accepted CAN-DO's offer of \$590,000 for the property at 54 Taft Avenue and that we will enter into a Purchase & Sale Agreement no later than November 15, 2014. Please sign and send to me today, ASAP.

If you cannot scan and send via e-mail, fax it to me at 617-964-3593.

Thanks, Josephine

Josephine McNeil Executive Director Citizens for Affordable Housing in Newton Development
Organization 617-964-3527



307 Auburn Street • Auburndale, MA 02466 • Phone: (617) 527-6090 • Fax: (617) 965-8945 • E-mail: info@village-bank.com

Your Village. Your Bank.

October 14, 2014

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

Re: 54 Taft Ave, Newton MA

Dear Josephine:

Your organization has been a long-standing and valuable customer of the Village Bank. As your primary lending institution for over 15 years I am very interested in pursuing the financing for your next project at 54 Taft Ave, Newton MA. Based on our prior experience with you on these types of projects I am confident that you will be able to obtain the necessary combination of public and private financing to successfully purchase and develop this project.

This letter is not a commitment for the Bank to lend, but is an indication of our strong interest in financing this project.

Thank you again for your business.

Sincerely,

David C. Pennybaker
Vice President

The Eliot Church of Newton, UCC

474 Centre Street, Newton, Massachusetts 02458
617-244-3639 | office@eliotchurch.org
www.eliotchurch.org

December 8, 2014

CAN-DO
1075 Washington Street
West Newton, MA 02465

Dear Josephine:

The Eliot Church of Newton and its members have been strong supporters of the work of CAN-DO since its beginnings over 20 years ago. Many of Eliot's congregants have and continue to serve on the Board of Directors of CAN-DO, as well as serve on the Event Committee for your annual YIMBY Celebration.

Over the years, we have seen CAN-DO take on affordable housing projects that others considered impossible or unfeasible. Today, because of CAN-DO approximately 93 adults and 300 children who otherwise might be homeless not only have safe, attractive and affordable homes, but a community that cares about them and their well-being.

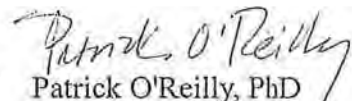
At this time, we want to lend our wholehearted support to CAN-DO for the development of its proposed housing project on Taft Street in West Newton. To show our support, the Mission and Social Justice Commission of Eliot Church have set aside funding for the project and are committed to working with CAN-DO, to raise up to \$15,000 in order to reduce the amount of public funds needed for the project. We are hopeful that this commitment will enable CAN-DO to gain approval of the project by the Newton Housing Partnership.

We not only hope, but we expect, that by this time next year, there will be two more families living in this new CAN-DO residence who can say – perhaps for the first time – that they, too, are home for the holidays.

Thank you for helping to make Newton a city we can all be proud to call home.



Diane Price
Co-Chairs of the Mission and Social Justice Commission



Patrick O'Reilly, PhD

CURRENT POLICY (3/31/14)

CITY OF NEWTON

Procurement Policy for Affordable Housing Projects

This Policy applies to all allocations of grant funds, whether federal (HUD) or state and local (CPA), by the City of Newton, by the Newton Community Development Authority (NCDA) and by for profit and nonprofit entities for the purpose of developing affordable housing, The City is responsible for these funds as grantee or as distributor of funds to subgrantees.

Under state statute and City ordinance¹ all procurements made by the City must be through open, fair competition. Open competition means that opportunity is open to all. Fair competition means that no one bidder has an advantage over any other bidder. Federal law states that the City is

responsible for the efficient and effective administration of Federal awards through the application of sound management practices.

The City has determined that its responsibility to apply "sound management practices" for the grant monies it distributes means that its recipients also use open and fair competitive processes to procure their supplies and services.

The City has therefore instituted the following procedures, modeled on M.G.L. c. 30B, for NCDA and nonprofit (Developer) procurements in connection with affordable housing building projects:

| 0-\$2,999 | \$3,000-\$24,999 | \$25,000 AND ABOVE |
|--------------------------|--|---|
| Sound business practices | NCDA/nonprofit solicits at least three written quotes NCDA/nonprofit completes Comparison Sheet and awards to lowest responsive and responsible quoter. [See Appendix A] | NCDA/nonprofit solicits competitive sealed bids, completes Comparison Sheet and awards to the lowest responsible and responsive bidder. [See Appendix B] |

¹ "All purchases of and contracts for supplies and contractual services ...involving a sum of two thousand dollars (\$2,000.00) or more shall be based upon competitive bid unless the mayor gives written authority to do otherwise, stating the reasons therefor." Newton Ordinances (2012), §2.193.

APPENDIX A

PROCEDURES FOR PROCUREMENTS BETWEEN \$3,000 AND 24,999

For projects of between \$3,000 and \$24,999, the Developer may procure contracting services and building materials in whatever manner it wishes, provided however, that the procurement includes the following minimum requirements:

1. Developer solicits at least three written quotes from persons who customarily provide the supply or service needed.
2. Developer selects the lowest responsive and responsible quoter.
3. Developer submits a completed Comparison Sheet to the Newton Purchasing Department.
4. The City Purchasing Department approves the process and the selection.
5. Developer enters into contract with selected quoter.

APPENDIX B

PROCEDURES FOR PROJECTS OF \$25,000 OR MORE

For projects of \$25,000 or more, the Developer may procure contracting services and building materials in whatever manner it wishes, provided however, that the procurement includes the following minimum requirements:

1. The Developer shall issue an invitation for bids (IFB) for a procurement contract. The IFB shall include:
 - (a) the time and date for receipt of bids, where the bids are to be delivered, and the maximum time for bid acceptance;
 - (b) the scope of service and the Developer's evaluation criteria; and
 - (c) all contractual terms and conditions applicable to the procurement (The IFB may incorporate documents by reference; provided, however, that the IFB specifies where prospective bidders may obtain the documents.)
2. The Developer shall make copies of the IFB available to all persons on an equal basis.
3. The Developer shall give public notice of the IFB a reasonable time prior to the date for the opening of bids. The notice shall:
 - (a) indicate where, when and for how long the IFB may be obtained;
 - (b) describe the scope of work;
 - (c) shall be, at a minimum, be posted for at least two weeks, in a conspicuous place in or near the City of Newton Purchasing Department until the time specified in the invitation for bids; and
 - (d) be published at least once, not less than two weeks prior to the time specified for the receipt of bids
 - o in a newspaper of general circulation within the area where the proposed project is located; and
 - o in the *Central Register* published by the Massachusetts Secretary of State. (The City of Newton Purchasing Department will submit information to the *Central Register* on the Developer's behalf.)
4. The Developer may in addition distribute copies of the IFB and/or notice such prospective bidders as it may select, and may compile and maintain lists of

prospective bidders to which notices may be sent.

5. The Developer shall open bids publicly or in the presence of one or more witnesses.
6. The Developer shall evaluate each bid based solely on the requirements and criteria set forth in the IFB. Such criteria shall include the standards by which the Developer will determine acceptability as to ability and experience.
7. The Developer shall unconditionally accept a bid without alteration or correction, except as provided below. A bidder may correct, modify, or withdraw a bid by written notice received prior to the time and date set for the bid opening. However, after bid opening, a bidder may not change the price or any other provision of its bid. The Developer may waive minor informalities or allow the bidder to correct them.
8. The Developer shall provide a copy of a Comparison Sheet summarizing the bids and identifying the selected contractor and copies of the IFB and the bids received.
9. The City Purchasing Department approves the process and the selection.
10. Upon approval of the City, the Developer shall award the contract to the lowest responsible² and responsive bidder. The Developer shall award the contract by written notice to the selected bidder within the time for acceptance specified in the invitation for bids. The time for acceptance may be extended.
11. The Developer may agree to any change orders up to an aggregate of 25% of the original contract amount. Change orders which would cause the aggregate dollar amount to exceed 25% must have the prior approval of the City.

² A "responsible bidder" is a person who has the capability to perform fully the contract requirements, and the integrity and reliability which assures good faith performance.