

The Beacon Inclusionary Housing Plan

1114 Beacon Street, Newton, MA (the "Subject Property")

February 21, 2020

This document is submitted in connection with the Special Permit Application to the City of Newton by 1114 Beacon Street LLC (the "Developer") for the Subject Property. The Developer has engaged LDS Consulting Group, LLC of 233 Needham Street, Newton, MA to assist with this matter.

The Subject Property will be the new construction of a 27-unit, four story condominium ownership building over parking at 1114 Beacon Street on a 51,745 square foot lot. As proposed, the Subject Property will include 27 new residential ownership units. The Subject Property includes 5 one-bedroom units, 16 two-bedroom units and 3 three-bedroom units in a four-story multi-family elevator building and 3 two-bedroom, three level town house units. All 24 apartment flat units will be handicapped accessible and adaptable. The development will have 46 underbuilding parking spaces and four surface parking spaces. The garage will have two HP van accessible parking spaces. Each income restricted unit will be assigned one parking space at no cost. All remaining parking spaces will be sold to unit owners. The building will offer a package delivery/mailroom, a designated bicycle storage room that can accommodate 27 bicycles and EV charging capabilities and a roof terrace.

The following sets forth the Developer's proposed Inclusionary Housing Plan in accordance with the City's Inclusionary Zoning Ordinance, Section 5.11 of the Zoning Ordinances (the "Ordinance").

As required by Section 5.11.4 of the Ordinance, the total number of inclusionary units in a proposed development is based on the total number of new units proposed. For ownership developments of 21+ units, the Developer will set aside as inclusionary units no fewer than 15% of the total units as tier one units income restricted to households earning at or below 80% of area median income ("AMI") and no fewer than 2.5% of all new units as tier two units income restricted to households earning at or below 110% of AMI. The affordable units will consist of:

Table 1

Inclusionary Units			
AMI	Unit	Bedrooms	Size
80%	101	1	1,028
80%	201	2	1,413
80%	103	3	1,700
110%	205	1	1,184
110%	302	2	1,529

The approximate size of these units and location of the affordable units are set forth on the attached plan prepared by Nunes Trabucco Architects dated October 29, 2019 and attached as “Exhibit 1”. It is its intent to comply with all Fair Housing Rules and Regulations and evenly disburse the affordable units throughout the building. In addition, all units, whether they are market or affordable, will have the same basic finishes. We have attached as Exhibit 2 the basic unit finishes.

The next charts set forth the current income limits by level of affordability as set forth by HUD for the City of Newton which is located in the 2019 Boston-Cambridge-Quincy HUD area (“BCQ”).

Table 2

BCQ 80% AMI 2019 Income Limits	
1-person	\$62,450
2-person	\$71,400
3-person	\$80,300
4-person	\$89,200
5-person	\$96,250
6-person	\$103,500

BCQ 110% AMI 2019 Income Limits	
1-person	\$91,300
2-person	\$104,280
3-person	\$117,350
4-person	\$130,350
5-person	\$140,800
6-person	\$151,250

The purchase price based on today’s interest rates, real estate taxes today and the homeowner association fees which will cover the costs of insurance and common area maintenance as well as domestic water and sewer and are estimated to be:

Inclusionary Units					
AMI	Unit	Bedrooms	Size	PP	HOA
80%	101	1	1,028	\$ 234,500	72
80%	201	2	1,413	\$ 263,700	81
80%	103	3	1,700	\$ 292,800	90
110%	205	1	1,184	\$ 342,400	105
110%	302	2	1,529	\$ 386,800	119

See Exhibit 3 for complete purchase price calculations. Purchase prices will be reviewed and approved as part of the Local Action Unit (LAU) application and Regulatory Agreement.

It is the intent of the Developer that the Inclusionary Housing Units be qualified as “Local Action Units” pursuant to the requirements of the Comprehensive Permit Guidelines of DHCD, and therefore will take all steps necessary to make them eligible to be counted on the City of Newton Subsidized Housing Inventory.

In accordance with Section 5.11.9.B.4, to the extent allowed by the Massachusetts Department of Housing and Community Development (“DHCD”), the Developer will set aside 70% of the IZ units as local preference units.

Local preference shall be given for qualified applicants:

1. Any qualified applicants who fall within any of the following equally weighted categories:
 - a. Individuals or families who live in the City;
 - b. Households with a family member who works in the City, has been hired to work in the City, or has a bona fide offer of employment in the City; and
 - c. Households with a family member who attends public school in the City.

Preferences for dwelling units having features that are designed, constructed, or modified to be usable and accessible to people with visual, hearing, or mobility disabilities shall be given to qualified applicants in the following order:

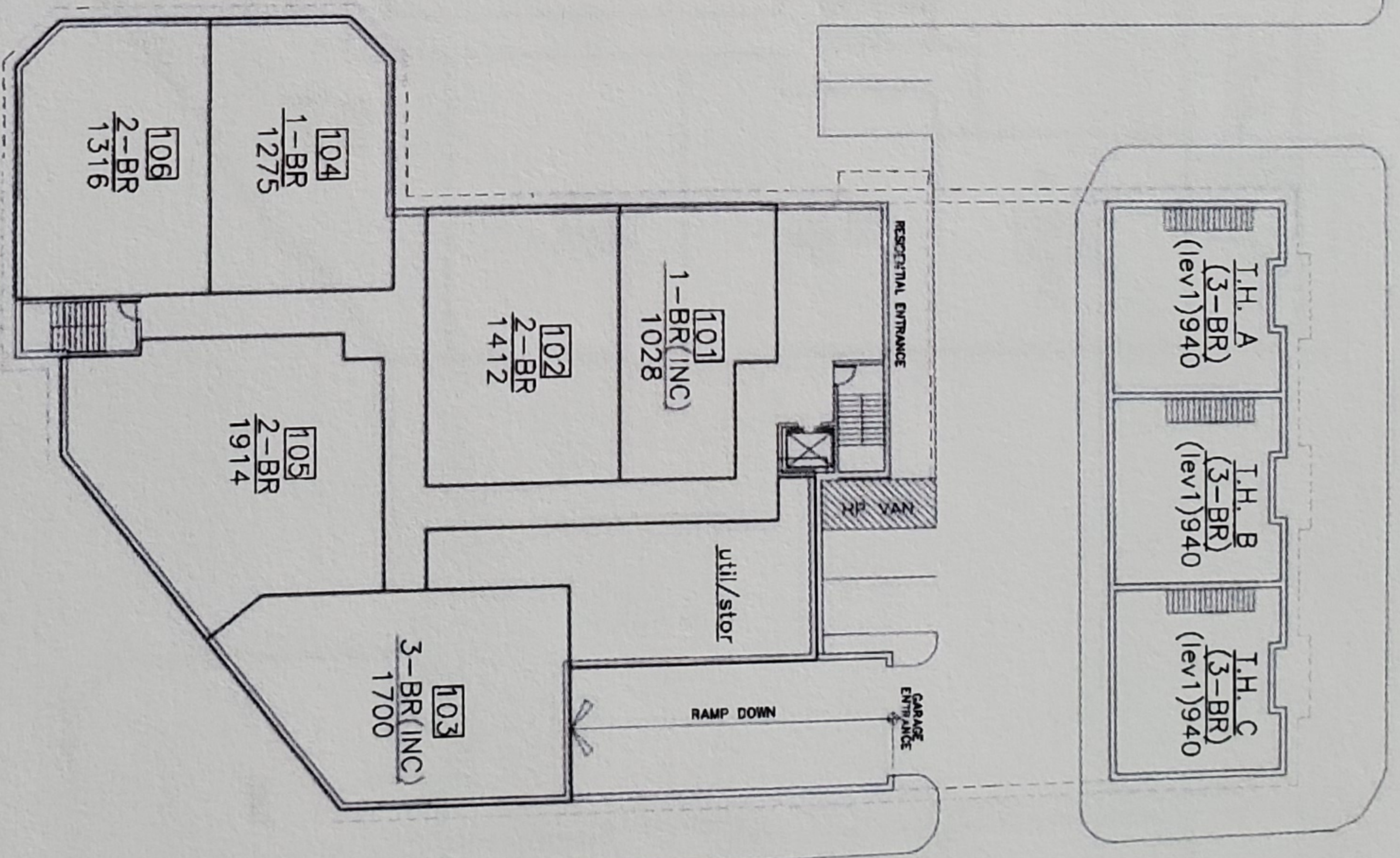
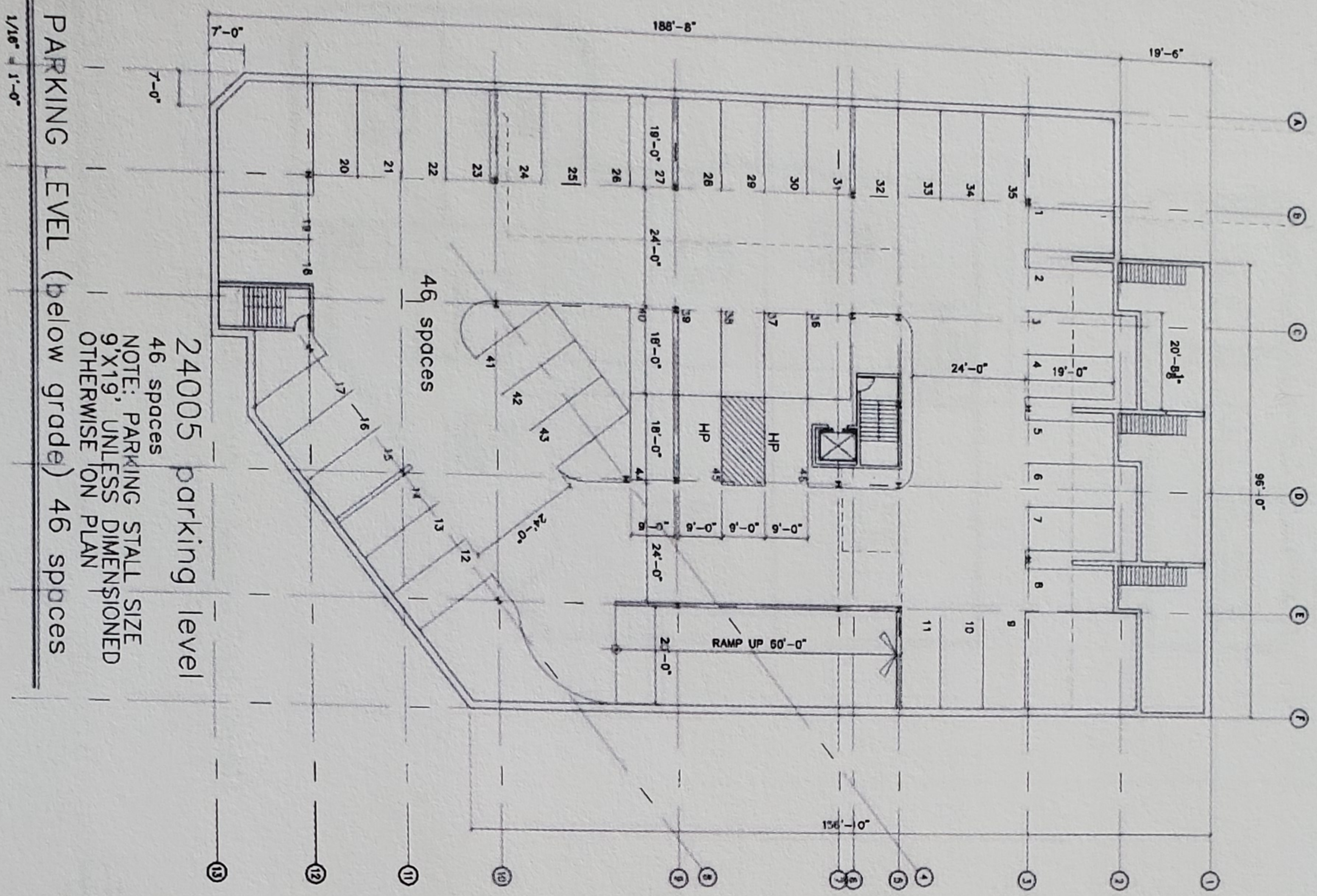
1. First Preference shall be given to households that include a family member needing the features of the unit and having preference under one or more of the three categories listed above (Section 5.11.9.C.2);
2. Then to households that include a family member needing the features of the unit but that do not have a preference under one of the three categories listed in Section 5.11.9.C.2.; and
3. Then to households having preference under one or more of the three categories listed in Section 5.11.9.C.2.

No less than six months prior to the issuance the first certificate of occupancy, the Developer shall finalize the attached Affirmative Fair Marketing and Resident Selection Plan and have it approved by DHCD. The Developer agrees to execute and record a covenant with the Middlesex South Registry of Deeds that limits the rental of affordable units to eligible households in accordance with Section 5.11.9.G.2.

The Developer also agrees to provide an annual compliance report to the City of Newton's Director of Planning and Development.

Exhibit 1 – Floors Plans Showing Inclusionary Zoning Affordable Unit Locations

Affordable Units are Designated with an "INC".



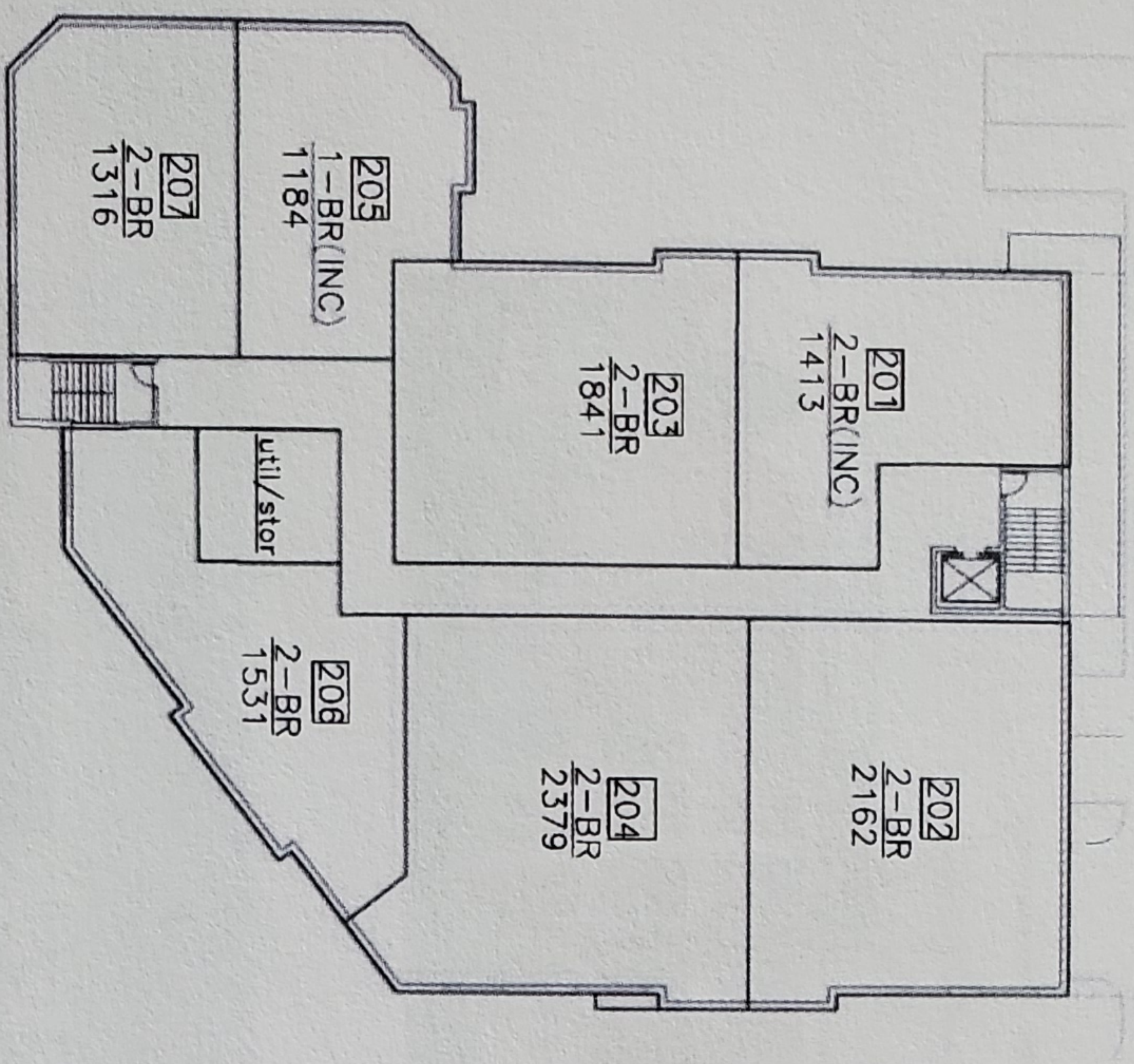
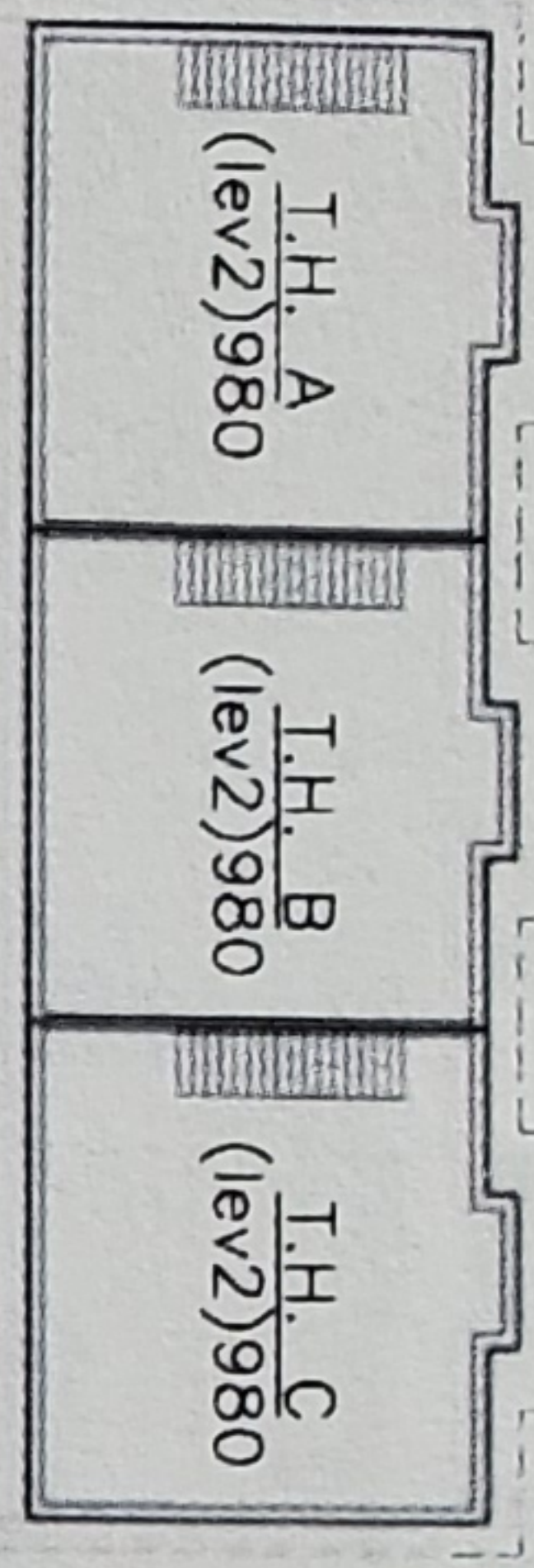
THE BEACON
1114 BEACON STREET
NEWTON, MA

06/20/80 BY JMC UNITS

NUNES • TRABUCCO • ARCHITECTS
108 Highland Avenue
Boston, Massachusetts 02142
Tel: 781-552-0222

PRELIMINARY
FLOOR PLANS

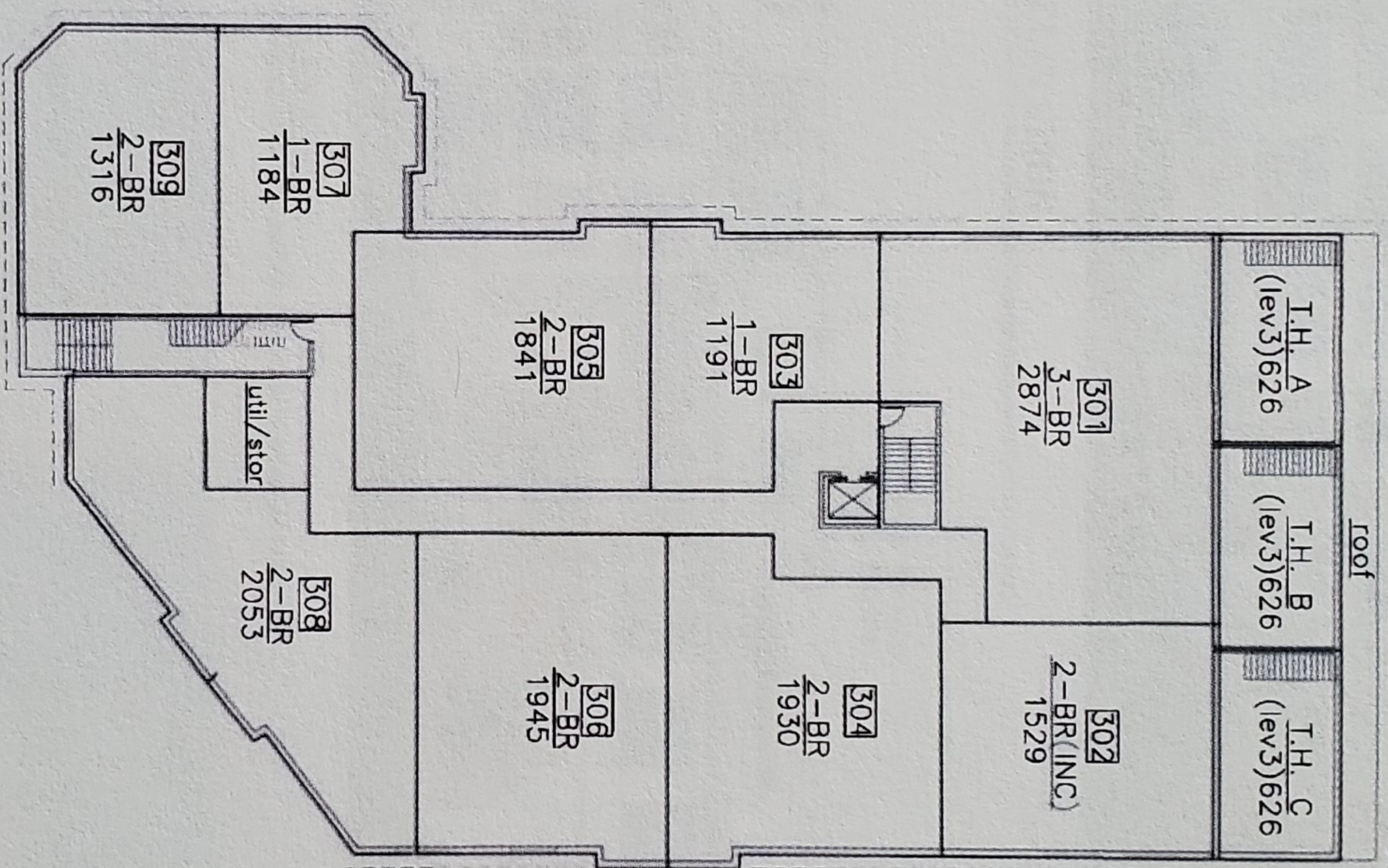
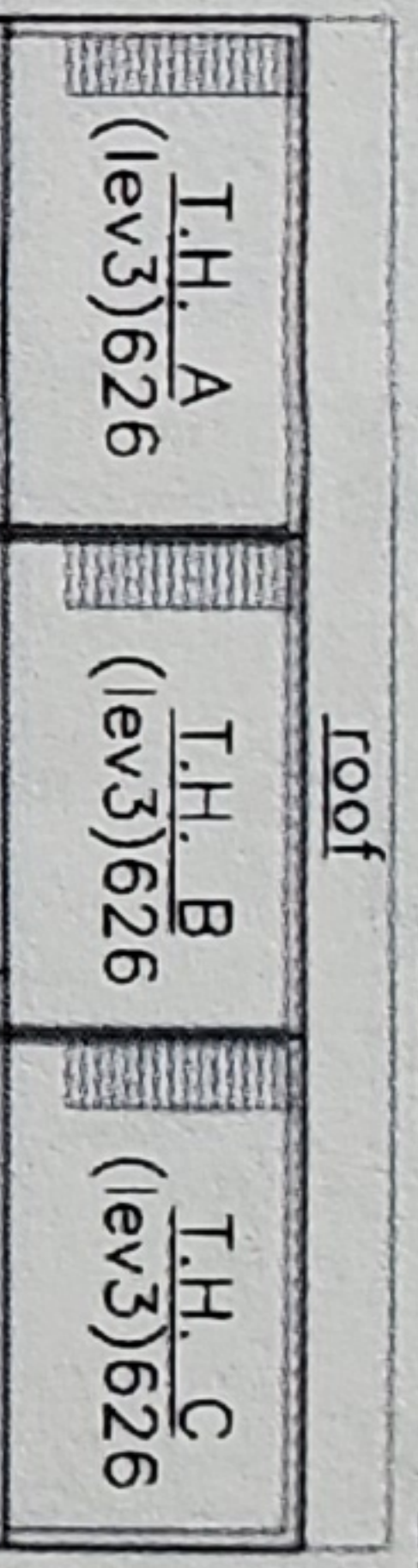
DATE: 10/28/78
SCALE: AS NOTED



2940 town houses(2nd level)
13775 residential(flats)

SECOND FLOOR

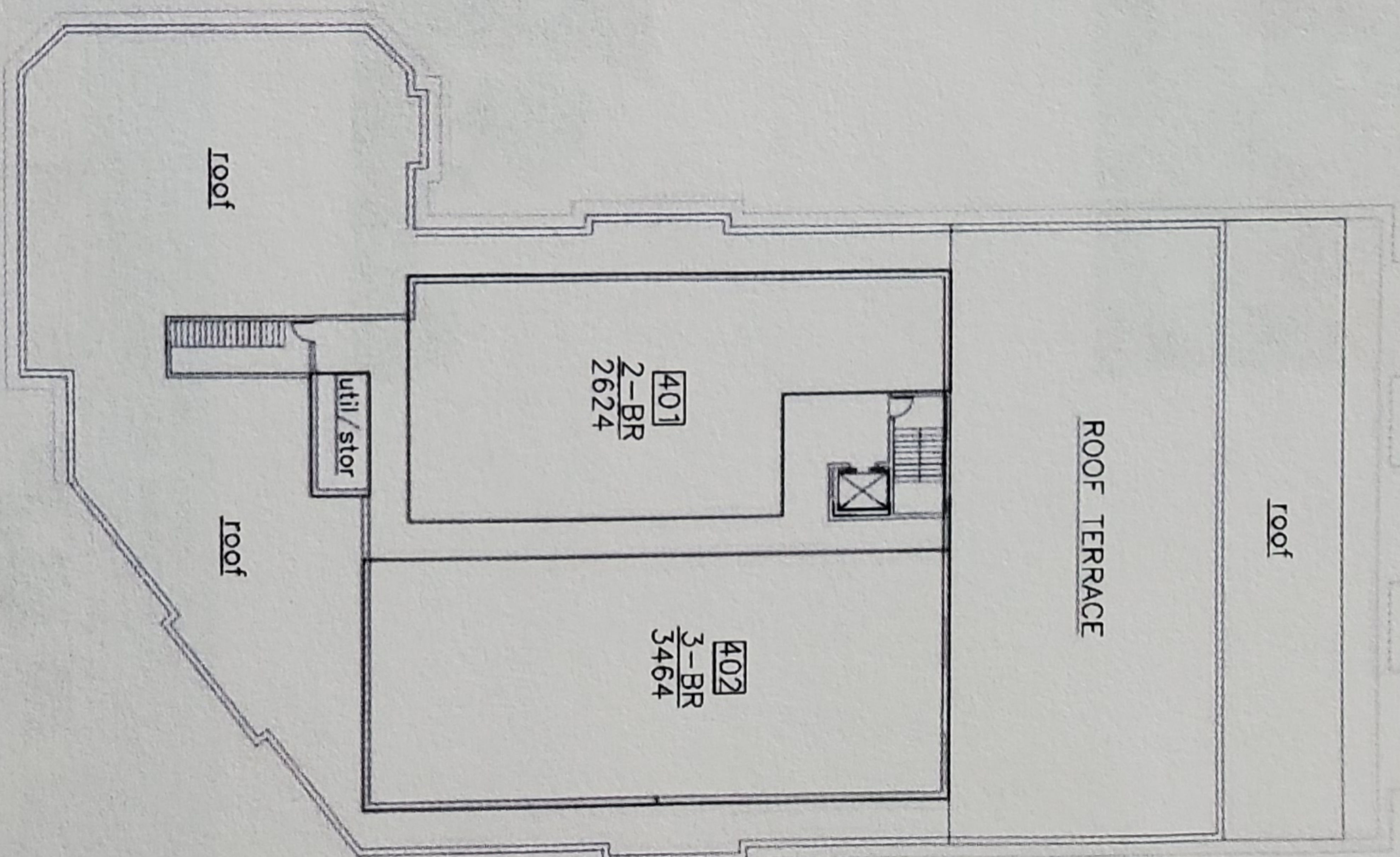
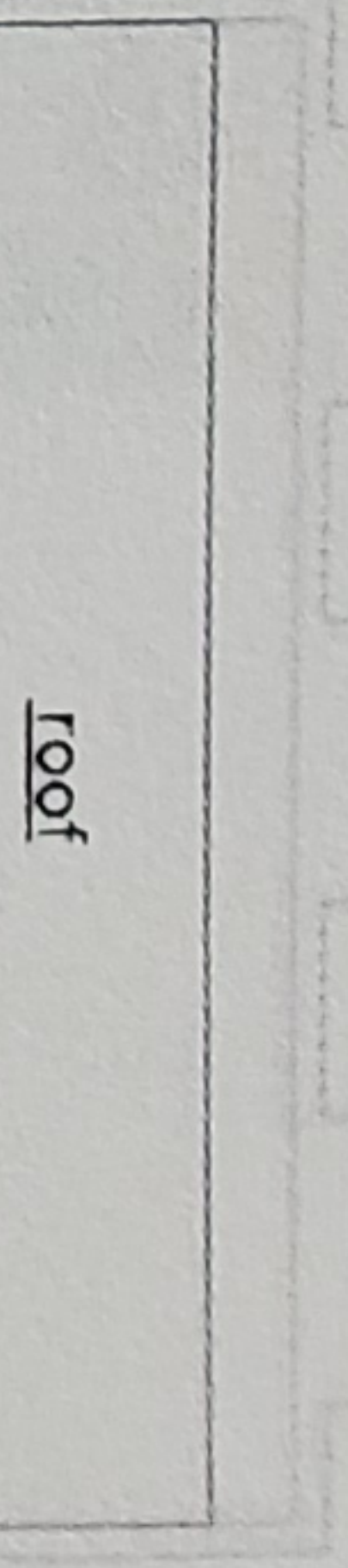
1/16" = 1'-0"



1878 town houses(lev3)
17850 residential

THIRD FLOOR

1/16" = 1'-0"



7731 residential

FOURTH FLOOR

1/16" = 1'-0"

THE BEACON
1114 BEACON STREET
NEWTON, MA

02/20/20 NEW DGC UNITS

NUNES • TRABUCCO • ARCHITECTS
109 Highland Avenue
Needham, Massachusetts 02482
Tel: 617-453-9900 Fax: 781-444-8219

PRELIMINARY
FLOOR PLANS

DATE	BY	SCALE
10/29/19	AS NOTED	

Exhibit 2 Unit Finishes/Construction Standards

Appendix A

CONSTRUCTION STANDARDS AND SPECIFICATIONS

All product and material designations below are intended to establish minimum design and quality standards for construction of all units. All units, both market rate and inclusionary, shall conform to the following standards:

I. BUILDING

1. Exterior facade shall be hardi-plank and masonry veneer.
2. All units will have one parking space in the common garage beneath the building.

II. FOUNDATIONS

1. All foundation/garage walls shall be poured concrete.
2. Garage slab shall be reinforced poured concrete.

III. WATERPROOFING

1. Project shall have catch basin drains for run-off from hard surface areas.

IV. FIRE SEPARATION

1. Fire separation to meet or exceed state building code.

V. INSULATION

1. Insulation to meet or exceed state building code.

VI. ROOFING

1. EPDM rubber roofs.

VII. WINDOWS

1. double-hung insulating glass with screens.

VIII. INTERIOR WALLS AND CEILINGS

1. Wall and ceiling material shall be gypsum wall board.
2. Paint - One primer coat, two coats color latex finish on walls.
3. Moisture resistant, concrete reinforced 1/2 "cement board at all tubs and showers.

IX. FINISH CARPENTRY- (Paint Grade - 1 coat primer, 2 coats semi-gloss)

1. All window & doors shall have a minimum of 3 1/2" casings.
2. Wood base shall be a minimum of 3 1/2" one piece.

X. BUILDING AMENITY PACKAGE

1. Washer/Dryer connection in laundry area/closet room.

XI. FLOORS

1. Floors in kitchen shall have red oak.
2. Floors in LR, BRs, dining area and foyer shall be wood.
3. Floors in all baths shall be Ceramic Tile.

XII. KITCHENS

1. Cabinets - Wood finish.
2. Counters - Granite.
3. Sink - with integral spray nozzle.

XIII. BATH ROOMS

Units will have 2 bathrooms:

1. Toilet – two piece white, American Standard or equal.
2. Faucets - American Standard or equal.
3. Lavatory - American Standard or equal.
4. Tub /Shower - single piece fiberglass unit or similar.

XIV. DOORS

1. Stained, fiberglass entry doors.
2. Solid core, raised panel, Masonite interior door.

XV. HARDWARE

1. Unit entry doors shall have a mortised interlock.
2. All interior doors shall have passage, privacy set.

XVI. PLUMBING, HEATING AND COOLING

1. Ventilation or vents for bathrooms.
2. Complete plumbing system exceeding all state and local codes.
3. Heating & cooled by forced hot-air system w/ thermostatic control in unit.

XVII. ELECTRICAL

1. One telephone jack in LR; one cable jack in each room.
2. Individual electric meters for each unit.
3. Lighting - Typical lighting package for each unit.
4. Kitchen - Surface mounted on separate switch.
5. A minimum of 100 amp service to unit.

XVIII. SECURITY & SAFETY

1. Hard-wired smoke and carbon monoxide detector system.

XIX. APPLIANCES

1. Gas cook top and oven, 30" minimum.
2. Frigidaire Refrigerator.
3. Microwave/exhaust combo over cook top.
4. All appliances shall be Energy Star certified.

Exhibit 3 Purchase Price Calculations

Purchase Price Limits	
One Bedroom 80% of AMI	
Sales Price	\$234,500
5% Down payment	\$11,725
Mortgage	\$222,775
<u>Interest rate</u>	4.00%
Amortization	30
Monthly P&I Payments	\$1,063.56
<u>Tax Rate</u>	\$10.44
monthly property tax	\$204
Hazard insurance	\$78
PMI	\$145
Condo/HOA fees (if applicable)	\$72
Monthly Housing Cost	\$1,562
Necessary Income:	\$62,499
Household Income:	
# of Bedrooms	1
Sample Household size	2
<u>80% AMI/"Low-Income" Limit</u>	\$71,400
Target Housing Cost (80%AMI)	\$1,785
10% Window	\$62,475
Target Housing Cost (70%AMI)	\$1,562

Purchase Price Limits	
Two Bedroom 80% of AMI	
Sales Price	\$263,700
5% Down payment	\$13,185
Mortgage	\$250,515
<u>Interest rate</u>	4.00%
Amortization	30
Monthly P&I Payments	\$1,196
<u>Tax Rate</u>	\$10.44
monthly property tax	\$229
Hazard insurance	\$88
PMI	\$163
Condo/HOA fees (if applicable)	\$81
Monthly Housing Cost	\$1,757
Necessary Income:	\$70,281
Household Income:	
# of Bedrooms	2
Sample Household size	3
<u>80% AMI/"Low-Income" Limit</u>	\$80,300
Target Housing Cost (80%AMI)	\$2,008
10% Window	\$70,263
Target Housing Cost (70%AMI)	\$1,7572

Purchase Price Limits	
Three Bedroom 80% of AMI	
Sales Price	\$292,800
5% Down payment	\$14,640
Mortgage	\$278,160
<u>Interest rate</u>	4.00%
Amortization	30
Monthly P&I Payments	\$1,327.98
<u>Tax Rate</u>	\$10.44
monthly property tax	\$255
Hazard insurance	\$98
PMI	\$181
Condo/HOA fees (if applicable)	\$90
Monthly Housing Cost	\$1,951
Necessary Income:	\$78,037
Household Income:	
# of Bedrooms	3
Sample Household size	4
<u>80% AMI/"Low-Income" Limit</u>	\$89,200
Target Housing Cost (80%AMI)	\$2,230
10% Window	\$78,050
Target Housing Cost (70%AMI)	\$1,951

Purchase Price Limits	
One Bedroom 110% AMI	
Sales Price	\$342,400
5% Down payment	\$17,120
Mortgage	\$325,280
<u>Interest rate</u>	4.00%
Amortization	30
Monthly P&I Payments	\$1,552.94
<u>Tax Rate</u>	\$10.44
monthly property tax	\$298
Hazard insurance	\$114
PMI	\$211
Condo/HOA fees (if applicable)	\$105
Monthly Housing Cost	\$2,281
Necessary Income:	\$91,256
Household Income:	
# of Bedrooms	1
Sample Household size	2
<u>110% AMI/"Low-Income" Limit</u>	\$104,280
Target Housing Cost (80%AMI)	\$2,607
10% Window	\$91,245
Target Housing Cost (70%AMI)	\$2,281

Purchase Price Limits	
Two Bedroom 110% AMI	
Sales Price	\$386,800
5% Down payment	\$19,340
Mortgage	\$367,460
<u>Interest rate</u>	4.00%
Amortization	30
Monthly P&I Payments	\$1,754.31
<u>Tax Rate</u>	\$10.44
monthly property tax	\$337
Hazard insurance	\$129
PMI	\$239
Condo/HOA fees (if applicable)	\$119
Monthly Housing Cost	\$2,577
Necessary Income:	\$103,089
Household Income:	
# of Bedrooms	2
Sample Household size	3
<u>110% AMI</u>	\$117,810
Target Housing Cost (120%AMI)	\$2,945
10% Window	\$103,084
Target Housing Cost (100%AMI)	\$2,577

Exhibit 4 – Affirmative Fair Marketing and Resident Selection Plan

THE BEACON
NEWTON, MA
AFFORDABLE HOUSING
MARKETING AND OUTREACH PLAN

FEBRUARY 21, 2020

1114 BEACON STREET, NEWTON – MARKETING PLAN

PURPOSE OF PLAN

The purpose of this Marketing Plan is to establish policies and procedures for the sale of 5 affordable units at "The Beacon" located at 1114 Beacon Street, Newton, Massachusetts in accordance with the Massachusetts Department of Housing and Community Development Local Action Unit Program.

This Plan applies to marketing, buyer selection, and sale of the affordable units under this program.

This plan describes the project, the marketing and outreach efforts in compliance with Fair Housing requirements, the eligibility criteria and the lottery and buyer selection process for the purchase of the affordable housing units. The marketing plan is prepared in advance of the application period to confirm the conformance with Affirmative Marketing requirements in accordance with the Affirmative Fair Housing Marketing Plan (Including Resident Selection) guidelines as published by DHCD as of May 2013.

Once approved, the Lottery Agent will execute the marketing plan by conducting outreach programs to create interest and awareness of units for sale, including placing advertisements, distributing flyers and notices. This effort will ensure affirmative fair marketing of affordable units and implement the income restriction and other preference restrictions in compliance with applicable regulations and guidelines. The application will be prepared and distributed in accordance with the plan. As received, they will be reviewed for completeness and applicants will be notified to complete as needed.

The Lottery Agent will hold one information session and verify the eligibility of residents including income, assets, household size, and minority status and conduct the lottery.

Once eligible applicants are selected and ranked. Top ranked certified buyers will execute purchase and sale agreements.

KEY CONTACTS

Developer

Ronald Simon
1114 Beacon Street LLC
220 N. Main Street
Natick, MA 01760

Lottery Agent

TBD

Monitoring Agent

DHCD

1114 BEACON STREET, NEWTON – MARKETING PLAN

PROJECT DESCRIPTION

The Beacon is a proposed 27-unit residential development on a 51,745 square foot parcel of land located at 1114 Beacon Street, Newton, MA. The development includes 5 one-bedroom units, 19 two-bedroom units and 3 three-bedroom units in a four-story multi-family elevator building, 5 of which will be affordable. All units will have separately metered gas and electricity. The building will have 46 under building parking spaces and 4 surface parking spaces. Each income restricted unit will be assigned one parking space at no cost. All remaining parking spaces will sold to unit owners. The garage will have two HP van accessible parking spaces. The building will offer a package delivery/mailroom, a designated bicycle storage room that can accommodate 27 bicycles and EV charging capabilities and a roof terrace. The exterior of the income restricted units will be indistinguishable from the market units.

Exterior building materials will include a mixture brick and cement, Low-E windows, and asphalt roofing. Of the 27 units, the following 5 units are designated as affordable in accordance with the City of Newton Zoning Ordinance and a special permit granted by the City of Newton City Council on _____, 2019.

Units will include a refrigerator, dishwasher, microwave, stove/oven along with laundry hookups. The units, process and schedule are described in more detail in the application package.

UNIT PRICING

The condominium units are priced in accordance with the DHCD calculator and guidelines using current parameters. The purchase price based on today's interest rates, real estate taxes today and the homeowner association fees which will cover the costs of insurance and common area maintenance as well as domestic water and sewer and are estimated to be, assuming HUD 2019 Income Limits and \$10.44 property tax rate (Newton FY20 rate):

Inclusionary Units					
AMI	Unit	Bedrooms	Size	PP	HOA
80%	101	1	1,028	\$ 234,500	72
80%	201	2	1,413	\$ 263,700	81
80%	103	3	1,700	\$ 292,800	90
110%	205	1	1,184	\$ 342,400	105
110%	302	2	1,529	\$ 386,800	119

Marketing Plan

A marketing plan for affordable housing lotteries demonstrates and ensures Fair Housing regulations are complied with and that the units are made available to a wide audience of qualified people.

1114 BEACON STREET, NEWTON – MARKETING PLAN

The marketing and outreach activities are intended to communicate and advertise these opportunities. In general, the plan includes sending notices to local groups, flyers to organizations, notices for website publications, and advertisements in newspapers and periodicals.

In accordance with the guidelines, the marketing period will start 60 days before the application period closes, and all advertisements will run twice.

Print Advertisements:

1. Newton Tab and its local affiliates
2. El Mundo, Jamaica Plain
3. Sampan Newspaper, Boston
4. The Bay State Banner

In addition, notices will appear on the following websites:

1. Citizens' Housing & Planning Assoc. (CHAPA): Mass Access Registry:
massaccesshousingregistry.org
2. Massachusetts Affordable Housing Alliance (MAHA)
3. City of Boston's Metropolitan Housing Opportunity Clearing Center (Metrolist):
Boston City Hall, P.O. Box 5996, Boston, MA 02114-5996 (617-635-3321)

Notices will also be sent to the following:

1. **Fair Housing Commissions:**
 - a. MA Commission Against Discrimination
 - b. Boston Fair Housing Commission, City of Boston Office of Civil Rights
 - c. Cambridge Human Rights Commission
 - d. City of Newton Fair Housing Committee
2. **Newton**
 - a. City of Newton Mayor's Office
 - b. City of Newton Housing Planner
 - c. City of Newton, Newton Housing Partnership
 - d. City of Newton, Newton Council on Aging/Senior Center
 - e. City of Newton Public Schools
 - f. Newton-Needham Chamber of Commerce
 - g. Newton Housing Authority
 - h. Newton Free Library
 - i. Can-Do, Citizens for Affordable Housing in Newton Development Organization
 - j. Newton Community Development Foundation
3. **Area Housing/Social Service Organizations**
 - a. Advocates, Inc.
 - b. Metro-west Collaborative Development
 - c. Jewish Community Housing for the Elderly

- d. Newton Wellesley Weston Committee for Community Living, Inc.
 - e. The Second Step
 - f. METCO
 - g. Allston Brighton CDC
 - h. Asian Community Development Corporation
 - i. Nuestra Comunidad
 - j. Massachusetts Association of Community Development Corporations
 - k. Boston Center of Independent Living
 - l. Viet Aid
 - m. Mission Hill Neighborhood Housing
 - n. Boston Tenant Coalition
- 4. Faith Based Organizations:**
- a. Great Boston Interfaith Organization
 - b. Black Ministerial Alliance of Greater Boston
 - c. Family Promise of Metrowest
- 5. Civic Groups:/ Other**
- a. YMCA of Newton
 - b. Elks Lodge
 - c. Family Access of Newton
 - d. American Legion Post 16.
 - e. Craig's List

During the general marketing period, the Developer and the lottery administrator will offer one 'informational session' for members of the public to educate them about the Unit and the lottery process.

ELIGIBILITY AND PREFERENCES

INCOME

Income eligibility is governed by the rules and standards employed by the Department of Housing and Urban Development ("HUD") in the selection of income-eligible tenants for publicly subsidized housing. The provisions of this section are intended to complement and not to override or supersede any applicable fair marketing regulations of DHCD, the Massachusetts Commission against Discrimination, or any City regulation with jurisdiction and like purpose, and to provide low and/or moderate-income housing.

The applicant household income is required to be at or less than the 80% of Area Median Income (AMI) or 110% of AMI as published by HUD for total Gross Annual Household Income. The City of Newton is located in the Boston-Cambridge-Quincy, MA Service Area ("BCQ"). Gross Annual Household Income includes all wages prior to any deductions from all adult household members. The following 2019 household income limits will be used:

1114 BEACON STREET, NEWTON – MARKETING PLAN

BCQ 80% AMI 2019 Income Limits	
1-person	\$62,450
2-person	\$71,400
3-person	\$80,300
4-person	\$89,200
5-person	\$96,250
6-person	\$103,500

BCQ 110% AMI 2019 Income Limits	
1-person	\$91,300
2-person	\$104,280
3-person	\$117,350
4-person	\$130,350
5-person	\$140,800
6-person	\$151,250

ASSETS

Household assets shall not exceed \$75,000 in value. Assets include but are not limited to all cash, cash in savings accounts, checking accounts, certificates of deposit, bonds, stocks, retirement accounts, value of real estate holdings and other capital investments. The value of necessary personal property (furniture, vehicles) is excluded from asset values.

Assets that are included conform to the guidance from DHCD and include retirement and pension funds amounts that can be withdrawn less penalties or transaction costs.

If a potential purchaser divests him/herself of an asset for less than full and fair cash value of the asset within two years prior to application, the full and fair cash value of the asset shall be included for purposes of calculating eligibility.

Income and asset documents required to determine household eligibility shall be updated to be current within 60 days of the purchase closing date of an affordable unit.

FIRST-TIME HOMEBUYER

All qualified applicants shall not have owned a home within 3 years preceding the application, with the exception of:

1. displaced homemakers, where the displaced homemaker (an adult who has not worked full-time, full-year in the labor force for a number of years but has, during such years, worked primarily without remuneration to care for the home and family), while a homemaker, owned a home with his or her partner or resided in a home owned by the partner;

1114 BEACON STREET, NEWTON – MARKETING PLAN

2. single parents, where the individual owned a home with his or her partner or resided in a home owned by the partner and is a single parent (is unmarried or legally separated from a spouse and either has 1 or more children of whom the individual has custody or joint custody, or is pregnant);
3. households where at least one household member is 55 or over;
4. households that owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations; and
5. households that owned a property that was not in compliance with State, local or model building codes and that cannot be brought into compliance for less than the cost of constructing a permanent structure.

OTHER ELIGIBILITY CRITERIA

Individuals who have a relationship to the Developer or who have a financial interest in the Project and their families shall not be eligible to participate in the lottery.

HOUSEHOLD SIZE PREFERENCE

The objective of these State subsidy programs is to provide housing to appropriate sized families, and to that end, there will be a preference given in the lottery to households that need all of the bedrooms, in this case two bedrooms. A "household" is defined as two or more persons who will regularly live in the unit as their primary residence and who are related by blood, marriage, law or who have otherwise evidenced a stable inter-dependent relationship, or an individual.

First preference shall be given to households requiring the total number of bedrooms in the unit based on the following criteria:

1. There is at least one occupant and no more than two occupants per bedroom.
2. A husband and wife, or those in a similar living arrangement, shall be required to share a bedroom.
3. Other household members may share but shall not be required to share a bedroom.

LOTTERY PROCEDURES

The main objective of the lottery process is to ensure that all winners are able to close on the unit while conducting Fair Housing practices. Qualifications and eligibility are verified prior to entering the lottery.

The Lottery Agent will provide a complete application package to each person requesting an application. The application form and package is attached and provides ample detail on the procedures and process, including a description of the eligibility requirements, the date of the lottery and how the lottery winners will be chosen.

1114 BEACON STREET, NEWTON – MARKETING PLAN

Applications will be available on-line, sent by mail upon request, and will also be available at a location with evening available, such as the public library in Newton. Once received in the office, they will be verified for completeness and validated for eligibility.

The lottery includes processes to ensure that only qualified eligible applicants will enter the lottery. The Lottery Agent will verify that the applicant's income and assets meet the eligibility limits.

1. **There will be one lottery with two pools: a Local Preference Pool and an General Pool.** All local preference households are places in both lotteries. All others are place only in the General pool.
2. Since all affordable units are accessible, disabled-accessible applicants will have first priority for the units. In order to prevent a disparate impact or discriminator effect, the local pool shall also be racially/ethnically balanced. After the application deadline has passed, the Lottery Agent will determine the number of local resident' minority households in this pool. In the event 27% of applicants to the Local Pool are not minorities:
 - a. The Developer should hold a preliminary lottery comprised of all minority applicants who did not qualify for the local preference pool and rank the applicants in order of drawing.
 - b. Minority applicants will then be added to the local preference pool in order of their rankings until the percentage of minority applicants reaches 27%. All minority applicants not entered into the local preference pool under this process shall be entered into the general pool.
 - c. Minorities are defined by HUD and the U.S. Census Bureau as: Black or African American; Asian: Native American or Alaska Native; Native Hawaiian or Pacific Islander; or other (not white); and the ethnic classification of Hispanic or Latino.
3. **Local Preference shall be given for qualified applicants in the following order:**

Preference shall be given to any other qualified applicants who fall within any of the following equally weighted categories **unless such preference would be unallowable under the rules of any source of funding for the project or by DHCD:**

 - a. Current residents: A household in which one or more members is living in the city or town at the time of application. Documentation of residency is required.
 - b. Municipal employers: Employee of the municipality.
 - c. Employees of local businesses located in the municipality. Households with a family member who works in the City, has been hired to work in the City, or has a bona fide offer of employment in the City; and
 - d. Households with a family member who attends public school in the City.

Documentation to show eligibility for a local preference will need to be provided immediately upon lottery selection. Documentation can include:

- A. A copy of two (2) utility bills 1 from each utility company in my name dated within the last 60 days, e.g., (1) electric, (1) oil, (1) cable, (1) gas, or (1) telephone **landline (not cell phone)**. If utility bills

1114 BEACON STREET, NEWTON – MARKETING PLAN

cannot be provided the following documentation **must** be provided: current signed lease **AND** proof of voter registration from City of Newton Election Department.

- B. Pay-stubs (these should already be submitted as directed in the **Earnings** section) *AND IF THE PAY STUBS DO NOT SHOW THE ADDRESS OF THE Job, provide a **signed statement** from your employer on company letterhead the states the address of the job and the employees name.*
- C. Copies of pay-stubs (these should already be submitted as directed in the **Earnings** section *AND IF THE PAY STUBS DO NOT SHOW THE ADDRESS OF THE JOB* submit a **signed statement** from your employer on company letterhead that states the address of the job and the employees name.
- D. Submit copies of City of Newton school transcripts **AND** proof of relation to the student (by birth certificate or legal guardianship or divorce decree).

All applicants are notified of their standing and drawing results. Additionally, the lottery will be held in a public setting, and the results posted. Records are retained for audit purposes.

The ballots are randomly drawn and placed in the order drawn. Units are awarded to households based on bedroom sizes, by proceeding down the list of lottery winners to the first household on the list of appropriate size.

4. A non-interested third party will draw the lottery numbers. Note that the order of the numbers drawn does not necessarily reflect the order of households that will be selected as it may be adjusted due to household size.
5. The top-ranking applicants will be offered to purchase a unit. All applicants are subject to official income and asset verification by the lottery.

COMPLETING THE SALE

After the lottery, the Lottery Agent provides the Developer the names, addresses and contact information of lottery winners to complete the Purchase and Sales agreements. Additionally, these documents are used during the contract.

1. Deed rider – This document legally binds the Buyer to the restrictions imposed on the property. It is signed at the closing and recorded. The copy provided prior to closing is the sample template.
2. Homeowner's Association document – If appropriate, this document provides the detailed responsibilities of the Homeowner Association and its provisions including fees.

A list of lenders who are familiar with affordable housing loans will be provided to facilitate the mortgage financing. Prior to closing, and upon receipt of final documents, the state will prepare the Deed Rider, the Resale Price Certificate, and a non-financial mortgage to be recorded at closing.

AFFORDABILITY RESTRICTIONS

It is important that the potential homeowner be advised and is fully aware of the restrictions on the property, and the following documents assist the purchaser in understanding the complexities in the deed restriction.

1. There is the deed rider itself, which is available in hard copy in the office and on the DHCD website. www.mass.gov/Ehed/docs/dhcd/hd/lip/lipdeedrider.pdf
2. The terms of the deed restriction are detailed in the disclosure section of the application, and acknowledgement signatures are required.
3. The restrictions are also covered in the Information Session, though attendance is not a requirement for application.
4. The homebuyer is required to complete a witnessed Homebuyer Disclosure Statement detailing in plain English the terms of restriction.

1114 BEACON STREET, NEWTON – MARKETING PLAN



INFORMATION & APPLICATION The Beacon Housing Lottery Newton, MA

This packet contains specific information for the lottery for five deed restricted units at The Beacon at 1114 Beacon Street, Newton, MA, including eligibility requirements, the **selection process, and lottery application**. We invite you to read this information and submit an application. Units available in this lottery are as follows:

Inclusionary Units					
AMI	Unit	Bedrooms	Size	PP	HOA
80%	101	1	1,028	\$ 234,500	72
80%	201	2	1,413	\$ 263,700	81
80%	103	3	1,700	\$ 292,800	90
110%	205	1	1,184	\$ 342,400	105
110%	302	2	1,529	\$ 386,800	119

Units will include a refrigerator, dishwasher, microwave, stove/oven along with laundry hookups. In addition, each affordable unit will be assigned one garage parking space. The homeowners' association fee covers common area building maintenance, exterior maintenance including landscaping, roadway snow plowing and sanding, common area utilities, water and sewer and insurance. The City of Newton tax rate for fiscal year 2020 is \$10.44 per thousand.

Following are key dates for these housing opportunities:

- Application Period opens: _____
- Information Session: _____
- Application Deadline: _____
- Lottery Date: _____

This application is the first step in the lottery process. Applicants must secure approval for a mortgage loan and submit evidence of such approval together with the application.

This application can be downloaded from the website at: _____ and are available at the Newton City Hall, the Newton Library, or by calling the Lottery Agent below. Applications with the required components must be returned to the Lottery Agent by the deadline. The Agent is available to assist you in this process.

Lottery Agent: TBD

PROJECT DESCRIPTION

The Beacon is a proposed 25-unit residential development on a 51,745 square foot parcel of land located at 1114 Beacon Street, Newton, MA. The development includes 5 one-bedroom units, 16 two-bedroom units and 6 three-bedroom units in a four-story multi-family elevator building, 5 of which will be affordable.

1114 BEACON STREET, NEWTON – MARKETING PLAN

All units will have separately metered gas and electricity. The building will have 46 underbuilding parking spaces and 4 surface parking spaces. Each income restricted unit will be assigned one parking space at not cost. All remaining parking spaces will be sold to unit owners. The garage will have two HP van accessible parking spaces. The building will offer a package delivery/mailroom, a designated bicycle storage room that can accommodate 27 bicycles and EV charging capabilities and a roof terrace. Exterior building materials will include a mixture brick and cement, Low-E windows, and asphalt roofing.

All units are sold under the City of Newton Inclusionary Zoning Program and in accordance with DHCD LIP Guidelines, initial purchase prices were established so that a household earning 70% of the Boston-Cambridge-Quincy, MA HUD Metro FMR Area Median Income (AMI) would not spend more than 30% of its gross income for housing costs. These properties are sold below the market prices with deed restrictions. These restrictions maintain the affordability of the property in perpetuity using resale price limitations.

LOTTERY DESCRIPTION

1. The applications for this housing opportunity will be generally available, including on-line, in hardcopy at Newton City Hall and Library, or sent to anyone interested in the lottery. Notice of the lottery will be advertised, and communicated widely through local, regional and state channels.
2. Applications received will be checked for completion of all required components. An application will be considered complete when all required items on the checklist have been provided.
3. For all units, the applicant's household size will be determined from the application and required number of bedrooms as indicated on the application. Priority shall be given to households requiring at least the total number of bedrooms in the unit. There may be no more than two occupants per bedroom, resulting in a maximum of six persons for the 3-bedroom units.

The applicant's income will be verified and compared to the income limits as published by HUD. Income includes all income prior to any deductions from all adult household members and are determined using the method as in the HUD Section 8 program defined at 24 CFR 5.609. The following 2019 limits will be used:

1114 BEACON STREET, NEWTON – MARKETING PLAN

BCQ 80% AMI 2019 Income Limits	
1-person	\$62,450
2-person	\$71,400
3-person	\$80,300
4-person	\$89,200
5-person	\$96,250
6-person	\$103,500

BCQ 110% AMI 2019 Income Limits	
1-person	\$91,300
2-person	\$104,280
3-person	\$117,350
4-person	\$130,350
5-person	\$140,800
6-person	\$151,250

Household assets shall not exceed **\$75,000** in value. Assets include but are not limited to all cash, cash in savings accounts, checking accounts, certificates of deposit, bonds, stocks, cash value of retirement accounts, value of real estate holdings and other capital investments. Include the value of the asset, with a deduction for the reasonable cost of selling the asset. The value of necessary personal property (furniture, vehicles) is excluded from asset values.

If a potential purchaser divests him/herself of an asset for less than full and fair cash value of the asset within two years prior to application, the full and fair cash value of the asset shall be included for purposes of calculating eligibility.

4. Eligible applicants must be first-time homebuyers and shall not have owned a home within 3 years preceding the application, with the exception of:
 - a. displaced homemakers, where the displaced homemaker (an adult who has not worked full-time, full-year in the labor force for a number of years but has, during such years, worked primarily without remuneration to care for the home and family), while a homemaker, owned a home with his or her partner or resided in a home owned by the partner;
 - b. single parents, where the individual owned a home with his or her partner or resided in a home owned by the partner and is a single parent (is unmarried or legally separated from a spouse and either has 1 or more children of whom the individual has custody or joint custody, or is pregnant);
 - c. households where at least one household member is 55 or over;
 - d. households that owned a principal residence not permanently affixed to a permanent foundation in accordance with applicable regulations; and
 - e. households that owned a property that was not in compliance with State, local or model building codes and that cannot be brought into compliance for less than the cost of constructing a permanent structure.
5. Persons must submit all the necessary information by the application deadline. No faxed applications will be accepted. Late applications (applications mailed and/or received after the above date) and applications that are incomplete will not be accepted.

1114 BEACON STREET, NEWTON – MARKETING PLAN

6. All applicants will be screened for eligibility. Applicants who have been deemed ineligible will be notified in writing of the decision and given time to contact the lottery agent in writing to disagree with the determination.
7. Once the Lottery Agent has verified the information contained in the application and confirmed eligibility, applicants will be given lottery numbers and told the date, time and place of the lottery.
8. Units are awarded based on bedroom size. The top ranked household needing at least the number of bedrooms in the home will be offered the opportunity to purchase the specific unit. First preference shall be given to households requiring the total number of bedrooms in the unit based on the following criteria:
 - There is at least one occupant and no more than two occupants per bedroom.
 - A husband and wife, or those in a similar living arrangement, shall be required to share a bedroom.
 - Other household members may share but shall not be required to share a bedroom.
9. At the lottery, the lottery numbers will be pulled by an independent third party and witnessed by representatives of the City in a public setting. The lottery numbers will be assigned a number in the sequence in which they are drawn and recorded in the order of selection on the Lottery Drawing List. The list of numbers drawn will be posted and all applicants will be informed of their ranking. Applicants are encouraged, but not required, to attend.
10. The lottery coordinator shall maintain the Lottery Drawing List until all units are closed. In the event that any of the applicants are unable to obtain financing, withdraw for any other reason, or do not comply with guidelines, the next qualified applicant will be offered that particular unit.
11. The Purchase and Sale Agreement will be completed as the units are constructed. Applicants will be required to recertify eligibility prior to executing the Purchase and Sale. Applicants will be required to deposit \$2,500.00 at time of Purchase and Sale, which is applied to the overall cost.
12. The State programs and bank products have specific closing and financing requirements. Current mortgage requirements include:
 - The loan must have a fixed interest rate through the full term of the mortgage.
 - The loan must have a current fair market interest rate, no more than 2 percentage points above the current MassHousing rate.
 - The loan can have no more than 2 points.
 - The buyer must provide a minimum down payment of 3%; half must come from the buyer's funds.
 - The buyer may not pay more than 38% of their monthly income for housing costs
 - No family loans or FHA mortgages can be accepted
 - Non-household members shall not be permitted as co-signers of the mortgage.
13. **Documents required to determine that a household is an income eligible household shall be updated to be current within 60 days of the closing date in accordance with LIP Guidelines (VI-5.a(2)).**
14. The Fair Housing Act prohibits discrimination in housing because of Race or color, National origin, Religion, Sex, Familial status. An applicant who believes that they have been discriminated against in the buyer selection and sales process may contact: the Massachusetts Commission Against Discrimination (617) 994-6000; and/or the United States Department of Housing and Urban Development (617) 994-8300.

1114 BEACON STREET, NEWTON – MARKETING PLAN

15. Disabled persons are entitled to request reasonable accommodation of rules, policies, or services, or reasonable modification of housing.

1114 BEACON STREET, NEWTON – MARKETING PLAN

AFFORDABLE HOUSING APPLICATION

Must Be Completed and Returned By _____

Applicant Legal Name _____ Phone Number _____ E-mail _____

Address _____ City _____ State/Zip _____

I learned of this lottery from (check all that applies):

Website: _____ Letter: _____
Advertisement: _____ Other: _____

THIS APPLICATION IS NOT COMPLETE IF NOT SUBMITTED WITH:

- _____ Completed application signed by all individuals over the age of 18.
- _____ Copy of 2017, 2018 and 2019 tax returns (Federal only, no state returns), as filed, with 1099's and W-2's for every current or future person living in the household over the age of 18.
- _____ Copy of 5 most recent pay stubs for all salaried employed household members over 18. Six months of income for hourly and seasonal workers.
- _____ Copy of last consecutive three months statements and documents from all other sources of income of all members listed on the application, on organization letterhead.
- _____ Copy of last consecutive three months statements of all assets showing current value including all bank accounts, investment accounts, retirement accounts, on organization letterhead.
- _____ Mortgage pre-approval and proof of adequate assets to cover down payment and closing costs. Note that this project is not approved for FHA loans.
- _____ Copy of minority self-declaration, if applicable.
- _____ Submit "No Income Statement", signed and notarized, for any household member over 18 with no source of income, if applicable.
- _____ Copy of school registration for any full time student for any household member over 18.
- _____ No Child Support Statement, signed and notarized, if applicable, containing the language "Under penalties of Perjury".

THIS IS APPLICATION IS ONLY FOR THIS SPECIFIC DEVELOPMENT

1114 BEACON STREET, NEWTON – MARKETING PLAN

HOUSEHOLD INFORMATION:

List all members of your household including yourself. Number of bedrooms needed: _____

	Names of all Persons to Reside in Dwelling (First Name, Middle Initial, Last Name)	Relation to Head	Age	Date of Birth	Minority Category * (Optional)
1					
2					
3					
4					

*Minority preference categories include only Native American or Alaskan Native, Black or African American, Asian, Native Hawaiian or Pacific Islander; or other (non-White); and the ethnic classification Hispanic or Latino. A separate self-declaration document is required.

INCOME: Household limits:

BCQ 80% AMI 2019 Income Limits	
1-person	\$62,450
2-person	\$71,400
3-person	\$80,300
4-person	\$89,200
5-person	\$96,250
6-person	\$103,500

BCQ 110% AMI 2019 Income Limits	
1-person	\$91,300
2-person	\$104,280
3-person	\$117,350
4-person	\$130,350
5-person	\$140,800
6-person	\$151,250

List all income of all members over the age of 18 such as wages, child support, Social Security benefits, all types of pensions, employment, Unemployment Compensation, Workman's Compensation, alimony, disability or death benefits and any other form of income.

1114 BEACON STREET, NEWTON – MARKETING PLAN

Adults with no income are required to submit a notarized statement. If additional space is needed, please attach another sheet.

#	Source of Income	Address/Phone# of Source	Amount per Year
1			
2			
3			
4			
5			
TOTAL			

ASSETS:

Household asset limit: \$75,000.

List all checking, savings accounts, CD's, stocks, bonds, retirement accounts, savings bonds and any other investments below. If additional space is needed, please attach another sheet. Household assets do not include necessary personal property but do include any interest in real estate.

#	Type of Asset	Bank/Credit Union Name	Account No	Value, Balance
1	Checking account			
2	Savings account			
3	Retirement account			
4	Other: _____			
5	Other: _____			
6	Other: _____			
TOTAL				

APPLICANT(S) CERTIFICATION

I/We certify that our household size is _____ persons, as documented herein.

I/We certify that I/We are first-time homebuyers as defined in the application package.

I/We certify that our total household income equals \$_____, as documented herein.

I/We certify that our household has assets totaling \$_____, as documented herein.

I/We certify that the information in this application and in support of this application is true and correct to the best of my/our knowledge and belief under full penalty of perjury. I/We understand that false or incomplete information may result in disqualification from further consideration.

I/We certify that I am/we are not related to the Developer of The Beacon, or any party of this project.

I/We understand that it is my/our obligation to secure the necessary mortgage for the purchase of the home and all expenses, including closing costs and down payments, are my/our responsibility.

I/We understand the provisions regarding resale restrictions and agree to the restriction. You must notify DHCD and the Monitoring Agent when you wish to sell. The unit can't be refinanced without prior approval of DHCD and/or the Monitoring Agent, no capital improvements can be made without DHCD and/or the Monitoring Agent pre-approval; the unit must be owner's primary residence; the resale price is calculated according to the deed rider; and an increase in equity is very minimal to ensure affordability over time; the deed rider remains in effect in perpetuity. All prospective buyers are advised to review the deed rider with their own attorney to fully understand its provisions.

I/We have been advised that a copy of the DHCD Universal Deed Rider is available with the Lottery Agent and on the DHCD website.

I/We understand that if I/we are selected to purchase a home, I/we must continue to meet all eligibility requirements of the Lottery Agent and any participating lender(s) until the completion of such purchase. I/We understand that I/we must be qualified and eligible under any and all applicable laws, regulations, guidelines, and any other rules and requirements. I/We understand that the Lottery Agent makes no representation on the availability of the unit.

Your signature(s) below gives consent to the Lottery Agent or its designee to verify information provided in this application. The applicant agrees to provide additional information on request to verify the accuracy of all statements in this application. No application will be considered complete unless signed and dated by the Applicant/Co-Applicant.

Applicant Signature

Date

Co-Applicant Signature

Date

1114 BEACON STREET, NEWTON – MARKETING PLAN

AFFIRMATIVE FAIR HOUSING MARKETING STATEMENT:

The undersigned Developer, _____, and Representative/Lottery Agent, _____, state the following:

We have reviewed this plan and agree to implement this AFHMP, which shall be made effective as of the approval date. Further, by signing this form, we agree to review and update the AFHMP as necessary in order to comply with all applicable statutes, regulations, executive orders and other binding DHCD requirements pertaining to affirmative fair housing marketing and resident selection plans reasonably related to such statutes, regulations, executive orders, as same may be amended from time to time. Specifically, we agree that resident selection at initial sale and all subsequent sales shall be conducted and implemented in accordance with the approved affirmative fair housing marketing and resident selection plan and DHCD's Comprehensive Permit Guidelines, Sec. III. In addition, that all inclusionary units shall comply with the Use Restrictions requirements set out in in the Comprehensive Permit Guidelines of the DHCD, Sec. II.A.1.e. "Use Restriction," and Sec. VI.B.9. "Regulatory Agreement and Use Restrictions," and that the Developer shall execute and record an affordable covenant in the Registry of Deeds for the Southern District of Middlesex County or the Land Court Registry of Deeds for the Southern District of Middlesex County as the senior interest in title for each inclusionary unit, which shall endure for the life of the residential development. In addition, we agree that the Developer will file a covenant at the time of conveyance and running in favor of the City of Newton, in a form approved by the City Solicitor, which shall limit initial sale and subsequent re-sales of inclusionary units to eligible households in accordance with provisions reviewed and approved by the Director of the Planning and Development Department.

We hereby certify that all the information stated herein, as well as any information provided herewith, is true and accurate.

1114 Beacon Street LLC
(Developer)

(Representative/Lottery Agent)

By: Ronald Simons, Manager

By:

Exhibit 5 Sample Marketing Advertisement

1114 Beacon Street, Newton, MA
AFFORDABLE HOUSING LOTTERY
Informational Meeting: Date/Time TBD
Newton Free Library, 330 Homer Street, Newton, MA
Lottery Date: TBD

Attendance is optional and not mandatory to be placed on waitlist
Providing five affordable housing homeownership units in Newton

Income limits and other qualifications apply:

80% of AMI – 1 person \$62,450; 2 persons \$71,400; 3 persons \$80,300; 4 persons \$89,200; 5 person \$96,350 and 6 person \$103,500 (gross income)

110% of AMI – 1 person \$91,300; 2 persons \$104,280; 3 persons \$117,350; 4 persons \$130,350; 5 person \$140,800 and 6 person \$151,250 (gross income)

AMI	Unit	Bedrooms	Size	PP	HOA
80%	101	1	1,028	\$ 234,500	72
80%	201	2	1,413	\$ 263,700	81
80%	103	3	1,700	\$ 292,800	90
110%	205	1	1,184	\$ 342,400	105
110%	302	2	1,529	\$ 386,800	119

For information, reasonable accommodation, or to request an application, please call or visit

Applications can be mailed to _____ or dropped off at the above location.
Application deadline for the lottery is _____.

