



NEWTON COMMUNITY DEVELOPMENT FOUNDATION

December 4, 2008

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EXECUTIVE DIRECTOR

Jeanne Strickland

Ms. Alice Ingerson
Community Preservation Program Manager
Newton City Hall
1000 Commonwealth Avenue
Newton Centre, MA 02459

Dear Alice,

On behalf of the entire NCDF community, I am pleased to submit the enclosed application to the Community Preservation Committee for consideration of CPA funding for the preservation of Warren House.

In August 2005, NCDF contracted with Gale Associates to perform Exterior Façade Evaluations at Warren House and The John W. Weeks House. The evaluations identified \$704,788 in masonry and cast stone renovations needed at Warren House and \$1M in similar renovations at Weeks House. As anticipated, we were able to obtain a mortgage increase of \$1,150,000 from MassHousing to perform the recommended renovations at Weeks House and that work, totaling \$1,117,076, was completed in September 2007.

Because a mortgage increase was not an option for Warren House, we approached the CPC and the City of Newton for the funding needed to complete the renovations there. We were pleased to learn that HOME funding would be available in the amount of \$400,000 with another \$400,000 expected from the next round of funding; and after consultation with the League of Women Voters as well as the Housing Rehabilitation staff, the CPC recommended \$1M in CPA funds contingent upon 100% repointing of the entire building. The full repointing would increase the cost of the project to over \$2.2M which necessitated a need for NCDF to secure additional funding to complete the entire project.

For the next several months we sought additional funding, including refinancing options to do all of the work noted in the August 2005 Gale report. The mortgage for Warren House is held by MassHousing and is scheduled for payment in 2023. After repeated requests to refinance this mortgage MassHousing informed us that we are unable to refinance and prepay the loan before 2018. We further investigated a purchase of investor interests which proved to be prohibitively expensive. With no other sources of funding available and a critical need to address water infiltration, we contracted with Gale to perform an evaluation for the roof replacement at Warren House with the expectation that the HOME funds would cover these costs. In a

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Ms. Alice Ingerson
December 4, 2008
Page 2

report dated June 7, 2007, Gale identified \$1,327,000 in roof work. Unfortunately, HOME funding would not be a resource for this critical work because HOME restrictions would require all 21 of the affordable units at Warren House to become HOME assisted units which, in turn, would result in a dramatic reduction in the contact rents.

Warren House operating funds continue to sufficiently maintain the property and tend to temporary repairs to the leaks and other capital expenditures as noted in the Capital Needs Assessment and Replacement Reserve Analysis performed by On-Site Insight in April 2008, but the needs of the above roof line masonry and cast stone are critical and therefore we come back now before the CPC to request funding in the amount of \$1,080,000 to address these needs.

Gale Associates has provided a letter dated November 20, 2008 in which they prioritize the necessary repairs at Warren House. The report incorporates the recommendations of the City of Newton to use copper flashing as well as the installation of a new slate roof to preserve the integrity and historical character of the building. The critical roof replacement and above roof line renovations noted in their letter total \$1,747,500 including a 15% contingency. While it would be in our best interest to complete all of the work at once, we recognize that CPA funding is limited and therefore we propose to delay the work on the east and west wings, in the amount of \$645,000, as leaks at these roof areas are not evident. Therefore, the total hard costs, including a 15% contingency are projected to be \$1,102,500 and soft costs totaling \$120,623 for a total project cost of \$1,223,123. The proposed sources of funding for this project include:

\$1,080,000	CPA funding
100,000	Warren House reserves
<u>43,123</u>	Inclusionary Zoning funds
\$1,223,123	Total project cost

The current ground lease with the City of Newton is scheduled to expire in 2056. NCDF proposes to extend that lease and maintain all 21 units as affordable in perpetuity. While the appropriation of the CPA funds is at the recommendation of

Ms. Alice Ingerson
December 4, 2008
Page 3

the committee, we propose two-thirds of the funding come from historic preservation and one-third from community housing.

We have appreciated the guidance and support of the CPC members over the past few years as we have worked to put together a viable solution to address the ongoing water infiltration problems at Warren House. We look forward to meeting with members of the CPC at the public hearing on January 22, 2009 at the Newton Free Library and at that time we will be prepared to answer any questions and address any concerns you may have. Please let me know if there is any other information or documentation that you need to consider our request and as always, thank you for your support.

Sincerely,

A handwritten signature in black ink, appearing to read "Jeanne Strickland", written over a horizontal line.

Jeanne Strickland
Executive Director

Enclosures

Section 1 PROJECT DESCRIPTION

Name and Address of Project

1 . Project Name:	Warren House		
1a . Application Completed By:	Newton Community Development Foundation, Inc.		
1b . Original Application Date:	2/8/07	Application Revision Date:	12/4/2008
2 . Project Address:	1600 Washington Street		
3 . Neighborhood			
4 . City/ Town	Newton	MA	02465
		<i>(state)</i>	<i>(zip code)</i>
5 . County	MIDDLESEX		
6 . <input type="checkbox"/> Scattered sites			
7 . Is this a qualified census tract?	No	Enter a census tract	3744.00 ▾
8 . Difficult to develop area	Yes	QCT information last updated on:	12/4/2008

Development Plan

9 . Development Type (Please check all that apply.)			
<input type="checkbox"/> No	New construction		
<input type="checkbox"/> No	Acquisition, substantial rehab of existing housing		
<input type="checkbox"/> Yes	Acquisition, moderate rehab of existing housing		
<input type="checkbox"/> No	Acquisition, minimal or no rehab of existing housing		
<input type="checkbox"/> No	Adaptive re-use of non-residential structure		
10 . Proposed Housing Type	Rental (except SRO or Assisted Living, see below)		
11 . Project Description:	Number of buildings:	1	
<p>Newton Community Development Foundation, along with Keen Development, converted the former Warren Junior High School in West Newton into 59 mixed-income apartments and a daycare center. Roughly 1/3 of the apartments (21 units) are affordable to those at 50% AMI. 2 units are reserved for DMH referrals and the project accepts Section 8 voucher holders. The Warren House is listed on the National Register of Historic Places and was honored by a 1994 Preservation Award from the Mass. Historical Commission.</p>			
12 . Development Schedule:	<i>Original</i>	<i>Revised</i>	<i>Optional user comments</i>
Application Date	2/8/07	12/4/2008	
Construction Loan Closing	6/30/07	4/01/09	
Initial Loan Closing (MHFA only)			
Construction Start	7/1/07	4/01/09	
50% Construction Completion			
Construction Completion			
First Certificate of Occupancy			
Final Certificate of Occupancy			
Sustained Occupancy			
Permanent Loan Closing			

13 . Unit Mix:	Low-Income Rental Assisted	Low-Income below 50%	Low-Income below 60%	Other Income (User-defined)	Market Rate	Total Units
SRO						0
0 bedroom						0
1 bedroom	2	0	1		12	15
2 bedrooms	9	0	6		23	38
3 bedrooms	1	0	2		3	6
4 bedrooms						0
Total Units	12	0	9	0	38	59
Home Units*						0

*HOME units included in the above totals. Other Income=Below of median income

14 . Unit Size in square feet:	Low-Income Rental Assisted	Low-Income below 50%	Low-Income below 60%	Other Income (User-defined)	Market Rate	Average All Incomes
SRO						N/A
0 bedroom						N/A
1 bedroom		580 - 1130			580-1130	-
2 bedrooms		960-1330			960-1330	-
3 bedrooms		1230-1625			1230-1625	-
4 bedrooms						N/A

15 . Number of bathrooms in each unit:	Low-Income Rental Assisted	Low-Income below 50%	Low-Income below 60%	Other Income (User-defined)	Market Rate	Average All Incomes
SRO						N/A
0 bedroom						N/A
1 bedroom		1.5			1.5	1.2
2 bedrooms		2.0			2.0	1.2
3 bedrooms		2.0			2.0	1.0
4 bedrooms						N/A

16 . Funding Applied For:

Please check all the funding that is being applied for at this time, with this application:

DHCD Tax Credit Allocation	No
Category	Not Applicable
Category	Not Applicable
HOME Funding through DHCD	No
Massachusetts Housing Finance Agency (select all that apply):	
Official Action Status	No
Construction Financing/Bridge Financing.....	No
Permanent Financing	No
Massachusetts Housing Partnership (MHP) Fund:	
Permanent Rental Financing Program	Yes
Massachusetts Housing Investment Corporation (select all that apply):	
Debt Financing	No
Tax Credit Equity Investment	No
Boston Department of Neighborhood Development (DND):	No
Other	Yes
Other.....	Newton CPC
Other.....	
Other.....	
Financing from MassDevelopment	No

				New	
		Total		Construction	Rehabilitation
17.	Number of buildings planned				
	a. Single-Family	0			
	b. 2-4 Family	0			
	c. Townhouse	0			
	d. Low/Mid rise	1			1
	e. High-rise	0			
	f. Other	0			
	TOTAL	1		0	1
18.	Number of units:	59			59
19.	Gross Square Footage				
	a. Residential	120,000			120,000
	b. Commercial	1,100			1,100
20.	Net Rentable Square Footage:		Total		Percent of Gross
	a. Residential		-	s.f.	0%
	b. Commercial		1,100	s.f.	100%
21.	Number of handicapped accessible units	3		Percent of total	5%
22.	Fire Code Type	Masonry bearing wall			
23.	Will building(s) include elevators?	Yes		How many?	
24.	Are the following provided with the housing units:			Gas or electric?	
	a. Range?	Yes			
	b. Refrigerator?	Yes			
	c. Microwave?	No			
	d. Dishwasher?	Yes			
	e. Disposal?	Yes			
	f. Washer/Dryer Hookup?	No			
	g. Washer & Dryer?	No			
	h. Wall-to-wall Carpet?	Yes			
	i. Window Air Conditioner? ..	No			
	j. Central Air Conditioning? ..	Yes			
25.	Are the following included in the rent:				
	a. Heat?	No			
	b. Domestic Electricity?	No			
	c. Cooking Fuel?	No			
	d. Hot Water?	Yes			
	e. Central A/C, if any?	No			
26.	Type of heating fuel:	Gas			
27.	Total no. of parking spaces:	182	Outdoor:	182	Enclosed:
28.	Number of parking spaces exclusively for the use of tenants:				
	a. Residential	Total: 72	Outdoor: 72	Enclosed:	
	b. Commercial	Total: 0	Outdoor:	Enclosed:	

Optional user comments

29 . Will rehabilitation require the relocation of existing tenants?

30 . Scope of rehabilitation: Please describe the following (or type N/A).

a. Major systems to be replaced:

b. Substandard conditions and structural deficiencies to be repaired:

Roof replacement and above roof line renovations.

c. Special features/adaptations for special needs clients to be housed:

31 . Are energy conservation materials in excess of the Building Code?

a. Insulation

b. Windows

c. Heating system R-Value or type?

Information On Site And Existing Buildings

	<i>Square Feet</i>	<i>Acres</i>
32 . Size of Site:	163,000	3.74
33 . Wetlands area:		
34 . Buildable area:	163,000	3.74

Existing Conditions:

35 . What is the present use of the property?

36 . Number of existing structures:

37 . Gross s.f. of existing structures:

38 . If rehabilitation:

	number of units	num. of bedrooms
a. Number of existing residential units/bedrooms:	59	
b. Number of units/bedrooms currently occupied:	59	

a. Number of existing residential units/bedrooms:

b. Number of units/bedrooms currently occupied:

39 . If site includes commercial space:

a. Square footage of existing commercial space: square feet

b. Square footage currently occupied: square feet

40 . What are the surrounding land uses?

Utilities:

41 . Are the following utilities available on the site:

a. Sanitary sewer?

b. Storm sewer?

c. Public water?

d. Electricity?

e. Gas?

If any of the above are not available, is plan attached explaining how such service will be extended to the site?

Zoning:

Please include information on the property zoning in Exhibit 3. This should include a zoning map, highlighting any special use or dimensional restrictions on the property. If the present zoning does not allow for the proposed use, please explain current status and how approvals will be obtained.

42 . Does the present zoning allow the proposed development? Yes No

43 . Have you applied for a zoning variance, change, special permit or subdivision? Yes **no**

44 . Do you anticipate applying for a comprehensive permit under Chapter 77? Yes **no**

Site Control:

45 . What form of site control do you have?

Include copies of the appropriate site control documents as part of Exhibit 4.

46 . Please provide details about your site control agreement.

- a. Name of Seller:
- b. Principals of seller corporation:
- c. Type of Agreement:
- d. Agreement Date:
- e. Expiration Date:
- f. Purchase price if under agreement:
- g. Is there any identity of interest between buyer and seller?

47 . In the past three years, have there been any defaults on any mortgage on the property or any other forms of financial distress?

48 . Are there any outstanding liens on the property?

Please attach an explanation as part of Exhibit 4

Amenities and Services:

49 . Please indicate distance from site and locate on city/town map (Exhibit 1).

	<i>Distance</i>	
a. Shopping facilities	0.25	miles
b. Schools	0.25	miles
c. Hospitals	1.00	miles
d. Parks and recreational facilities	0.05	miles
e. Police station	0.25	miles
f. Fire station	0.25	miles
g. Public transportation	0.25	miles
h. Houses of worship	0.25	miles
i. City/Town Hall	1.00	miles

Environmental Information

50 .	Is there any evidence of underground storage tanks or releases of oil or hazardous materials, including hazardous wastes, on the site or within close proximity to the site?	No
51 .	Has a Chapter 21E assessment been performed? <i>Please include a copy as Exhibit 2</i>	Yes
52 .	Does the project consist of either: (a) new construction of more than 100 units; or (b) substantial rehabilitation of more than 200 units, or where more than 10% new floor space is added?	No
53 .	Does the building require lead paint abatement?	No
54 .	Does the building require asbestos abatement?	No
55 .	Do radon tests show radon levels exceeding four picocuries/liter?	No
56 .	Is there any evidence that the premises are insulated with urea formaldehyde foam (UFFI)?	No
57 .	Is the site located in an historic district, or contain buildings listed or eligible for listing in the State Register of Historic Places? <i>A letter of approval from the local or Massachusetts Historical Commission is required prior to commitment or closing</i>	Yes
58 .	Are there any above ground storage containers with flammable or explosive petroleum products or chemicals within 1/2 mile of the site?	No
59 .	Is the site located in a floodplain or wetlands area?	No
60 .	Does the site contain endangered animal or plant species?	No
61 .	Is the site subject to noise impact from jet airports within five miles, major highways within 1,000 feet, or rail traffic within 3,000 feet?	Yes

Section 2

DEVELOPMENT TEAM SUMMARY

62 .	Developer/Sponsor Type	Non-profit corporation (Chapter 180)
63 .	Developer/Sponsor:	
	Form of Legal Entity	Corporation
	Legal Name	Newton Community Development Foundation
	Address	425 Watertown Street, Suite 205
		Newton, MA 02458
	Contact Person	Jeanne Strickland
		(617) 244-4035
	E-mail	jeanne.ncdf@verizon.net
64 .	Owner/Mortgagor:	
	Legal Name	Warren House Associates Limited Partnership
	Address	425 Watertown Street, Suite 205
		Newton, MA 02458
	Has this entity already been formed?	Yes
	Principals	NCDF
	Principals	
	Contact Person	Jeanne Strickland
	Telephone No. / Fax. No.	(617) 244-4035
	E-mail	jeanne.ncdf@verizon.net
65 .	General Partner:	
	Legal Name	
	Address	
	Has this entity already been formed?	No
	Principal (if corporate)	
	Contact Person	
	% of Ownership	
	Telephone No. / Fax. No.	
	E-mail	
66 .	General Partner:	
	Legal Name	
	Address	
	Has this entity already been formed?	No
	Principal (if corporate)	
	Contact Person	
	% of Ownership	
	Telephone No. / Fax. No.	
	E-mail	

67 . Development Consultant:

Legal Name	Matthew Yarmolinsky	
Address	38 Newbury Street	
	Newton, MA 02459	
Contact Person	Matthew Yarmolinsky	
Telephone No. / Fax. No.	617-795-1776	617-630-8686
E-mail	maltvar@rcn.com	

68 . Contractor:

Name		
Address		
Fed Tax ID #		
Contact Person		
Telephone No. / Fax. No.		
E-mail		

69 . Architect:

Name	Gale Associates	
Address	163 Libbey Parkway	
	P.O. Box 890189, Weymouth, MA 02189-0004	
Contact Person	Jon Lindberg	
Telephone No. / Fax. No.	781-335-6465	781-335-6467
E-mail	jfl@gainc.com	

70 . Management Agent:

Name	Newton Community Development Foundation	
Address	425 Watertown Street, Suite 205	
	Newton, MA 02458	
Contact Person	Jeanne Strickland	
Telephone No. / Fax. No.	617-244-4035	617-244-2160
E-mail	Jeanne.ncdf@verizon.net	

71 . Attorney (Real Estate):

Name	Schlesinger and Buchbinder	
Address	1200 Walnut Street	
	Newton, MA 02461-1267	
Contact Person	Alan Schlesinger	
Telephone No. / Fax. No.	617-965-3500	617-965-6824
E-mail	Aschlesinger@sab-law.com	

72 . Attorney (Tax):

Name		
Address		
Contact Person		
Telephone No. / Fax. No.		
E-mail		

73 . Syndicator:

Name		
Address		
Contact Person		
Telephone No. / Fax. No.		
E-mail		

74 . **Guarantor:**

Name		
Address		
Contact Person		
Telephone No. / Fax. No.		
E-mail		

75 . **Service Provider or Coordinator:**

Name		
Address		
Contact Person		
Telephone No. / Fax. No.		
E-mail		

76 . **Marketing Agent:**

Name		
Address		
Contact Person		
Telephone No. / Fax. No.		
E-mail		

77 .

Other role

Name		
Address		
Contact Person		
Telephone No. / Fax. No.		
E-mail		

78 .

Other role

Name		
Address		
Contact Person		
Telephone No. / Fax. No.		
E-mail		

79 . Is there any identity of interest between any members of the development team?

80 . Please describe the relationship of the development entity to sponsoring organizations. Is the entity newly-formed or to-be-formed? Is it a single-purpose corporation? How will the parent corporation provide support to this entity? Include an organizational chart showing other affiliates of the parent corporation, as appropriate, and principals of each.

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