



# Finance Committee Agenda

## City of Newton In City Council

Thursday, October 1<sup>st</sup>, 2020

The Finance Committee will hold this meeting as a virtual meeting on Thursday, October 1<sup>st</sup>, 2020 at 7:00 pm. To view this meeting using Zoom use this link: <https://us02web.zoom.us/j/89825485974> or call 1-646-558-8656 and use the following Meeting ID: 898 2548 5974

### Item scheduled for discussion:

**#380-20 Appointment of Aaron Goldman to the Horace Cousens Industrial Fund**  
HER HONOR THE MAYOR appointing AARON GOLDMAN, 11 Jerome Avenue, Newton, as a trustee of the Horace Cousens Industrial Fund for a term to expire on June 1, 2023. (60 days: 11/20/2020)

**#381-20 Acceptance of funds for LED lighting projects and an insulation project**  
HER HONOR THE MAYOR requesting authorization to accept, appropriate and expend the sum of one hundred thousand dollars (\$100,000) from the Green Communities Grant from the Department of Energy Resources and authorization to appropriate and expend the sum of twenty-three thousand one hundred and ninety-five dollars (\$23,195) from the Energy Stabilization Fund for the LED lighting project at Newton South High School, the Utilities Building at 60 Elliot Street and the insulation project at the Auburndale Community Library.

### Referred to Public Facilities and Finance Committees

**#383-20 Authorization for the MWRA loan program for sewer improvements**  
HER HONOR THE MAYOR requesting authorization to borrow the sum of four million five hundred and eighty thousand dollars (\$4,580,000) from the Massachusetts Water Resources Authority (MWRA) Sewer Infiltration/Inflow Local Financial Assistance Program, Phase 13 as an interest-free loan payable in 1/10 installments over 10 years.  
**Public Facilities Approved 7-0 on 09/23/2020**

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The location of this meeting is accessible and reasonable accommodations will be provided to persons with disabilities who require assistance. If you need a reasonable accommodation, please contact the city of Newton's ADA Coordinator, Jini Fairley, at least two business days in advance of the meeting: [jfairley@newtonma.gov](mailto:jfairley@newtonma.gov) or (617) 796-1253. The city's TTY/TDD direct line is: 617-796-1089. For the Telecommunications Relay Service (TRS), please dial 711.

**Referred to Public Safety & Transportation and Finance Committees**

#382-20

**Authorization to enter a contract for Emergency Ambulance Services**

HER HONOR THE MAYOR requesting authorization to enter into a contract for Emergency Ambulance Services for up to five years.

**Public Safety & Transportation Approved 6-0**

**Referred to Public Safety & Transportation and Finance Committees**

#365-20

**Authorization to expend a \$164,863 grant from Assistance to Firefighters**

HER HONOR THE MAYOR requesting authorization to accept, appropriate and expend a one hundred sixty-four thousand eight hundred sixty-three dollar grant (\$164,863) from the Assistance to Firefighters Grant for Rapid Intervention and Vehicle Operator Training in the Newton Fire Department.

**Public Safety & Transportation Approved 6-0**

**Referred to Land Use and Finance Committees**

#364-20

**CPC Recommendation to appropriate \$1,244,857 of CPA funding**

COMMUNITY PRESERVATION COMMITTEE recommending appropriation of one million two hundred forty-four thousand eight hundred fifty-seven dollars (\$1,244,857) in Community Preservation Act (CPA) funding for the creation of affordable housing in the Golda Meir House Expansion Project.

**Land Use to meet on 09/29/20**

Respectfully submitted,

Rebecca Walker Grossman, Chair



Ruthanne Fuller  
Mayor

City of Newton, Massachusetts  
Office of the Mayor

**380-20**

Telephone  
(617) 796-1100  
Fax  
(617) 796-1113  
TDD/TTY  
(617) 796-1089  
Email  
rfuller@newtonma.gov

September 9, 2020

Honorable City Council  
Newton City Hall  
1000 Commonwealth Avenue  
Newton, MA 02459

To the Honorable City Councilors:

I am pleased to appoint Aaron Goldman of 11 Jerome Avenue, Newton as a trustee of the Horace Cousens Industrial Fund. His term of office shall expire on June 1, 2023 and his appointment is subject to your confirmation.

Thank you for your attention to this matter.

Warmly,

Ruthanne Fuller  
Mayor

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2020 SEP 11 PM 2:34  
CITY CLERK  
NEWTON, MA. 02459

**Application Form**

**Profile**

Aaron

First Name

Middle Initial

Goldman

Last Name

[Redacted]  
Email Address

11 Jerome Ave

Home Address

Suite or Apt

Newton

City

MA

State

02465

Postal Code

**What Ward do you live in?**

Ward 3

[Redacted]  
Primary Phone

Home:

Alternate Phone

Associate Director of  
Communications and  
Engagement

Job Title

Harvard University

Employer

**Which Boards would you like to apply for?**

Horace Cousens Industrial Fund Trustees: Submitted

**Interests & Experiences**

Please tell us about yourself and why you want to serve.

**Why are you interested in serving on a board or commission?**

As a lifelong resident of this city, I care deeply about ensuring that we are doing everything we can to look after those in need. In eight years working in the Office of the Mayor I routinely encountered people who were struggling to make ends meet, and facing a wide variety of hardships. The Cousens Fund plays an important role in helping to alleviate these hardships, and I would be honored to be a member.

Goldman Aaron Resume.docx

Upload a Resume

## Aaron Goldman

### SKILLS & QUALIFICATIONS

Writing & Communications

Project Management

Relationship-Building

Strategic Planning

Cross-Functional Leadership & Collaboration

Multitasking in a Fast-Paced Environment

Staff and Volunteer Management

Writing & Editing Web Content

Process Improvement

Metric Tracking & Performance Improvement

Legislation & Policy

Working at the Local, State, and Federal Levels

National Campaign Experience

Working with Minimal Direction

### PROFESSIONAL PROFILE

Communications and public relations professional with over 13 years of combined experience coordinating project management, communications, and logistics to support effective output of information, team-building and process-improvement in higher education, government and politics. Consistently singled-out for professionalism and ability to engage with diverse audiences. Proven ability to excel in fast-paced environments with minimal or no direction.

### WORK EXPERIENCE

#### **Harvard College, Cambridge, MA**

*Associate Director of Communications and Engagement, 11/2019-present*

- Develop key messages and communications strategies for Writer for College leadership including the Dean of the College, Dean of Students, Dean of Undergraduate Education, Director of Athletics.
- Organize and operationalize day-to-day communications

content approaches to support all Harvard College departments.

- Advance efficient and effective communication of Harvard College's

verbal and visual identity to internal and external audiences.

- Member of Board of First-Year Advisors.
- Member of Recognized Student Organization Committee.

#### **Harvard University Public Affairs and Communications, Cambridge, MA**

*Communications Officer, 10/2017 to 11/2019*

- Led development and execution of major announcements

external audiences including 2018 Harvard/Yale game;

Freshman Dean's Office and Office of Student Life into

Office; Creation of Academic Resource Center.

- Served on Review Committee for internal review arrested on 4/13/18, student arrested on communications for release of report.

- Responded to media inquiries as spokesperson on behalf

Harvard College Dean of Students; Office of cation; and

**COMMUNITY INVOLVEMENT****Board of Directors**

- ✓ Appointed to West Suburban YMCA (WSYMCA) Board of Directors in May, 2018
- ✓ Elected Vice-Chair of WSYMCA Board in April, 2019
- ✓ Serve as member of WSYMCA Finance Committee

**Mayoral Transition**

- ✓ Appointed Co-Chair of Transition Committee for Mayor-elect Ruthanne Fuller in November, 2017
- ✓ Conducted interviews for all senior staff positions; facilitated creation of Transition Report; advised Mayor-elect on policy initiatives and personnel decisions

**Charity & Mentoring**

- ✓ Hosted successful fundraisers for Horizons for Homeless Children (HHC)
- ✓ Ran 2016 Boston Marathon for HHC, raising \$3,700 in funds
- ✓ Served as "Big Brother" through the Big Brother Big Sister of Massachusetts Bay program

Department of Athletics.

- Nominated for "Dean's Distinction Award" for work Harvard/Yale game at Fenway Park.
- Authored numerous articles on a wide variety of topics for Gazette, many of which have been featured in the
- Member of Board of First-Year Advisors.
- Completed Harvard Law School "Program on Negotiation."

**City of Newton, Office of the Mayor, Newton, MA**

*Director of Performance Management, 1/2014 to 09/2017*

- Worked closely with all 22 city departments to develop strategic plans and objectives for each fiscal year; led regular meetings to drive on-schedule completion of key projects to improve delivery of services to residents.
- Developed the city's first data tracking program (DataStat Newton) to track and improve hundreds of performance metrics across all functions and departments within city government.
- Built relationships with all department heads and executive office staff through weekly meetings; planned and led data-driven process improvement efforts.
- Led weekly team meetings with department heads to ensure cross-departmental collaboration.
- Served on annual budget team, helping every department establish their annual fiscal-year goals while providing updated progress on goals from previous year as part of outcomes-based budgeting process.
- Participated in hiring process for numerous senior level positions as member of interview committees and advisor to the Mayor.

**City of Newton, Office of the Mayor, Newton, MA**

*Citizen Assistance Officer/Director of Communications 01/2010 to 12/2013*

- Managed external and internal communications, media inquiries, the mayor's press releases and e-newsletter, press releases and public relations. Wrote a weekly column for publication in the Newton Tab newspaper.
- Created and managed internship program that brought to our office from various nearby high schools
- Led implementation of major initiatives, including creation of a highly transparent, user-friendly 311-resident reporting system, drastically improving efficiency and accountability over the previous informal, paper-based system.
- Drove implementation of a reverse 911 system, ensuring timely citywide notifications of emergency situations; served

as primary system user and trained other departments—including police and fire—in system use.

- Served as Communications Officer on Emergency Management Team.
- On call 24/7 to respond to emergencies and press inquiries.

**Massachusetts State Senate, Joint Committee on Transportation, Boston, MA**

*Deputy Communications Director and Policy Advisor, 10/2008 to 12/2009*

interviews and

- Fielded all press inquiries; managed logistics of appearances; wrote op-ed pieces and speeches.
- Advised Chair on policy decisions and assisted in collaboratively drafting legislation.
- Met with legislators and representatives of nonprofits, government agencies, and businesses on behalf of the Senate Committee Chair.

**Stephen J. Kerrigan for State Representative Campaign, Clinton, MA**

*Campaign Manager, 05/2008 to 09/2008*

- Planned and oversaw all strategic aspects of the campaign to help secure the third highest vote total among 31 challengers in the primaries.
- Managed budget, field engagement, and direct mail programs; supported field volunteers and coordinated candidate's schedule.
- Ensured fiscal health of the campaign via fundraising and budget planning; planned fundraising events, prepared call sheets, and managed/tracked donor and donation information.

**Hillary Clinton for President Campaign, IA, NV, NM, RI**

*Field Organizer, 07/2007 to 03/2008*

- Coordinated campaign efforts by recruiting and training precinct captains and volunteers across multiple precincts; led volunteer groups of 100+ members in field engagement, including mobilizing supporters on election days.
- Represented Senator Clinton at numerous speaking events nationwide.
- Planned and organized events with Senator Hillary Clinton, former President Clinton, National Campaign Chairman Terrence McAuliffe, and other campaign surrogates.

**Office of State Representative Martin J. Walsh, Boston, MA**

*Legislative Aide, 01/2007 to 07/2007*

- Assisted in drafting legislation; facilitated communications by drafting speeches and press releases; handled constituent correspondence via letter, phone and e-mail.
- Engaged with constituents on behalf of Representative Walsh via nightly community/neighborhood meetings.

- Collaboratively created and implemented an office internship program.

**Office of United States Senator John F. Kerry, Boston, MA**  
*Intern, 09/2005 to 06/2006*

- Responded directly to all constituent communications; assisted in coordinating Senator's responses to invitations.
- Planned and assisted in execution of major events, including "Procurement Conference" for hundreds of small businesses from throughout Massachusetts.

**EDUCATION**

**BA in Political Science, University of Massachusetts at Boston**  
*National Scholars Honor Society*





City of Newton, Massachusetts  
Office of the Mayor

RUTHANNE FULLER  
MAYOR

Telephone  
(617) 796-1100

Telefax  
(617) 796-1113

TDD  
(617) 796-1089

E-mail  
[rfuller@newtonma.gov](mailto:rfuller@newtonma.gov)

September 14, 2020

Honorable City Council  
Newton City Hall  
1000 Commonwealth Avenue  
Newton Centre, MA 02459

Councilors:

I respectfully submit a docket item to your Honorable Council requesting (1) authorization to accept, appropriate and expend the sum of \$100,000 from the Green Communities Grant from the Department of Energy Resources and (2) authorization to appropriate and expend \$23,195 from Acct # 7907C104-337907 Energy Stabilization Fund.

This funding, totaling \$123,195, will be used for LED lighting at the Newton South High School (NSHS) and the Utilities Building at 60 Elliot Street as well as the insulation project at the Auburndale Community Library.

The Green Community Grant funds will be used as follows:

- \$62,967 for NSHS lighting
- \$37,033 for the Utilities Building lighting

The Energy Stabilization funds will be used as follows:

- \$7,740 for NSHS lighting
- \$3,845 for the Utilities Building lighting
- \$11,610 for the Auburndale Community Library

Thank you for your consideration of this matter.

Sincerely,

Ruthanne Fuller  
Mayor

CITY CLERK  
NEWTON, MA, 02459

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**CITY OF NEWTON, MASSACHUSETTS**

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**PUBLIC BUILDINGS DEPARTMENT**52 ELLIOT STREET, NEWTON HIGHLANDS, MA 02461

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Ruthanne Fuller, Mayor  
Josh Morse  
Building Commissioner

Telephone (617) 796-1600  
Facsimile (617) 796-1601  
TDD/tty # (617) 796-1608

August 31, 2020

Ruthanne Fuller, Mayor  
Newton City Hall  
1000 Commonwealth Avenue  
Newton Centre, MA 02459

RE: Funding to replace lights at SHS and Utilities Building, and insulation of Auburndale Library & Authorization to Accept Grant

Dear Mayor Fuller:

The Public Buildings Department respectfully requests the authorization to accept the Green Communities Grant in the amount of \$100,000 from the Department of Energy Resources. This grant will be used for LED lighting at the Newton South High School and the Utilities Building at 60 Elliot St.

The Public Buildings Department respectfully requests authorization to spend \$23,195 out of the Energy Stabilization Fund to complete these lighting projects at Newton South High School and the insulation project at Auburndale Library. This funding request breaks down as follows:

- \$7,740 for SHS lighting
- \$3,845 for the Utilities Building
- \$11,610 for the Auburndale Library

Sincerely,

Josh Morse  
Public Buildings Commissioner

cc: Jonathan Yeo, Chief Operating Officer  
Maureen Lemieux, Chief Financial Officer  
James Mcgonagle, Commissioner of Public Works  
Alex Valcarce, Deputy Buildings Commissioner  
David Stickney, Director of Facilities

Building Name and/or Location	Project Name (description) <sup>[4,7]</sup>	Project Completion Date (mo/yr)	Projected Annual Electricity Savings or Generation (kWh) <sup>[2]</sup>	Projected Annual Natural Gas Savings (therms) <sup>[2]</sup>	Projected Annual Oil Savings (gallons) <sup>[2]</sup>	Projected Annual Energy Savings (other fuel) <sup>[2,3]</sup>	Projected Annual Cost Savings <sup>[2]</sup> (\$)	Total Project Cost (\$) <sup>[4]</sup>	GC Grant Funding (\$) <sup>[5]</sup>	Utility Incentives (\$)	Other Grants (please list source in notes column) (\$)	Town Contribution (\$)	Funding Source(s) for Other Grants and Town Contribution	Audit or Study Reference	Audit or Study Page Reference(s) <sup>[6]</sup>	
South High School - Goldrick Wheeler Science Wing, 1st flr	Modifications of Lighting fixtures-LED, and Automatic Lighting controls	Dec-20	97,493	0	0	0	\$17,061	\$99,955	\$62,967	\$29,248	\$0	\$7,740.00	City of Newton Energy Stabilization Fund	Eversource vendor audit attached	attached	
Water Dept. Bldg-60 Elliot Street	Modifications of Lighting fixtures and Automatic Energy Controls- LED lighting, and occupancy and dimmer controls	Dec-20	39,921	0	0	0	\$6,407	\$59,773	\$37,033	\$18,895	\$0	\$3,845.00	City of Newton Energy Stabilization Fund	Eversource vendor audit attached	attached	
INSERT MUNICIPAL NAME HERE			N/A	\$ 137,414	\$ -	\$ -	\$ -	\$ 23,468	\$ 159,728	\$ 100,000	\$ 48,143	\$ -	\$ 11,585	N/A	N/A	N/A

NOTE: This table has been formatted so that the projects are directly transferable to/from Table 4 of the Energy Reduction Plan and Annual Reports in order to minimize the reporting burden of Green Communities.

- [1] A municipality may submit proposals for as many projects as it wishes. Projects must comply with all requirements specified in the full guidance document.
- [2] Please estimate only the projected direct annual cost and energy savings.
- [3] For other fuels, please specify in column header fuel and units (ex: gallons). DOER will perform the calculations for MMBtu and GHGs.
- [4] Total project cost = sum of all funding sources (columns K-N)
- [5] Please note that the total grant request does not need to equal your total grant allocation at this time. For example, if an audit or engineering study needs to be performed, then this request should be for the cost of that study. A subsequent request should be made to pay for the measures/buildings audited or studied. *(Please note: Only audits that are at a minimum an ASHRAE Level 2 audit will be eligible for Green Communities Grant funding.)*
- [6] Please provide a specific page number/range from the audit or study that provides funding request and project details.
- [7] Proposed projects should be completed within approximately one year from contract execution.

	2020 Green Communities Grant	Energy Stabilization Fund	Total Project Cost-Change Order
SHS LED Lighting	\$ 62,967	\$ 7,740	\$ 70,707
Utilities Bldg LED Lighting	\$ 37,033	\$ 3,845	\$ 40,878
Auburndale Library Insuation		\$ 11,610	\$ 11,610
Total by Funding source	\$ 100,000	\$ 23,195	\$ 123,195



City of Newton, Massachusetts  
Office of the Mayor

RUTHANNE FULLER  
MAYOR

Telephone  
(617) 796-1100  
Telefax  
(617) 796-1113  
TDD  
(617) 796-1089  
E-mail  
[rfuller@newtonma.gov](mailto:rfuller@newtonma.gov)

September 14, 2020

Honorable City Council  
Newton City Hall  
1000 Commonwealth Avenue  
Newton Centre, MA 02459

Councilors:

I respectfully submit a docket item to your Honorable Council requesting authorization to borrow the sum of \$4,580,000 from the Massachusetts Water Resources Authority (MWRA) Sewer Infiltration/Inflow Local Financial Assistance Program, Phase 13 as an interest-free loan payable in 1/10 installments over 10 years.

Funds will be utilized for the construction of Sewer CIP Project 9 including construction of "trenchless" and "excavation and replacement" rehabilitations to eliminate sewer/underdrain cross connections and inflow/infiltration of the sanitary sewer system.

Thank you for your consideration of this matter.

Sincerely,

Ruthanne Fuller  
Mayor

CITY CLERK  
NEWTON, MA. 02459

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City of Newton



## DEPARTMENT OF PUBLIC WORKS

OFFICE OF THE COMMISSIONER

1000 Commonwealth Avenue  
Newton Centre, MA 02459-1449Ruthanne Fuller  
Mayor

September 3, 2020

To: Jonathan Yeo, Chief Operating Officer  
Maureen Lemieux, Chief Financial Officer

From: James McGonagle, Commissioner

Subject: Docket Request for MWRA Sewer Funds Borrowing Authorization  
MWRA Sewer Infiltration/Inflow Local Financial Assistance Program, Phase 13

I respectfully request a docket item be submitted for an authorization to borrow a loan in the amount of \$4,580,000 payable in 1/10 installments over 10 years from the Massachusetts Water Resources Authority (MWRA).

*Sewer CIP Project 9 Construction*

Sewer CIP Project 9 Rehabilitations will include construction of "trenchless" and "excavate and replace" rehabilitations to eliminate sewer/underdrain cross connections and to eliminate infiltration from the sanitary sewer system. These projects will be constructed to reduce sewer infiltration and inflow sources and provide improvement to existing sewer structures. The objective of this project is to construct sanitary sewer rehabilitations that will eliminate infiltration and inflow to the sanitary sewer system, eliminate sanitary sewer contamination to the underdrain system, and repair underdrain access points that are contributing infiltration to the sanitary sewer system. The design of this sewer project area will be completed this year.

cc: Susan Dzikowski, Comptroller  
Rosemarie Woods, Treasurer  
Shawna Sullivan, DPW Chief of Staff  
Louis M. Taverna, City Engineer  
Ted Jerdee, Director of Utilities  
Doug Valovcin, Deputy Director of Utilities  
Jack Cowell, DPW Business Manager

**MASSACHUSETTS WATER RESOURCES AUTHORITY  
CHARLESTOWN NAVY YARD, 100 FIRST AVENUE, BOSTON, MA 02129**

**MWRA INFILTRATION/INFLOW LOCAL FINANCIAL ASSISTANCE PROGRAM  
FINANCIAL ASSISTANCE APPLICATION  
Updated January 2017**

FOR MWRA USE ONLY

PROJECT NO.: \_\_\_\_\_

APPLICANT: \_\_\_\_\_

NAME OF PROJECT: \_\_\_\_\_

\_\_\_\_\_

DATE RECEIVED: \_\_\_\_\_

**Section 1 - Financial Assistance Requested**

Name of Applicant: City of Newton, Massachusetts

Address of Applicant: 1000 Commonwealth Avenue

Newton, Massachusetts 02459

Name of Authorized Representative: Louis M. Taverna, PE

Telephone Number of Representative: (617) 796-1020

Name of Applicant's Consultant Firm and Representative (if applicable):

Weston & Sampson Engineers, Inc., Patrick A. Terrien, PE

Telephone No.: (978) 573-4149

The following attached exhibits are hereby made part of this application for financial assistance under the MWRA's Infiltration/Inflow Local Financial Assistance Program. The undersigned representative of the Applicant certifies that the information presented in this application and its exhibits is true, correct and complete to the best of their knowledge:

\_\_\_\_\_  
(Date)

\_\_\_\_\_  
(Signature of Authorized Representative)

\_\_\_\_\_  
(Title)

## Section 2 - Project Description

Describe the proposed project, including the following as applicable:

- a. **Type of Project:** Such as planning, design, construction, or a combination.
- b. **Objective of the Project:** Such as infiltration, inflow, or a combination of I/I reduction to be achieved through rehabilitation of manholes, pipeline sections, private inflow source removals, etc. For planning phase projects, the project objective may be the identification and/or quantification of I/I.
- c. **Location of the Project:** Such as a list of street names or a specific section of the community. If possible, please submit report maps and/or community sewer maps with the application. For initial planning phase projects, the project location may include the entire community.
- d. **Phased Program:** Is the project part of a phased program of I/I reduction and, if so, what are the other components of the overall program the community is pursuing?
- e. **Estimated Quantity of Infiltration and/or Inflow to be Reduced:** The applicant should estimate both the peak and annual average infiltration and/or inflow anticipated to be reduced following completion of the construction phase of the project. For initial planning phase projects, this item may not be applicable if the project objective is the identification and/or quantification of I/I (see Section 15 for detailed I/I reduction estimates).

### a. Type of Project

The city is requesting money for construction projects.

#### Construction

- CIP Project 8 Rehabilitations and CIP Project 9 Rehabilitations

### b. Objective of the Project

The objective of CIP Project 8 Rehabilitations and CIP Project 9 Rehabilitations is to construct sanitary sewer rehabilitations that will:

- a. Eliminate infiltration to the sanitary sewer system
- b. Eliminate inflow to the sanitary sewer system
- c. Eliminate sanitary sewer contamination to the underdrain system
- d. Repair underdrain access points that are contributing infiltration to the sanitary sewer system

The objective of CIP Project 8 Design is to design “Trenchless and Excavate and Replace” rehabilitations that will:

- a. Eliminate infiltration to the sanitary sewer system
- b. Eliminate inflow to the sanitary sewer system
- c. Eliminate sanitary sewer contamination to the underdrain system
- d. Repair underdrain access points that are contributing infiltration to the sanitary sewer system

**c. Location of the Project**

CIP Project 8 Rehabilitations will include repair of defects in sanitary sewer subareas A004, A005, A007, A008, A009, and A09A.

CIP Project 9 Rehabilitations will include repair of defects in sanitary sewer subareas A001, A002, A003, A010, A011, A013, and A015).

**d. Phased Program**

CIP Project 8 and CIP Project 9 are part of the City of Newton’s 11 Year Sewer Capital Improvement (CIP) Plan.

**e. Estimated Quantity of Infiltration and/or Inflow to be Reduced**

CIP Project 8 Rehabilitations will remove an estimated 658,788 gallons per day of peak infiltration and an estimated 92,967 gallons per day of peak inflow from the sanitary sewer system.

CIP Project 9 Rehabilitations will remove an estimated 329,172 gallons per day of peak infiltration and an estimated 38,192 gallons per day of peak inflow from the sanitary sewer system.

**Section 3 - Documentation of Project Need**

Identify records that document the project's need, including, but not limited to:

- a. Facility Plans;
- b. I/I Reports;
- c. Sewer System Evaluation Surveys;
- d. Physical Surveys;
- e. Internal TV Inspection;
- f. DPW Maintenance Records;
- g. Flow Measurement Records; and,
- h. Pump Station Records.

CIP Project 8 – Inspection and Assessment Report (Weston & Sampson Engineers, Inc., March 18, 2019).



CIP Project 9 – Inspection and Assessment Report (Weston & Sampson Engineers, Inc.,

**Section 4 - Project Schedule**

Provide a realistic schedule outlining important milestones in the planning, design, and/or construction phase. If a schedule is attached to the financial assistance application separate from this section, please note the attachment here. The estimated project start date must be included.

**Construction**

CIP Project 8 Construction of Rehabilitations	May 2021 to April 2022
CIP Project 8 Re-test Warranty Inspection	May 2022 to October 2022
CIP Project 9 Construction of Rehabilitations	May 2022 to April 2023
CIP Project 9 Re-test Warranty Inspection	May 2023 to October 2023

**Section 5 - Map of Project**

Attach a project map denoting the collection system and/or general plan of the proposed project site. If no map or plan is submitted with the application, an explanation must be provided.

See Attachment 1 for a locus map of the CIP Project areas.

**Section 6 - Project Funding**

The applicant must list the sources of funding proposed for the project and, if funding through the MWRA I/I Local Financial Assistance Program will not cover 100 percent of the project costs, the applicant must demonstrate that sufficient funds are available to cover the additional project costs from other resources. **Documentation of the availability of other resources may be in the form of a Town Meeting Action, City Council Vote, or other binding action. If available, documentation should be attached to the application.**

<u>Source</u>	<u>Amount</u>	<u>Date Available</u>
1. MWRA I/I Financial Assistance Phase 13 Loan	\$4,580,000	May 2020
2. Cash		
3. General Obligation Bond		
4. State Grant		
5. State Revolving Fund Loan		

6. Other (Specify Source)		
City Funds	\$12,714,149	May 15, 2020
	<hr/>	
TOTAL	\$17,294,149	

### Section 7 - Summary of Costs

Provide a detailed tabulation of the estimated cost of each project phase (i.e. Planning, Design, Construction, Construction Services, etc.) and major tasks under each project phase. Major tasks to be detailed may include those listed as eligible project costs in Section 2.7 of the MWRA I/I Local Financial Assistance Program Guidelines or other project tasks that may or may not be eligible for MWRA financial assistance funding.

**Note: If construction paving costs represent more than ten percent (10%) of the project cost, they should be identified as a separate project phase or subtask in the list below.**

For each engineering task, a breakdown of the cost into staff labor category, staff hours, hourly rates, direct labor costs, indirect labor costs, other direct costs and/or expenses, etc. should be included on an attached summary table.

The **total project cost** and **estimated total eligible project cost** should be provided at the bottom of the table.

<u>Project Phases and Subtask</u>	<u>Estimated Total Project Cost</u>	<u>Estimated Eligible Project Cost</u>
CIP Project 8 Construction of Rehabilitations	\$ 7,353,641	\$ 7,353,641
CIP Project 8 Construction Services	\$ 1,400,000	\$ 1,400,000
CIP Project 9 Construction of Rehabilitations	\$ 7,140,508	\$ 7,140,508
CIP Project 9 Construction Services	\$ 1,400,000	\$ 1,400,000
	TOTAL COST: <u>\$17,294,149</u>	<u>\$17,294,149</u>

Date of Cost Estimate: March 18, 2019 and March 27, 2020 ENR Index: N/A

Source of Cost Estimate: Preliminary Design (CIP Project 8 – Inspection and Assessment Report (Weston & Sampson Engineers, Inc., March 18, 2019)) and Preliminary Design (CIP Project 9 – Inspection and Assessment Report (Weston & Sampson Engineers, Inc.))

**Section 8 - Interdependent Projects**

Explain whether financing has been received or is being requested for this project, or a separate phase of the project, from a non-MWRA grant, the Clean Water State Revolving Fund (CWSRF) program, or another grant/loan program.

Specify related and/or interdependent projects or portions of projects. For example, if the applicant is performing the design phase of a project under community funding or CWSRF funding, and MWRA financial assistance is being requested for the construction phase under this application, then the construction phase is dependent on completion of the design phase.

Financing is being requested through the MWRA Phase 13 Financial Assistance Program.

**Section 9 - Intermunicipal Projects**

If the project will serve two or more municipalities, or one community's project extends into another community, the applicant must explain the circumstances. State whether the municipalities have, or propose to have an intermunicipal agreement or other legally binding documents covering financing, construction, and/or operation of the proposed improvements. If not, detail historic cooperative service relationships between the parties.

This project does not serve two or more communities.

**Section 10 - Project Permits and Certificates**

Review the list below and note the permits or certificates which: (1) have been obtained, (2) will be obtained, or (3) may be required prior to initiation of the project.

	<u>Has been Obtained</u>	<u>Will be Obtained</u>	<u>May be Required</u>
U. S. ARMY CORPS OF ENGINEERS	_____	_____	_____
MA DIVISION OF WATERWAYS Chapter 91 License	_____	_____	_____
LOCAL CONSERVATION COMMISSION	_____	_____	_____
DEP - DIVISION OF AIR QUALITY	_____	_____	_____
DPW HIGHWAY PERMIT	_____	_____	_____
LOCAL SEWER PERMIT	_____	_____	_____
DCR CONSTRUCTION PERMIT	_____	_____	_____
MBTA/CONRAIL LICENSE	_____	_____	_____

DWPC (401) WATER QUALITY CERT.	_____	_____	_____
CZM CONSISTENCY CERTIFICATE	_____	_____	_____
MEPA - Environment Notification Form (ENF) and/or Environmental Impact Report (EIR)	_____	_____	_____
FLOOD INSURANCE PARTICIPATION	_____	_____	_____
HISTORIC - Mass. Historical Commission	_____	_____	_____
LEGISLATION - Legislation from the Mass. General Court could be required prior to: construction in dedicated conservation land, construction by one community within the municipal boundaries of another, and easements in state owned land.	_____	_____	_____

OTHER Street Opening Permit, Trench Permit, MWRA One-Time-Only Discharge Request Permit, MWRA Request to Conduct a Root Control Project.

**Section 11 - Construction Plans, Specifications, and Bidding Documents**

For proposed construction projects and equipment/materials purchases, the applicant should outline the status of the plan, specification, and bidding document preparation and the time schedule for completion. If these documents are not required for the project, an explanation must be included in this section.

If available, a copy of the final engineering plans, specifications, and bidding documents for each contract or equipment/material purchase should be submitted with the application.

A copy of the contract documents will be forwarded to the MWRA when they are available.

**Section 12 - Engineering Agreement**

For proposed planning, design, and/or construction projects, the applicant should outline the status of an engineering agreement and time schedule for its completion (if a Consulting Engineer will be used for any portion of the project). If no engineering agreement is required for the project, an explanation must be included in this section.

If available, a copy of the proposed or executed engineering agreement for each contract should be submitted with the application.

A copy of the engineering agreements between the City of Newton and Weston & Sampson Engineers, Inc. will be forwarded to the MWRA when available.

### Section 13 - Force Account Work

If the applicant proposes to perform funding eligible portions of the project (planning, design, construction services or construction activities) using its own staff (force account work), a description of the force account activities must be provided. List the type of force account task, staff titles, affiliated department, estimated hours to perform task, and direct labor rates (or range) for each title. **Please note that charges for overhead, overtime, and/or the use of vehicles or equipment owned by the applicant, and staff time to obtain permits or licenses are ineligible.**

Not applicable.

### Section 14 - Other Project Information

The applicant is encouraged to provide any other additional information that may enable the Authority to determine that the project is a viable I/I reduction project and assess eligible project costs.

Elimination of sewer/underdrain cross connections and pipeline infiltration will reduce flow to Newton's sewer system.

### Section 15 - Estimated I/I Reduction and Potential Cost Benefit of I/I Removal

The applicant should provide as complete information as possible on the estimated infiltration and/or inflow reduction that is anticipated to be achieved when the construction phase of the project is concluded. For projects that will reduce groundwater infiltration, the peak month (usually within the Spring season) infiltration reduction and average annual infiltration reduction should be estimated. For projects that will reduce stormwater inflow, the design storm peak hour inflow rate reduction, design storm inflow volume reduction, and average annual inflow reduction should be estimated. The "design storm" is defined (by DEP) as a storm with a one year return period, a one hour peak rainfall intensity of about 0.87 inches, and a six hour cumulative rainfall of about 1.72 inches (see DEP's Guidelines for Performing I/I Analyses and Sewer System Evaluation Surveys).

Using these I/I reduction estimates, Authority staff will run the MWRA wholesale rate model for the preceding fiscal year to estimate the dollar value of the rate reduction that would have been realized by the applicant if the estimated flow reduction had taken place in the previous year. MWRA staff will provide the results of the rate model analysis to the community. This information may be helpful in analyzing the project's potential cost benefit. As a standard, the analysis will be performed holding all other MWRA service area community flows constant. However, if requested by the applicant, rate model runs can be made to simulate the net affect other community potential flow reductions may have on the applicant's wholesale sewer rate.

The applicant may submit the I/I reduction information with the financial assistance application. However, at the applicant's discretion, the I/I reduction information form may be submitted to the MWRA prior to the submittal of the full application. This would allow the community to review the results of the Authority's wholesale rate analysis and use the

information as a decision making tool when evaluating one or more I/I projects. For more information on this process, the applicant is encouraged to contact MWRA Community Support Program staff.

Estimated Project Infiltration Reduction:

- (1) Peak month reduction:   N/A   mgd; (2) Annual average reduction:   N/A   mgd.

Estimated Project Inflow Reduction:

- (1) Design storm peak hour inflow rate reduction:   N/A   mgd;  
(2) Design storm inflow volume reduction:   N/A   mg;  
(3) Average annual inflow reduction:   N/A   mgd.

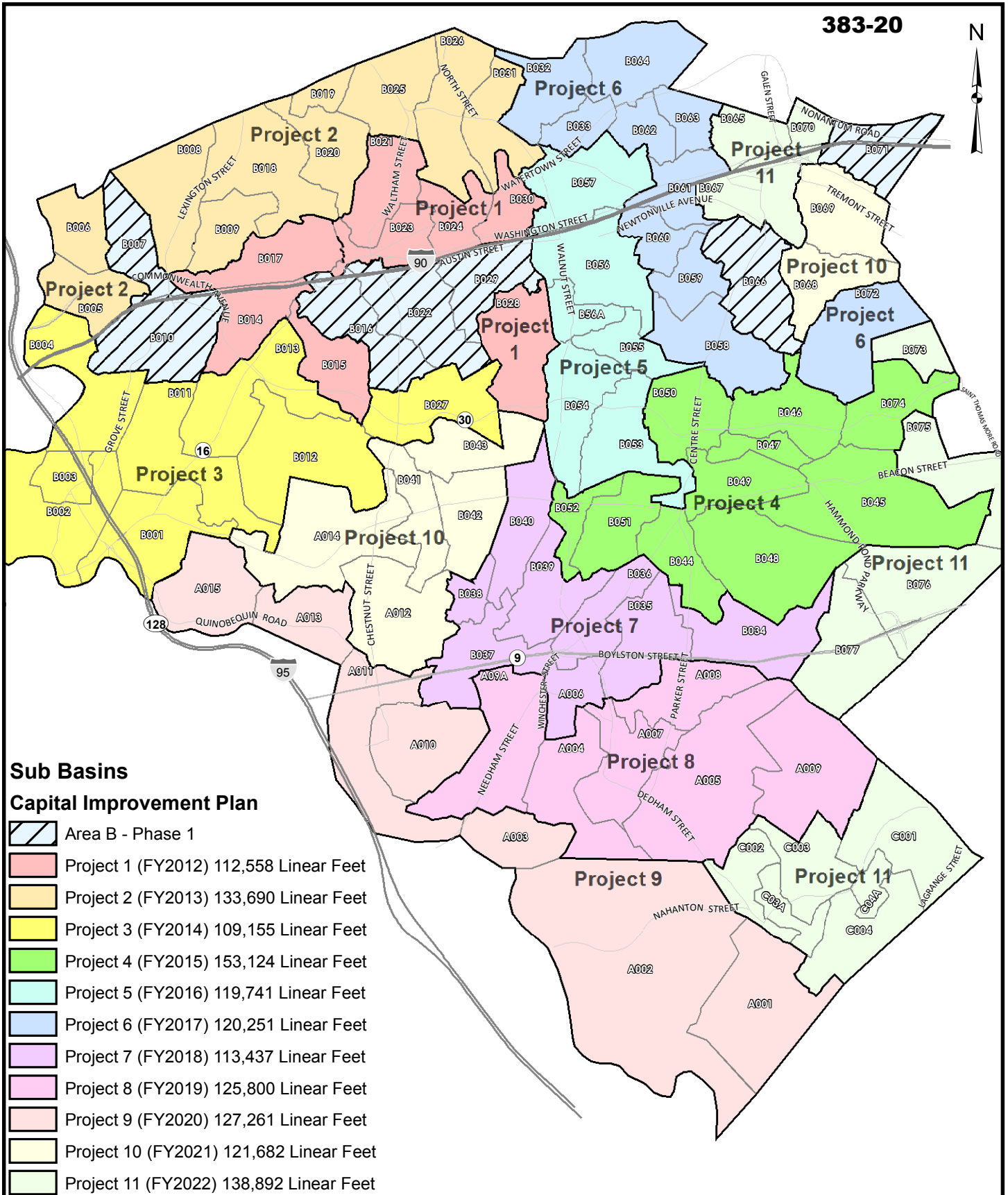
Comments:

CIP Project 8 Rehabilitations will remove an estimated 658,788 gallons per day of peak infiltration and an estimated 92,967 gallons per day of peak inflow from the sanitary sewer system.

CIP Project 9 Rehabilitations will remove an estimated 329,172 gallons per day of peak infiltration and an estimated 38,192 gallons per day of peak inflow from the sanitary sewer system.

**ATTACHMENT 1**

**LOCUS MAP**



**Sub Basins  
Capital Improvement Plan**

- Area B - Phase 1
- Project 1 (FY2012) 112,558 Linear Feet
- Project 2 (FY2013) 133,690 Linear Feet
- Project 3 (FY2014) 109,155 Linear Feet
- Project 4 (FY2015) 153,124 Linear Feet
- Project 5 (FY2016) 119,741 Linear Feet
- Project 6 (FY2017) 120,251 Linear Feet
- Project 7 (FY2018) 113,437 Linear Feet
- Project 8 (FY2019) 125,800 Linear Feet
- Project 9 (FY2020) 127,261 Linear Feet
- Project 10 (FY2021) 121,682 Linear Feet
- Project 11 (FY2022) 138,892 Linear Feet

**NEWTON, MA  
SANITARY SEWER SYSTEM**

**11 YEAR  
CAPITAL IMPROVEMENT PLAN**



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**382-20**

Telephone  
(617) 796-1100

Telefax  
(617) 796-1113

TDD  
(617) 796-1089

E-mail  
[rfuller@newtonma.gov](mailto:rfuller@newtonma.gov)



**City of Newton, Massachusetts**  
**Office of the Mayor**

RUTHANNE FULLER  
MAYOR

September 14, 2020

Honorable City Council  
Newton City Hall  
1000 Commonwealth Avenue  
Newton Centre, MA 02459

Councilors:

I respectfully submit a docket item to your Honorable Council requesting authorization to enter into a contract with a term up to five years with the selected provider of Emergency Ambulance Services for the City of Newton. Specifically, it is our intention to enter into a three-year agreement with the option to extend for two additional one-year terms.

The selection committee is currently evaluating four proposals. The current contract is set to expire at 11:59 pm on December 31, 2020.

Thank you for your consideration of this matter.

Sincerely,

A handwritten signature in black ink that reads "Ruthanne Fuller".

Ruthanne Fuller  
Mayor

CITY CLERK  
NEWTON, MA. 02459

2020 SEP 14 PM 2:24

RECEIVED

365-20



RUTHANNE FULLER  
MAYOR

City of Newton, Massachusetts  
Office of the Mayor

Telephone  
(617) 796-1100

Telefax  
(617) 796-1113

TDD  
(617) 796-1089

E-mail  
[rfuller@newtonma.gov](mailto:rfuller@newtonma.gov)

August 31, 2020

Honorable City Council  
Newton City Hall  
1000 Commonwealth Avenue  
Newton Centre, MA 02459

Councilors:

I respectfully submit a docket item to your Honorable Council requesting authorization to accept, appropriate and expend the sum of \$164,863 from the Assistance to Firefighters Grant for Rapid Intervention and Vehicle Operator Training.

Two key areas were identified by the Newton Fire Department where training would be beneficial. NFD requested \$120,900 to provide Emergency Vehicle Operator Training from an outside company and funding necessary to "back fill" positions while members receive the training. Additionally, the Department requested \$43,963 for Rapid Intervention Training (RIT). RIT training reduces fatalities and injuries and is critical to the safety of both firefighters and civilians.

The \$164,863 Grant requires a 10% match from the City, or \$16,486.36. The City's match is available in the Fire/Rescue Overtime Account.

Thank you for your consideration of this matter.

Sincerely,

A handwritten signature in black ink that reads "Ruthanne Fuller".

Ruthanne Fuller  
Mayor

RECEIVED

2020 AUG 31 PM 12:41

CITY CLERK  
NEWTON, MA. 02459

## Award Letter

U.S. Department of Homeland Security  
Washington, D.C. 20472

Phillip McCully  
NEWTON, CITY OF  
1164 CENTRE ST  
NEWTON, MA 02459



# FEMA

EMW-2019-FG-07130

Dear Phillip McCully,

Congratulations on behalf of the Department of Homeland Security. Your application submitted for the Fiscal Year (FY) 2019 Assistance to Firefighters Grant (AFG) Grant funding opportunity has been approved in the amount of \$164,863.64 in Federal funding. As a condition of this grant, you are required to contribute non-Federal funds equal to or greater than 10.0% of the Federal funds awarded, or \$16,486.36 for a total approved budget of \$181,350.00. Please see the FY 2019 AFG Notice of Funding Opportunity for information on how to meet this cost share requirement.

Before you request and receive any of the Federal funds awarded to you, you must establish acceptance of the award through the FEMA Grants Outcomes (FEMA GO) system. By accepting this award, you acknowledge that the terms of the following documents are incorporated into the terms of your award:

- Summary Award Memo - included in this document
- Agreement Articles - included in this document
- Obligating Document - included in this document
- 2019 AFG Notice of Funding Opportunity (NOFO) - incorporated by reference

Please make sure you read, understand, and maintain a copy of these documents in your official file for this award.

Sincerely,

A handwritten signature in black ink, appearing to read "C Logan".

Christopher Logan  
Acting Assistant Administrator  
Grant Programs Directorate

## Summary Award Memo

**Program:** Fiscal Year 2019 Assistance to Firefighters Grant

**Recipient:** NEWTON, CITY OF

**DUNS number:** 604430397

**Award number:** EMW-2019-FG-07130

### Summary description of award

The purpose of the Assistance to Firefighters Grant program is to protect the health and safety of the public and firefighting personnel against fire and fire-related hazards. After careful consideration, FEMA has determined that the recipient's project or projects submitted as part of the recipient's application and detailed in the project narrative as well as the request details section of the application - including budget information - was consistent with the Assistance to Firefighters Grant Program's purpose and was worthy of award.

Except as otherwise approved as noted in this award, the information you provided in your application for FY2019 Assistance to Firefighters Grants funding is incorporated into the terms and conditions of this award. This includes any documents submitted as part of the application.

### Amount awarded

The amount of the award is detailed in the attached Obligating Document for Award.

The following are the budgeted estimates for object classes for this award (including Federal share plus your cost share, if applicable):

Object Class	Total
Personnel	\$0.00
Fringe benefits	\$0.00
Travel	\$0.00
Equipment	\$0.00
Supplies	\$0.00
Contractual	\$0.00
Construction	\$0.00
Other	\$181,350.00
Indirect charges	\$0.00
Federal	\$164,863.64
Non-federal	\$16,486.36
Total	\$181,350.00
Program Income	\$0.00

### Approved scope of work

After review of your application, FEMA has approved the below scope of work. Justifications are provided for any differences between the scope of work in the original application and the approved scope of work under this award. You must submit scope or budget revision requests for FEMA's prior approval, via an amendment request, as appropriate per 2 C.F.R. § 200.308 and the FY2019 AFG NOFO.

#### Approved request details:

### Training

<b>Driver/Operator</b>		
DESCRIPTION		
Emergency vehicle operator training provided by an outside agency. This class will include class room learning as well as practical hands on learning.		
QUANTITY	UNIT PRICE	TOTAL
186	\$650.00	\$120,900.00
BUDGET CLASS		
Other		

<b>Rescue</b>		
DESCRIPTION		
NFD will be hiring an outside agency to be delivering RIT training to all 186 members		
QUANTITY	UNIT PRICE	TOTAL
186	\$325.00	\$60,450.00
BUDGET CLASS		
Other		

## Equipment

<b>Thermal Imaging Camera (Must be NFPA 1801 Compliant)</b>				
<b>DESCRIPTION</b>				
Retrofitting all members face pieces with thermal imaging technology and installing cameras on the side of the face piece				
	<b>QUANTITY</b>	<b>UNIT PRICE</b>	<b>TOTAL</b>	<b>BUDGET CLASS</b>
Cost 1	0	\$1,200.00	\$0.00	Equipment
<b>CHANGE FROM APPLICATION</b>				
Cost 1 <b>Quantity</b> from 190 to 0				
<b>JUSTIFICATION</b>				
This reduction is due to the score your project received at panels relative to other projects.				

<b>Skid Unit</b>				
<b>DESCRIPTION</b>				
Purchasing 1 skid unit that will be placed on a pickup that we are also applying for a grant. This skid unit will be a wild land capable pump unit. The skid unit consists of a pump, tank and a booster reel that makes for rapid deployment to fight brush fires. It is a self contained unit to be mounted on a pickup.				
	<b>QUANTITY</b>	<b>UNIT PRICE</b>	<b>TOTAL</b>	<b>BUDGET CLASS</b>
Cost 1	0	\$25,000.00	\$0.00	Equipment
<b>CHANGE FROM APPLICATION</b>				
Cost 1 <b>Quantity</b> from 1 to 0				
<b>JUSTIFICATION</b>				
This reduction is due to the score your project received at panels relative to other projects.				

## Vehicle acquisition

### Brush Truck (Type III or smaller)

#### DESCRIPTION

2020 Chevy Pickup truck to be retrofitted with a skid setup used for brush fires. We are also requesting funds for the skid setup as Newton currently does not have any vehicles for that purpose.

	QUANTITY	UNIT PRICE	TOTAL	BUDGET CLASS
Cost 1	0	\$100,000.00	\$0.00	Equipment

#### CHANGE FROM APPLICATION

Cost 1 **Quantity** from 1 to 0

#### JUSTIFICATION

. This reduction is due to the score your project received at panels relative to other projects.



## **Agreement Articles**

**Program:** Fiscal Year 2019 Assistance to Firefighters Grant

**Recipient:** NEWTON, CITY OF

**DUNS number:** 604430397

**Award number:** EMW-2019-FG-07130

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**Article 1 Assurances, Administrative Requirements, Cost Principles, Representations and Certifications**

DHS financial assistance recipients must complete either the Office of Management and Budget (OMB) Standard Form 424B Assurances – Non-Construction Programs, or OMB Standard Form 424D Assurances – Construction Programs, as applicable. Certain assurances in these documents may not be applicable to your program, and the DHS financial assistance office (DHS FAO) may require applicants to certify additional assurances. Applicants are required to fill out the assurances applicable to their program as instructed by the awarding agency. Please contact the DHS FAO if you have any questions. DHS financial assistance recipients are required to follow the applicable provisions of the Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards located at Title 2, Code of Federal Regulations (C.F.R.) Part 200, and adopted by DHS at 2 C.F.R. Part 3002.

**Article 2 DHS Specific Acknowledgements and Assurances**

All recipients, subrecipients, successors, transferees, and assignees must acknowledge and agree to comply with applicable provisions governing DHS access to records, accounts, documents, information, facilities, and staff. 1. Recipients must cooperate with any compliance reviews or compliance investigations conducted by DHS. 2. Recipients must give DHS access to, and the right to examine and copy, records, accounts, and other documents and sources of information related to the federal financial assistance award and permit access to facilities, personnel, and other individuals and information as may be necessary, as required by DHS regulations and other applicable laws or program guidance. 3. Recipients must submit timely, complete, and accurate reports to the appropriate DHS officials and maintain appropriate backup documentation to support the reports. 4. Recipients must comply with all other special reporting, data collection, and evaluation requirements, as prescribed by law or detailed in program guidance. 5. Recipients of federal financial assistance from DHS must complete the DHS Civil Rights Evaluation Tool within thirty (30) days of receipt of the Notice of Award or, for State Administering Agencies, thirty (30) days from receipt of the DHS Civil Rights Evaluation Tool from DHS or its awarding component agency. Recipients are required to provide this information once every two (2) years, not every time an award is made. After the initial submission for the first award under which this term applies, recipients are only required to submit updates every two years, not every time a grant is awarded. Recipients should submit the completed tool, including supporting materials to [CivilRightsEvaluation@hq.dhs.gov](mailto:CivilRightsEvaluation@hq.dhs.gov). This tool clarifies the civil rights obligations and related reporting requirements contained in the DHS Standard Terms and Conditions. Subrecipients are not required to complete and submit this tool to DHS. The evaluation tool can be found at <https://www.dhs.gov/publication/dhs-civil-rights-evaluation-tool>. 6. The DHS Office for Civil Rights and Civil Liberties will consider, in its discretion, granting an extension if the recipient identifies steps and a timeline for completing the tool. Recipients should request extensions by emailing the request to [CivilRightsEvaluation@hq.dhs.gov](mailto:CivilRightsEvaluation@hq.dhs.gov) prior to expiration of the 30-day deadline.

<b>Article 3</b>	<p><b>Acknowledgement of Federal Funding from DHS</b>  Recipients must acknowledge their use of federal funding when issuing statements, press releases, requests for proposal, bid invitations, and other documents describing projects or programs funded in whole or in part with federal funds.</p>
<b>Article 4</b>	<p><b>Activities Conducted Abroad</b>  Recipients must ensure that project activities carried on outside the United States are coordinated as necessary with appropriate government authorities and that appropriate licenses, permits, or approvals are obtained.</p>
<b>Article 5</b>	<p><b>Age Discrimination Act of 1975</b>  Recipients must comply with the requirements of the Age Discrimination Act of 1975, Pub. L. No. 94-135 (1975) (codified as amended at Title 42, U.S. Code, § 6101 et seq.), which prohibits discrimination on the basis of age in any program or activity receiving federal financial assistance.</p>
<b>Article 6</b>	<p><b>Americans with Disabilities Act of 1990</b>  Recipients must comply with the requirements of Titles I, II, and III of the Americans with Disabilities Act, Pub. L. No. 101-336 (1990) (codified as amended at 42 U.S.C. §§ 12101-12213), which prohibits recipients from discriminating on the basis of disability in the operation of public entities, public and private transportation systems, places of public accommodation, and certain testing entities.</p>
<b>Article 7</b>	<p><b>Best Practices for Collection and Use of Personally Identifiable Information (PII)</b>  Recipients who collect PII are required to have a publicly available privacy policy that describes standards on the usage and maintenance of the PII they collect. DHS defines personally identifiable information (PII) as any information that permits the identity of an individual to be directly or indirectly inferred, including any information that is linked or linkable to that individual. Recipients may also find the DHS Privacy Impact Assessments: Privacy Guidance and Privacy Template as useful resources respectively.</p>
<b>Article 8</b>	<p><b>Civil Rights Act of 1964 – Title VI</b>  Recipients must comply with the requirements of Title VI of the Civil Rights Act of 1964 (codified as amended at 42 U.S.C. § 2000d et seq.), which provides that no person in the United States will, on the grounds of race, color, or national origin, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance. DHS implementing regulations for the Act are found at 6 C.F.R. Part 21 and 44 C.F.R. Part 7.</p>

<b>Article 9</b>	<p><b>Civil Rights Act of 1968</b>  Recipients must comply with Title VIII of the Civil Rights Act of 1968, Pub. L. No. 90-284, as amended through Pub. L. 113-4, which prohibits recipients from discriminating in the sale, rental, financing, and advertising of dwellings, or in the provision of services in connection therewith, on the basis of race, color, national origin, religion, disability, familial status, and sex (see 42 U.S.C. § 3601 et seq.), as implemented by the U.S. Department of Housing and Urban Development at 24 C.F.R. Part 100. The prohibition on disability discrimination includes the requirement that new multifamily housing with four or more dwelling units—i.e., the public and common use areas and individual apartment units (all units in buildings with elevators and ground-floor units in buildings without elevators)—be designed and constructed with certain accessible features. (See 24 C.F.R. Part 100, Subpart D.)</p>
<b>Article 10</b>	<p><b>Copyright</b>  Recipients must affix the applicable copyright notices of 17 U.S.C. §§ 401 or 402 and an acknowledgement of U.S. Government sponsorship (including the award number) to any work first produced under federal financial assistance awards.</p>
<b>Article 11</b>	<p><b>Debarment and Suspension</b>  Recipients are subject to the non-procurement debarment and suspension regulations implementing Executive Orders (E.O.) 12549 and 12689, which are at 2 C.F.R. Part 180 as adopted by DHS at 2 C.F.R. Part 3000. These regulations restrict federal financial assistance awards, subawards, and contracts with certain parties that are debarred, suspended, or otherwise excluded from or ineligible for participation in federal assistance programs or activities.</p>
<b>Article 12</b>	<p><b>Drug-Free Workplace Regulations</b>  Recipients must comply with drug-free workplace requirements in Subpart B (or Subpart C, if the recipient is an individual) of 2 C.F.R. Part 3001, which adopts the Government-wide implementation (2 C.F.R. Part 182) of Sec. 5152-5158 of the Drug-Free Workplace Act of 1988 (41 U.S.C. §§ 8101-8106).</p>
<b>Article 13</b>	<p><b>Duplication of Benefits</b>  Any cost allocable to a particular federal financial assistance award provided for in 2 C.F.R. Part 200, Subpart E may not be charged to other federal financial assistance awards to overcome fund deficiencies; to avoid restrictions imposed by federal statutes, regulations, or federal financial assistance award terms and conditions; or for other reasons. However, these prohibitions would not preclude recipients from shifting costs that are allowable under two or more awards in accordance with existing federal statutes, regulations, or the federal financial assistance award terms and conditions.</p>

<b>Article 14</b>	<b>Education Amendments of 1972 (Equal Opportunity in Education Act) – Title IX</b>
	Recipients must comply with the requirements of Title IX of the Education Amendments of 1972, Pub. L. No. 92-318 (1972) (codified as amended at 20 U.S.C. § 1681 et seq.), which provide that no person in the United States will, on the basis of sex, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any educational program or activity receiving federal financial assistance. DHS implementing regulations are codified at 6 C.F.R. Part 17 and 44 C.F.R. Part 19.
<b>Article 15</b>	<b>Energy Policy and Conservation Act</b>
	Recipients must comply with the requirements of the Energy Policy and Conservation Act, Pub. L. No. 94- 163 (1975) (codified as amended at 42 U.S.C. § 6201 et seq.), which contain policies relating to energy efficiency that are defined in the state energy conservation plan issued in compliance with this Act.
<b>Article 16</b>	<b>False Claims Act and Program Fraud Civil Remedies</b>
	Recipients must comply with the requirements of the False Claims Act, 31 U.S.C. §§ 3729-3733, which prohibits the submission of false or fraudulent claims for payment to the federal government. (See 31 U.S.C. §§ 3801-3812, which details the administrative remedies for false claims and statements made.)
<b>Article 17</b>	<b>Federal Debt Status</b>
	All recipients are required to be non-delinquent in their repayment of any federal debt. Examples of relevant debt include delinquent payroll and other taxes, audit disallowances, and benefit overpayments. (See OMB Circular A-129.)
<b>Article 18</b>	<b>Federal Leadership on Reducing Text Messaging while Driving</b>
	Recipients are encouraged to adopt and enforce policies that ban text messaging while driving as described in E.O. 13513, including conducting initiatives described in Section 3(a) of the Order when on official government business or when performing any work for or on behalf of the federal government.
<b>Article 19</b>	<b>Fly America Act of 1974</b>
	Recipients must comply with Preference for U.S. Flag Air Carriers (air carriers holding certificates under 49 U.S.C. § 41102) for international air transportation of people and property to the extent that such service is available, in accordance with the International Air Transportation Fair Competitive Practices Act of 1974, 49 U.S.C. § 40118, and the interpretative guidelines issued by the Comptroller General of the United States in the March 31, 1981, amendment to Comptroller General Decision B-138942.
<b>Article 20</b>	<b>Hotel and Motel Fire Safety Act of 1990</b>
	In accordance with Section 6 of the Hotel and Motel Fire Safety Act of 1990, 15 U.S.C. § 2225a, recipients must ensure that all conference, meeting, convention, or training space funded in whole or in part with federal funds complies with the fire prevention and control guidelines of the Federal Fire Prevention and Control Act of 1974, (codified as amended at 15 U.S.C. § 2225.)

<b>Article 21</b>	<p><b>Limited English Proficiency (Civil Rights Act of 1964, Title VI)</b>  Recipients must comply with Title VI of the Civil Rights Act of 1964, (42 U.S.C. § 2000d et seq.) prohibition against discrimination on the basis of national origin, which requires that recipients of federal financial assistance take reasonable steps to provide meaningful access to persons with limited English proficiency (LEP) to their programs and services. For additional assistance and information regarding language access obligations, please refer to the DHS Recipient Guidance: <a href="https://www.dhs.gov/guidance-published-help-department-supported-organizations-provide-meaningful-access-people-limited">https://www.dhs.gov/guidance-published-help-department-supported-organizations-provide-meaningful-access-people-limited</a> and additional resources on <a href="http://www.lep.gov">http://www.lep.gov</a>.</p>
<b>Article 22</b>	<p><b>Lobbying Prohibitions</b>  Recipients must comply with 31 U.S.C. § 1352, which provides that none of the funds provided under a federal financial assistance award may be expended by the recipient to pay any person to influence, or attempt to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with any federal action related to a federal award or contract, including any extension, continuation, renewal, amendment, or modification.</p>
<b>Article 23</b>	<p><b>National Environmental Policy Act</b>  Recipients must comply with the requirements of the National Environmental Policy Act of 1969 (NEPA), Pub. L. No. 91-190 (1970) (codified as amended at 42 U.S.C. § 4321 et seq.) and the Council on Environmental Quality (CEQ) Regulations for Implementing the Procedural Provisions of NEPA, which require recipients to use all practicable means within their authority, and consistent with other essential considerations of national policy, to create and maintain conditions under which people and nature can exist in productive harmony and fulfill the social, economic, and other needs of present and future generations of Americans.</p>
<b>Article 24</b>	<p><b>Nondiscrimination in Matters Pertaining to Faith-Based Organizations</b>  It is DHS policy to ensure the equal treatment of faith-based organizations in social service programs administered or supported by DHS or its component agencies, enabling those organizations to participate in providing important social services to beneficiaries. Recipients must comply with the equal treatment policies and requirements contained in 6 C.F.R. Part 19 and other applicable statutes, regulations, and guidance governing the participations of faith-based organizations in individual DHS programs.</p>
<b>Article 25</b>	<p><b>Non-supplanting Requirement</b>  Recipients receiving federal financial assistance awards made under programs that prohibit supplanting by law must ensure that federal funds do not replace (supplant) funds that have been budgeted for the same purpose through non-federal sources.</p>
<b>Article 26</b>	<p><b>Notice of Funding Opportunity Requirements</b>  All the instructions, guidance, limitations, and other conditions set forth in the Notice of Funding Opportunity (NOFO) for this program are incorporated here by reference in the award terms and conditions. All recipients must comply with any such requirements set forth in the program NOFO.</p>



<b>Article 27 Patents and Intellectual Property Rights</b>	Recipients are subject to the Bayh-Dole Act, 35 U.S.C. § 200 et seq, unless otherwise provided by law. Recipients are subject to the specific requirements governing the development, reporting, and disposition of rights to inventions and patents resulting from federal financial assistance awards located at 37 C.F.R. Part 401 and the standard patent rights clause located at 37 C.F.R. § 401.14.
<b>Article 28 Procurement of Recovered Materials</b>	States, political subdivisions of states, and their contractors must comply with Section 6002 of the Solid Waste Disposal Act, Pub. L. No. 89-272 (1965), (codified as amended by the Resource Conservation and Recovery Act, 42 U.S.C. § 6962.) The requirements of Section 6002 include procuring only items designated in guidelines of the Environmental Protection Agency (EPA) at 40 C.F.R. Part 247 that contain the highest percentage of recovered materials practicable, consistent with maintaining a satisfactory level of competition.
<b>Article 29 Rehabilitation Act of 1973</b>	Recipients must comply with the requirements of Section 504 of the Rehabilitation Act of 1973, Pub. L. No. 93-112 (1973), (codified as amended at 29 U.S.C. § 794,) which provides that no otherwise qualified handicapped individuals in the United States will, solely by reason of the handicap, be excluded from participation in, be denied the benefits of, or be subjected to discrimination under any program or activity receiving federal financial assistance.
<b>Article 30 Reporting of Matters Related to Recipient Integrity and Performance</b>	If the total value of any currently active grants, cooperative agreements, and procurement contracts from all federal awarding agencies exceeds \$10,000,000 for any period of time during the period of performance of this federal award, then the recipients must comply with the requirements set forth in the government-wide Award Term and Condition for Recipient Integrity and Performance Matters located at 2 C.F.R. Part 200, Appendix XII, the full text of which is incorporated here by reference in the award terms and conditions.
<b>Article 31 Reporting Subawards and Executive Compensation</b>	Recipients are required to comply with the requirements set forth in the government-wide award term on Reporting Subawards and Executive Compensation located at 2 C.F.R. Part 170, Appendix A, the full text of which is incorporated here by reference in the award terms and conditions.
<b>Article 32 SAFECOM</b>	Recipients receiving federal financial assistance awards made under programs that provide emergency communication equipment and its related activities must comply with the SAFECOM Guidance for Emergency Communication Grants, including provisions on technical standards that ensure and enhance interoperable communications.

<b>Article 33</b>	<p><b>Terrorist Financing</b>  Recipients must comply with E.O. 13224 and U.S. laws that prohibit transactions with, and the provisions of resources and support to, individuals and organizations associated with terrorism. Recipients are legally responsible to ensure compliance with the Order and laws.</p>
<b>Article 34</b>	<p><b>Trafficking Victims Protection Act of 2000 (TVPA)</b>  Recipients must comply with the requirements of the government-wide financial assistance award term which implements Section 106(g) of the Trafficking Victims Protection Act of 2000 (TVPA), codified as amended at 22 U.S.C. § 7104. The award term is located at 2 C.F.R. § 175.15, the full text of which is incorporated here by reference.</p>
<b>Article 35</b>	<p><b>Universal Identifier and System of Award Management (SAM)</b>  Recipients are required to comply with the requirements set forth in the government-wide financial assistance award term regarding the System for Award Management and Universal Identifier Requirements located at 2 C.F.R. Part 25, Appendix A, the full text of which is incorporated here by reference.</p>
<b>Article 36</b>	<p><b>USA Patriot Act of 2001</b>  Recipients must comply with requirements of Section 817 of the Uniting and Strengthening America by Providing Appropriate Tools Required to Intercept and Obstruct Terrorism Act of 2001 (USA PATRIOT Act), Pub. L. No. 107-56, which amends 18 U.S.C. §§ 175-175c.</p>
<b>Article 37</b>	<p><b>Use of DHS Seal, Logo and Flags</b>  Recipients must obtain permission from their DHS FAO prior to using the DHS seal(s), logos, crests or reproductions of flags or likenesses of DHS agency officials, including use of the United States Coast Guard seal, logo, crests or reproductions of flags or likenesses of Coast Guard officials.</p>
<b>Article 38</b>	<p><b>Whistleblower Protection Act</b>  Recipients must comply with the statutory requirements for whistleblower protections (if applicable) at 10 U.S.C § 2409, 41 U.S.C. § 4712, and 10 U.S.C. § 2324, 41 U.S.C. §§ 4304 and 4310.</p>
<b>Article 39</b>	<p><b>Acceptance of Post Award Changes</b>  In the event FEMA determines that changes are necessary to the award document after an award has been made, including changes to period of performance or terms and conditions, recipients will be notified of the changes in writing. Once notification has been made, any subsequent request for funds will indicate recipient acceptance of the changes to the award. Please call the FEMA/GMD Call Center at (866) 927-5646 or via e-mail to ASK-GMD@dhs.gov if you have any questions.</p>

**Article 40 Prior Approval for Modification of Approved Budget**

Before making any change to the DHS/FEMA approved budget for this award, you must request prior written approval from DHS/FEMA where required by 2 C.F.R. § 200.308. DHS/FEMA is also utilizing its discretion to impose an additional restriction under 2 C.F.R. § 200.308(e) regarding the transfer of funds among direct cost categories, programs, functions, or activities. Therefore, for awards with an approved budget where the Federal share is greater than the simplified acquisition threshold (currently \$250,000), you may not transfer funds among direct cost categories, programs, functions, or activities without prior written approval from DHS/FEMA where the cumulative amount of such transfers exceeds or is expected to exceed ten percent (10%) of the total budget DHS/FEMA last approved. You must report any deviations from your DHS/FEMA approved budget in the first Federal Financial Report (SF-425) you submit following any budget deviation, regardless of whether the budget deviation requires prior written approval.

**Article 41 Disposition of Equipment Acquired Under the Federal Award**

When original or replacement equipment acquired under this award by the recipient or its subrecipients is no longer needed for the original project or program or for other activities currently or previously supported by DHS/FEMA, you must request instructions from DHS/FEMA to make proper disposition of the equipment pursuant to 2 C.F.R. § 200.313.

**Article 42 Environmental Planning and Historic Preservation**

DHS/FEMA funded activities that may require an EHP review are subject to FEMA's Environmental Planning and Historic Preservation (EHP) review process. This review does not address all Federal, state, and local requirements. Acceptance of Federal funding requires recipient to comply with all Federal, state and local laws. Failure to obtain all appropriate federal, state and local environmental permits and clearances may jeopardize Federal funding. DHS/FEMA is required to consider the potential impacts to natural and cultural resources of all projects funded by DHS/FEMA grant funds, through its EHP Review process, as mandated by the National Environmental Policy Act; National Historic Preservation Act of 1966, as amended; National Flood Insurance Program regulations; and, any other applicable laws and Executive Orders. To access the FEMA's Environmental and Historic Preservation (EHP) screening form and instructions go to the DHS/FEMA website at: <https://www.fema.gov/media-library/assets/documents/90195>. In order to initiate EHP review of your project(s), you must complete all relevant sections of this form and submit it to the Grant Programs Directorate (GPD) along with all other pertinent project information. Failure to provide requisite information could result in delays in the release of grant funds. If ground disturbing activities occur during construction, applicant will monitor ground disturbance, and if any potential archeological resources are discovered, applicant will immediately cease work in that area and notify the pass-through entity, if applicable, and DHS/FEMA.

## Obligating document

<b>1. Agreement No.</b> EMW-2019-FG-07130	<b>2. Amendment No.</b> N/A	<b>3. Recipient No.</b> 046001404	<b>4. Type of Action</b> AWARD	<b>5. Control No.</b> WX02929N2020T		
<b>6. Recipient Name and Address</b> NEWTON, CITY OF 1164 CENTRE ST NEWTON, MA 02459		<b>7. Issuing FEMA Office and Address</b> Grant Programs Directorate 500 C Street, S.W. Washington DC, 20528-7000 1-866-927-5646		<b>8. Payment Office and Address</b> FEMA, Financial Services Branch 500 C Street, S.W., Room 723 Washington DC, 20742		
<b>9. Name of Recipient Project Officer</b> Phillip McCully		<b>9a. Phone No.</b> 6175937889	<b>10. Name of FEMA Project Coordinator</b> Assistance to Firefighters Grant Program		<b>10a. Phone No.</b> 1-866-274-0960	
<b>11. Effective Date of This Action</b> 08/16/2020	<b>12. Method of Payment</b> OTHER - FEMA GO	<b>13. Assistance Arrangement</b> COST SHARING		<b>14. Performance Period</b> 08/23/2020 to 08/22/2021 <b>Budget Period</b> 08/23/2020 to 08/22/2021		
<b>15. Description of Action a. (Indicate funding data for awards or financial changes)</b>						
<b>Program Name Abbreviation</b>	<b>Assistance Listings No.</b>	<b>Accounting Data(ACCS Code)</b>	<b>Prior Total Award</b>	<b>Amount Awarded This Action + or (-)</b>	<b>Current Total Award</b>	<b>Cumulative Non-Federal Commitment</b>
AFG	97.044	2020-F9-GB01 - P431-xxxx-4101-D	\$0.00	\$164,863.64	\$164,863.64	\$16,486.36
Totals			\$0.00	\$164,863.64	\$164,863.64	\$16,486.36
<b>b. To describe changes other than funding data or financial changes, attach schedule and check here:</b> N/A						
<b>16. FOR NON-DISASTER PROGRAMS: RECIPIENT IS REQUIRED TO SIGN AND RETURN THREE (3) COPIES OF THIS DOCUMENT TO FEMA (See Block 7 for address)</b> This field is not applicable for digitally signed grant agreements						

<b>17. RECIPIENT SIGNATORY OFFICIAL (Name and Title)</b>	<b>DATE</b>
<b>18. FEMA SIGNATORY OFFICIAL (Name and Title)</b>	<b>DATE</b>
<b>Christopher Logan, Acting Assistant Administrator Grant Programs Directorate</b>	<b>08/16/2020</b>

CITY COUNCIL

# \_\_\_\_\_

RECEIVED  
Newton City Clerk

CITY OF NEWTON

DOCKET REQUEST FORM

2020 AUG 31 PM 3:27

**DEADLINE NOTICE: Council Rules require items to be docketed with the Clerk of the Council NO LATER THAN 9:45 P.M. ON THE MONDAY PRIOR TO A FULL COUNCIL MEETING.**

David A. Olson, CMG  
Newton, MA 02459

To: Clerk of the City Council

Date: LAugust 31, 2020

From (Docketer): Lara Kritzer, Community Preservation Program Manager

Address: Planning Department, Newton City Hall, 1000 Commonwealth Avenue Newton MA 02459

Phone: 617-796-1144

E-mail: lkritzer@newtonma.gov

Additional sponsors: Community Preservation Committee

1. Please docket the following item (it will be edited for length if necessary):

Recommendation from the Community Preservation Committee for the allocation of \$1,244,857 in Community Preservation Act funding for the creation of affordable housing in the Golda Meir House Expansion Project

2. The purpose and intended outcome of this item is:

- |  |   |
|--|---|
| <input type="checkbox"/> Fact-finding & discussion                     | <input type="checkbox"/> Ordinance change         |
| <input checked="" type="checkbox"/> Appropriation, transfer,           | <input type="checkbox"/> Resolution               |
| <input checked="" type="checkbox"/> Expenditure, or bond authorization | <input type="checkbox"/> License or renewal       |
| <input type="checkbox"/> Special permit, site plan approval,           | <input type="checkbox"/> Appointment confirmation |
| <input type="checkbox"/> Zone change (public hearing required)         | <input type="checkbox"/> Other: _____             |

3. I recommend that this item be assigned to the following committees:

- |  |   |  |
|--|---|--|
| <input type="checkbox"/> Programs & Services | <input checked="" type="checkbox"/> Finance | <input type="checkbox"/> Real Property     |
| <input type="checkbox"/> Zoning & Planning   | <input type="checkbox"/> Public Safety      | <input type="checkbox"/> Special Committee |
| <input type="checkbox"/> Public Facilities   | <input type="checkbox"/> Land Use           | <input type="checkbox"/> No Opinion        |

4. This item should be taken up in committee:

Immediately (Emergency only, please). Please state nature of emergency:  
\_\_\_\_\_

- As soon as possible, preferably within a month
- In due course, at discretion of Committee Chair
- When certain materials are made available, as noted in 7 & 8 on reverse
- Following public hearing

## 5. I estimate that consideration of this item will require approximately:

- |  |  |
|--|--|
| <input type="checkbox"/> One half hour or less | <input checked="" type="checkbox"/> Up to one hour             |
| <input type="checkbox"/> More than one hour    | <input type="checkbox"/> An entire meeting                     |
| <input type="checkbox"/> More than one meeting | <input type="checkbox"/> Extended deliberation by subcommittee |

6. The following people should be notified and asked to attend deliberations on this item. (Please check those with whom you have already discussed the issue, *especially relevant Department Heads*):

City personnel

Citizens (include telephone numbers/email please)

 Lara Kritzer Barney Heath Amanda Berman

## 7. The following background materials and/or drafts should be obtained or prepared by the Clerk's office prior to scheduling this item for discussion:

--

8. I  have or  intend to provide additional materials and/or undertake the following research independently prior to scheduling the item for discussion. \*

CPC Funding Recommendation and 2Life Communities' Golda Meir House Expansion, Additional Funding Proposal
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(\*Note to docketer: Please provide any additional materials beyond the foregoing to the Clerk's office by 2 p.m. on Friday before the upcoming Committee meeting when the item is scheduled to be discussed so that Councilors have a chance to review all relevant materials before a scheduled discussion.)

Please check the following:

9.  I would like to discuss this item with the Chairman before any decision is made on how and when to proceed.
10.  I would like the Clerk's office to contact me to confirm that this item has been docketed. My daytime phone number is:
11.  I would like the Clerk's office to notify me when the Chairman has scheduled the item for discussion.

Thank you.

Lara Kritzer

Signature of person docketing the item

[Please retain a copy for your own records]

**Newton, Massachusetts Community Preservation Program and  
HOME Investment Partnerships Program  
FUNDING REQUEST**

**364-20**

*(For staff use)  
date rec'd:*

City of Newton



Ruthanne Fuller  
Mayor

**PRE-PROPOSAL**

**PROPOSAL**

Updated June 2020.

Please submit this completed file directly – do not convert to PDF or other formats.

For full instructions, see [www.newtonma.gov/cpa](http://www.newtonma.gov/cpa) or contact us:

Community Preservation Program Manager,  
City of Newton Planning & Development Department, 1000 Commonwealth Ave., Newton, MA 02459  
[lkritzer@newtonma.gov](mailto:lkritzer@newtonma.gov) 617.796.1144

You may adjust the space for each question, but the combined answers to all questions on this page must fit on this page.

<b>Project TITLE</b>	<b>Golda Meir House Expansion</b>			
<b>Project LOCATION</b>	Full street address (with zip code), or other precise location. 160 Stanton Ave, Auburndale, MA 02466			
<b>Project CONTACTS</b>	Name & title or organization	Email	Phone	Mailing address
<b>Project Manager</b>	Zoe Weinrobe, Director of Real Estate Innovation	<a href="mailto:zweinrobe@2lifecommunities.org">zweinrobe@2lifecommunities.org</a>	(617) 912-8406	2Life Communities  30 Wallingford Road Brighton, MA 02135
<b>Other Contacts</b>	Rachel Belanger, Project Manager	<a href="mailto:rbelanger@2lifecommunities.org">rbelanger@2lifecommunities.org</a>	(617) 912-8464	
<b>Project FUNDING</b>	<b>A. CPA funds requested:</b> \$1,244,857 in this proposal (\$3.25 million previously approved)	<b>B. HOME funds requested:</b> \$255,143	<b>C. Other funds to be used:</b> \$35,686,000	<b>C. Total project cost:</b> \$40,436,000
<b>Project SUMMARY</b>	Explain how the project will use the requested CPA funds. You may provide more detail in attachments, but your PROJECT SUMMARY MUST FIT IN THE SPACE BELOW. Use a cover letter for general information about the sponsoring organization's accomplishments.			

The Golda Meir House Expansion will add 68 apartments to 2Life Communities' Golda Meir House through two additions. The project will provide apartments affordable to seniors at a range of incomes as well as to 9 chronically homeless individuals with disabilities. Of the 68 proposed units, 60 will be income-restricted, with the majority set aside for low- and extremely low-income seniors. The design physically integrates the new additions with the existing building in order to incorporate new residents into this vibrant senior community, where new residents will benefit from a wealth of programs, services and supports unavailable in a standalone affordable housing building. Having secured a Comprehensive Permit in late 2018, an initial CPA fund award in 2018, and state and federal funding in 2020, the project is positioned for a late 2020 construction start.

The additional \$1.5 million in CPA and HOME funds requested herein will enable 2Life leverage HUD 202 funds and provide a deeper level of affordability than 2Life originally presented to the CPC in 2018. In August 2019, 2Life applied for HUD Section 202 funds, the first time that HUD made them available since 2012. 2Life's 202 funding award – the only one in Massachusetts – includes \$4 million in Capital Advance funds and 25 Project Rental Assistance Contract (PRAC) vouchers.

While the HUD 202 award is a tremendous benefit for low-income seniors, it caused a financing gap as the PRAC rental payment standard is lower than the LIHTC, Section 8 and MRVP rents in our previous pro forma, causing a reduction in the cash flow needed to support a permanent mortgage loan. Unfortunately, the \$4 million in Capital Advance funds does not cover this financing gap because it is offset by the increased construction costs due to HUD's Davis-Bacon labor requirements. 2Life partially filled this gap by requesting additional deferred financing from DHCD and replacing the previously requested MRVP vouchers with project-based Section 8 vouchers that have a higher payment standard. The 20 Section 8 vouchers plus 25 PRAC vouchers will allow 2Life to serve a total of **45**



Extremely Low Income (ELI) households at the Golda Expansion compared to 30 ELI households in our original proposal.

**Project TITLE Golda Meir House Expansion**

**USE of CPA and HOME Funds** COMMUNITY HOUSING Create ✓

New construction ✓ Mortgage buydown/ refinance Site preparation/ remediation ✓

**TARGET POPULATION, TYPE OF HOUSING, SPECIAL FEATURES – Check& describe all that apply.**

Individuals ✓ Families Seniors ✓ Homeless/At Risk of Homelessness ✓ Rental ✓

Special needs/disabilities (identify population & provider of support services, if any):  
9 units for chronically homeless individuals with disabilities – Hearth, Inc. will provide supportive services

Special features (historic preservation, sustainability, etc.):  
Sustainability – Enterprise Green Communities standards

**UNIT COMPOSITION** List number of units in each category. Please identify which units are the HOME funded units.

UNIT TYPE	≤ 30% AMI (Section 8)	≤ 50% AMI (PRAC)	≤ 60% AMI	<100% AMI	No Income Restriction (Market-Rate)	TOTAL
1 BR	18 (9 HOME)	25	2	8	4	57
2 BR	2 (2 HOME)	0	3	2	4*	11

Note: All 45 apartments for the <30% AMI and <50% AMI tiers will have project-based vouchers, which will cover the difference between 30% of residents’ actual incomes and contracted rents. The Section 8 vouchers will serve 9 non-age restricted, 1-bedroom units for chronically homeless individuals.

11 units will be HOME-assisted (9 1-bedroom, 2 2-bedroom), with rental-assistance provided by project-based Section 8.

The 8 Unrestricted apartments include 1 apartment with reduced rent set-aside for graduate student “scholars in residence.” Rents for all other units with no income restriction are proposed to be below a true “market rate.”

**COMMUNITY NEEDS** From each of at least 2 plans linked to the [Guidelines & Forms](#) page of [www.newtonma.gov/cpa](http://www.newtonma.gov/cpa), provide a brief quote with plan title, year, and page number, showing how this project meets previously recognized community needs. You may also list other community benefits not mentioned in any plan.

- Affordability**  
The 2007 *Newton Comprehensive Plan* emphasizes the importance of creating a range of housing options. “We want our stock of housing to match the social and economic diversity of our population. That requires increasing both rental and home ownership opportunities for the entire range of low, moderate, and middle income families, for starter households as well as for senior citizens” (page 5-12). Our proposed project will serve a range of low and moderate incomes, plus several apartments without an income restriction, to meet some of this need. CPA funds will support the units for households under 100% of area median income.
- Supporting Seniors**  
According to the 2017 *Housing Needs Analysis and Recommendations* report, “Newton’s empty-nester, retiree and senior adult population is growing substantially” and “seniors that are interested in aging in place in Newton find that the ability to do so is limited due to the lack of housing diversity” (page 10). The 2014 *Living and Aging in Newton* report commissioned by the Senior Citizens Fund of Newton also found that “Staying and aging in Newton is a goal for 88% of survey respondents” (page ix). Life’s model of *aging in community* provides not only

the opportunity for some to remain in Newton, but to do so in a more supportive environment than would be possible in a single family home.

- **Accessibility**

The *Housing Needs Analysis and Recommendations* report showed that “Newton’s growing senior population would be well served by increasing the supply of single level, elevator served residences in walkable and transit accessible locations, with design features as outlined in the Council on Aging’s Age Friendly Housing Checklist” (page v). The proposed project will include ADA apartments and all apartments will be adaptable with universal design features that support residents as their physical needs change.

Project TITLE		Golda Meir House Expansion	
SUMMARY CAPITAL/DEVELOPMENT BUDGET			
Uses of Funds			(rounded amounts)
Acquisition			\$100
Construction costs (hard costs, general conditions, overhead, profit, contingency)			\$31,115,000
Soft Costs			\$6,129,000
Developer Fee/Overhead			\$2,600,000
Reserves			591,900
<b>D. TOTAL USES</b> (should equal C. on page 1 and E. below)			<b>\$40,436,000</b>
Sources of Funds	Status (requested, expected, confirmed)	(rounded amounts)	
Newton CPA Funds	Requested	\$1,244,857	
Newton HOME Funds	Requested	\$255,143	
Newton CPA Funds (Previous Application)	Confirmed	\$3,250,000	
Permanent Mortgage Loan	Expected	\$7,972,000	
Federal and State Low Income Housing Tax Credit Equity	Tax Credit Allocation Confirmed	\$14,162,000	
DHCD HOME, HSF, AHT, HIF and NFIT Funds	Confirmed	\$5,000,000	
HUD Section 202 Capital Advance	Confirmed	\$4,000,000	
Utility Rebates	Expected	\$74,600	
Golda Rehab Savings	Confirmed	\$835,400	
Charles Farnsworth Trust	Confirmed	\$480,000	
Weinberg Foundation	Confirmed	\$1,250,000	
Additional 2Life Philanthropy	Committed	\$1,512,000	
Deferred Developer Fee	Committed	\$400,000	
<b>E. TOTAL SOURCES</b> (should equal C. on page 1 and D. above)			<b>\$40,436,000</b>
SUMMARY ANNUAL OPERATIONS & MAINTENANCE BUDGET (cannot use CPA funds)			
Uses of Funds			(rounded amounts)
Management Fee			\$65,000
Administration			\$158,000
Maintenance			\$152,000
Resident Services			\$75,000
Security			\$3,500

Utilities	\$159,000
Reserves	\$24,500
Taxes, Insurance	\$150,000
Debt Service	\$397,000
First Year MIP	\$20,000
Required Debt Service Coverage Ratio (1.10)	\$42,000
<b>F. TOTAL ANNUAL COST</b> (should equal G. below)	<b>\$1,246,000</b>
<b>Sources of Funds</b>	
	(rounded amounts)
Residential Income	\$1,305,000
Other Rental Income (laundry, misc fees)	\$6,500
Vacancy	(\$65,500)
<b>G. TOTAL ANNUAL FUNDING</b> (should equal F. above)	<b>\$1,246,000</b>

Project TITLE	<b>Golda Meir House Expansion</b>	
Project TIMELINE	Phase or Task	Season & Year
	Developer Designation by City of Newton for 160R Stanton Ave	October 2017
	Neighborhood planning process	Spring 2018
	Submit Full Proposal to CPC	September 2018
	Submit Comprehensive Permit (40B) Application to ZBA	October 2018
	Submit Pre-application for Rental Funding to DHCD	November 2018
	CPC Public Hearing	December 2018
	City Council Committees (Finance + TBD) Votes on CPC Recommendation	December 2018
	Full City Council Vote on CPC Recommendation	December 2018
	ZBA Approval of Comp. Permit	December 2018
	Invitation from DHCD to submit Full Rental Funding Application	December 2018
	Submit full Rental Funding Application to DHCD	February 2019
	MassHousing Official Action Status Approval	July 2019
	Submit HUD 202 Application	August 2019
	Resubmit full Rental Funding Application to DHCD (Mini Round)	October 2019
	HUD and DHCD funding awards announced	February 2020
	Finalize construction documents	May 2020
	Submit Revised Proposal for CPA and HOME, present to Newton Housing Partnership	July 2020
	Joint CPC and Planning Board Public Hearing on Revised Proposal	August 2020
	City Council Committees (Finance + TBD) Votes on CPC Recommendation	September 2020
	Construction	2021 winter – 2022 summer
	Lease-up	2022 summer

**COMMUNITY  
CONTACTS**

List at least 3 Newton residents or organizations willing and able to comment on the project and its manager's qualifications. No more than 1 should be a supervisor, employee or current work colleague of the project manager or sponsor. For housing projects, at least 2 contacts should reside in or near the project's neighborhood.

Name & title or organization	Email	Phone	Mailing address
Phyllis Chmara <i>Golda Meir House resident</i>	chmara3@bellsouth.net	617-916-0531	160 Stanton Ave. #322
Shirley Goldsmith <i>Golda Meir House resident</i>	N/A	617-332-7530	160 Stanton Ave. #511
Marilyn Berman <i>Golda Meir House resident</i>	N/A	617-558-7559	160 Stanton Ave. #044
Fran Godine <i>Engine 6</i>	godine@comcast.net	617-694-9528	19 Crofton Rd Waban, MA 02468
Allison Sharma <i>Auburndale Neighbor</i>	allison.sharma@gmail.com	617-216-4130	46 Kingswood Rd Auburndale, MA 02466

Project TITLE	<b>Golda Meir House Expansion</b>		
↓ Check off submitted attachments here. <b>See also supplemental checklist for housing proposals.</b>			
OPTIONAL (as needed)		<b>Additional Narrative Explanation of Changes in Funding Request (if needed to further explain summary on Page 1)</b>	
Separate, detailed budget attachments REQUIRED for full proposal.	<b>PROJECT FINANCES</b> printed and as computer spreadsheets, with both uses & sources of funds		
	X	<b>Development pro forma/capital budget:</b> include total cost, hard vs. soft costs and contingencies, and project management – amount and cost of time from contractors or staff (in-kind contributions by existing staff must also be costed)	
	X	<b>Operating/maintenance budget, projected separately for each of the next 10 years</b> (CPA funds may not be used for operations or maintenance)	
X	<b>Non-CPA funding:</b> commitment letters, letters of inquiry to other funders, fundraising plans, etc., including both cash and est. dollar value of in-kind contributions		
REQUIRED for full proposal.	<b>SPONSOR FINANCES &amp; QUALIFICATIONS, INSTITUTIONAL SUPPORT</b>		
	X	<b>For sponsoring organization, most recent annual operating budget (revenue &amp; expenses) &amp; financial statement</b> (assets & liabilities); each must include both public (City) and private resources (“friends” organizations, fundraising, etc.)	
OPTIONAL for all proposals.		<b>LETTERS of SUPPORT</b>	from Newton residents, organizations, or businesses (if applicable for new application)

**Golda Meir House Expansion Project**  
**Development Budget - Sources and Uses**

<b>SOURCES</b>	<b>July 2020 Proposal</b>	<b>Nov. 2018 proposal</b>	<b>Difference</b>
Permanent Loan	7,972,000	7,770,000	202,000
Fed Tax Credit Equity	10,162,081	10,298,970	(136,889)
State Tax Credit Equity	3,999,600	3,999,600	-
City of Newton CPA	3,250,000	3,250,000	-
City of Newton Additional Funding Ret	1,500,000	-	1,500,000
DHCD Sub Debt	5,000,000	3,750,000	1,250,000
Utility Rebates (Sponsor Loan)	74,800	74,800	-
Golda Rehab Savings (Sponsor Loan)	835,400	-	835,400
Farnsworth + Weinberg (Sponsor Loan)	1,730,000	-	1,730,000
2Life Philanthropy (Sponsor Loan)	1,512,098	2,546,475	(1,034,377)
HUD 202 Capital Advance (Sponsor LO	4,000,000	-	4,000,000
Deferred Dev Fee	400,000	625,000	(225,000)
<b>Total Sources</b>	<b>40,435,979</b>	<b>32,314,845</b>	<b>8,121,134</b>

<b>USES</b>	<b>July 2020 Proposal</b>	<b>Nov. 2018 proposal</b>	<b>Difference</b>
<b>Acquisition</b>	100	100	-
<b>Construction</b>			
Cost of Construction	29,633,398	23,205,897	6,427,501
Contingency	1,481,670	1,160,295	321,375
<b>Subtotal Construction</b>	<b>31,115,068</b>	<b>24,366,192</b>	<b>6,748,876</b>
<b>Soft Costs</b>			
Architect & Engineering	1,563,531	1,392,354	171,177
Survey and Permits	552,447	455,341	97,106
Clerk of the Works	125,000	100,000	25,000
Environmental Engineer	100,000	75,000	25,000
Bond Premium	176,000	185,647	(9,647)
Legal	250,000	200,000	50,000
Title/Recording	60,000	40,000	20,000
Accounting/Cost Cert	45,000	40,000	5,000
Marketing & Rent-Up	25,000	25,000	-
Real Estate Taxes	-	90,000	(90,000)
Insurance (Construction)	63,786	55,470	8,316
Relocation	75,000	60,000	15,000
Appraisal/Market Study	25,000	25,000	-
Pre-Construction Services	425,000	500,000	(75,000)
Operating Deficit Reserve	144,674	-	144,674
Construction Loan Interest	800,000	700,000	100,000
Construction Loan Fees	339,250	113,750	225,500
Perm Loan Fees	183,356	178,710	4,646
MIP	19,930	19,425	505
Testing and Inspections	35,000	-	35,000
Commissioning	40,000	-	40,000
Inspecting Engineer	34,200	50,000	(15,800)
Temp Replacement Parking	150,000	-	150,000
Other Financing Fees	5,000	5,000	-
Development Consultant	10,000	-	10,000
Energy/Green Consulting	81,100	75,000	6,100
FF&E	250,000	20,000	230,000
Utility Connection Fees	150,000	150,000	-
Pre-dev loan fees/interest	51,250	21,250	30,000
Syndication Fees	-	-	-
DHCD Processing Fee	57,500	60,000	(2,500)
DHCD Compliance Fee	-	22,500	(22,500)
Soft Cost Contingency	291,851	232,972	58,879
<b>Subtotal Soft Costs</b>	<b>6,128,875</b>	<b>4,892,419</b>	<b>1,236,456</b>
Developer Overhead	1,300,000	1,250,000	50,000
Developer's Fee	1,300,000	1,250,000	50,000
Operating Reserves	591,936	556,133	35,803
<b>Subtotal Fees, etc.</b>	<b>3,191,936</b>	<b>3,056,133</b>	<b>135,803</b>
<b>Total Uses</b>	<b>40,435,879</b>	<b>32,314,745</b>	<b>8,121,135</b>

**Golda Meir House Expansion Project**  
**Operating Income and Expenses - July 2020**

Unit Mix	# of Units	Rent/Unit
<b>1-Bedroom Units</b>		
Sec 8 Units	18	\$2,090
PRAC Units	25	\$754
LIHTC-60% Units	2	\$1,300
Moderate Income Units	8	\$2,100
Unrestricted Units	4	\$2,250
Grad Student(s) Units	-	-
<b>Total 1-Bedrooms</b>	<b>57</b>	
<b>2-Bedroom Units</b>		
Sec 8 Units	2	\$2,542
PRAC Units	-	-
LIHTC-60% Units	3	\$1,500
Moderate Income Units	2	\$2,500
Unrestricted Units	3	\$2,750
Grad Student(s) Units	1	\$1,000
<b>Total 2-Bedrooms</b>	<b>11</b>	
<b>Total Units</b>	<b>68</b>	

<b>Operating Income</b>	
<b>Residential</b>	
Sec 8 Units	512,448
PRAC Units	226,269
LIHTC-60% Units	85,200
Grad Student(s) Units	12,000
Mod + Unrestricted Units	468,600
<b>Residential Revenue Subtotal</b>	<b>1,304,517</b>
Commercial	-
Other (Laundry, Service Fees, etc.)	6,528
<b>Other Revenue Subtotal</b>	<b>6,528</b>
<b>Gross Revenue</b>	<b>1,311,045</b>
<b>Vacancy</b>	
Vacancy - Sec 8 Units	(25,622)
Vacancy - PRAC Units	(11,313)
Vacancy - LIHTC-60% Units	(4,260)
Vacancy - Grad Student(s) Units	(600)
Vacancy - Mod + Unrestricted Units	(23,430)
Commercial vacancy	-
Other vacancy	(326)
<b>Total vacancy</b>	<b>(65,552)</b>
<b>Total Revenue</b>	<b>1,245,493</b>

<b>Net Operating Income</b>	<b>473,467</b>
Debt Service	(396,847)
Mortgage Insurance Premium	(19,930)
<b>Cash Flow after Debt Service</b>	<b>56,690</b>

Operating Expenses	Total	Res P/U
<b>Management Fee</b>	65,226	959
<b>Administration</b>		
Payroll, Administrative	87,500	1,287
Payroll Taxes & Benefits, Admin.	24,500	360
Legal	1,000	15
Audit	8,500	125
Marketing	5,000	74
Telephone	-	-
Office Supplies	15,000	221
DHCD Monitoring Fee	1,500	22
Other: Misc Admin	10,000	147
<b>Admin Subtotal</b>	<b>153,000</b>	<b>2,250</b>
<b>Operations</b>		
Payroll, Maintenance	57,500	846
Payroll Taxes & Benefits, Admin	16,100	237
Janitorial Materials	12,000	176
Landscaping	7,500	110
Decorating (inter. only)	-	-
Repairs (inter. & ext.)	22,000	324
Elevator Maintenance	4,200	62
Trash Removal	5,000	74
Snow Removal	6,000	88
Extermination	1,000	15
Other: Emergency	2,400	35
Other: HVAC	18,000	265
<b>Operations Subtotal</b>	<b>151,700</b>	<b>2,231</b>
<b>Resident Services</b>	75,000	1,103
<b>Security</b>	3,500	51
<b>Utilities</b>		
Electricity	81,600	1,200
Heat and Hot Water	12,240	180
Water and Sewer	65,280	960
<b>Utility Subtotal</b>	<b>159,120</b>	<b>2,340</b>
<b>Replacement Reserve</b>	24,480	360
Real Estate Taxes	100,000	1,471
Insurance	40,000	588
<b>Taxes, Insurance Subtotal</b>	<b>140,000</b>	<b>2,059</b>
<b>Total Operating Expenses</b>	<b>772,026</b>	<b>11,353</b>

<b>Golda Expansion</b>											
<i>10 Year Operating Budget - July 2020</i>											
	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031	
	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	
<b>Income</b>											
Sec 8 Units	512,448	522,697	533,151	543,814	554,690	565,784	577,100	588,642	600,415	612,423	
MRVP Units	226,269	230,794	235,410	240,118	244,921	249,819	254,815	259,912	265,110	270,412	
LIHTC- 60% Units	85,200	86,904	88,642	90,415	92,223	94,068	95,949	97,868	99,825	101,822	
NEC Units	12,000	12,240	12,485	12,734	12,989	13,249	13,514	13,784	14,060	14,341	
Moderate + Market	468,600	477,972	487,531	497,282	507,228	517,372	527,720	538,274	549,040	560,020	
Commercial	0	0	0	0	0	0	0	0	0	0	
Other	6,528	6,659	6,792	6,928	7,066	7,207	7,352	7,499	7,649	7,802	
<b>Gross Revenue</b>	<b>1,311,045</b>	<b>1,337,266</b>	<b>1,364,011</b>	<b>1,391,291</b>	<b>1,419,117</b>	<b>1,447,499</b>	<b>1,476,450</b>	<b>1,505,979</b>	<b>1,536,099</b>	<b>1,566,820</b>	
Vacancy	(65,552)	(66,863)	(68,201)	(69,565)	(70,956)	(72,375)	(73,822)	(75,299)	(76,805)	(78,341)	
<b>Effective Gross Income</b>	<b>1,245,493</b>	<b>1,270,403</b>	<b>1,295,810</b>	<b>1,321,726</b>	<b>1,348,161</b>	<b>1,375,124</b>	<b>1,402,628</b>	<b>1,430,680</b>	<b>1,459,294</b>	<b>1,488,479</b>	
<i>Percent Change</i>		2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	2.0%	
<b>Expenses</b>											
Management Fee	65,226	66,530	67,861	69,218	70,603	72,015	73,455	74,924	76,422	77,951	
Administration/Payroll	158,000	162,740	167,622	172,651	177,830	183,165	188,660	194,320	200,150	206,154	
Maintenance & Operating	151,700	156,251	160,939	165,767	170,740	175,862	181,138	186,572	192,169	197,934	
Resident Services	75,000	77,250	79,568	81,955	84,413	86,946	89,554	92,241	95,008	97,858	
Security	3,500	3,605	3,713	3,825	3,939	4,057	4,179	4,305	4,434	4,567	
Utilities	159,120	163,894	168,810	173,875	179,091	184,464	189,998	195,698	201,568	207,616	
Taxes, Insurance	150,000	154,500	159,135	163,909	168,826	173,891	179,108	184,481	190,016	195,716	
<b>Total Operating Expenses</b>	<b>762,546</b>	<b>784,770</b>	<b>807,648</b>	<b>831,200</b>	<b>855,442</b>	<b>880,400</b>	<b>906,092</b>	<b>932,541</b>	<b>959,767</b>	<b>987,796</b>	
<i>Per Apartment</i>	<i>11,214</i>	<i>11,541</i>	<i>11,877</i>	<i>12,224</i>	<i>12,580</i>	<i>12,947</i>	<i>13,325</i>	<i>13,714</i>	<i>14,114</i>	<i>14,526</i>	
<i>Percent Change</i>		2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	2.9%	
<b>Net Operating Income</b>	<b>482,947</b>	<b>485,633</b>	<b>488,162</b>	<b>490,526</b>	<b>492,719</b>	<b>494,724</b>	<b>496,536</b>	<b>498,139</b>	<b>499,527</b>	<b>500,683</b>	
Replacement Reserves	(24,480)	(25,214)	(25,971)	(26,750)	(27,552)	(28,379)	(29,230)	(30,107)	(31,011)	(31,941)	
<b>Cash Flow after RR</b>	<b>458,467</b>	<b>460,419</b>	<b>462,191</b>	<b>463,776</b>	<b>465,167</b>	<b>466,345</b>	<b>467,306</b>	<b>468,032</b>	<b>468,516</b>	<b>468,742</b>	
<b>Debt Service</b>											
First Mortgage P&I	(396,847)	(396,847)	(396,847)	(396,847)	(396,847)	(396,847)	(396,847)	(396,847)	(396,847)	(396,847)	
MIP	(19,721)	(19,504)	(19,279)	(19,044)	(18,799)	(18,545)	(18,281)	(18,006)	(17,720)	(17,423)	
DSCR	1.10	1.11	1.11	1.12	1.12	1.12	1.13	1.13	1.13	1.13	
<b>Cash Flow after Debt Service</b>	<b>41,899</b>	<b>44,068</b>	<b>46,065</b>	<b>47,885</b>	<b>49,521</b>	<b>50,953</b>	<b>52,178</b>	<b>53,179</b>	<b>53,949</b>	<b>54,472</b>	
<b>Cash Flow Priority Payments:</b>											
Investor Asset Mgmt Fee	5,000	5,150	5,305	5,464	5,628	5,796	5,970	6,149	6,334	6,524	
Deferred Developer Fee	36,898	38,917	40,762	42,424	43,892	45,157	46,207	47,030	47,615	33,821	
2Life Asset Mgmt Fee	0	0	0	0	0	0	0	0	0	14,128	
MassDocs Cash Flow Share	0	0	0	0	0	0	0	0	0	0	
Sponsor Loan(s) Cash Flow Share	0	0	0	0	0	0	0	0	0	0	
Incentive Management Fee	0	0	0	0	0	0	0	0	0	0	
Cash Flow to LP	0	0	0	0	0	0	0	0	0	0	
<b>Total Priority Payments</b>	<b>41,898</b>	<b>44,067</b>	<b>46,067</b>	<b>47,888</b>	<b>49,520</b>	<b>50,953</b>	<b>52,177</b>	<b>53,179</b>	<b>53,949</b>	<b>54,473</b>	
<b>Cash Flow after Priority Payments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	



## **Golda Meir House Expansion Evidence of Non-City Funding Sources as of July 2020**

### **1. Permanent Financing**

MassHousing provided a Prescreen Memorandum and Term Sheet for permanent financing with a total loan amount of up to \$8,162,000. Loan terms for permanent financing, as well as construction financing, are described in the attached letter dated October 18, 2019.

### **2. Official Action Status Approval**

The Golda Meir House Expansion applied to MassHousing for Official Action Status (“OAS”) in June 2019, which determines the project’s eligibility for 4% tax credits and tax-exempt financing. The OAS application was approved on July 10, 2019 and the determination letter is attached.

### **3. Low Income Housing Tax Credits**

The attached award letter from DHCD dated March 2, 2020 shows a \$1,000,000 annual allocation of State LIHTCs. We are currently out to bid for both the state and 4% LIHTC equity, the July 2020 budget presented in this proposal assumes a tax credit price of \$1.015/credit for the federal 4% credits and \$0.80/credit for the state credits, for a combined equity raise of approximately \$14.2 million.

### **4. DHCD Subordinate Debt**

Award letters are attached for a total \$5 million in subordinate debt from the following sources:

- Affordable Housing Trust Fund – \$2,000,000
- Housing Innovations Fund – \$1,000,000
- Housing Stabilization Fund – \$500,000
- Non-Federal Investment Trust – \$1,000,000
- HOME – \$500,000

### **5. HUD Section 202 Funds**

The attached letter dated February 10, 2020 shows HUD’s commitment of \$4 million in Capital Advance funds and a Project Rental Assistance Contract (PRAC) for 25 apartments.

### **6. Farnsworth Trust**

The Farnsworth Trust has committed \$480,000 in philanthropic capital funds to the Golda Expansion project. See attached commitment letter.

### **7. Harry and Jeannette Weinberg Foundation**

Weinberg Foundation staff announced the approval of a \$1.25 million capital grant in June 2020. The grant agreement is forthcoming and 2Life is happy to share the agreement upon request.

**8. Golda Renovation Project Savings**

2Life successfully managed the recent Golda Meir House renovation project to capture \$835,400 in project savings/upward adjuster and has committed to contribute these funds as a capital source for Expansion project. See attached commitment letter.

**9. Deferred Developer Fee**

The developer/sponsor, 2Life Development Inc., will defer a portion of the development fee. The anticipated amount is \$400,000, 15.4% of the total fee.

**10. Utility Rebates**

The project anticipates approximately \$74,800 in rebates from MassSave for energy efficiency measures.

**11. Rental Subsidies**

The attached award letter from DHCD dated March 20, 2020 shows a commitment of twenty Section 8 Project-Based Vouchers.



**Prescreen Memorandum  
Low Income Housing Tax Credit (LIHTC) Transactions**

**To:** Zoe Weinrobe, Director of Real Estate Innovation, 2Life Communities  
**Cc:** Cynthia Lacasse, Director of Rental Business Development  
Michael Carthas, Underwriter  
**From:** Max Glikman, Multifamily Originator  
**Date:** October 18, 2019  
**Re:** Proposed Financing of **Golda Meir House Expansion**

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MassHousing conducted a prescreen of Golda Meir House Expansion, a 68 -unit development located in Newton to provide a preliminary loan size for a potential financing transaction. For purposes of the prescreen, we assumed a Tax-Exempt transaction involving 4% tax credits utilizing the HUD-HFA Risk Sharing Program. A Term Sheet presenting a basic outline of the terms and conditions of the proposed financing is attached. The terms are contingent upon the project receiving an award of 202 funds from HUD, all other sources reflected in the attached Preliminary Financing Assumptions and an allocation of tax-exempt volume cap.

Attached to this memorandum are the following:

1. Term Sheet
2. Preliminary Financing Assumptions

Below is information on our analysis based on the information you provided to us. Be advised, however, that prescreen reviews of Low Income Housing Tax Credit (LIHTC) 9% or tax-exempt (4%) transactions, especially those seeking other soft-debt financing from DHCD, are by their very nature more speculative, because rental income (based on “as-improved” market rents) and operating expenses (e.g. utility savings) are influenced considerably by the scope of work that can be supported by available capital resources (DHCD funding or the LIHTC equity raise).

Assuming an interest rate of 4.00%, the assumptions included in the attached Term Sheet, and the submitted operating income and expenses, the requested loan amount of \$8,162,000 is supportable. This determination represents a preliminary analysis, and is subject to full underwriting, including (without limitation) the need to factor in data from required third-party reports, confirmation that the loan is within 90% LTV, and approval by the Members of MassHousing.

The rents included in the attached Preliminary Financing Assumptions reflect the proposed income restrictions. Ultimately, the underwritten rents for all units will be based on data obtained from the

MassHousing-commissioned appraisal, and if necessary, a market study, as commissioned by MassHousing at its sole discretion, which will occur during underwriting.

Residential operating expenses were estimated based on the proforma submitted by the Sponsor and are included in the attached Preliminary Financing Assumptions.

In our initial analysis, we have identified items that could impact the ability to achieve the requested loan amount. While all assumptions will be reviewed and analyzed as part of the underwriting process, below are items that we want to flag as they have the potential to impact the supportable loan amount. These include:

- **Underwriting Rents:** The market study will provide information on the market rents as well as demand for the project units. Additionally, we will need to review the PRAC operating subsidy contract from HUD to determine how to underwrite the rents on the 25 PRAC units.
- **Operating Expenses:** Comparable properties will be identified, and a deeper analysis of the operating expenses will occur as part of the underwriting process.
- **Replacement Reserves:** We have assumed the minimum required annual deposits to replacement reserves (ADRR) to be \$360 per unit per year for the purposes of this prescreen analysis. The final amount of the ADRR, and whether an initial deposit to the replacement reserve account will be required, will be determined as part of the underwriting process.
- **Per Unit Cost:** We will need to engage with 2Lifes Communities regarding the per unit cost, which exceeds \$500,000.
- **Interest Rate:** For the purposes of this prescreen analysis, we have assumed an interest rate of 4.00%, which represents this week's 30-Year AAA-MMD plus 175 basis points and includes a 25 basis point cushion. The final interest rate will be set at the construction closing.

The total tax-exempt financing shall be the minimum amount necessary to ensure that over 50% of the aggregate basis of the development is funded with tax-exempt bond proceeds (the "50% Test"), as determined in accordance with applicable tax code provisions.

Additional diligence or supporting documentation will be required as part of the underwriting process.

MassHousing borrowers are required to be limited dividend organizations. MassHousing-financed developments must have a minimum level of affordability at 20% of units affordable to those earning up to 80% of Area Median Income (applicable programs may require deeper affordability) and MassHousing-approved tenant selection and fair housing marketing plans. For additional information on MassHousing loan requirements, please see "General Multifamily Loan Closing Standards" located on MassHousing's website:

[https://www.masshousingrental.com/portal/server.pt/community/library/332/new\\_borrowers\\_developers\\_forms\\_documents#](https://www.masshousingrental.com/portal/server.pt/community/library/332/new_borrowers_developers_forms_documents#)



**Term Sheet**  
**Low Income Housing Tax Credit (LIHTC) Transaction**

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**Sponsor:** 2Life Communities (the "Sponsor")

**Borrower:** TBD or another single-purpose, sole-asset entity controlled by Sponsor

**Development:** Golda Meir House Expansion (the "Development") a proposed 68-unit affordable housing development located in Newton

**Proposed Loans & Terms:**

**First Loan**

**Amount & Type:** \$8,162,000 construction/permanent first mortgage loan (the "First Loan")

**Rate:** 30-Year MMD-AAA plus 175 basis points (bps) to be locked at Construction Loan Closing.

**Term:** 40 years

**Amortization:** 40 Years

**Minimum DSCR:** 1.10x

**Maximum Loan-to-Value:** 90%

**Construction Loan**

**Amount & Type:** \$12,000,000 tax-exempt construction loan (the "Construction Loan")

**Rate:** 3-month LIBOR plus 175 bps to be locked at Construction Loan Closing.

**Term:** 24 months

The term "Loans" refers collectively to the First Loan and any other MassHousing loans, and the term "Loan" refers to any such loan.

**Permanent Loan Conversion:** The First Loan will convert to permanent loan and begin amortization upon completion of the proposed construction of the Development, consistent with the loan documents and in form and substance satisfactory to MassHousing. Certain closing conditions must be satisfied by Borrower prior to Permanent Closing. Among other conditions, the Development should reach a level of stabilized occupancy of at least 90% and a debt service coverage ratio of 1.10 for ninety (90) days.

**Fees:**

Application Fee: 0.30% of First and Construction Loan amounts, or \$60,486, due at application (non-refundable)

Financing Fee: 2.00% of First Loan and Construction Loan amounts, due at Construction Loan Closing

Mortgage Insurance Premium (MIP): 0.25% of First Loan Amount. As the MIP is an annual fee payable in advance, the first year's MIP (MIP rate x total loan amount) must be included in the capital budget for payment either at the construction loan or the permanent loan closing. For developments receiving Risk-Sharing insured construction financing, additional funds must also be provided for in the capital budget to cover MIPs for the length of the construction period. An annual amount should be included in the operating budget.

Third-Party Reports: Market Study, and Appraisal

MassHousing shall not separately charge lender legal fees for this transaction.

**Prepayment:** Prepayment of Loans is permitted after 15 years, subject to applicable prepayment penalties and costs, except the Construction Loan, which may only be prepaid as outlined in the loan agreement, or with MassHousing consent.

**Affordability:** A disposition agreement shall be recorded ahead of MassHousing's mortgage(s) at Closing that requires at least 20% of the units at the Development be rented to tenants earning not more than 80% of Area Median Income at rents not more than 30% of such income limit for a term of at least 15 years.

In connection with HUD Risk Sharing insurance for the First Loan, the tax-exempt financing provided to the Borrower, Borrower agrees to rent at least

40% of the residential units at the Development to persons or families earning not more than 60% of Area Median Income. This income restriction is also required in connection with the HUD Risk-Sharing insurance for the First Loan.

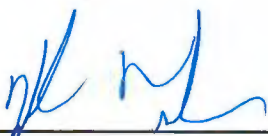
**Federal Tax  
Credit Equity:**

The final amount of the tax credit equity raise is subject to MassHousing's approval, and a minimum of 15% of the equity raise (as applicable, for each tax credit equity source) shall be delivered at the closing of the construction loan ("Construction Closing") and applied toward approved project uses; a greater percentage may be required based on the development-period cash flows. The terms and conditions of Borrower's agreements with the federal tax credit investor ("Equity Investor"), including without limitation, the amounts and timing of the Equity Investor's capital contributions, are subject to MassHousing's review and approval.

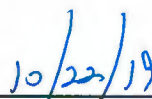
**Rate Lock:**

MassHousing may, in its sole discretion, require that a borrower enter into agreements ("Rate Lock Agreements") with MassHousing prior to loan closing in connection with MassHousing's financing of such loan through a bond, note or other financing transaction. A borrower may also request MassHousing to enter into Rate Lock Agreements regarding its mortgage loan(s). The Rate Lock Agreements will commit the Borrower to close by a certain date (subject to extension as described below), lock a fixed or maximum rate, and provide security to MassHousing regarding the borrower's commitment to close the mortgage loan in the form of a "Good Faith Deposit." Borrowers will provide the Good Faith Deposit by providing cash to MassHousing in an aggregate amount of up to one percent (1%) of the maximum principal amount of the MassHousing Financing (0.5% for nonprofit sponsors), or such other form or amount as may be determined by the Financial Director as adequate to cover the financial exposure to MassHousing if the MassHousing Financing fails to close as projected. At loan closing, the rate lock fee shall be credited to the financing fee. The Rate Lock Agreements will provide a deadline for closing on the MassHousing Financing (and entering into a Permanent Loan Agreement, if applicable), and if the closing has not occurred by such date, a 0.25% extension fee will be required for an extension of up to sixty (60) days, with any further extensions granted by MassHousing as may be determined by the Financial Director subject to the terms of the financing transaction. The extension fee is a non-refundable, non-mortgageable cost and may not be applied against the financing fee otherwise due at Closing.

This is a term sheet, not a financing commitment. The terms and conditions include the information described in the Prescreen Memorandum and are subject to change, in whole or in part, and this Term Sheet does not contain all of the terms, conditions and other provisions involved in this transaction. All loans are subject to full underwriting and approval by the Members of MassHousing. If you wish MassHousing to proceed with underwriting, please provide your acceptance of the Term Sheet, a complete financing application, and the application fee identified on the Term Sheet within ten (10) days. This Term Sheet will expire if the Development has not received a commitment of financing from MassHousing within six months of execution by the Borrower.



\_\_\_\_\_  
Mark Teden  
Vice President of Multifamily Programs



\_\_\_\_\_  
Date

ACCEPTED BY:

\_\_\_\_\_  
Name:  
Title:

\_\_\_\_\_  
Date





## Preliminary Financing Assumptions

Project Name     Golda Meir House Expansion  
 Project Sponsor   2Life Communities

Prescreen Date   8/16/2019

### Preliminary Loan Assumptions

#### Loan Terms - First Mortgage

Base Rate	2.00%
Spread	1.75%
Cushion	0.25%
Projected Interest Rate	4.00%

Loan Term (yrs)	40
Amortization Period (yrs):	40

Debt Constant	0.05015262
Debt Service	\$409,346
Y1 First Mortgage DSC	1.17

Supportable First Mortgage Loan Amount:     **8,162,000**

#### Development Sources + Uses

Permanent Sources	Total	per Unit
First Mortgage / MassHousing	\$8,162,000	\$120,029
Federal LIHTC Equity	\$9,426,766	\$138,629
State LIHTC Equity	\$3,999,600	\$58,818
Newton CPA	\$3,250,000	\$47,794
Utility Rebates (Sponsor Loan)	\$74,800	\$1,100
Farnsworth Foundation (Sponsor Loan)	\$480,000	\$7,059
DHCD Subordinate Debt	\$5,000,000	\$73,529
Golda Rehab Savings (Sponsor Loan)	\$835,400	\$12,285
2Life Philanthropy (Sponsor Loan)	\$3,068,619	\$45,127
HUD 202 Capital Advance	\$4,000,000	\$58,824
Deferred Developer Fee	\$520,000	\$7,647
<b>Permanent Sources</b>	<b>\$38,817,185</b>	<b>\$570,841</b>

Uses	Total	per Unit
Acquisition	\$100	\$1
Construction	\$29,927,591	\$440,112
Soft Costs	\$5,680,372	\$83,535
Developer OH + Fee	\$2,600,000	\$38,235
Operating Reserve	\$609,121	\$8,958
<b>Total Development Cost</b>	<b>\$38,817,184</b>	<b>\$570,841</b>

#### Unit + Rent Information

	TOTAL	Market/ unrestricted	Section 8	Moderate Income 100%	PRAC	Tax Credit at 60%	Grad Student Unit
Vacancy		5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
1-BR     Count	57	4	18	8	25	2	
Underwritten Rent		\$2,250	\$2,090	\$2,000	\$958	\$1,197	
2-BR     Count	11	3	2	2		3	1
Underwritten Rent		\$2,750	\$2,542	\$2,300		\$1,387	\$1,000
<b>TOTAL     Count</b>	<b>68</b>	<b>7</b>	<b>20</b>	<b>10</b>	<b>25</b>	<b>5</b>	<b>1</b>

#### Income & Expenses

	Total	Per Unit
Gross Potential Rent	\$1,344,833	\$19,777
Other Income	\$6,202	\$91
Vacancies & Deductions	(\$67,242)	-\$989
<b>Total Effective Income</b>	<b>\$1,283,793</b>	<b>\$18,879</b>

Operating Expenses (pre-RRD)	\$780,195	\$11,473
Replacement Reserve Deposits	\$24,480	\$360
<b>Total Operating Expenses</b>	<b>\$804,675</b>	<b>\$11,833</b>

**NOI**     **\$479,118**

#### Operating Expenses

Operating Expenses	Total	per Unit
Mgmt Fee     5.00%	\$64,190	\$944
Administrative	\$129,600	\$1,906
Maintenance	\$216,000	\$3,176
Resident Services	\$75,000	\$1,103
Security	\$10,000	\$147
Utilities: Electricity	\$50,000	\$735
Utilities: Gas	\$50,000	\$735
Utilities: Water & Sewer	\$45,000	\$662
Taxes - Real Estate	\$80,000	\$1,176
Taxes Other, Interest, Insurance	\$40,000	\$588
MIP     0.25%	\$20,405	\$300
<b>Operating Expenses (pre-RRD)</b>	<b>\$780,195</b>	<b>\$11,473</b>

Replacement Reserve Deposits     \$24,480     \$360  
 Ground Lease Payment     \$0     \$0

**Total Operating Expenses**     **\$804,675**     **\$11,833**



Massachusetts Housing Finance Agency  
One Beacon Street, Boston, MA 02108

TEL: 617.854.1000  
FAX: 617.854.1091 | [www.masshousing.com](http://www.masshousing.com)

Videophone: 857.366.4157 or Relay: 711

July 10, 2019

Amy Schectman  
2Life Communities  
30 Wallingford Road  
Brighton, MA 02139

Re: Golda Meir House Expansion, Newton, Massachusetts  
MH No. 19-116  
Official Action Status

Dear Ms. Schectman:

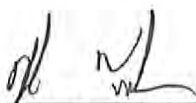
We are pleased to advise you that the development proposal of 2Life Communities on behalf of 2Life Development, Inc. (formerly known as Jewish Community Housing for the Elderly III, Inc.) for Golda Meir House Expansion has received Official Action Status pursuant to a vote of the MassHousing Members on July 9, 2019. A copy of the MassHousing OAS Memorandum is attached.

We look forward to receiving your mortgage application so that we may have the opportunity to continue working with you to structure a financing package that best meets the needs of the development. We wish you success in obtaining the funding you are seeking to support this important project.

This Official Action Status will expire on January 10, 2020, unless you receive a loan commitment from the Agency on or prior to that date. However, this Official Action Status may be extended by the Agency. Should the Agency decide to extend this Official Action Status, you will be charged a quarterly extension fee of \$250 for each and every quarter the Agency allows this Official Action Status to be extended.


This Official Action Status is valid only if signed and returned to MassHousing within 10 days of receipt and, while this Official Action Status is technically limited to the declaration of official intent required to reimburse certain project costs in the event tax-exempt debt is issued as part of the project's financing, MassHousing is entirely supportive of 2Life Communities' efforts to develop 68 new units of housing on the Golda Meir site.

MASSACHUSETTS HOUSING FINANCE AGENCY

  
\_\_\_\_\_  
Mark Teden, Vice President of Multifamily Programs

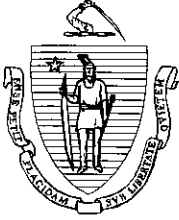
The undersigned accepts the Official Action Status described herein

ACCEPTED BY: ZLife Development, Inc.

By:   
Name: Elizabeth Meyer, duly authorized  
Title: clerk

Date: 7/11/19

Attachment: MassHousing OAS



Commonwealth of Massachusetts  
**DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ♦ Karyn E. Polito, Lt. Governor ♦ Jennifer D. Maddox, Undersecretary

March 2, 2020

Lizbeth Heyer  
Chief of Real Estate and Innovations  
2Life Development, Inc.  
30 Wallingford Road  
Boston, MA 02135

RE: Golda Meir House Expansion, Newton, MA

Dear Ms. Heyer:

On behalf of Governor Charles D. Baker, I am pleased to announce the selection of Golda Meir House Expansion (the "Project"), located in Newton, MA, for a **Conditional Reservation** of Massachusetts State Low-Income Housing Tax Credits. The Department of Housing and Community Development ("DHCD") is setting aside \$1,000,000 of its 2020, or a later year of Massachusetts State Low-Income Housing Tax Credits for the Project. This letter represents a **Conditional Reservation** of the stated amounts of tax credits. This amount is based upon DHCD's determination that this is the least amount of tax credits necessary for the feasibility of the Project. This tax credit amount is subject to DHCD review at the time a binding commitment is requested, at the time of carryover allocation (if applicable), and at the time the Project is placed in service pursuant to Section 42 of the Internal Revenue Code. At the time these subsequent reviews take place, DHCD reserves the right to reduce the tax credit amount based on DHCD's determination of the least amount of tax credits necessary for the feasibility of the Project at that time.

As of the date of this Conditional Reservation, there are insufficient 2020 state tax credits available to fund your entire Conditional Reservation. If a sufficient amount of 2020 state tax credits to fund your entire Conditional Reservation becomes available to DHCD through returned tax credits between the date of this Conditional Reservation and project loan closing or December 1, 2020, then DHCD will make an allocation of 2020 state tax credits to the Project subject to all of the conditions set forth below. If additional 2020 state tax credits sufficient to meet the entire Conditional Reservation do not become available, then, subject to all of the conditions set forth below, DHCD may make an allocation of a later year of state tax credits to the Project for all or a portion of this amount and will issue, by the end of the calendar year, a binding commitment to allocate a later year of State Low-Income Housing Tax Credits to the Project in accordance with Internal Revenue Code Section 42(h)(1)(C), M.G.L. c. 62 sec. 6I, and M.G.L. c. 63 sec. 31H for the balance of the Conditional Reservation amount. Such binding commitment will contain conditions established by DHCD, and all such conditions must be met to DHCD's satisfaction in order for DHCD to allocate tax credits to the Project.

This Conditional Reservation is issued pursuant to and in reliance upon information presented in the Low-Income Housing Tax Credit Program/One Stop Application submitted October 31, 2019, which stated the developer shall lease 50 of the 68 units (or 73.53% of the units) in the Project to individuals or families whose average income is 60% or less of the area median gross income as determined in accordance with Section 42 of the Internal Revenue Code. The Application also stated that at least 20 units would be leased to households whose incomes are at or below 30% area median gross income adjusted for family size. Should such information or any other information presented in the above-referenced application change, DHCD must be notified immediately and it reserves the right to reduce and/or withdraw this Conditional Reservation. **With the issuance of this award letter, DHCD will not permit an increase in the total developer fee, overhead, and consulting costs (as calculated in accordance with the calculation schedule provided in the 2018-2019 QAP), from the calculation submitted in the approved One Stop Application.**

**This Conditional Reservation for the Low-Income Housing Tax Credits is subject to the Project's meeting one of the following requirements:**

1) The Project is eligible for a Carryover Allocation pursuant to Section 42 of the Internal Revenue Code.

If the Project has not been Placed in Service pursuant to Section 42 of the Internal Revenue Code by the end of the calendar year in which you have credits, the Project may be eligible to receive a Carryover Allocation of tax credits if all conditions stipulated by DHCD in Attachment 1 have been met. The Project will then have two years from the date of the Carryover, in which to be Placed in Service. Documentation verifying that the conditions in Attachment 1 have been met as stipulated must be submitted to Jonathan Tambiah, DHCD, 100 Cambridge Street, Suite 300, Boston, MA 02114 no later than **project loan closing or October 1, 2020.** DHCD expressly reserves the right to reduce or withdraw this Conditional Reservation if all conditions in Attachment 1 are not met to DHCD's satisfaction by October 1, 2020. If the Project receives a Carryover Allocation, a binding election must be made by December 1<sup>st</sup> of the year in which you have credits, whether to freeze the tax credit rate at the December rate or select the rate for the month the Project is placed in service.

2) The Project or one or more buildings in the Project is Placed in Service pursuant to Section 42 of the Internal Revenue Code.

If the Project or one or more buildings in the Project is placed in service by the end of the calendar year in which you have credits, the Project or one or more buildings in the Project may be eligible to receive an IRS Form 8609 and Eligibility Statement (Final Allocation) of credits provided that the Project satisfies all pertinent IRS and DHCD requirements. You must contact Jonathan Tambiah in writing at the above address no later than December 1<sup>st</sup> of the year in which you have credits if your project will be placed in service by December 31<sup>st</sup> of that year.

All projects will be subject to annual compliance monitoring to allow DHCD to certify the Project's compliance with Section 42(g) of the Internal Revenue Code, M.G.L. c.62 sec. 6I, and M.G.L. c.63 sec. 31H.

I am pleased by your interest in using the Low-Income Housing Tax Credit to provide affordable housing and look forward to seeing the Project move toward completion.

Sincerely,

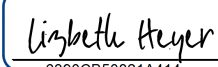


Jennifer D. Maddox  
Undersecretary

cc: Senator Elizabeth Warren  
Senator Edward J. Markey  
Congressman Joseph P. Kennedy III  
State Senator Cynthia Stone Creem  
State Representative Kay S. Khan

By my signature below, I acknowledge the terms and conditions of this Conditional Reservation of Tax Credits. I fully understand that the Conditions required for a Carryover Allocation and/or Binding Commitment ***must be met by the dates specified in Attachment 1 hereto or my Reservation of Tax Credits will be in jeopardy. I understand that late submission of the required documentation will result in penalty fees*** (Please sign this acknowledgment and return it to DHCD.)

DocuSigned by:

  
\_\_\_\_\_  
Signature

6390CB50821A414...

4/27/2020

\_\_\_\_\_  
Date

**Low-Income Housing Tax Credit Program**  
**Conditional Reservation**  
**March 2, 2020**  
**Attachment 1**

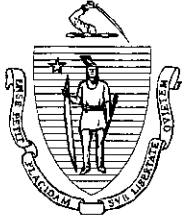
The following requirements must be met to DHCD's satisfaction by **project loan closing or October 1, 2020** to be eligible to receive a Carryover Allocation and/or Binding Commitment pursuant to Section 42 of the Internal Revenue Code:

- Submission to DHCD of evidence of full financial closing by November 15, 2020.
- Submission to DHCD of a formal opinion in the format prescribed by DHCD (available on our website) from the project accountant demonstrating (1) ownership of the property by the entity receiving the tax credit allocation, and (2) certifying compliance with Section 42 of the Internal Revenue Code and Treasury Regulation 1.42-6 that more than ten percent (10%) of the Owner's total reasonably expected basis in the Project has been incurred.
- Execution of the Release and Indemnification Agreement (available on our website) by an authorized representative of the entity anticipating receiving the tax credit allocation and submission of the Agreement to DHCD. The Agreement releases and indemnifies DHCD from any loss, demand or judgment resulting from the allocation of tax credits. DHCD assumes no liability for determination of the qualified basis of any project. All tax credit developers should consult a qualified tax accountant, tax attorney, and/or syndicator to determine final eligibility for the credit.
- Execution of the Owner Certification (available on our website) by an authorized representative of the entity anticipating receiving the tax credit allocation and submission of the Certification to DHCD. Please submit a revised One-Stop Application that breaks out the rental portion of the project from the homeownership portion.
- Payment to DHCD of the tax credit commitment fee which is a portion of the tax credit processing fee. The total tax-credit processing fee is equal to 8.5% of the annual tax credit amount for for-profit developers and 4.5% of the annual tax credit amount for non-profit developers, or \$40,793. The state tax credit processing fee is equal to 3% of the annual state credit amount for for-profit developers and 1.5% of the annual state credit amount for non-profit developers, or \$15,000. The total processing fee associated with this Project is \$55,793. The commitment fee is equal to one-third of the total processing fee minus the application fee. The amount owed by October 1, 2020 for this project is \$17,548. Please make the check payable to the Department of Housing and Community Development.
- Identification of an accountant with previous LIHTC experience acceptable to DHCD.
- Identification of a general contractor acceptable to DHCD.
- Identification of a management agent acceptable to DHCD. Please provide evidence that all key property manager(s) have received training regarding the compliance requirements of IRC Section 42.

- Submission of documentation identifying the finalized terms and conditions of all non-DHCD funding sources, including an updated One Stop. Please note that you must submit the updated One Stop in electronic and paper form.
- Submission of compliance with the Massachusetts Historical Commission.
- Submission of evidence of compliance with all recommendations contained in the Phase I Environmental Site Assessment Report.
- Submission of final plans and specifications satisfactory to DHCD including evidence:
  - that high speed internet access will be provided in all units; and
  - that the final plans and specifications meet or exceed Energy Star standards and incorporate the sustainable design features pledged in the One Stop application submitted October 31, 2019.

**Please be advised that any material changes to the plans and specifications must be reviewed and approved by DHCD.**
- Submission of an “as-is” appraisal supporting the acquisition cost carried in the approved One-Stop.
- Submission of evidence of compliance with the Massachusetts Architectural Access Board and all applicable federal, state, and local regulations regarding handicapped accessibility.
- Submission of Certificates of Lead Paint Compliance, if applicable.
- Submission of evidence of all necessary zoning approvals from the City of Newton.
- Submission of projected Placed in Service date as agreed to in the partnership or operating agreement.
- Submission of a Fair Housing narrative describing how the marketing, tenant selection, and other applicable policies and procedures will incorporate the Department’s Fair Housing principles, including a pledge to list vacant units upon availability with Citizen’s Housing and Planning Association’s (CHAPA’s) Massachusetts Accessible Housing Registry at <http://www.chapa.org>.
- Submission of evidence that the equity contribution was competitively bid to ensure the highest yield possible.
- Commitment from a syndicator and/or investor acceptable to DHCD.
- Satisfactory market study.





Commonwealth of Massachusetts  
DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT

Charles D. Baker, Governor ♦ Karyn E. Polito, Lt. Governor ♦ Jennifer D. Maddox, Undersecretary

March 2, 2020

Ms. Amy Schectman  
30 Wallingford Road  
Brighton, MA 02135

RE: Golda Meir Expansion, Newton

Dear Ms. Schectman:

On behalf of the Baker Polito Administration, I am pleased to inform you that funds in the amount of \$2,000,000 from the Affordable Housing Trust Fund ("AHTF") have been conditionally reserved by the Department of Housing and Community Development ("DHCD") for a permanent mortgage loan for the Project, subject to the terms stated herein. If all the requirements of this Conditional Funding Reservation and an AHTF Award are satisfied, the AHTF loan will be made to the Project's borrower/owner, 2Life Development, Inc. (the "Developer").

This Conditional Funding Reservation is issued pursuant to and in reliance on your funding application submitted to DHCD on October 31, 2019. The Conditional Funding Reservation is also based upon your agreement that the Project will consist of 68 units of rental housing, of which 60 will be Affordable Housing Trust Fund-assisted. AHTF units must be affordable to households at or below 110% of Area Median Income for at least 30 years. The amount awarded shall be the minimum amount necessary to make a project feasible. The borrower must be current on all existing mortgage obligations with the Commonwealth or any subdivision of the Commonwealth. To accomplish this goal, the loan documents will contain appropriate restrictions on the use of the Project.

The term may be extended under certain conditions with the approval of DHCD. The loan may be without interest or at an interest rate acceptable to DHCD which will be determined prior to loan closing, and there will be no periodic payments due under the loan. Typically, there will be one payment due at maturity, in an amount (subject to adjustment for interest costs, penalties, and other charges under the terms of the loan documents) representing the entire balance of the loan. However, DHCD reserves the right to require repayment of the Affordable Housing Trust Fund loan out of cash flow if DHCD deems there is or may be at some point in the future adequate cash flow to do so.

As collateral for the loan, DHCD will take a mortgage and security agreement on the real property included in the Project. The priority position of the Affordable Housing Trust Fund mortgage will be determined at the time of MassDocs loan closing. A change in ownership of the Project or in the legal form of the owner of the Project, the placing of additional encumbrances on the Project

without the prior written consent of DHCD, failure to maintain the Eligible Use for the Project, or default under senior mortgage loans, shall be among the events of default under the Affordable Housing Trust Fund loan.

This Conditional Funding Reservation is contingent upon the Developer meeting the following general conditions to the satisfaction of DHCD by November 15, 2020:

1. Submission to and approval by DHCD of the following:
  - a. Updated One-Stop: With the issuance of this award, DHCD will not permit an increase in the total developer fee, overhead, and consulting costs from the calculation submitted and approved in the One Stop Application. If additional project sources become available, DHCD may reduce its award.
  - b. Evidence of firm commitment for construction and/or permanent mortgage financing from those entities and in those amounts shown on the development pro forma, and on such terms as are acceptable to DHCD;
  - c. Detailed time lines for the construction of the Project, including construction completion date, funding schedule, and move-in date;
  - d. Documentation of the bid process, contractor, selection process, and plan for monitoring of construction or rehabilitation;
  - e. Documentation that the general contractor is bonded or, if the general contractor is unable to meet this requirement, at DHCD's discretion, the general contractor will be required to obtain or have a Letter of Credit for a minimum of 15% of the construction contract;
  - f. Documentation of plans for meeting applicable state and federal requirements regarding Section 3, Minority and Women-Owned Business Enterprises, Davis-Bacon, Environmental Review, Uniform Relocation Act, and conflict of interest; and
  - g. Documentation that all contractors/subcontractors have been screened to confirm that they are not debarred or ineligible to work on a project.
2. Submission of a purchase and sale agreement or an instrument satisfactory to DHCD which indicates that by the date of the Affordable Housing Trust Fund loan closing, the Developer will have clear title to the Project, quality of title to be satisfactory to DHCD's counsel;
3. Submission to and approval by DHCD of a final construction budget with bid prices from the selected general contractor;
4. Submission of satisfactory evidence that all other legal, design, regulatory and environmental requirements for the Project are fulfilled and approvals obtained and all site surveys required for the Project are obtained;
5. Submission of and approval by DHCD of the project's service plan and evidence of a satisfactory funding commitment for the services, as applicable;
6. Submission of final plans and specifications satisfactory to DHCD and in accordance with the current QAP including evidence:

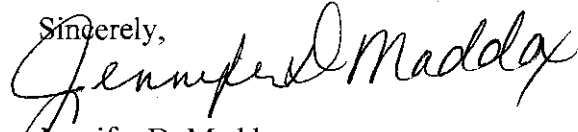
- a. that high speed internet access will be provided in all units;
  - b. that the final plans and specifications meet or exceed Energy Star standards and incorporate the green design features outlined in the One Stop application, i.e. Appendix H;
  - c. that the building will meet federal and state requirements for accessibility;
7. Submission of a Fair Housing narrative describing how the marketing, tenant selection, and other applicable policies and procedures will incorporate the Department's Fair Housing principles;
  8. Submission to and approval by DHCD of proposed signage and press release material for groundbreaking, ribbon cuttings, etc., clearly referencing DHCD's financial support of the project;
  9. Please note that DHCD uses MassDocs loan documents. These documents are intended to be template document to be employed "as is" with the exception of project specific provisions. Sample MassDocs forms may be reviewed at [www.massdocs.com](http://www.massdocs.com); and
  10. Upon completion of the development, any cost savings from the original development budget may be paid per the forthcoming MassDocs loan documents. At the option of DHCD, the savings may be held as a capital reserve for the development.

Closing and funding of the Affordable Housing Trust Fund loan will be conditional upon the fulfillment of all terms and conditions of the Conditional Funding Reservation and upon satisfactory submission of all documents required by a loan closing agenda to be prepared by DHCD's special counsel for this loan. Funding of the Affordable Housing Trust Fund loan is also conditional upon the continued availability of general revenue funds or tax-exempt bonds or MassHousing flexible funds or MassHousing direct loan funds and release of funds by the Executive Office of Administration and Finance for the Affordable Housing Trust Fund. The AHTF tax exempt and general revenue loans can only be disbursed in accordance with a Capital Plan that has been approved by the Executive Office of Administration and Finance for each fiscal year of funding. Any changes in the loan amount or the timing of its disbursement may require a change in the Capital Plan and will be subject to approval of DHCD and the Executive Office of Administration and Finance. In the event that changes may be proposed, please contact the AHTF program manager.

This Conditional Funding Reservation will be in effect until November 15, 2020 and the Affordable Housing Trust Fund loan for the project may close no later than that date. If you become aware that the Project will not be able to meet all requirements for closing by that date, you should immediately contact Lynn Shields, Manager, at (617) 854-1381.

I congratulate you on receiving this Conditional Funding Reservation from the Affordable Housing Trust Fund and on your commitment to creating housing opportunities for low-income individuals and families. I look forward to seeing the project move toward completion.

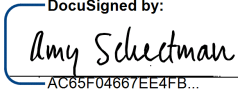
Sincerely,



Jennifer D. Maddox  
Undersecretary

cc: State Senator Cynthia Stone Creem  
State Representative Kay Khan

This award letter shall be deemed accepted when it has been signed and a copy returned to DHCD.

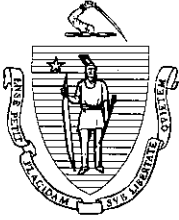
Borrower Signature:   
Date: 4/3/2020

## ADDITIONAL AHTF CONDITIONS

1. The sponsor must close on the AHTF financing within one year of the date of this award or apply to the AHTF for an extension to the award. Inability to meet the one-year deadline may result in a reconsideration of this award.
2. The borrower will be responsible for payment of all costs of construction monitoring for the AHTF.
3. It is anticipated that the source of AHTF funds to be provided to the project will be tax-exempt funds.
4. The borrower of the AHTF funds must be a single purpose, sole asset entity with the exception of projects sponsored by public housing authorities in which case the public housing authority sponsor may be the borrower.
5. The fiscal year of the AHTF financing will be 2021.
6. All sources and uses must be acceptable to MassHousing.
7. AHTF financing must be applied to eligible uses. Commercial costs, reserves, and infrastructure are not eligible uses.
8. Identification of a general contractor acceptable to MassHousing and DHCD if the general contractor is not identified at the time of application or if the general contractor is changed from that in the application.
9. Upon receipt by the borrower, disbursing agent or escrow agent, AHTF funds must be deposited into non-interest-bearing accounts (IOLTA accounts may not be used).
10. The execution of an Affordable Housing Restriction satisfactory to MassHousing and DHCD that shall provide that units shall be leased, rented or otherwise made available exclusively to persons or families whose annual income, at the time of initial occupancy of the unit, is less than or equal to area median income based on family size pursuant to the so-called Section 8 Program under Section 8 of the U.S. Housing Act of 1937, or any successor program, and the regulations promulgated thereunder according to the schedule below.

<b>Income Type</b>	<b>Bedrooms</b>	<b>Units</b>	<b>RA Type</b>	<b>Unit Type</b>
30% Rental Assisted	1-Bed	18	Section 8	
30% Rental Assisted	2-Bed	2	Section 8	
50% Rental Assisted	1-Bed	25	PRAC	
60% Non-Rental Assisted	1-Bed	2		
60% Non-Rental Assisted	2-Bed	3		
100%	1-Bed	8		
100%	2-Bed	2		
Market Rate	1-Bed	4		
Market Rate	2-Bed	4		

11. The Affordable Housing Restriction shall be in effect in perpetuity.
12. The debt coverage ratio, trending assumptions, and vacancy rates must be acceptable to MassHousing.
13. Project sponsors are strongly encouraged to seek additional non-MassDocs sources for the project. Please note that in the event the sponsor obtains additional funding for the project, the Affordable Housing Trust Fund award may be reduced, as necessary and appropriate to maintain compliance and consistency with Affordable Housing Trust Fund requirements.
14. Submission of an as-is appraisal acceptable to MassHousing and DHCD.
15. If there is an identity of interest between the sponsor and the general contractor or if a construction contractor is selected on any basis other than a competitive bid, the sponsor must submit a plan acceptable to MassHousing and DHCD to ensure that construction pricing is competitive and, prior to loan closing, evidence that the price is, in fact, competitive.
16. The developer must respond to issues raised in recent design/cost review commissioned by DHCD in a form and manner acceptable to MassHousing.
17. Submission of an asbestos abatement plan during construction acceptable to MassHousing.



Commonwealth of Massachusetts  
**DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ♦ Karyn E. Polito, Lt. Governor ♦ Jennifer D. Maddox, Undersecretary

March 2, 2020

Ms. Rachel Belanger  
Project Manager  
2Life Communities  
30 Wallingford Road  
Brighton, MA 02135

**RE: Golda Meir House Expansion, Newton**

Dear Ms. Belanger:

On behalf of the Baker Polito Administration, I am pleased to inform you that funds in an amount not to exceed \$1,000,000 from the Housing Innovations Fund Program (HIF) have been conditionally reserved by the Department of Housing and Community Development (DHCD) as a permanent mortgage loan for the Project, subject to the terms stated herein. If all the requirements of this Conditional Funding Reservation are satisfied, the HIF loan will be made to the project's borrower/owner, 2Life Golda Expansion LLC (the "Developer").

This Conditional Funding Reservation is issued pursuant to and in reliance on your application submitted to DHCD on October 31, 2019. The Project must proceed to a full financial closing by November 15, 2020 or this Conditional Funding Reservation will expire and may not be renewed by DHCD. It is also based upon your agreement that the Project will consist of 68 units of housing, 68 of which will be Housing Innovations Fund-assisted. In general, HIF-assisted units will be reserved for 30 years. A minimum of 50% of the total units must be reserved for low-income individuals or families with household incomes below 80% of area median, and at least 50% of those units (or 25% of the total) must be reserved for extremely low-income individuals or families with household incomes below 30% of area median (the "Eligible Use"). To accomplish this goal, the loan documents will contain appropriate restrictions on the use of the Project.

The loan term will be 30 years. The term may be extended for one or more periods of up to 10 years each under certain conditions with the approval of DHCD. Except in the event of default by the borrower, the HIF loan will not accrue interest. No periodic payments will be due under the loan. The HIF loan may not be prepaid during the term of the loan. There will be no loan origination or other loan processing fees charged to the Developer, with the exception of possible legal fees.

DHCD's practice has been to pay the entire cost of the outside legal counsel assigned to close the loan. In an effort to reduce legal costs for the program and to preserve the program's ability to foster the creation of additional housing, we will budget \$9,000 for the closing of this loan. It is

our desire and hope that the cost will actually be less. It is the borrower's responsibility to ensure that our legal counsel is provided with all the necessary documentation in a timely and professional manner. Any costs above this amount will be the responsibility of the borrower. Funds in an amount necessary to cover fees in excess of the \$9,000 will be paid by the borrower at the closing of the HIF loan from the proceeds of the loan or through terms mutually agreed upon by the borrower and DHCD.

As collateral for the loan, DHCD will take a mortgage and security position on the real property included in the Project. The priority position of the HIF mortgage may not be any more junior than a third mortgage, unless DHCD agrees otherwise in writing. A change in ownership of the Project or in the legal form of the owner of the Project, the placing of additional encumbrances on the Project without the prior written consent of DHCD, failure to maintain the Eligible Use of the Project, or default under senior mortgage loans, shall be among the events of default under the HIF loan.

This Conditional Funding Reservation will result in a HIF loan to the Project, provided the Developer meets the following conditions to the satisfaction of DHCD by November 15, 2020:

1. submission to and approval by DHCD of the following:
  - a. updated development and operating pro formas: With the issuance of this award, DHCD will not permit an increase in the total developer fee, overhead, and consulting costs, from the calculation submitted and approved in the One Stop Application, if additional project sources become available, DHCD may reduce its award;
  - b. evidence of a firm commitment of all acquisition, construction and permanent mortgage financing from those entities and in those amounts shown on the development pro forma, and on such terms as are acceptable to DHCD;
  - c. detailed time lines for the rehabilitation of the Project, including construction completion date, funding schedule, and move-in date;
  - d. documentation of the bid process, contractor selection process, and plan for monitoring of rehabilitation;
  - e. documentation that the general contractor is bonded or, if the general contractor is unable to meet this requirement, at DHCD's discretion the general contractor will be required to obtain a Letter of Credit for a minimum of 15% of the construction contract;
  - f. documentation of plans for meeting applicable state and/or federal requirements regarding Section 3, Minority and Women-Owned Business Enterprises, Davis-Bacon, Environmental Review, Uniform Relocation Act, and conflict of interest;
  - g. documentation that all contractors/subcontractors have been screened to confirm that they are not debarred or ineligible to work on a project;
2. submission of an instrument satisfactory to DHCD which indicates that by the date of the FCF-DMH loan closing, the Developer will have clear title to the Project, quality of the title to be satisfactory to DHCD's counsel;



3. submission to and approval by DHCD of a final construction budget with bid prices from the selected general contractor;
4. submission of final plans and specification satisfactory to DHCD;
5. submission of documentation that the building will meet federal and state requirements for accessibility;
6. submission of a Fair Housing narrative describing how the marketing, tenant selection, and other applicable policies and procedures will incorporate the Department's Fair Housing principles;
7. submission of satisfactory evidence that all other legal, design, regulatory, and environmental requirements for the Project are fulfilled and all approvals and site surveys required for the Project are obtained;
8. submission of and approval by DHCD of evidence of a satisfactory funding commitment for the Project's service plan.
9. submission of and approval by DHCD of incorporation in the project, to the extent feasible and possible, of all elements of green design in accordance with the most recent Qualified Allocation Plan.

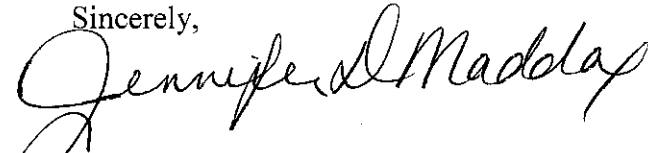
Closing and funding of the HIF loan will be conditioned upon the fulfillment of all terms and conditions of the Conditional Funding Reservation and upon satisfactory submission of all documents required by a loan closing agenda to be prepared by DHCD's special counsel for this loan.

Funding for the HIF loan is also conditioned upon release of funds for the HIF Program to DHCD by the Executive Office of Administration and Finance. This HIF loan is included in the Commonwealth's Capital Plan, with the exact amount of the loan approved for a specific fiscal year. This HIF loan can only be disbursed in accordance with the currently approved Capital Plan. Any changes in the loan amount or the timing of its disbursement may require a change in the Capital Plan, and will be subject to approval by DHCD and the Executive Office of Administration and Finance. In the event that changes may be proposed, please contact your CEDAC project manager immediately.

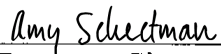
Again, the project must proceed to a full financial closing by November 15, 2020 or this Conditional Funding Reservation will expire and may not renew. If you realize that you will not be able to meet all the requirements within this time, please notify Bronia Clifton, Supportive Housing and Special Projects Manager at 617-573-1305. Closing and funding of the HIF loan will be conditional upon the fulfillment of this Conditional Funding Reservation and upon the satisfactory submission of all documents required by a loan closing agenda to be prepared by DHCD's special counsel for this loan. Please note that DHCD uses MassDocs loan documents. These documents are intended to be template documents to be employed "as is" with the exception of project specific provisions. Sample MassDocs may be reviewed at [www.massdocs.com](http://www.massdocs.com).

I congratulate you on receiving this Conditional Funding Reservation from the HIF Program and I look forward to seeing the Project move towards completion.

Sincerely,

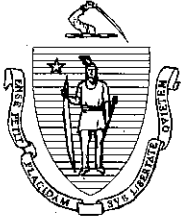
  
Jennifer D. Maddox  
Undersecretary

This Conditional Funding Reservation shall be deemed accepted when it has been signed and a copy returned to DHCD.

DocuSigned by:  
 Amy Schectman  
Borrower Signature

Date: 3/26/2020

cc: Roger Herzog, CEDAC  
State Representative Kay Khan  
State Senator Cynthia Creem  
Congressman Joseph Kennedy III  
U.S. Senator Edward Markey  
U.S. Senator Elizabeth Warren



Commonwealth of Massachusetts  
**DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ♦ Karyn E. Polito, Lt. Governor ♦ Jennifer D. Maddox, Undersecretary

March 2, 2020

Lizbeth Heyer  
Chief of Real Estate and Innovations  
2Life Development Inc.  
30 Wallingford Road  
Boston, MA 02135

RE: Golda Meir House, Newton (the "Project")

Dear Ms. Heyer:

On behalf of the Baker Polito Administration, I am pleased to inform you that funds in the amount of \$500,000 from the Housing Stabilization Fund ("HSF") have been conditionally reserved by the Department of Housing and Community Development ("DHCD") for a permanent mortgage loan for the Project, subject to the terms stated herein. If all the requirements of this Conditional Funding Reservation and a state comptroller's Standard Contract for HSF projects are satisfied, the HSF loan will be made to the Project's borrower/owner, 2Life Golda Expansion LLC.

This Conditional Funding Reservation is issued pursuant to and in reliance on your funding application submitted to DHCD on October 31, 2019. The project must proceed to a full financial closing no later than November 15, 2020 or this Conditional Funding Reservation will expire and may not be renewed by DHCD. The Conditional Funding Reservation is also based upon your agreement that the Project will consist of 68 units of rental housing, 50 of which will be HSF-assisted. Thirty (30) HSF-assisted units will be reserved for 50 years for individuals and families whose incomes are no higher than 60% of area median income and twenty (20) HSF-assisted units will be reserved for 50 years individuals and families whose incomes are no higher than 30% of area median income (the "Eligible Use"). To accomplish this goal, the loan documents will contain appropriate restrictions on the use of the Project.

The loan term will be 50 years. The term may be extended under certain conditions with the approval of DHCD. The loan may be without interest or an interest rate acceptable to DHCD which will be determined prior to closing. Typically, there will be one payment due at maturity, in an amount (subject to adjustment for costs, penalties, and other charges under the terms of the loan documents) representing the entire balance of the loan. However, DHCD reserves the right to require repayment of the HSF loan out of cash flow if DHCD deems there is or may be at some point in the future adequate cash flow to do so.

As collateral for the loan, DHCD will take a mortgage and security agreement on the real property included in the Project. The priority position of the HSF mortgage will be determined at the time of execution of a HSF Standard Contract. A change in ownership of the Project or in the legal form of the owner of the Project, the placing of additional encumbrances on the Project without the prior written consent of DHCD, failure to maintain the Eligible Use for the Project, or default under senior mortgage loans, shall be among the events of default under the HSF loan.

This Conditional Funding Reservation will result in the execution of a HSF Standard Contract for the Project, provided that the Developer meets the following general conditions to the satisfaction of DHCD by November 15, 2020:

1. submission to and approval by DHCD of the following:
  - a. updated One-Stop: With the issuance of this award, DHCD will not permit an increase in the total developer fee, overhead, and consulting costs from the calculation submitted and approved in the One Stop Application, if additional project sources become available, DHCD may reduce its award;
  - b. evidence of firm commitment for construction and/or permanent mortgage financing from those entities and in those amounts shown on the development pro forma, and on such terms as are acceptable to DHCD;
  - c. detailed time lines for the rehabilitation of the Project, including construction completion date, funding schedule, and move-in date;
  - d. documentation of the bid process, contractor selection process, and plan for monitoring of rehabilitation;
  - e. documentation that the general contractor is bonded or, if the general contractor is unable to meet this requirement, at DHCD's discretion the general contractor will be required to obtain a Letter of Credit for a minimum of 15% of the construction contract;
  - f. documentation of plans for meeting applicable state and federal requirements regarding Section 3, Minority and Women-Owned Business Enterprises, Davis-Bacon, Environmental Review, Uniform Relocation Act, and conflict of interest;
  - g. documentation that all contractors/subcontractors have been screened to confirm that they are not debarred or ineligible to work on a project;
2. submission of an instrument satisfactory to DHCD which indicates that by the date of the HSF loan closing, the Developer will have clear title to the Project, quality of title to be satisfactory to DHCD's counsel;
3. submission to and approval by DHCD of a final construction budget with bid prices from the selected general contractor;
4. submission of satisfactory evidence that all other legal, design, regulatory and environmental requirements for the Project are fulfilled and approvals obtained and all site surveys required for the Project are obtained;

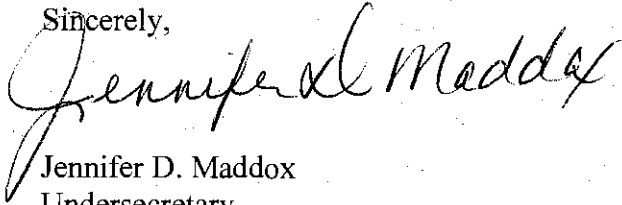
5. submission of and approval by DHCD of the project's service plan and evidence of a satisfactory funding commitment for the services, as applicable;
6. submission of final plans and specifications satisfactory to DHCD and in accordance with the current QAP including evidence:
  - a. that high speed internet access will be provided in all units;
  - b. that the final plans and specifications meet or exceed Energy Star standards and incorporate the sustainable design features pledged in the One Stop application dated October 31, 2019, i.e. Appendix H;
  - c. that the building will meet federal and state requirements for accessibility;
7. submission of a Fair Housing narrative describing how the marketing, tenant selection, and other applicable policies and procedures will incorporate the Department's Fair Housing principles;
8. submission of satisfactory evidence that all other legal, design, regulatory and environmental requirements for the Project are fulfilled and approvals obtained and all site surveys required for the Project are obtained;
9. submission to and approval by DHCD of proposed signage and press release material for groundbreaking, ribbon cuttings, etc., clearly referencing DHCD's financial support of the project;
10. please note that DHCD uses MassDocs loan documents. These documents are intended to be template documents to be employed "as is" with the exception of project specific provisions. Sample MassDocs may be reviewed at [www.massdocs.com](http://www.massdocs.com); and
11. upon completion of the development, any cost savings from the original development budget may be paid per the forthcoming MassDocs loan documents. At the option of DHCD, the savings may be held as a capital reserve for the development.

Closing and funding of the HSF loan will be conditional upon the fulfillment of all terms and conditions of the Conditional Funding Reservation and the HSF Standard Contract and upon satisfactory submission of all documents required by a loan closing agenda to be prepared by DHCD's special counsel for this loan. Funding of the Housing Stabilization Fund loan is also conditional upon the continued availability of state bond funds and release of funds by the Executive Office of Administration and Finance for the Housing Stabilization Fund. The HSF Loan can only be disbursed in accordance with a Capital Plan that has been approved by Executive Office of Administration and Finance for each fiscal years funding. The state fiscal year for the project's HSF funds will be confirmed during the loan closing process. Any changes in the loan amount or the timing of its disbursement may require a change in the Capital Plan, and will be subject to approval of DHCD and the Executive Office of Administration and Finance. In the event that changes may be proposed, please contact DHCD immediately.

This Conditional Funding Reservation will be in effect until November 15, 2020 and the Housing Stabilization Fund loan for the project may close no later than that date. If you become aware that the Project will not be able to meet all requirements for closing by that date, you should immediately contact Bill Cole, HSF Program Director, at 617.573.1303.

I congratulate you on receiving this Conditional Funding Reservation from the HSF Program and on your commitment to creating housing opportunities for low-income individuals and families. I look forward to seeing the project move toward completion.

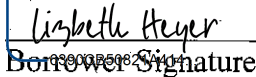
Sincerely,



Jennifer D. Maddox  
Undersecretary

This award letter shall be deemed accepted when it has been signed and a copy returned to DHCD.

DocuSigned by:



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Borrower Signature

4/27/2020

Date

cc: U.S. Senator Elizabeth A. Warren  
U.S. Senator Edward J. Markey  
Congressman Joseph P. Kennedy III  
State Senator Cynthia Stone Creem  
State Representative Kay Khan

Additional Project Conditions  
Golda Meir House/Newton (the "Project")

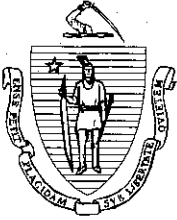
Based on the DHCD funding sources awarded to the Project, Golda Meir House is subject to various federal and/or state requirements, including, but not limited to:

- Conformance with all HOME Rule requirements, including updates to the Final Rule, as published July 24, 2013, and per ongoing related HUD guidance
- Uniform Relocation Assistance Act (24 CFR Part 49) & 104 (d) (24 CFR Part 42)
- Massachusetts Relocation Act (M.G.L. c.79A and 760 CMR 27.00)  
(<http://www.mass.gov/hed/community/planning/relocation-assistance-bor.html>)
- HUD Environmental Review (24 CFR Part 58 and related laws,  
<http://www.gpo.gov/fdsys/pkg/CFR-2004-title24-vol1/pdf/CFR-2004-title24-vol1-part58.pdf>)  
([http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/environment/review](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/review))
- Massachusetts Historic Commission approval (950 CMR 71.00)
- Davis Bacon Wages (Davis-Bacon and Related Acts (40 USC 276(A)-7))
- Section 3 of the Housing & Urban Development Act of 1968
- MBE/WBE hiring goals
- Subsidy Layering Review
- Section 504 of the Rehabilitation Act of 1973
- Massachusetts Architectural Access Board Guidelines (M.G.L. c. 22 and 521 CMR)
- Americans with Disabilities Act (ADA) (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218, 225)
- Affirmative Marketing (<http://www.mass.gov/hed/docs/dhcd/hd/fair/afhmp.pdf>)
- Nondiscrimination and Equal Opportunity
- Federal Lead-Based paint laws (various; see 24 CFR Part 92.355)
- Massachusetts Lead-Based paint laws (various, including 105 CMR 460.000 and 454 CMR 22.00)

The Project may be subject to additional requirements not indicated above, based on non-DHCD funding sources. Please check with all your funders to determine applicability of federal and state requirements.

If you believe that your project is not subject to any of the requirements indicated above, or if you have questions about these requirements, please contact Bill Cole at 617.573.1303.





Commonwealth of Massachusetts  
**DEPARTMENT OF HOUSING &  
COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ♦ Karyn E. Polito, Lt. Governor ♦ Jennifer D. Maddox, Undersecretary

March 2, 2020

Lizbeth Heyer  
Chief of Real Estate and Innovations  
2Life Development Inc.  
30 Wallingford Road  
Boston, MA 02135

RE: Golda Meir House, Newton (the "Project")

Dear Ms. Heyer:

On behalf of the Baker Polito Administration, I am pleased to inform you that funds in the amount of \$1,000,000 from the Non-Federal Investment Trust ("NFIT") Fund have been conditionally reserved by the Department of Housing and Community Development ("DHCD") for a permanent mortgage loan for the Project, subject to the terms stated herein. If all the requirements of this Conditional Funding Reservation and a state comptroller's Standard Contract for NFIT projects are satisfied, the NFIT loan will be made to the Project's borrower/owner, 2Life Golda Expansion LLC.

This Conditional Funding Reservation is issued pursuant to and in reliance on your funding application submitted to DHCD on October 31, 2019. The project must proceed to a full financial closing no later than November 15, 2020, or this Conditional Funding Reservation will expire and may not be renewed by DHCD. The Conditional Funding Reservation is also based upon your agreement that the Project will consist of sixty-eight (68) units of rental housing, fifty (50) of which will be NFIT-assisted. Thirty (30) NFIT-assisted units will be reserved for 30 years for individuals and families whose incomes are no higher than 60% of area median and twenty (20) NFIT-assisted units will be reserved for individuals and families whose incomes are no higher than 30% of area median (the "Eligible Use"). To accomplish this goal, the loan documents will contain appropriate restrictions on the use of the Project.

The loan term will be 30 years. The term may be extended under certain conditions with the approval of DHCD. The loan may be without interest or an interest rate acceptable to DHCD which will be determined prior to closing. Typically, there will be one payment due at maturity, in an amount (subject to adjustment for costs, penalties, and other charges under the terms of the loan documents) representing the entire balance of the loan. However, DHCD reserves the right to require repayment of the NFIT loan out of cash flow if DHCD deems there is or may be at some point in the future adequate cash flow to do so.

As collateral for the loan, DHCD will take a mortgage and security agreement on the real property included in the Project. The priority position of the NFIT mortgage will be determined at the time of execution of a NFIT Standard Contract. A change in ownership of the Project or in the legal form of the owner of the Project, the placing of additional encumbrances on the Project without the prior written consent of DHCD, failure to maintain the Eligible Use for the Project, or default under senior mortgage loans, shall be among the events of default under the NFIT loan.

This Conditional Funding Reservation will result in the execution of a NFIT Standard Contract for the Project, provided that the Developer meets the following general conditions to the satisfaction of DHCD by November 15, 2020:

1. submission to and approval by DHCD of the following:
  - a. updated One-Stop: With the issuance of this award, DHCD will not permit an increase in the total developer fee, overhead, and consulting costs from the calculation submitted and approved in the One Stop Application, if additional project sources become available, DHCD may reduce its award;
  - b. evidence of firm commitment for construction and/or permanent mortgage financing from those entities and in those amounts shown on the development pro forma, and on such terms as are acceptable to DHCD;
  - c. detailed time lines for the rehabilitation of the Project, including construction completion date, funding schedule, and move-in date;
  - d. documentation of the bid process, contractor selection process, and plan for monitoring of rehabilitation;
  - e. documentation that the general contractor is bonded or, if the general contractor is unable to meet this requirement, at DHCD's discretion the general contractor will be required to obtain a Letter of Credit for a minimum of 15% of the construction contract;
  - f. documentation of plans for meeting applicable state and federal requirements regarding Section 3, Minority and Women-Owned Business Enterprises, Davis-Bacon, Environmental Review, Uniform Relocation Act, and conflict of interest;
  - g. documentation that all contractors/subcontractors have been screened to confirm that they are not debarred or ineligible to work on a project;
2. submission of an instrument satisfactory to DHCD which indicates that by the date of the NFIT loan closing, the Developer will have clear title to the Project, quality of title to be satisfactory to DHCD's counsel;
3. submission to and approval by DHCD of a final construction budget with bid prices from the selected general contractor;
4. submission of satisfactory evidence that all other legal, design, regulatory and environmental requirements for the Project are fulfilled and approvals obtained and all site surveys required for the Project are obtained;


5. submission of and approval by DHCD of the project's service plan and evidence of a satisfactory funding commitment for the services, as applicable;
6. submission of final plans and specifications satisfactory to DHCD and in accordance with the current QAP including evidence:
  - a. that high speed internet access will be provided in all units;
  - b. that the final plans and specifications meet or exceed Energy Star standards and incorporate the sustainable design features pledged in the One Stop application dated October 31, 2019, i.e. Appendix H;
  - c. that the building will meet federal and state requirements for accessibility;
7. submission of a Fair Housing narrative describing how the marketing, tenant selection, and other applicable policies and procedures will incorporate the Department's Fair Housing principles;
8. submission of satisfactory evidence that all other legal, design, regulatory and environmental requirements for the Project are fulfilled and approvals obtained and all site surveys required for the Project are obtained;
9. submission to and approval by DHCD of proposed signage and press release material for groundbreakings, ribbon cuttings, etc., clearly referencing DHCD's financial support of the project;
10. please note that DHCD uses MassDocs loan documents. These documents are intended to be template documents to be employed "as is" with the exception of project specific provisions. Sample MassDocs may be reviewed at [www.massdocs.com](http://www.massdocs.com); and
11. upon completion of the development, any cost savings from the original development budget may be paid per the forthcoming MassDocs loan documents.

Closing and funding of the NFIT loan will be conditional upon the fulfillment of all terms and conditions of the Conditional Funding Reservation and the NFIT Standard Contract and upon satisfactory submission of all documents required by a loan closing agenda to be prepared by DHCD's special counsel for this loan.

This Conditional Funding Reservation will be in effect until November 15, 2020 and the Non-Federal Investment Trust loan for the project may close no later than that date. If you become aware that the Project will not be able to meet all requirements for closing by that date, you should immediately contact Rebecca Frawley Wachtel at (617) 573-1318.

I congratulate you on receiving this Conditional Funding Reservation from the NFIT Program and on your commitment to creating housing opportunities for low-income individuals and families. I look forward to seeing the project move toward completion.

Sincerely,

  
Jennifer D. Maddox  
Undersecretary

This award letter shall be deemed accepted when it has been signed and a copy returned to DHCD.

DocuSigned by:

  
Borrower Signature

4/27/2020

Date

cc: U.S. Senator Elizabeth A. Warren  
U.S. Senator Edward J. Markey  
Congressman Joseph P. Kennedy III  
State Senator Cynthia Stone Creem  
State Representative Kay Khan



Commonwealth of Massachusetts  
**DEPARTMENT OF HOUSING &  
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Charles D. Baker, Governor ♦ Karyn E. Polito, Lt. Governor ♦ Jennifer D. Maddox, Undersecretary

March 2, 2020

Lizbeth Heyer  
 Chief of Real Estate and Innovations  
 2Life Development Inc.  
 30 Wallingford Road  
 Boston, MA 02135

RE: Golda Meir House, Newton (the "Project")

Dear Ms. Heyer:

On behalf of the Baker Polito Administration, I am pleased to inform you that funds in the amount of \$500,000 from the HOME Investment Partnerships Program ("HOME") have been contingently reserved by the Department of Housing and Community Development ("DHCD") for a permanent mortgage loan for the Project, subject to the terms stated herein. If all the requirements of this Conditional Funding Reservation and a state comptroller's Standard Contract for HOME projects are satisfied, the HOME loan will be made to the Project's borrower/owner, 2Life Golda Expansion LLC.

This Conditional Funding Reservation is issued pursuant to and in reliance on your funding application submitted to DHCD on October 31, 2019. The project must proceed to a full financial closing by November 15, 2020 or this Conditional Funding Reservation will expire and may not be renewed by DHCD. The Conditional Funding Reservation is based upon your agreement that the Project will consist of sixty-eight (68) units of rental housing, eleven (11) of which will be HOME-assisted, which will be reserved for 30 years for individuals and families whose incomes are no higher than 50% of area median for not less than 20% of the units, and no higher than 60% of area median for the remaining units (the "Eligible Use"). To accomplish this goal, the loan documents will contain appropriate restrictions on the use of the Project. All HOME units that also have project-based rental assistance will need to be classified as 'Low HOME' units in the HOME Standard Contract and relevant loan documents.

The loan term will be 30 years. The term may be extended under certain conditions with the approval of DHCD. Typically, the loan will carry an interest rate determined by the developer and DHCD. The interest rate may be the "applicable federal rate." Typically, there will be one payment due at maturity, in an amount (subject to adjustment for interest costs, penalties, and other charges under the terms of the loan documents) representing the entire balance of the loan. However, DHCD reserves the right to require repayment of the HOME loan out of cash flow if DHCD deems there is or may be at some point in the future adequate cash flow to do so.

As collateral for the loan, DHCD will take a mortgage and security agreement on the real property included in the Project. The priority position of the HOME mortgage will be determined at the time of execution of a HOME Standard Contract. A change in ownership of the Project or in the legal form of the owner of the Project, the placing of additional encumbrances on the Project without the prior written consent of DHCD; failure to maintain the Eligible Use for the Project, or default under senior mortgage loans, shall be among the events of default under the HOME loan.

This Conditional Funding Reservation will result in the execution of a HOME Standard Contract for the Project, provided that the Developer meets the following general conditions to the satisfaction of DHCD by November 15, 2020:

1. submission to and approval by DHCD of the following:
  - a. updated development and operating pro formas: With the issuance of this award, DHCD will not permit an increase in the total developer fee, overhead, and consulting costs (as calculated within HOME program guidelines), from the calculation submitted and approved in the One Stop Application, if additional project sources become available, DHCD may reduce its award;
  - b. evidence of firm commitment for construction and/or permanent mortgage financing from those entities and in those amounts shown on the development pro forma, and on such terms as are acceptable to DHCD;
  - c. detailed time lines for the construction of the Project, including construction completion date, funding schedule, and move-in date;
  - d. documentation of the bid process, contractor selection process, and plan for monitoring of construction;
  - e. documentation that the general contractor is bonded or, if the general contractor is unable to meet this requirement, at DHCD's discretion will be required to obtain a Letter of Credit for a minimum of 15% of the construction contract;
  - f. documentation of plans for meeting applicable state and federal requirements regarding Section 3, Minority and Women-Owned Business Enterprises, Davis-Bacon, Uniform Relocation Act, Violence Against Women Act (VAWA) and conflict of interest;
  - g. documentation to support DHCD's completion of the required HUD Environmental Review process, as the project cannot proceed with any choice-limiting actions until this process has been completed and HUD has issued its release of funds letter;
  - h. documentation that all members of the development team, including contractors and subcontractors have been screened to confirm that they are not debarred or ineligible to work on a project;
2. submission of a purchase and sale agreement or other instrument satisfactory to DHCD which indicates that by the date of the HOME loan closing, the Developer will have clear title to the Project, quality of title to be satisfactory to DHCD's counsel;

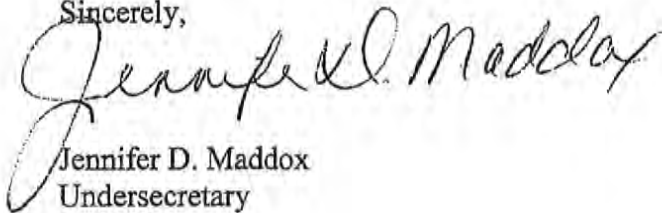
3. submission to and approval by DHCD of a final construction budget with bid prices from the selected general contractor;
4. submission of final plans and specifications satisfactory to DHCD including evidence:
  - a. that high speed internet access will be provided in all units; and
  - b. that the final plans and specifications meet or exceed Energy Star standards and incorporate the sustainable design features pledged in the One Stop application dated October 31, 2019;
5. submission of documentation that the building will meet federal and state requirements for accessibility;
6. submission of a Fair Housing narrative describing how the marketing, tenant selection, and other applicable policies and procedures will incorporate the Department's Fair Housing principles;
7. submission of satisfactory evidence that all other legal, design, regulatory and environmental requirements for the Project are fulfilled and approvals obtained and all site surveys required for the Project are obtained;
8. submission to and approval by DHCD of proposed signage and press release material for groundbreaking, ribbon cuttings, etc., clearly referencing DHCD's financial support of this project;
9. Please note that these DHCD HOME funds will be available no earlier than MA FY19;
10. Please note that DHCD uses MassDocs loan documents. These documents are intended to be template documents to be employed 'as is' with the exception of project specific provisions. Sample MassDocs may be reviewed at [www.massdocs.com](http://www.massdocs.com);
11. Upon completion of the development, any cost savings from the original budget for the development, including 100% of the unused soft cost contingency, shall be paid pro rata to the MassDocs Participating Lenders as a prepayment of their respective loan and/or grant. At the option of DHCD, the savings may be held as a capital reserve for the development.

Again, the project must proceed to a full financial closing by November 15, 2020 or this Conditional Funding Reservation will expire. If you become aware that the Project will not be able to meet all requirements for closing by that date, you should immediately contact Rebecca Frawley Wachtel, the HOME Program Director, at (617) 573-1318. Closing and funding of the HOME loan will be conditional upon the fulfillment of this Conditional Funding Reservation and the HOME Standard Contract and upon satisfactory submission of all documents required by a

loan closing agenda to be prepared by DHCD's special counsel for this loan. Funding of the HOME loan also is conditional upon the continued availability of federal funds and release of funds by the Executive Office of Administration and Finance for the HOME Program.

I congratulate you on receiving this Conditional Funding Reservation from the HOME Program and on your commitment to creating housing opportunities for low-income individuals and families. I look forward to seeing the project move toward completion.

Sincerely,



Jennifer D. Maddox  
Undersecretary

cc: U.S. Senator Elizabeth A. Warren  
U.S. Senator Edward J. Markey  
Congressman Joseph P. Kennedy III  
State Senator Cynthia Stone Creem  
State Representative Kay Khan

This award letter shall be deemed accepted when it has been signed and a copy returned to DHCD.

  
Borrower Signature

3/11/20  
Date



**Additional Project Conditions:  
Golda Meir House, Newton (the "Project")**

Based on the DHCD funding sources awarded to the Project, Golda Meir House is subject to various federal and/or state requirements, including, but not limited to:

- Conformance with all HOME Rule requirements, including updates to the Final Rule, as published July 24, 2013, and per ongoing related HUD guidance
- Uniform Relocation Assistance Act (24 CFR Part 49) & 104 (d) (24 CFR Part 42)
- Massachusetts Relocation Act (M.G.L. c.79A and 760 CMR 27.00)  
(<http://www.mass.gov/hed/community/planning/relocation-assistance-bor.html>)
- HUD Environmental Review (24 CFR Part 58 and related laws,  
<http://www.gpo.gov/fdsys/pkg/CFR-2004-title24-vol1/pdf/CFR-2004-title24-vol1-part58.pdf>)  
([http://portal.hud.gov/hudportal/HUD?src=/program\\_offices/comm\\_planning/environment/review](http://portal.hud.gov/hudportal/HUD?src=/program_offices/comm_planning/environment/review))
- Massachusetts Historic Commission approval (950 CMR 71.00)
- Davis Bacon Wages (Davis-Bacon and Related Acts (40 USC 276(A)-7)) (**N/A- 11 HOME Units**)
- Section 3 of the Housing & Urban Development Act of 1968
- MBE/WBE hiring goals
- The Violence Against Women Reauthorization Act of 2013 (VAWA)
- Subsidy Layering Review (Internal HOME SLR)
- Section 504 of the Rehabilitation Act of 1973
- Massachusetts Architectural Access Board Guidelines (M.G.L. c. 22 and 521 CMR)
- Americans with Disabilities Act (ADA) (42 U.S.C. 12131; 47 U.S.C. 155, 201, 218, 225)
- Affirmative Marketing (<http://www.mass.gov/hed/docs/dhcd/hd/fair/afhmp.pdf>)
- Equal Opportunity
- Federal Lead-Based paint laws (various; see 24 CFR Part 92.355)

- Massachusetts Lead-Based paint laws (various, including 105 CMR 460.000 and 454 CMR 22.00)

The Project may be subject to additional requirements not indicated above, based on non-DHCD funding sources. Please check with all your funders to determine applicability of federal and state requirements.

If you believe that your project is not subject to any of the requirements indicated above, or if you have questions about these requirements, please contact Rebecca Frawley Wachtel at 617-573-1318.



U.S. DEPARTMENT OF HOUSING AND URBAN DEVELOPMENT  
 Multifamily Northeast Region  
 New York Regional Center  
 Jacob K. Javits Federal Building  
 26 Federal Plaza, Suite 3214  
 New York, NY 10278-0068

**CERTIFIED MAIL – RETURN RECEIPT REQUESTED**

February 10, 2020

Ms. Zoe Weinrobe  
 Director of Real Estate Innovation  
 Jewish Community Housing for the Elderly III, Inc.  
 30 Wallingford Road  
 Brighton, MA 02135

**SUBJECT: Section 202 Supportive Housing for the Elderly Award – Agreement Letter**  
**Project Name: Golda Meir House Expansion**  
**City and State: Newton, MA**  
**HUD Project Underwriter: Vincent Willis**  
**Award Acceptance Deadline: 02/21/2020**

Dear Ms. Weinrobe:

I am pleased to advise you that your application submitted under the FY 2018 Section 202 Notice of Funding Availability (“NOFA”) to develop 25 dwelling units of housing for the elderly to be supported by a Project Rental Assistance Contract (“PRAC”) under the Section 202 Supportive Housing Program for the Elderly has been approved.

Capital Advance authority in the amount of \$4,000,000 has been obligated for this Project. In the coming months, HUD will also provide budget authority for the PRAC(s), which, in accordance with the NOFA, will be based on 75 percent (rather than on 100 percent) of the Operating Cost Standards applicable to Section 202 projects in the Project’s geographic area.

Pursuant to 31 USC § 1552(a), all FY 2017 funding must be expended by September 30, 2025 and all FY 2018 funding must be expended by September 30, 2026. Any funds that are not expended by the applicable dates stated in the previous herein will be cancelled and recaptured by the Treasury and thereafter will not be available for obligation or expenditure for any purpose.

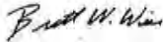
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The Multifamily Northeast Region consists of the New York Regional Center and the Baltimore and Boston Satellite Offices. Together, they serve Connecticut, Delaware, the District of Columbia, Maine, Maryland, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, Vermont, Virginia, and West Virginia.

[www.hud.gov](http://www.hud.gov)

Project Name: Golda Meir House Expansion Project No: 023-EE267

By signature below, I am approving the obligation of funds for the subject project. Your acceptance of this Agreement constitutes a certification and agreement by the Sponsor/Owner to the attached terms and conditions.

 Digitally signed by: Brett W. Wise  
Date: 2020.02.10 12:50:06 -05'00'

**Brett W. Wise** Date 2/10/20  
**Director, Multifamily Northeast Region**

Project Name: Golda Meir House Expansion Project No:023-EE267

**TERMS AND CONDITIONS**

This Agreement is subject to:

**ARTICLE I..... General Program Requirements**

**ARTICLE II..... Ownership Entity**

**ARTICLE III..... Environmental Review**

**ARTICLE IV..... Delegated Processing**

**ARTICLE V..... Energy and Water Conservation**

**ARTICLE VI..... Conflict of Interest**

**ARTICLE VII..... Milestones and Deliverable**

**ARTICLE VIII..... Project Funds**

**ARTICLE IX..... Fair Housing**

**ARTICLE X..... Federal Compliance**

**ARTICLE XI..... Reporting Requirements**

**ARTICLE XII..... Point of Contact**

**ARTICLE XIII..... Enclosures**

**ARTICLE XIV..... Award Acceptance**

**Your acceptance of this Agreement constitutes a certification and agreement by the Sponsor/Owner to the following terms and conditions:**

Project Name: Golda Meir House Expansion Project No: 023-EE267

## ARTICLE I. General Program Requirements

- A. There will not be any sale, assignment, conveyance, or any other form of transfer of this Agreement, funding, the property or project, or any interest therein, except for a transfer from the Sponsor to an approved single-purpose Owner organized by it.
- B. The Section 202 Capital Advance funds available for the project identified herein may not be used in connection with any other Project.
- C. HUD will **not** amend the amounts approved herein for this project. **Therefore, based on HUD's review of the Firm Commitment Application, the Sponsor will be liable for the cost of any front-end cash requirement should the cost to develop the project exceed the amount specified in this Agreement.**
- D. *If the Project site is subject to a leasehold, the lease must conform to the wording of the Lease Addendum – Section 202 as contained in Appendix 14 of the Section 202 Handbook 4571.5. If approved, by this office, the terms of the Lease Addendum may be varied only to conform to the law of the jurisdiction in which the Project is located.*
- E. **Design and Cost Standards.** You must comply with HUD's Section 202 Design and Cost Standards (24 CFR, Parts 891.120 and 891.210); Site and Neighborhood Standards of the regulations governing the Section 202 Supportive Housing for the Elderly program (24 CFR, Part 891.125(b); and (c)), Section 504 of the Rehabilitation Act of 1973 and HUD's implementing regulations at 24 CFR, Part 8, the Fair Housing Act and its implementing regulations at 24 CFR, Part 100, and where applicable, the Americans with Disabilities Act. You may receive helpful information with respect to the Fair Housing Act design and construction requirements on Fair Housing Accessibility FIRST's website at [www.fairhousingfirst.org](http://www.fairhousingfirst.org).
- F. You must undertake activities to create jobs and further local economic development, particularly for low-income populations and communities. Activities must be more comprehensive than those required to meet HUD's Section 3 "local hire" requirements. You are expected to undertake activities that focus on access to skills training and partnership with community-based organizations that will develop pathways to long-term career ladders for the target population.
- G. All other applicable Federal requirements, including but not limited to, those set forth in HUD's Fiscal Year 2017 and 2018 NOFA, General Section to HUD's FY 2017 and 2018 NOFAs for Discretionary Programs posted on [www.Grants.gov](http://www.Grants.gov).
- H. Project-Specific Requirements: None

## ARTICLE II. Ownership Entity

- A. The formation of a legally acceptable single-entity Owner corporation within **30 days** from the date of this Agreement is required.

Project Name: Golda Meir House Expansion Project No:023-EE267

B. An attempt must be made to obtain exemption from State and/or local real and/or personal property taxes. Evidence of filing, together with the response received from the taxing authority, must be submitted with the Application for Firm Commitment in one of the following forms:

1. Tax exemption;
2. Payment in Lieu of Taxes ("PILOT");
3. Tax abatement; and
4. Ineligibility for any tax relief

**Evidence of Eligibility** for (1), (2), or (3) must be submitted with the Application for Firm Commitment.

C. Capitalization of the Owner corporation, in a sufficient amount to permit the Owner to meet its obligations, in connection with the project is required. This includes the minimum capital investment, start-up costs, excess land costs, ineligible amenities, excessive construction costs and any other funds the Sponsor specifically commits to the project.

D. At the time the Application for Firm Commitment is submitted, evidence that the site is under the Owner's control must be provided.

E. Credit investigation clearance of the Owner's officers is required.

F. In accordance with Federal Regulation 5350: I-01 Conforming Changes to Applicant Submission Requirements; Implementing Federal Financial Report and Central Contractor Registration Requirements, Owners are required to register in the Central Contractor Registry before funds can be disbursed.

### **ARTICLE III. Environmental Review**

A. Section 202 Fund Reservation award constitutes preliminary approval of your site. Site approval will not occur until HUD completes its environmental review and finds the site environmentally acceptable. HUD will complete its environmental review prior to issuance of the Firm Commitment.

B. Compliance with Environmental Assurance. You agree to assist HUD with its compliance with environmental review regulations in 24 CFR, Part 50 and you will be required to:

- I. Provide environmental reports to the HUD electronic system known as HUD Environmental Review Online System ("HEROS") as necessary for HUD to perform for each property any environmental review required by 24 CFR, Part 50. It is recommended that the professionals have prior HUD experience. The environmental professional preparing the Phase I ESA must meet all of the qualifications and license/certifications, education, and experience requirements of Appendix X2 of ASTM E 1527-13. When a Phase II study is conducted, the "Phase II Assessor" must

Project Name: Golda Meir House Expansion Project No: 023-EE267

meet all of the qualification requirements of Section 3.1.33 of ASTM E 1903-11. Professionals may be required to evaluate technical areas, such as lead-based paint, asbestos, radon, noise, wetlands, flooding, historic preservation or soil stability conditions and should meet professional standards and/or certifications in their respective fields, e.g., 36 CFR, Part 61 standards for historic preservation;

2. Carry out mitigating measures required by HUD; and
  3. Not acquire, rehabilitate, demolish, convert, enter into or close a leasehold agreement (you can continue to perform obligations to sustain an existing leasehold or option to lease agreement), repair or construct property, nor commit or expend HUD or local funds for these program activities with respect to any eligible property, from the time the Application is submitted until HUD approval of the site is received.
- C. **Environmentally Unacceptable Sites.** *If upon completion of HUD's environmental review, the site is found acceptable but only with mitigation and the Owner/Sponsor cannot meet the mitigation requirements, or if HUD determines that even with mitigation, the site is unacceptable, the Section 202 Fund Reservation award will be withdrawn.*

#### ARTICLE IV. Delegated Processing

- A. Pursuant to Section 2835(b) of the Housing and Economic Recovery Act of 2008, HUD is required to delegate the review and processing of certain Section 202 Supportive Housing for the Elderly projects to selected State or local housing agencies. Delegated processing **can only be used** where the Sponsor's Application, in response to a NOFA indicates that development funds for a proposed Section 202 project will be provided by a combination of capital advance funding and any other source of funding exclusive of the Sponsor's financial contribution.
- B. Within 30 calendar days of the date you sign the Agreement; HUD shall delegate review and processing to a State or local housing agency, as appropriate. However, HUD retains the authority to process projects where no State or local housing agency has applied to provide delegated processing or entered into an agreement with the Secretary to serve as a delegated processing agency. Complete information regarding the delegated processing procedures will be available in a forthcoming Notice.

#### ARTICLE V. Energy and Water Conservation

At a minimum, energy efficiency strategies and water conservation appliances and fixtures must be incorporated in the design, construction, and operation of all new construction and substantial (gut) rehabilitation projects.

**Energy Efficiency.** Owners of new construction and substantial rehabilitation low-rise (up to 3 stories) multifamily developments **must** meet the requirements of EPA's ENERGY STAR Qualified Homes. Mid-Rise & High-Rise developments (4 or more stories) must meet the ASHRAE 90.1 Appendix G Plus 15 percent standard for Energy Efficiency. Any state energy



Project Name: Golda Meir House Expansion Project No:023-EE267

code requirements will take precedence over ENERGY STAR or ASHRAE specifications when the state code approximates or exceeds that standard.

- A. **Water Conservation Fixtures.** Installation of water-conserving fixtures is required in all new and substantially rehabilitated developments (i.e. resource efficient plumbing and appliances such as low flow showerheads and faucet and high efficiency toilets). The materials used must be WaterSense or a greater water efficiency product. More information is available at [www.epa.gov/watersense](http://www.epa.gov/watersense).
- B. **Owners of Existing Developments that do not qualify as new construction or substantial (gut) rehabilitation** must perform pre- and post-construction energy audits and incorporate conservation techniques in their Projects. Owners of existing developments must also commit to future installation of WaterSense fixtures and ENERGY STAR appliances in the Project's required Operations and Maintenance plan.
- C. **Operations and Maintenance ("O&M").** All Owners must develop an O&M manual that will address: a routine maintenance plan; operations and maintenance guidance for all appliances, HVAC operation, lighting equipment, paving materials and landscaping, pest control, and other systems that are part of each occupancy unit; an occupancy turnover plan that describes in detail the process of educating the tenant about proper use and maintenance of all building systems; and staff training needed to maintain the energy improvements and continue green building practices for the future. All O&M plans must commit to future installation of water-conserving fixtures and ENERGY STAR appliances. (O&M manual templates are available for use and customization on the Enterprise Green Communities website at [www.enterprisecommunity.org/solutions-and-innovation/green-communities](http://www.enterprisecommunity.org/solutions-and-innovation/green-communities)).

#### ARTICLE VI. Conflict of Interest

- A. This Agreement and fund reservation will be subject to cancellation, at HUD's option, in the event there comes into existence or HUD becomes aware of a pre-existing conflict of interest involving the Project on the part of its officers or directors of either the Sponsor or Owner organization (including affiliates).
- B. The Sponsor and Owner must submit Conflict of Interest and Disclosure Certifications for each officer and director of both the Sponsor and Owner and Identity of Interest and Disclosure Certifications for all development team members.

**NOTE:** When a new development team member is added or changed, an Identity of Interest Certification must be submitted. Likewise, at any time the Sponsor or Owner changes any officers or directors, a Conflict of Interest and Disclosure Certification must be submitted for the new person(s).

Project Name: Golda Meir House Expansion Project No: 023-EE267

#### **ARTICLE VII. Milestones and Deliverable**

*Unless explicitly approved, the Owner must meet the following milestones in order to retain its award:*

- A. Return two copies of this Agreement indicating acceptance **within 14 calendar days** of the date of this Agreement,
- B. Commence construction, rehabilitation or acquisition **within 18 months** from the date of this Agreement, unless limited extensions are approved by HUD. Such extensions will be based upon HUD's determination that the Owner has established a reasonable schedule and is making sufficient progress toward the start of construction. **The Agreement and fund reservation will be canceled if construction, rehabilitation or acquisition has not commenced within 18 months from the date of this Agreement, unless limited extensions are approved by HUD.**

In order to maintain on track with this schedule, HUD recommends:

- A. Submission of the land appraisal within **30 calendar days** from the date of this Agreement.
- B. Submission of Form HUD-2530, Previous Participation Certification through the Active Partners Performance System ("APPS") for all officers and directors of the Owner's board within **90 calendar days**. There must be subsequent clearance thereof.
- C. Submission of an Application for Firm Commitment in full compliance with HUD's design and cost standards and programmatic requirements within **180 calendar days** from the date of this Agreement. The design and cost standards apply to all projects regardless of the proposed operating cost level. The design must not include any prohibited features and must be cost efficient.

#### **ARTICLE VIII. Project Funds**

- A. Drawdown of Capital Advance through eLOCCS. After the formation of the Ownership entity, you are required to establish an electronic Line of Credit Control System ("eLOCCS") account by completing form HUD-27054, eLOCCS Access Authorization Request.
  - The LOCCS Program Area Code "CAH"
  - The three-digit program number is "105"
- B. Instructions. eLOCCS Instructions can be obtained from the following website [www.hud.gov/program\\_offices/cfo/loccs\\_guidelines](http://www.hud.gov/program_offices/cfo/loccs_guidelines)
- C. You, as the Sponsor, and the Owner, when formed, are subject to the provisions of Section 319 of Public Law 101-121 (approved October 23, 1989) (31 U.S.C. 1352) (the Byrd Amendment), which prohibits recipients of federal contracts, grants, or loans from using appropriated funds for lobbying the executive or legislative branches of the federal

Project Name: Golda Meir House Expansion Project No:023-EE267

government in connection with a specific contract, grant, or loan. In addition, the Owner, when formed, must disclose, using Standard Form LLL "Disclosure of Lobbying Activities," any funds, other than federally appropriated funds, that will be or have been used to influence federal employees, Members of Congress, and congressional staff regarding specific grants or contracts.

#### **ARTICLE IX. Fair Housing**

- A. Affirmatively Furthering Fair Housing ("AFFH"). Section 808(e)(5) of the Fair Housing Act imposes a duty on HUD to affirmatively further the purposes of the Fair Housing Act. Accordingly, you are required to take affirmative steps to further fair housing.
- B. Affirmative Fair Housing Marketing Plan ("AFHMP"). You must develop an AFHMP that will reach those applicants that are least likely to apply to your Project to promote diversity.
- C. Limited English Proficiency. You are required to take reasonable steps to provide meaningful access to persons with Limited English Proficiency ("LEP"). As part of your duty to affirmatively further fair housing, you should take proactive measures to inform eligible LEP persons of the housing, related activities and available language assistance.

#### **ARTICLE X. Federal Compliance**

- A. You are required to provide a drug-free workplace. Please see HUD Handbook 4571 Chapter 1.
- B. In accordance with 24 CFR, Part 24, no award of federal funds may be made to applicants that are presently debarred or suspended, or proposed to be debarred or suspended, from doing business with the federal government. This requirement applies not only to you, as the Sponsor, and the Owner, when formed, but also to all lower tier covered transactions and to all solicitations for lower tier covered transactions. The prohibition includes the following:
  - 1. Having principals who, within the previous three years, have been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (federal, state, or local) transaction, violation of federal or state anti-trust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements or receiving stolen property; and
  - 2. Charges or indictments against the Sponsor, Owner and their principals by a governmental entity (federal, state and local) for commission of any of the above violations within the previous three years.
- C. You must comply with the labor standards provisions at 24 CFR 891.155(d). These include Davis-Bacon prevailing wage and reporting requirements and the overtime

Project Name: Golda Meir House Expansion Project No: 023-EE267

provisions of the Contract Work Hours and Safety Standards Act.

#### **ARTICLE XI. Reporting Requirements**

- A. For the purpose of determining your compliance with the requirements of Section 3, you must submit form HUD-60002, Section 3 Summary Report, through the Section 3 Performance Evaluation and Reporting System ("SPEARS"). Instructions for Use of SPEARS can be found at [www.hud.gov/sites/documents/1560002INSTRUCTIONS.PDF](http://www.hud.gov/sites/documents/1560002INSTRUCTIONS.PDF). Form HUD-60002 shall be submitted to HUD annually, no later than January 10<sup>th</sup> or the 10<sup>th</sup> day after Project completion, whichever is earlier. Section 3 regulations can be found at 24 CFR, Part 135, subpart E).
- B. The Regulatory Agreement (Form HUD-92466-CA) requires the Owner to submit an annual financial statement for the Project. This financial statement must be audited by an Independent Public Accountant who is a Certified Public Accountant or other person accepted by HUD and filed electronically with HUD's Real Estate Assessment Center ("REAC") through the Financial Assessment Subsystem for Multifamily Housing (MF-FASS). The submission of annual financial statements is required throughout the 40-year term of the mortgage.
- C. You are required to meet the requirements of the Federal Financial Assistance Accountability and Transparency Act of 2006, as amended. As a recipient of HUD funds, you are required to report subawards made either as pass-through awards, subrecipient awards, or vendor awards. To learn more about this requirement visit [www.fsrs.gov](http://www.fsrs.gov).

#### **ARTICLE XII. Point of Contact**

If you have any questions regarding the requirements for submission of the Application for Firm Commitment and to obtain information about your required attendance at the Office's Project Planning Conference, please contact the assigned HUD Underwriter, Vincent Willis at (212) 542-7762 or [Vincent.Willis@hud.gov](mailto:Vincent.Willis@hud.gov). If you have further questions you can contact Stacey Ashmore, Production Division Director at (212) 542-7840 or [Stacey.I.Ashmore@hud.gov](mailto:Stacey.I.Ashmore@hud.gov).

#### **ARTICLE XIII. Enclosures**

HUD has revised some of the handbook (4571.5) procedures applicable to the submission, review and processing of Section 202 Applications for Firm Commitment through Final Closing. Please see Notice H 2011-18, Updated Processing Guidance for the Section 202 Supportive Housing for the Elderly and Section 811 Supportive Housing for Persons with Disabilities Programs ([www.hud.gov/sites/documents/11-18HSGN.PDF](http://www.hud.gov/sites/documents/11-18HSGN.PDF)) as well as a copy of Notice H 96-102, Redesignated Section 202 Supportive Housing for the Elderly and Section 811 Supportive Housing for Persons with Disabilities Programs - Firm Commitment Processing to Final Closing ([www.hud.gov/sites/documents/96-102hsgn.doc](http://www.hud.gov/sites/documents/96-102hsgn.doc)). Please read the Notices very carefully because

Project Name: Golda Meir House Expansion Project No:023-EE267

the revised procedures will affect not only your Project funding but also your responsibilities for project completion. If you have specific questions regarding the processing of this award, please contact the assigned HUD Underwriter.

#### **ARTICLE XIV. Award Acceptance**

Section 202 Capital Advance Funds and PRAC funds have been obligated for your Project, however the availability of these funds is contingent on you executing this Agreement no later than the **Award Acceptance Deadline shown above on Page 1**. By accepting this award and returning a signed copy of this Agreement to this HUD Office, you hereby certify that you will comply with all governing program requirements and statutes. Your acceptance also constitutes a certification and agreement of the terms and conditions detailed in this Agreement.

We look forward to working with you toward the successful completion of this Project.

Sincerely,



Digitally signed by:  
Brett W. Wise  
Date: 2020.02.10 13:  
53:48 -05'00'


Brett W. Wise  
Director,  
Multifamily Northeast Region

Enclosure

Project Name: Golda Meir House Expansion Project No: 023-EE267

Please indicate by signing in the space provided whether or not you accept this Agreement including the special conditions or requirements that are specified herein, and certify to your understanding that the project must be developed in accordance with the terms set forth in this Agreement. **Return by Certified Mail - Return Receipt Requested, two signed copies of this Agreement, along with the resume for the consultant (if a consultant has been or will be used) to this Office within 14 days from the date of this letter.**

**ACCEPT:**

	PRESIDENT	2/19/2020
Signature of Authorized Officer (Sponsor)	Title	Date

Signature of Authorized Officer (Co-Sponsor)	Title	Date

**DO NOT ACCEPT:**

Signature of Authorized Officer (Sponsor)	Title	Date

Signature of Authorized Officer (Co-Sponsor)	Title	Date



Philanthropic Solutions  
Bank of America, N.A.

April 1, 2019

Ms. Marian Milbauer, Grants Manager  
Friends of Jewish Community Housing for the Elderly  
30 Wallingford Road  
Brighton, MA 02135

Dear Ms. Milbauer:

It is our pleasure to advise you that the Distribution Committee/Co-Trustee(s) for the Charles H. Farnsworth Trust has awarded a \$525,000 grant to Friends of Jewish Community Housing for the Elderly. This three-year grant was made to support the development/construction costs for Golda Meir House Expansion and Healthy Meals Program. Grant proceeds may be loaned to a limited liability corporation that may be created for this project.

The Trustee(s) of the Charles H. Farnsworth Trust are responsible for the management of the Fund's assets and administration of its grantmaking program and seek to ensure that the philanthropic intentions of the donor are honored.

This letter and enclosed agreement outline the terms and conditions of accepting our grant. Please read all the terms and conditions carefully before signing the agreement. The signed agreement should be returned to us no later than April 8, 2019, as noted in the award agreement. After we receive the signed agreement, we will mail you a check.

We have also enclosed an expenditure report which you will be required to complete and return to us annually and at the conclusion of the grant period.

We are proud to have the opportunity to partner with your organization and look forward to learning more about your continuing success. If you have any questions about this grant, or its conditions, please do not hesitate to call me at 617.434.6454. Best wishes for much success.

Sincerely,

A handwritten signature in black ink, appearing to read "Dian Quinn".

Dian Quinn, S.V.P., Philanthropic Client Manager  
Bank of America, NA  
Trustee

MA1-225-04-02, 225 Franklin Street  
Boston, MA 02110  
T 866.778.6859 F 617.310.2193

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Formerly Jewish Community Housing for the Elderly (JCHE)

October 31, 2019

Undersecretary Janelle Chan  
 Department of Housing and Community Development  
 100 Cambridge Street, Suite 300  
 Boston, MA 02114

RE: Golda Meir House Expansion, Newton  
 Project Savings/Upward Tax Credit Adjuster Commitment Letter

Dear Ms. Chan,

This letter is to commit that 2Life Development Inc. (formerly known as Jewish Community Housing for the Elderly III, Inc.), the developer and sponsor of the Golda Meir House Expansion, will use the \$835,400 in project savings/upward tax credit adjuster from the Golda Meir House Renovation as a capital source for Expansion project.

Should you have any questions, please call me at (617) 912-8426.

Sincerely,

Karen Edlund  
 Treasurer







Commonwealth of Massachusetts  
**DEPARTMENT OF HOUSING &  
 COMMUNITY DEVELOPMENT**

Charles D. Baker, Governor ◆ Karyn E. Polito, Lieutenant Governor ◆ Jennifer D. Maddox, Undersecretary

March 20, 2020

Ms. Amy Schectman  
 2Life Communities  
 30 Wallingford Road  
 Boston, MA 02135

Re: Conditional Reservation of twenty (20) Section 8 Project-Based Vouchers (PBV) for:  
 Golda Meir House Extension, Newton, MA

Dear Ms. Schectman:

I am pleased to inform you that as part of DHCD's 2019-3 Mini Round funding round, twenty (20) Section 8 project-based vouchers have been conditionally reserved for the above referenced project. This approval is contingent upon your proposal meeting all current and future US Department of Housing and Urban Development (HUD) requirements for the PBV program as codified at 24 CFR 983. Please note that an Agreement to enter a Housing Assistance Payments (AHAP) contract must be executed prior to the start of any construction or demolition on the project. All PBV voucher reservations are subject to available funding from HUD.

DHCD's regional administering agency (RAA) for the City of Boston, Metropolitan Housing Boston, will administer these vouchers on behalf of our agency. With the exception of currently in-place, appropriately housed, eligible tenants, only those applicants referred from RAA's waiting list will be eligible to receive this rental assistance.

DHCD requires that project principals meet with DHCD and the RAA to insure that the owner/sponsor is aware of all Pre-AHAP requirements prior to any commencement of work on the project. Some of these conditions are time consuming. Your project must receive HUD approval for the following requirements:

- ◇ An Environmental Review
- ◇ A Subsidy Layering Review

Until these requirements are satisfactorily completed and approved by HUD, DHCD cannot authorize the RAA to execute the AHAP. These specific requirements will be discussed in detail at the Pre-AHAP meeting.

Please contact Dan Tobyne, Project Based Voucher Program Specialist in our Bureau of Rental Assistance, to arrange the meeting to discuss the steps that will be necessary to utilize these project-based vouchers. Mr. Tobyne can be reached at [dan.tobyne@mass.gov](mailto:dan.tobyne@mass.gov)

We look forward to working with you to provide these affordable housing units in the City of Newton, MA.

Sincerely,



Jennifer D. Maddox  
Undersecretary

cc: Chris Norris, MHB

**JCHE, Inc. and Affiliates  
(DBA 2Life Communities, Inc.)**

**Consolidated Financial Statements  
(With Supplementary Information)  
and Independent Auditor's Report**

**December 31, 2018**

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**JCHE, Inc. and Affiliates  
(DBA 2Life Communities, Inc.)**

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## Independent Auditor's Report

To the Board of Directors of JCHE, Inc. and Affiliates (DBA 2Life Communities, Inc.)

We have audited the accompanying consolidated financial statements of JCHE, Inc. and Affiliates, which comprise the consolidated statements of financial position as of December 31, 2018, and the related consolidated statements of activities, changes in net assets, and cash flows for the year then ended, and the related notes to the consolidated financial statements.

### *Management's Responsibility for the Consolidated Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of the consolidated financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to JCHE, Inc. and Affiliates' preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of JCHE, Inc. and Affiliates' internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the consolidated financial position of JCHE, Inc. and Affiliates as of December 31, 2018, and the consolidated changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

### *Emphasis of Matter*

As discussed in Note 2, the Corporation adopted the Financial Accounting Standards Update ("ASU") 2016-14, *Not-for-Profit Entities (Topic 958)-Presentation of Financial Statements of Not-for-Profit Entities* as of and for the year ended December 31, 2018. The requirements of the ASU have been applied retroactively to all periods presented. Our opinion is not modified with respect to this matter.

*Other Matters*

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements taken as a whole. The consolidating information and supplemental schedules on pages 26 to 31 are presented for purposes of additional analysis of the consolidated financial statements rather than to present the financial position, results of operations, and cash flows of the individual entities. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the consolidated financial statements as a whole.

*CohnReznick LLP*

Bethesda, Maryland  
June 9, 2020

**JCHE, Inc. and Affiliates  
(DBA 2Life Communities, Inc.)**

**Consolidated Statement of Financial Position  
December 31, 2018**

Assets

Current assets	
Cash and cash equivalents	\$ 33,942,694
Accounts receivable	1,125,440
Developer fee receivable - current	5,157,631
Investments, current	48,549,095
Pledges receivable	327,367
Prepaid expenses and deposits	413,134
	<hr/>
Total current assets	89,515,361
	<hr/>
Other assets	
Developer fee receivable - noncurrent	300,087
Investments	502,034
Replacement reserves	-
Pledges receivable - noncurrent	1,159,405
Security deposits	564,668
Development costs	2,686,311
Escrows and reserves	10,541,691
Other assets	12,656
	<hr/>
Total other assets	15,766,852
	<hr/>
Deferred fees, net of accumulated amortization	252,305
	<hr/>
Property and equipment	
Land	14,934,072
Buildings and improvements	212,153,542
Furniture and fixtures	4,820,618
Construction in process	19,588,200
Accumulated depreciation	(26,796,479)
	<hr/>
Total property and equipment	224,699,953
	<hr/>
Total assets	<u>\$ 330,234,471</u>

**JCHE, Inc. and Affiliates  
(DBA 2Life Communities, Inc.)**

**Consolidated Statement of Financial Position  
December 31, 2018**

Liabilities and Net Assets

Current liabilities	
Accounts payable and accrued expenses	\$ 1,763,948
Accounts payable - construction	7,345,964
Accrued interest payable - current	714,830
Accrued asset management fee	10,000
Deferred revenue - current	144,584
Notes payable - current maturities	<u>12,091,236</u>
Total current liabilities	<u>22,070,562</u>
Long-term liabilities	
Security deposit payable	532,155
Accrued interest payable	140,056
Lines of credit	511,004
Notes payable, net	<u>206,168,309</u>
Total long-term liabilities	<u>207,351,524</u>
Commitments and contingencies	-
Net assets	
Without donor restrictions - undesignated	63,241,214
Without donor restrictions - non-controlling	34,804,796
With donor restrictions	<u>2,766,375</u>
Total net assets	<u>100,812,385</u>
Total liabilities and net assets	<u><u>\$ 330,234,471</u></u>

See Notes to Financial Statements.



**JCHE, Inc. and Affiliates  
(DBA 2Life Communities, Inc.)**

**Consolidated Statement of Activities  
Year Ended December 31, 2018**

	Without donor restrictions	With donor restrictions	Total
Support and revenue			
Contributions	\$ 992,642	\$ 2,447,916	\$ 3,440,558
Other fee income	19,726	-	19,726
Development fee income	4,397,015	-	4,397,015
Grants	827,114	-	827,114
Rental income	31,171,545	-	31,171,545
Program service revenue	1,212,414	-	1,212,414
Other	672,393	-	672,393
Net assets released from restriction	826,589	(826,589)	-
	<u>40,119,438</u>	<u>1,621,327</u>	<u>41,740,765</u>
Total support and revenue			
Expenses			
Program services	30,746,126	-	30,746,126
Supporting services			
Management and general	2,729,194	-	2,729,194
Fundraising	348,212	-	348,212
	<u>3,077,406</u>	<u>-</u>	<u>3,077,406</u>
Total supporting services			
Total operating expenses	<u>33,823,532</u>	<u>-</u>	<u>33,823,532</u>
Non-operating activities			
Gain (loss) on investments - net	(1,000,082)	-	(1,000,082)
Interest and dividends	602,472	-	602,472
Other financial expenses	(625,236)	-	(625,236)
Gain on sale of property and equipment	227,092	-	227,092
Entity expenses	(10,000)	-	(10,000)
Reclassification of net assets due to donor intent	(147,796)	147,796	-
	<u>(953,550)</u>	<u>147,796</u>	<u>(805,754)</u>
Total non-operating activities			
Change in net assets	5,342,356	1,769,123	7,111,479
Non-controlling interest income (loss)	1,441,348	-	1,441,348
Excess (deficiency) of revenue over expenses - attributable to JCHE and Affiliates	<u>\$ 3,901,008</u>	<u>\$ 1,769,123</u>	<u>\$ 5,670,131</u>

See Notes to Financial Statements.

**JCHE, Inc. and Affiliates  
(DBA 2Life Communities, Inc.)**

**Consolidated Statement of Changes in Net Assets  
Year Ended December 31, 2018**

	Without donor restrictions			With donor restriction	Total
	Controlling	Non-controlling	Total		
Net Assets at December 31, 2017	\$ 61,582,614	\$ 25,537,484	\$ 87,120,098	\$ 997,252	\$ 88,117,350
Contributions from non-controlling members	-	7,825,964	7,825,964	-	7,825,964
Distributions	(2,242,408)	-	-	-	(2,242,408)
Excess (deficiency) of revenue over expenses	3,901,008	1,441,348	5,342,356	1,769,123	7,111,479
Net Assets at December 31, 2018	<u>\$ 63,241,214</u>	<u>\$ 34,804,796</u>	<u>\$ 100,288,418</u>	<u>\$ 2,766,375</u>	<u>\$ 100,812,385</u>

See Notes to Financial Statements.

**JCHE, Inc. and Affiliates  
(DBA 2Life Communities, Inc.)**

**Consolidated Statement of Cash Flows  
Year Ended December 31, 2018**

Cash flows from operating activities	
Change in net assets	\$ 7,111,479
Adjustments to reconcile change in net assets to net cash provided by operating activities	
Depreciation and amortization of tax credit fees	5,560,402
Amortization of debt issuance costs	50,059
Loss (gain) on investments - net	1,000,082
Interest income on investments reinvested	(84,452)
Investment fees	50,567
Discount on pledges receivable	73,728
Donated securities	-
Changes in assets and liabilities	
Accounts receivable	1,247,416
Pledges receivable	(1,281,476)
Prepaid expenses	(147,879)
Accounts payable	(392,081)
Deferred revenue	38,539
Security deposits payable	(12,261)
Accrued interest	(89,422)
Accrued asset management fees	10,000
Other assets	
Developer fee receivable	(3,799,150)
Other assets	64
Development costs	(1,050,803)
	<u>8,284,812</u>
Net cash provided by operating activities	
Cash flows from investing activities	
Investment in property and equipment	(46,929,798)
Proceeds from sales of marketable securities	12,839,259
Investment in marketable securities	(45,873,800)
Change in other escrows and reserves	13,531,502
Tax credit fees paid	(137,024)
Ground lease payment	(12,720)
	<u>(66,582,581)</u>
Net cash used in investing activities	
Cash flows from financing activities	
Proceeds from note payable	72,023,259
Principal payments on notes payable	(8,048,390)
Contributions from noncontrolling members	7,825,964
Proceeds from line of credit	406,743
Distributions to noncontrolling members	(2,242,408)
Debt issuance costs	(1,181,659)
	<u>68,783,509</u>
Net cash provided by financing activities	
Net change in cash and cash equivalents	<u>10,485,740</u>
Cash and cash equivalents	
Beginning of year	<u>23,456,954</u>
End of year	<u>\$ 33,942,694</u>

**JCHE, Inc. and Affiliates  
(DBA 2Life Communities, Inc.)**

**Consolidated Statement of Cash Flows  
Year Ended December 31, 2018**

## Supplemental disclosure of cash flow information:

Cash paid for interest, net of amounts capitalized	<u>\$ 6,931,361</u>
Noncash investing activities	
Accounts payable construction included in investment in property and equipment	<u>\$ 7,345,964</u>
Accrued interest included in investment in property and equipment	<u>\$ 5,344</u>

See Notes to Financial Statements.

**JCHE, Inc. and Affiliates  
(DBA 2Life Communities, Inc.)**

**Notes to Consolidated Financial Statements  
December 31, 2018**

**Note 1 - Organization**

Jewish Community Housing for the Elderly, Inc. and Affiliates was organized under the laws of the Commonwealth of Massachusetts in 1965 as a nonprofit organization to build and operate rental housing for seniors under Section 202 of the National Housing Act. The Organization sold its assets to an affiliate in 2013. The Organization is operated for the benefit of affiliated 501(c)(3) organizations and is the asset manager for senior housing projects sponsored and operated by the Organization and other nonprofit entities affiliated with 2Life Communities.

The consolidated financial statements include the accounts of JCHE, Inc. and the following separately incorporated affiliates ("JCHE, Inc. and Affiliates, JCHE or the Organization").

The following list of is comprised of limited liability companies (LLCs) and limited partnerships (LPs) that rehabilitate, construct, and operate affordable housing communities. JCHE and certain affiliated entities act in the capacity of managing member for these entities.

- JCHE Leventhal LP ("Leventhal")
- JCHE Ulin LP ("Ulin")
- JCHE Genesis LP ("Kurlat")
- JCHE 132 CHA LLC ("Weinberg")
- JCHE Golda LP ("Golda")
- JCHE Coleman LP ("Coleman")
- JCHE Framingham LP ("Shillman")

The following list of for-profit and not for-profit entities are wholly owned by JCHE, Inc., except for JCHE Golda GP LLC and JCHE Shillman, Inc., which are owned 45% and 21%, respectively, by LRCC Holdings, an unrelated third party. These entities act in the capacity of managing member or general partner for affiliated tax credit entities.

- JCHE Leventhal, Inc.
- JCHE Ulin, Inc.
- JCHE MM Genesis LLC
- JCHE MM 132 CHA LLC
- JCHE Golda GP LLC
- JCHE Coleman GP LLC
- JCHE Shillman, Inc.

The following not for-profit entities are wholly owned by JCHE, Inc.:

- Friends of Jewish Community Housing for the Elderly, Inc. ("Friends of JCHE")
- Jewish Community Housing for the Elderly Services, Inc. ("JCHE Services")
- Jewish Community Housing for the Elderly II, Inc. ("JCHE II")
- Jewish Community Housing for the Elderly III, Inc. ("JCHE III, Inc.")
- Jewish Community Housing for the Elderly IV, Inc. ("JCHE IV")
- Jewish Community Housing for the Elderly V, Inc. ("JCHE V")
- Jewish Community Housing for the Elderly VI, Inc. ("JCHE VI")
- Jewish Community Housing for the Elderly III, LP. ("JCHE III, LP")

**JCHE, Inc. and Affiliates  
(DBA 2Life Communities, Inc.)**

**Notes to Consolidated Financial Statements  
December 31, 2018**

The not-for-profit affiliates are commonly controlled by a majority of the same board members of JCHE, Inc.

The for-profit affiliates are controlled by JCHE, Inc. through its ownership of the managing members and general partner of the LLCs and LPs.

**Note 2 - Summary of significant accounting policies**

A summary of significant accounting policies consistently applied in the preparation of the accompanying financial statements follows:

**Principles of consolidation**

The consolidated financial statements include the accounts of JCHE, Inc. and Affiliates. The boards of the directors of JCHE, Inc. and not-for-profit affiliates have common members. The LLC and LP entities are included in the consolidation according to generally accepted accounting principles which require company accounts be consolidated for all LLCs and LPs which are deemed to be controlled by JCHE, Inc. Significant inter-organization accounts and transactions have been eliminated.

**Basis of accounting**

JCHE, Inc. and Affiliates ("JCHE") prepares its consolidated financial statements on the accrual basis of accounting consistent with accounting principles generally accepted in the United States of America.

**Estimates**

The preparation of the consolidated financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the consolidated financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

**Economic concentrations**

JCHE operates multiple properties located in Massachusetts. Future operations could be affected by changes in economic or other conditions in that geographical area or by changes in federal low-income housing subsidies or the demand for such housing.

**Cash and cash equivalents**

JCHE considers money market funds and highly-liquid overnight investments with original maturities of three months or less to be cash equivalents.

Escrows and reserves are not considered cash and cash equivalents, and include cash held with financial institutions for tenant security deposits, repairs or improvements to the buildings which extend their useful lives, local rent supplement program reserves and bond reserves.

**Accounts receivable and bad debts**

Tenant receivables are charged to bad debt expense when they are determined to be uncollectible based upon a periodic review of the accounts by management. Accounting principles generally accepted in the United States of America require that the allowance method be used to recognize bad debts; however, the effect of using the direct write-off method is not materially different from the results that would have been obtained under the allowance method.

**JCHE, Inc. and Affiliates  
(DBA 2Life Communities, Inc.)**

**Notes to Consolidated Financial Statements  
December 31, 2018**

**Pledges**

Unconditional pledges to give are recognized as revenue in the period the pledges are received, and as assets, or decreases of liabilities or expenses depending on the form of the benefits received. Conditional pledges are recognized as revenue when the conditions on which they depend are substantially met. A conditional pledge is considered unconditional if the possibility that the condition will not be met is remote.

Pledges are reported net of an allowance for doubtful accounts. Management's estimate of the allowance is based on historical collection experience and a review of the current status of the promises. At December 31, 2018, no allowance has been recorded. It is reasonably possible that management's estimate of the allowance will change. Pledges as of December 31, 2018 are unconditional and considered fully collectible.

**Property and equipment**

Property and equipment are recorded at cost. Donated property is recorded at the estimated market value at the time of donation. Buildings are depreciated using the straight-line method over their estimated useful lives of 40 years. Other property and equipment purchases are capitalized and depreciated over their estimated useful lives ranging from five to 10 years. Leasehold improvements are amortized over the lesser of their estimated useful lives or the related lease terms. Land improvements are depreciated over their estimated useful life of ranging from 15 to 20 years under the straight-line method. Expenditures greater than \$5,000 that extend the useful life of the asset are capitalized.

**Debt issuance costs**

Debt issuance costs, net of accumulated amortization, are reported as a direct deduction from the face amount of the mortgage loan payable to which such costs relate. Amortization of debt issuance costs is reported as a component of interest expense and is computed using an imputed interest rate on the related loan.

**Deferred fees and amortization**

During 2018, deferred fees include tax credit fees of \$316,393, which are amortized using the straight-line method over 15 years. Amortization expense for the year ended December 31, 2018 was \$21,165. Accumulated amortization as of December 31, 2018 was \$64,088. Estimated amortization expense for each of the years through December 31, 2023 is \$21,165.

**Impairment of long-lived assets**

JCHE reviews its long-lived assets for impairment whenever events or changes in circumstances indicate that the carrying value of the asset may not be recoverable. Recoverability is measured by a comparison of the carrying amount of the asset to the future net undiscounted cash flow expected to be generated and any estimated proceeds from the eventual disposition. If the long-lived assets are considered to be impaired, the impairment to be recognized is measured at the amount by which the carrying amount of the asset exceeds the fair value as determined from an appraisal, discounted cash flows analysis, or other valuation technique. There was no impairment losses recognized during 2018.

**Revenue recognition**

Contributions are recognized as revenue when an unconditional promise to give is received by JCHE. All contributions, and other types of revenue with restrictions imposed by the donor, are reported as increases in net assets with donor restriction. When a restriction expires, net assets with donor restriction are reclassified to net assets without donor restriction.

**JCHE, Inc. and Affiliates  
(DBA 2Life Communities, Inc.)**

**Notes to Consolidated Financial Statements  
December 31, 2018**

Development fee income is recognized as income when earned by JCHE upon the achievement of specified criteria as defined by the related development services agreements. Development fee receivable and development fee income earned from affiliates and payable from operational cash flow of the respective entities is eliminated during consolidation. As of December 31, 2018, Development fee receivable from investor capital was \$5,457,718.

Rental revenue attributable to residential leases is recorded when due from residents, generally upon the first day of each month. Leases are for periods of up to one year, with rental payments due monthly. Rental payments received in advance are deferred until earned. All leases between JCHE and its tenants are operating leases. Subsidy income and other income, which includes fees for late payments and laundry facilities, are recorded when earned.

**Advertising**

Advertising costs are expensed when incurred. For the year ended December 31, 2018, JCHE, Inc. and Affiliates incurred advertising costs of \$86,751.

**Income taxes**

JCHE, Inc., Friends of JCHE, JCHE Services, JCHE II, JCHE III, Inc., JCHE IV, JCHE V, and JCHE VI have applied for and received a determination letter from the Internal Revenue Service ("IRS") to be treated as a tax-exempt entity pursuant to Section 501(c)(3) of the Internal Revenue Code and did not have any unrelated business income for the year ended December 31, 2018. Due to its tax-exempt status, the organizations are not subject to income taxes. They are required to file and do file tax returns with the IRS and other taxing authorities. Accordingly, these consolidated financial statements do not reflect a provision for income taxes and the organizations have no other tax positions which must be considered for disclosure. Income tax returns filed by the organizations are subject to examination by the Internal Revenue Service for a period of three years. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2015 remain open.

All other affiliated entities have elected to be treated as pass-through entities for income tax purposes and, as such, are not subject to income taxes. Rather, all items of taxable income, deductions and tax credits are passed through to and are reported by the owners on their respective tax returns. The affiliated entities' federal tax status as pass-through entities is based on their legal status as limited liability companies or limited partnership. Accordingly, these affiliated entities are not required to take any tax positions in order to qualify as pass-through entities. These affiliated entities are required to file and do file tax returns with the Internal Revenue Service and other taxing authorities. Accordingly, these consolidated financial statements do not reflect a provision for federal income taxes for these affiliated entities. These affiliated entities have no other tax positions which must be considered for disclosure. Income tax returns filed by these affiliated entities are subject to examination by the Internal Revenue Service for the period of three years. While no income tax returns are currently being examined by the Internal Revenue Service, tax years since 2015 remain open.

**Functional allocation of expenses**

The costs of providing the various programs and other activities have been summarized on a functional basis in the consolidated statement of activities. Directly identifiable expenses are charged to program and supporting services. Overhead expenses related to more than one function are allocated to program and supporting services based on time spent on various programs.



**JCHE, Inc. and Affiliates  
(DBA 2Life Communities, Inc.)**

**Notes to Consolidated Financial Statements  
December 31, 2018**

**Non-controlling interest in limited liability companies**

This amount represents the aggregate balance of the investor partners'/members' equity interest in the non-wholly owned limited partnerships/limited liability companies that are included in the consolidated financial as of year ended December 31, 2018.

**Fair value**

The Organization adopted a framework for measuring fair values as defined as the exchange price that would be received for certain assets or liabilities in the principal or most advantageous market for the asset in an orderly transaction between market participants on the measurement date. The Organization utilizes the valuation techniques that maximize the use of observable inputs and minimize the use of unobservable inputs. The Organization has not adopted a framework for measuring fair values of certain nonfinancial assets and liabilities.

**Investments**

Investments are reported at fair value, realized and unrealized gains and losses are included in the statements of activities and disclosure about investments held and the return on those investments are included in the notes to the financial statements.

Realized gains and losses are classified as unrestricted net assets unless they are restricted by the donor or law.

**Reclassification of net assets due to donor intent**

During 2018, a reclassification was made to correct prior year understated net assets with donor restriction in the amount of \$147,796.

**Change in accounting principle**

During 2018, the Organization adopted the provisions of Accounting Standards Update 2016-14, *Presentation of Financial Statements of Not-for-Profit Entities* ("ASU 2016-14"). The update addresses the complexity and understandability of net asset classifications, deficiencies in information about liquidity and availability of resources, and the lack of consistency in the type of information provided about expenses and investment return. The Corporation has adjusted the presentation of these statements accordingly. ASU 2016-14 has been applied on a retrospective basis.

**Note 3 - Pledges**

**Unconditional**

Capital campaign and operations pledges receivable as of December 31, 2018 are presented as temporarily restricted net assets. These unconditional promises to give are to be received by the Organization for years subsequent to December 31, 2018.

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Pledges are considered fully collectible and are due as follows as of December 31, 2018:

Within one year	\$ 327,367
From one to five years	<u>1,233,133</u>
	1,560,500
Less:	
Discount on pledges receivable	<u>(73,728)</u>
Net pledges receivable	<u><u>\$ 1,486,772</u></u>
Pledges receivable, current portion	\$ 327,367
Pledges receivable, non-current portion	<u>1,159,405</u>
	<u><u>\$ 1,486,772</u></u>

**Note 4 - Net assets with donor restrictions**

At December 31, 2018, net assets with donor restrictions consisted of the following:

Capital campaign	\$ 1,748,021
Charitable gifts	278,035
Grants and foundations	722,819
Permanently restricted	<u>17,500</u>
	<u><u>\$ 2,766,375</u></u>
Capital campaign	\$ 4,500
Charitable gifts	138,275
Grants and foundations	<u>683,814</u>
	<u><u>\$ 826,589</u></u>

Net assets released from donor restrictions for the year ended December 31, 2018 are as follows:

Capital campaign	\$ 4,500
Charitable gifts	138,275
Grants and foundations	<u>683,814</u>
	<u><u>\$ 826,589</u></u>

**Note 5 - Investments**

During 2016, the Organization invested into the Jewish Community Endowment Pool, LLP (the "Pool"), sponsored by combined Jewish Philanthropies of Greater Boston, Inc. ("CJP"). The Organization is assigned a percentage of the Pool based on the market value of the assets in the Pool at the time of entry. Current market value of the investments in the Pool is used to determine the market value of the Organization's interest at December 31, 2018. Income from investments in the Pool is allocated to each

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partner based on the partner's percent interest in the Pool. At December 31, 2018, the Organization owned 0.62% of the Pool. Investments in Jewish Community Endowment Pool, LLP at December 31, 2018 are summarized as follows:

	Costs	Market
Jewish Community Endowment Pool, LLP	\$ 8,210,103	\$ 8,551,115

The composition of the investments held in the Jewish Community Endowment Pool, LLP at December 31, 2018 was as follows:

Equities	\$ 2,989,721
Hedged equities	3,844,832
REITS	345,214
Fixed income bonds	1,111,646
Money markets	259,702
	\$ 8,551,115

The Organization's other investments at December 31, 2018 are summarized as follows:

Foreign currency and cash equivalents	\$ 8,222,140
Mutual funds	3,164,406
Fixed income	22,400,388
Exchange traded funds	3,606,391
Real estate investment trust	26,834
Equities	264,565
Bonds	50,000
Certificates of deposit	2,765,290
	\$ 40,500,014

**Note 6 - Fair value measurement**

The accounting guidance for fair value measurements and disclosures clarifies the principle that fair value should be based on the assumptions that market participants would use when pricing the asset or liability, and establishes the following fair value hierarchy:

- Level 1 inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the Organization has the ability to access;
- Level 2 inputs to the valuation methodology include:
  - Quoted prices for similar assets or liabilities in active markets;
  - Quoted prices for identical or similar assets or liabilities in inactive markets;
  - Inputs other than quoted prices that are observable for the asset or liability; and

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- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

- Level 3 inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The following table presents the fair value of assets measured on a recurring basis at December 31, 2018:

	Level 1	Level 2	Level 3	Net balance
Foreign currency and cash equivalents	\$ 8,222,140	\$ -	\$ -	\$ 8,222,140
Mutual funds	3,164,406	-	-	3,164,406
Fixed income	-	22,400,388	-	22,400,388
Exchange traded funds	3,606,391	-	-	3,606,391
Real estate investment trust	26,834	-	-	26,834
Equities	264,565	-	-	264,565
Bonds	-	50,000	-	50,000
Certificates of deposit	-	2,765,290	-	2,765,290
Investments in limited partnership	-	-	8,551,115	8,551,115
	<u>\$ 15,284,336</u>	<u>\$ 25,215,678</u>	<u>\$ 8,551,115</u>	<u>\$ 49,051,129</u>

The following table provides a summary of changes in fair value of the Organization's Level 3 assets, as well as the portion of gains or losses included in income attributable to unrealized gains or losses that related to those assets held at December 31, 2018:

	January 1, 2018	Purchase, issuance and settlement	Net realized/ unrealized gain included in earnings	Transfers in and/or out of Level 2	December 31, 2018
Investments in limited partnership	<u>\$ 8,963,770</u>	<u>\$ -</u>	<u>\$ (412,655)</u>	<u>\$ -</u>	<u>\$ 8,551,115</u>

**Note 7 - Line of credit**

Brookline Bank is providing predevelopment financing to JCHE Services in the form of a revolving line of credit (the "Line of Credit"). The Line of Credit permits borrowings up to \$2,000,000 and provides for an interest rate of U.S Prime Rate Plus Prime Rate Margin per annum (5.50% at December 31, 2018). The Line of Credit matures on December 31, 2049. The Line of Credit is secured by a first priority interest in all business assets. At December 31, 2018, the outstanding balance of the Line of Credit is \$104,261. The Line of Credit is intended to be used primarily for predevelopment expenses associated with the affordable housing developments of affiliated organizations.

JCHE III, Inc. has a letter of credit with The Life Initiative in the original amount of \$1,250,000. The line of credit bears interest at 6% and requires quarterly payments of interest-only. The Line of Credit matures on September 13, 2023. At December 31, 2018, the outstanding balance was \$406,743.

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**Note 8 - Notes payable**

Notes payable at December 31, 2018 consisted of:

Name of Creditor	Maturity Date	Interest Rate	Balance as of 12/31/2018	Other	Name of Debtor
Massachusetts Development Finance Agency ("MHFA")	3/1/2048	5.19%	\$ 11,819,515	Principal and interest payments are due monthly	Leventhal
Department of Housing and Urban Development "HUD")	12/1/2056	3.53%	44,972,036	Principal and interest payments are due monthly. Balance includes unamortized mortgage premium of \$3,483,791	Ulin
MHFA	1/1/2049	3.90%	56,790,000	Interest only payment during the construction period. Principal and interest payments are due monthly beginning 1/1/2019	Kurlot
MHFA	3/1/2019	7.69%	13,150	Principal and interest payments are due monthly	Kurlot
MHFA	2/1/2019	11.85%	646	Principal and interest payments are due monthly	Kurlot
Red Mortgage Capital LLC	5/1/2053	3.77%	25,620,247	Principal and interest payments are due monthly	Coleman
HUD	7/31/2038	0.00%	4,056,700	If there has been no default, the note will be discharged at maturity.	Coleman
City of Newton	40 years from date of occupancy	0.00%	200,000	If there has been no default, the note will be discharged at maturity.	Coleman
MHFA	8/1/2059	3.90%	36,716,086	Principal and interest payments are due monthly	Golda
MHFA	11/1/2051	6.50%	12,158,841	Principal and interest payments are due monthly	Shillman
Town of Framingham	12/1/2054	0.20%	72,874	All outstanding principal and interest due at maturity	Shillman
Commonwealth of Massachusetts	12/17/2051	0.00%	2,854,342	All outstanding principal due at maturity	Shillman
Community Economic Development Assistance Corporation	6/17/2041	0.00%	467,002	All outstanding principal due at maturity	Shillman
Massachusetts Housing Partnership Fund	6/17/2061	0.00%	717,001	All outstanding principal due at maturity	Shillman
MHFA	12/17/2051	0.00%	971,528	All outstanding principal due at maturity	Shillman
MHFA	11/1/2051	0.00%	2,603,733	All outstanding principal due at maturity	Shillman
MHFA	8/24/2050	3.79%	467,309	All outstanding principal and interest due at maturity	Shillman
Community Economic Development Assistance Corporation	6/17/2041	0.00%	467,002	All outstanding principal due at maturity	Shillman
Combined Jewish Philanthropies of Greater Boston, Inc.	On demand	0.00%	25,000	Payable on demand	JCHE, Inc.
HUD	7/31/2051	0.00%	7,579,000	If there has been no default, the note will be discharged at maturity.	JCHE III, Inc.

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Name of Creditor	Maturity Date	Interest Rate	Balance as of 12/31/2018	Other	Name of Debtor
Wells Fargo Community Development Bank	7/12/2019	Variable 4.66% at 12/31/2018	8,506,047	Monthly payments of interest only	Weinberg
Department of Housing and Community Development ("DHCD") AHTF Loan	7/31/2059	2.00%	925,000	All outstanding principal and interest due at maturity	Weinberg
DHCD HSF Loan	12/12/2068	2.00%	495,000	All outstanding principal and interest due at maturity	Weinberg
Community Economic Development Assistance Corporation ("CEDAC") FCF Loan	12/12/2048	2.00%	475,000	All outstanding principal and interest due at maturity	Weinberg
DHCD HOME Loan	7/31/2059	2.00%	475,000	All outstanding principal and interest due at maturity	Weinberg
Department of Neighborhood Development ("DND") Housing 2030 Loan	7/31/2059	2.50%	1,187,500	All outstanding principal and interest due at maturity	Weinberg
DND NHT Loan	7/31/2059	2.50%	950,000	All outstanding principal and interest due at maturity	Weinberg
CEDAC HIF Loan	12/12/2048	2.00%	475,000	All outstanding principal and interest due at maturity	Weinberg
			222,060,559		
		Less: Current maturities	(12,091,236)		
		Less: Debt issuance cost, net	(3,801,014)		
		Total long-term notes payable	<u>\$ 206,168,309</u>		

As of December 31, 2018, all notes payable are solely collateralized by the respective rental properties owned by the affiliated entities responsible for each mortgage.

Debt issuance costs, net of accumulated amortization, totaled \$3,801,014 at December 31, 2018, and are related to the mortgages above. Debt issuance costs on the above notes are being amortized using imputed rates that range from 0.02% to 7.42%.

The aggregate amount of principal payments required on notes payable at December 31, 2018 are as follows:

December 31, 2019	\$	12,091,236
2020		4,508,194
2021		4,692,255
2022		4,883,947
2023		5,083,593
Thereafter		<u>187,317,543</u>
Total	\$	<u>218,576,768</u> *

\*excludes unamortized mortgage premium of \$3,483,791

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**Note 9 - Commitments and contingencies**

The Organization's low-income housing credits are contingent on its ability to maintain compliance with applicable sections of Section 42 of the Internal Revenue Code. Failure to maintain compliance with tenant income eligibility and rent limits or to correct instances of noncompliance within a reasonable time period could result in recapture of previously claimed tax credits plus interest. In addition, any such noncompliance, if it were to occur, likely would result in an adjustment to the contributed capital of the investor limited partners.

**Note 10 - Defined contribution plan**

The Organization and its affiliates adopted a defined contribution plan effective February 1, 2008. The Plan covers all employees who have met the eligibility requirements. Participants may elect to make contributions pursuant to a salary reduction agreement, subject to statutory limits. The Plan provides for an employer matching contribution of 60% up to 5% of the individual participant's compensation. In addition, the Plan provides for a discretionary employer contribution. Vesting in employer matching contributions and discretionary employer contributions plus earnings is 100% at all times. Total contributions to the Plan for the year ended December 31, 2018 was \$140,630, which is included in salaries and employee benefits on the statement of activities.

**Note 11 - Uninsured cash**

The Organization maintains its cash balances in several accounts in various banks. The cash balances are insured by the Federal Deposit Insurance Corporation. At times, these balances may exceed the federal insurance limits; however, the Organization has not experienced any losses with respect to its bank balances in excess of government-provided insurance. Management believes that no significant concentration of credit risk exists with respect to these cash balances at December 31, 2018.

**Note 12 - Related party transaction**

Kurlot entered into an asset management fee agreement with Wells Fargo Affordable Housing Community Development Corporation. Pursuant to the agreement, Kurlot is obligated to pay an annual cumulative fee of \$5,000 per year, commencing January 1, 2018. The fee shall be payable annually by the cash flow of the Project. For the year ended December 31, 2018, \$5,000 was incurred. At December 31, 2018, fees of \$5,000 remained payable.

Golda entered into an asset management fee agreement with Wells Fargo Affordable Housing Community Development Corporation. Pursuant to the agreement, Golda is obligated to pay an annual cumulative fee of \$5,000 per year, commencing January 1, 2018. The fee shall be payable annually by the cash flow of the Project. For the year ended December 31, 2018, \$5,000 was incurred. At December 31, 2018, fees of \$5,000 remained payable.

**Note 13 - Significant contracts**

**Construction contracts**

Weinberg entered into a construction contract with Dellbrook Construction LLC, an unrelated party, to perform general contractor services in conjunction with the construction of the Project in the original amount of \$16,230,087. Change orders through December 31, 2018 were \$561,992. As of December 31, 2018, \$14,877,685 of costs have been incurred and capitalized to the cost of the rental property. As

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of December 31, 2018, \$3,330,993, including retainage of \$745,423, remains payable and is included in accounts payable - construction.

Golda entered into a construction contract with Colantonio, Inc. an unrelated party, to perform general contractor services in conjunction with the construction of the Project. The contract sum amounted to \$31,633,858, of which \$3,361,461 represents change orders. As of December 31, 2018, \$34,995,319 of costs have been incurred and capitalized to the cost of the rental property. As of December 31, 2018, \$3,320,533, including retainage of \$1,640,489, remains payable and is included in accounts payable - construction.

Kurlat entered into a contract, approved by the Agency with Dellbrook Construction, LLC, an unrelated party, to perform general contractor services in conjunction with the construction of the Project. The contract sum amounted to \$37,358,516, of which \$3,396,229 represents change orders. For the years ended December 31, 2018, \$37,358,516 was incurred and is capitalized in rental property. As of December 31, 2018, \$150,000 was payable and is included in accounts payable - construction.

Leventhal has entered into a contract with Commercial Masonry Corporation, an unrelated party, to perform general contractor services in conjunction with the renovation of the building's façade. For the years ended December 31, 2018 and 2017, the contract sum, including change orders, amounted to \$1,368,537 and \$1,031,000, respectively. For the years ended December 31, 2018 and 2017, \$1,324,773 and \$989,520 was incurred and is capitalized in building on the balance sheet. As of December 31, 2018, and 2017, \$264,054 and \$98,952 was payable and is included in accounts payable - construction/development on the balance sheet.

**Other contracts**

The Organization entered a contract for the purchase of natural gas from Constellation Energy Gas Choice, LLC. The contract provides for the purchase of natural gas at a predetermined cost based on a monthly volume commitment. Usage in the monthly electricity and natural gas demand are charged an incremental rate depending on usage in excess of or less than the actual demand in relation to the contracted demand. The total costs incurred under these contracts for the year ended December 31, 2018 totaled \$425,300.

Kurlat has entered into a contract with Dietz & Company Architects, Inc., an unrelated party, to perform architect's basic services in conjunction with the construction of the Project. The contract amounted to \$1,937,000. For the years ended December 31, 2018 and 2017, \$1,937,000 and \$1,768,056, respectively, was incurred and capitalized to the building. As of December 31, 2018 and 2017, \$0 and \$27,300, respectively, was payable and is included in accounts payable - construction on the balance sheets.



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**Note 14 - Availability and liquidity**

The following represents JCHE, Inc. and Affiliates' financial assets at December 31, 2018:

Cash and cash equivalents	\$ 33,942,694
Accounts receivable	1,125,440
Developer fee receivable - current	4,215,762
Investments - current	48,549,095
Pledges receivable	327,367
Escrow deposits	2,568,703
Less:	
Guarantees - required reserve	(9,000,000)
Donor restricted net assets	<u>(1,606,970)</u>
 Financial assets available to meet cash needs for general expenditures within one year	 <u><u>\$ 80,122,091</u></u>

The Organization's goals to maintain and generate liquid assets is described as follows:

- Real estate portfolio - to maintain sufficient liquidity to meet 60-90 days of operating and debt service requirements with the excess distributed in accordance with surplus cash provisions as contained within the financing documents of each property.
- Parent organization - to maintain financial assets to meet to the following:
  - 6 months of operating expenses (approximately \$3.214 million) in its operating cash accounts and operating reserve funds; plus;
  - 12 months of operating expenses to fund programs and services (approximately \$2.7 million) in all of its undesignated and designated funds.

**Note 15 - Guarantees**

JCHE III, Inc. is required to maintain a net worth of at least \$5,000,000 and at least 20% of such amount in liquid investments throughout the Compliance Period of Shillman, as defined. At December 31, 2018, the Organization has greater than \$5,000,000 in liquid investments.

JCHE II shall maintain at all times Unencumbered Liquid Assets, as defined in the guaranty agreement, of at least \$4,000,000, subject to reduction per the terms of the agreement, through construction completion and \$1,000,000 thereafter. At December 31, 2018, the Organization has greater than \$4,000,000 in liquid investments.

**Note 16 - Grants**

In conjunction with the purchase of the property, Ulin assumed a HUD-funded Congregate Housing Services Program ("CHSP") cost reimbursement grant (the "Grant") of approximately \$688,605 over a five-year period. The Grant has been renewed in one -year increments, resulting in a current expiration date of December 31, 2018 and a total HUD-funded award of \$3,053,607. Grant funds are restricted to provide a variety of support services to eligible tenants residing in Ulin House, Kurlot and Leventhal House (affiliates). The Grant stipulates that HUD will reimburse the Partnership for allowable program

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costs and the remaining costs will be reimbursed by matching funds and contributions from participating Boston area elderly service providers, tenants and other JCHE entities.

The Grant further stipulates that Ulin act as sole grant recipient for Ulin House, Leventhal House and Kurlot, and that the costs and revenue associated with the Grant has no net impact on the financial results of Ulin House. For the year ended December 31, 2018, \$414,750 had been expended related to this grant and \$414,750 was recognized as grant revenue. At December 31, 2018, a total of \$34,218 was due from grantors, tenants and other parties and \$38,789 is due from HUD. At December 31, 2018, a total of \$214,456 was payable which was comprised primarily of amounts due to affiliates. Of the \$414,750 of income, \$259,710 was contributed by related parties and \$155,040 was funded through HUD.

**Note 17 - Functional expenses**

The table below presents expenses by both their nature and function during the year ended December 31, 2018:

	Program Services	Management & General	Fundraising	Total
Salaries & benefits	\$ 4,785,015	\$ 251,599	\$ 168,505	\$ 5,205,119
Administrative	4,525,146	2,087,279	-	6,612,425
Rent & utilities	2,408,867	-	-	2,408,867
Operating & maintenance	2,989,224	26,868	-	3,016,092
Taxes & insurance	2,838,119	350,733	58,977	3,247,829
Interest	6,891,998	-	-	6,891,998
Resident services	37,799	-	-	37,799
Caring Choice	26,784	-	-	26,784
Fitness expense	44,869	-	-	44,869
Equipment	540,485	-	-	540,485
Transportation and van	85,268	-	-	85,268
Generations program	1,645	-	-	1,645
Communication and education	3,845	-	-	3,845
Fundraising expense	-	-	120,730	120,730
Other	18,800	575	-	19,375
Depreciation and amortization	5,548,262	12,140	-	5,560,402
<b>Total operating expenses</b>	<b>30,746,126</b>	<b>2,729,194</b>	<b>348,212</b>	<b>33,823,532</b>
<b>Non-operating expenses</b>	<b>635,236</b>	<b>-</b>	<b>-</b>	<b>635,236</b>
<b>Total</b>	<b>\$ 31,381,362</b>	<b>\$ 2,729,194</b>	<b>\$ 348,212</b>	<b>\$ 34,458,768</b>

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**Note 18 - Subsequent events**

Events that occur after the consolidated statements of financial position date but before the financial statements were available to be issued must be evaluated for recognition or disclosure. The effects of the subsequent events that provide evidence about conditions at the consolidated statements of financial position date are recognized in the accompanying financial statements. Subsequent events which provide evidence about the conditions that existed after the consolidated statements of financial position date require disclosure in the accompanying notes. Management evaluated the activity of JCHE through June 9, 2020 (the date the financial statements were available to be issued). No subsequent events have occurred that would require recognition in the financial statements or disclosure in the notes to the financial statements.

**Supplementary Information**

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**Consolidating Schedules of Financial Position  
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	JCHE, Inc.	Friends of JCHE	JCHE Services	JCHE II	JCHE III Inc.	JCHE III LP	JCHE IV	JCHE V	Real Estate	Eliminations	Total
<b>Assets</b>											
<b>Current assets</b>											
Cash and cash equivalents	\$ 5,063,620	\$ 1,337,540	\$ 1,279,363	\$ 5,863,695	\$ 5,155,340	\$ 283,537	\$ 117,037	\$ 123,492	\$ 14,719,070	\$ -	\$ 33,942,694
Accounts receivable	147	8,882	195,602	451	-	-	-	81,414	838,944	-	1,125,440
Developer fee receivable - current	-	-	-	6,294,928	-	-	-	-	-	(1,137,297)	5,157,631
Due from affiliates	172,930	687,604	506,669	182,505	156,891	710	-	1,024	16,203	(1,724,536)	-
Investments, current	39,985,329	141,155	1,092,798	2,219,413	5,110,400	-	-	-	-	-	48,549,095
Pledges receivable	-	327,367	-	-	-	-	-	-	-	-	327,367
Prepaid expenses and deposits	-	-	20,350	-	-	-	-	-	392,784	-	413,134
<b>Total current assets</b>	<b>45,222,026</b>	<b>2,502,548</b>	<b>3,094,782</b>	<b>14,560,992</b>	<b>10,422,631</b>	<b>284,247</b>	<b>117,037</b>	<b>205,930</b>	<b>15,967,001</b>	<b>(2,861,833)</b>	<b>89,515,361</b>
<b>Other assets</b>											
Developer fee receivable - noncurrent	-	-	-	300,087	1,679,389	-	-	-	-	(1,679,389)	300,087
Investments	-	-	-	502,034	-	-	-	-	-	-	502,034
Pledges receivable - noncurrent	-	1,159,405	-	-	-	-	-	-	-	-	1,159,405
Security deposits	-	-	-	-	-	-	-	-	564,668	-	564,668
Accrued interest receivable - related party	4,462	-	-	880,775	754,869	-	690,135	87,130	-	(2,417,371)	-
Development costs	-	-	-	-	2,686,311	-	-	-	-	-	2,686,311
Escrows and reserves	-	-	-	-	-	2,360,924	130,816	76,963	7,972,988	-	10,541,691
Other assets	-	-	-	-	-	-	-	-	12,656	-	12,656
<b>Total other assets</b>	<b>4,462</b>	<b>1,159,405</b>	<b>-</b>	<b>1,682,896</b>	<b>5,120,569</b>	<b>2,360,924</b>	<b>820,951</b>	<b>164,093</b>	<b>8,550,312</b>	<b>(4,096,760)</b>	<b>15,766,852</b>
Notes receivable - related parties	6,427,256	-	-	4,936,879	12,164,591	96,113	16,125,122	4,200,822	-	(43,950,783)	-
Deferred fees, net of accumulated amortization	-	-	-	-	-	-	-	-	252,305	-	252,305
<b>Property and equipment</b>											
Land	-	-	-	-	-	-	-	-	14,934,072	-	14,934,072
Buildings and improvements	-	-	-	-	-	-	99	-	220,427,847	(8,274,404)	212,153,542
Furniture and fixtures	-	21,550	785,308	-	-	-	-	-	4,013,760	-	4,820,618
Construction in process	-	-	-	-	-	-	-	-	19,588,200	-	19,588,200
Accumulated depreciation	-	-	(740,796)	-	-	-	-	-	(26,315,661)	259,978	(26,796,479)
<b>Total property and equipment</b>	<b>-</b>	<b>21,550</b>	<b>44,512</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>99</b>	<b>-</b>	<b>232,648,218</b>	<b>(8,014,426)</b>	<b>224,699,953</b>
<b>Total assets</b>	<b>\$ 51,653,744</b>	<b>\$ 3,683,503</b>	<b>\$ 3,139,294</b>	<b>\$ 21,180,767</b>	<b>\$ 27,707,791</b>	<b>\$ 2,741,284</b>	<b>\$ 17,063,209</b>	<b>\$ 4,570,845</b>	<b>\$ 257,417,836</b>	<b>\$ (58,923,802)</b>	<b>\$ 330,234,471</b>

**JCHE, Inc. and Affiliates  
(DBA 2Life Communities, Inc.)**

**Consolidating Schedules of Financial Position  
December 31, 2018**

	JCHE, Inc.	Friends of JCHE	JCHE Services	JCHE II	JCHE III Inc.	JCHE III LP	JCHE IV	JCHE V	Real Estate	Eliminations	Total
<b>Liabilities and Net Assets</b>											
<b>Current liabilities</b>											
Accounts payable and accrued expenses	\$ 225,035	\$ 48,196	\$ 243,493	\$ 15,051	\$ 142,158	\$ 2,515	\$ -	\$ 13,339	\$ 1,101,597	\$ (27,436)	\$ 1,763,948
Accounts payable - construction	-	-	-	-	-	-	-	-	7,345,964	-	7,345,964
Accrued interest payable - current	-	-	-	-	-	-	-	-	714,830	-	714,830
Due to affiliates	204,152	290,687	654,395	-	26,077	-	14	11,306	470,969	(1,657,600)	-
Accrued asset management fee	-	-	-	-	-	-	-	-	10,000	-	10,000
Deferred revenue - current	-	-	-	-	-	-	-	-	144,584	-	144,584
Notes payable - current maturities	25,000	-	-	-	-	-	-	-	12,116,236	(50,000)	12,091,236
<b>Total current liabilities</b>	<b>454,187</b>	<b>338,883</b>	<b>897,888</b>	<b>15,051</b>	<b>168,235</b>	<b>2,515</b>	<b>14</b>	<b>24,645</b>	<b>21,904,180</b>	<b>(1,735,036)</b>	<b>22,070,562</b>
<b>Long-term liabilities</b>											
Security deposit payable	-	-	-	-	-	-	-	-	532,155	-	532,155
Accrued interest payable	-	-	-	-	-	-	-	-	2,470,297	(2,330,241)	140,056
Developer fee payable	-	-	-	-	-	-	-	-	8,274,404	(8,274,404)	-
Lines of credit	-	-	104,261	-	406,743	-	-	-	-	-	511,004
Notes payable, net	-	-	-	-	7,579,000	-	-	-	198,589,309	-	206,168,309
Notes payable - related party	-	-	-	-	-	-	-	-	39,739,461	(39,739,461)	-
<b>Total long-term liabilities</b>	<b>-</b>	<b>-</b>	<b>104,261</b>	<b>-</b>	<b>7,985,743</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>249,605,626</b>	<b>(50,344,106)</b>	<b>207,351,524</b>
<b>Net assets</b>											
Net assets without donor restrictions	51,071,027	578,245	2,137,145	21,165,716	19,396,922	2,738,769	17,063,195	4,546,200	(14,091,970)	(6,559,239)	98,046,010
Net assets with donor restrictions	128,530	2,766,375	-	-	156,891	-	-	-	-	(285,421)	2,766,375
<b>Total net assets</b>	<b>51,199,557</b>	<b>3,344,620</b>	<b>2,137,145</b>	<b>21,165,716</b>	<b>19,553,813</b>	<b>2,738,769</b>	<b>17,063,195</b>	<b>4,546,200</b>	<b>(14,091,970)</b>	<b>(6,844,660)</b>	<b>100,812,385</b>
<b>Total liabilities and net assets</b>	<b>\$ 51,653,744</b>	<b>\$ 3,683,503</b>	<b>\$ 3,139,294</b>	<b>\$ 21,180,767</b>	<b>\$ 27,707,791</b>	<b>\$ 2,741,284</b>	<b>\$ 17,063,209</b>	<b>\$ 4,570,845</b>	<b>\$ 257,417,836</b>	<b>\$ (58,923,802)</b>	<b>\$ 330,234,471</b>

See Independent Auditor's Report.

**JCHE, Inc. and Affiliates  
(DBA 2Life Communities, Inc.)**

**Consolidating Schedules of Activities  
Year Ended December 31, 2018**

	JCHE, Inc.	Friends of JCHE	JCHE Services	JCHE II	JCHE III Inc.	JCHE III LP	JCHE IV	JCHE V	Real Estate	Eliminations	Total
<b>Support and revenue</b>											
Contributions	\$ -	\$ 3,440,558	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 3,440,558
Contributions from affiliates	31,562,569	100,000	800,084	-	66,500	-	-	152,170	-	(32,681,323)	-
Other fee income	930,852	-	468,346	-	-	-	-	-	-	(1,379,472)	19,726
Management fee income	-	-	1,384,893	-	-	-	-	-	-	(1,384,893)	-
Development fee income	-	-	-	4,397,015	-	-	-	-	-	-	4,397,015
Grants	-	-	447,822	412,364	-	-	-	-	414,750	(447,822)	827,114
Rental income	-	-	-	-	-	-	-	846,483	30,325,062	-	31,171,545
Interest income - notes	356,182	-	-	400,519	104,311	-	368,258	87,130	-	(1,316,400)	-
Program service revenue	-	-	1,212,414	-	-	-	-	-	-	-	1,212,414
Other	46,417	-	142,574	63,198	-	70,648	-	87,062	262,494	-	672,393
<b>Total support and revenue</b>	<b>32,896,020</b>	<b>3,540,558</b>	<b>4,456,133</b>	<b>5,273,096</b>	<b>170,811</b>	<b>70,648</b>	<b>368,258</b>	<b>1,172,845</b>	<b>31,002,306</b>	<b>(37,209,910)</b>	<b>41,740,765</b>
<b>Expenses</b>											
Program services	1,098,849	546,100	2,684,464	29,697	1,023,932	412	9,256	726,708	21,367,198	(2,288,752)	25,197,864
Supporting services											
Management and general	798,507	401,952	1,429,918	13,026	73,651	-	-	-	-	-	2,717,054
Fundraising	-	348,212	-	-	-	-	-	-	-	-	348,212
<b>Total supporting services</b>	<b>798,507</b>	<b>750,164</b>	<b>1,429,918</b>	<b>13,026</b>	<b>73,651</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>3,065,266</b>
<b>Total operating expenses</b>	<b>1,897,356</b>	<b>1,296,264</b>	<b>4,114,382</b>	<b>42,723</b>	<b>1,097,583</b>	<b>412</b>	<b>9,256</b>	<b>726,708</b>	<b>21,367,198</b>	<b>(2,288,752)</b>	<b>28,263,130</b>
<b>Non-operating activities</b>											
(loss) gain on investments - net	(462,477)	(4,592)	(86,016)	(135,059)	(311,938)	-	-	-	-	-	(1,000,082)
Interest and dividend income	312,820	665	34,259	45,391	120,549	58,107	17,367	13,314	-	-	602,472
Other financial expenses	-	-	-	-	-	(1,700)	-	(310,114)	(313,422)	-	(625,236)
Gain on sale of property and equipment	-	-	-	-	-	-	-	31,469,094	-	(31,242,002)	227,092
Entity expenses	(798,616)	(382,707)	(100,000)	-	-	(3,400,000)	(3,500,000)	(24,500,000)	(2,170,122)	34,841,445	(10,000)
<b>Total non-operating activities</b>	<b>(948,273)</b>	<b>(386,634)</b>	<b>(151,757)</b>	<b>(89,668)</b>	<b>(191,389)</b>	<b>(3,343,593)</b>	<b>(3,482,633)</b>	<b>6,672,294</b>	<b>(2,483,544)</b>	<b>3,599,443</b>	<b>(805,754)</b>
Depreciation and amortization expense	-	-	23,063	-	-	-	-	70,185	5,538,201	(71,047)	5,560,402
<b>Change in net assets</b>	<b>\$ 30,050,391</b>	<b>\$ 1,857,660</b>	<b>\$ 166,931</b>	<b>\$ 5,140,705</b>	<b>\$ (1,118,161)</b>	<b>\$ (3,273,357)</b>	<b>\$ (3,123,631)</b>	<b>\$ 7,048,246</b>	<b>\$ 1,613,363</b>	<b>\$ (31,250,668)</b>	<b>\$ 7,111,479</b>

See Independent Auditor's Report.

**JCHE, Inc. and Affiliates  
(DBA 2Life Communities, Inc.)**

**Consolidating Schedules of Financial Position - Real Estate Entities  
December 31, 2018**

	Real Estate							Total
	JCHE Leventhal, LP	JCHE Ulin, Inc.	JCHE Genesis, LLC	JCHE Golda, LP	JCHE Coleman, LP	JCHE Framingham, LP	JCHE 132 CHA, LLC	
Assets								
Current assets								
Cash and cash equivalents	\$ 2,112,605	\$ 1,288,484	\$ 6,567,444	\$ 3,682,552	\$ 644,358	\$ 422,283	\$ 1,344	\$ 14,719,070
Accounts receivable, net	47,055	417,745	247,608	27,502	44,682	54,352	-	838,944
Due from affiliates	-	837	12,366	-	3,000	-	-	16,203
Prepaid expenses and deposits	53,593	132,949	41,929	43,820	43,193	77,300	-	392,784
Total current assets	<u>2,213,253</u>	<u>1,840,015</u>	<u>6,869,347</u>	<u>3,753,874</u>	<u>735,233</u>	<u>553,935</u>	<u>1,344</u>	<u>15,967,001</u>
Other assets								
Security deposits	55,537	55,736	95,047	68,594	38,045	249,208	2,501	564,668
Escrows and reserves	957,050	1,377,377	1,552,661	698,440	1,251,394	2,136,066	-	7,972,988
Other assets	-	-	12,656	-	-	-	-	12,656
Total other assets	<u>1,012,587</u>	<u>1,433,113</u>	<u>1,660,364</u>	<u>767,034</u>	<u>1,289,439</u>	<u>2,385,274</u>	<u>2,501</u>	<u>8,550,312</u>
Deferred fees, net of accumulated amortization	-	-	77,144	127,889	-	47,272	-	252,305
Property and equipment								
Land	1,202,200	4,352,386	972,223	5,905,802	409,756	2,091,705	-	14,934,072
Buildings and improvements	31,126,344	40,441,063	52,323,876	58,268,066	3,045,091	35,223,407	-	220,427,847
Furniture and fixtures	758,954	427,439	1,056,971	408,503	-	1,361,893	-	4,013,760
Construction in process	-	-	-	-	-	-	19,588,200	19,588,200
Accumulated depreciation	(10,259,665)	(4,580,887)	(1,876,601)	(1,746,665)	(64,749)	(7,787,094)	-	(26,315,661)
Total property and equipment	<u>22,827,833</u>	<u>40,640,001</u>	<u>52,476,469</u>	<u>62,835,706</u>	<u>3,390,098</u>	<u>30,889,911</u>	<u>19,588,200</u>	<u>232,648,218</u>
Total assets	<u>\$ 26,053,673</u>	<u>\$ 43,913,129</u>	<u>\$ 61,083,324</u>	<u>\$ 67,484,503</u>	<u>\$ 5,414,770</u>	<u>\$ 33,876,392</u>	<u>\$ 19,592,045</u>	<u>\$ 257,417,836</u>



**JCHE, Inc. and Affiliates  
(DBA 2Life Communities, Inc.)**

**Consolidating Schedules of Financial Position - Real Estate Entities  
December 31, 2018**

	Real Estate							
	JCHE Leventhal, LP	JCHE Ulin, Inc.	JCHE Genesis, LLC	JCHE Golda, LP	JCHE Coleman, LP	JCHE Framingham, LP	JCHE 132 CHA, LLC	Total
<b>Liabilities and Net Assets</b>								
<b>Current liabilities</b>								
Accounts payable and accrued expenses	\$ 159,916	\$ 195,057	\$ 149,687	\$ 168,313	\$ 267,917	\$ 160,707	\$ -	\$ 1,101,597
Accounts payable - construction	293,023	-	215,380	3,443,306	-	-	3,394,255	7,345,964
Accrued interest payable - current	51,119	134,145	190,810	122,033	80,490	65,860	70,373	714,830
Due to affiliates	26,018	215,371	11,166	132,208	30,324	35,776	20,106	470,969
Accrued asset management fee	-	-	5,000	5,000	-	-	-	10,000
Deferred revenue	40,339	17,530	53,564	10,266	21,194	1,691	-	144,584
Notes payable - current maturities	177,039	537,988	1,511,999	903,350	370,467	109,346	8,506,047	12,116,236
<b>Total current liabilities</b>	<b>747,454</b>	<b>1,100,091</b>	<b>2,137,606</b>	<b>4,784,476</b>	<b>770,392</b>	<b>373,380</b>	<b>11,990,781</b>	<b>21,904,180</b>
<b>Long-term liabilities</b>								
Security deposit payable	55,537	55,663	65,119	68,584	38,044	249,208	-	532,155
Accrued interest payable	880,775	4,462	-	643,113	47,022	894,925	-	2,470,297
Developer fee payable	-	-	2,325,000	2,769,000	-	1,679,389	1,501,015	8,274,404
Notes payable, net	11,152,210	44,179,159	54,133,981	34,984,948	29,155,312	20,001,199	4,982,500	198,589,309
Notes payable - related party	4,324,515	6,427,256	96,113	14,304,451	2,243,126	12,144,000	200,000	39,739,461
<b>Total long-term liabilities</b>	<b>16,413,037</b>	<b>50,666,540</b>	<b>56,620,213</b>	<b>52,770,096</b>	<b>31,483,504</b>	<b>34,968,721</b>	<b>6,683,515</b>	<b>249,605,626</b>
<b>Net assets without donor restrictions</b>	<b>8,893,182</b>	<b>(7,853,502)</b>	<b>2,325,505</b>	<b>9,929,931</b>	<b>(26,839,126)</b>	<b>(1,465,709)</b>	<b>917,749</b>	<b>(14,091,970)</b>
<b>Total liabilities and net assets</b>	<b>\$ 26,053,673</b>	<b>\$ 43,913,129</b>	<b>\$ 61,083,324</b>	<b>\$ 67,484,503</b>	<b>\$ 5,414,770</b>	<b>\$ 33,876,392</b>	<b>\$ 19,592,045</b>	<b>\$ 257,417,836</b>

See Independent Auditor's Report.

**JCHE, Inc. and Affiliates  
(DBA 2Life Communities, Inc.)**

**Consolidating Schedules of Activities - Real Estate Entities  
Year Ended December 31, 2018**

	Real Estate							
	JCHE Leventhal, LP	JCHE Ulin, Inc.	JCHE Genesis, LLC	JCHE Golda, LP	JCHE Coleman, LP	JCHE Framingham, LP	JCHE 132 CHA, LLC	Total
Support and revenue								
Grants	\$ -	\$ 414,750	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 414,750
Rental income, net of vacancies	8,455,144	6,435,039	5,586,685	4,248,411	2,577,449	3,022,334	-	30,325,062
Other	75,650	11,976	63,062	23,548	14,401	73,856	1	262,494
Total support and revenue	<u>8,530,794</u>	<u>6,861,765</u>	<u>5,649,747</u>	<u>4,271,959</u>	<u>2,591,850</u>	<u>3,096,190</u>	<u>1</u>	<u>31,002,306</u>
Expenses								
Program services	4,083,674	4,323,192	4,649,076	3,289,996	2,235,421	2,703,587	82,252	21,367,198
Non-operating activities								
Other financial expenses	(8,079)	(117,471)	(4,945)	(5,570)	(42,604)	(134,753)	-	(313,422)
Entity expenses	(1,331,371)	(356,182)	(5,000)	(326,236)	(47,022)	(104,311)	-	(2,170,122)
Total non-operating activities	<u>(1,339,450)</u>	<u>(473,653)</u>	<u>(9,945)</u>	<u>(331,806)</u>	<u>(89,626)</u>	<u>(239,064)</u>	<u>-</u>	<u>(2,483,544)</u>
Depreciation and amortization expense	748,276	1,055,972	1,273,878	1,344,425	64,749	1,050,901	-	5,538,201
Change in net assets	<u>\$ 2,359,394</u>	<u>\$ 1,008,948</u>	<u>\$ (283,152)</u>	<u>\$ (694,268)</u>	<u>\$ 202,054</u>	<u>\$ (897,362)</u>	<u>\$ (82,251)</u>	<u>\$ 1,613,363</u>

See Independent Auditor's Report.



Independent Member of Nexia International

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**2Life**  
COMMUNITIES

Age affordably. Live well.

*Formerly Jewish Community Housing for the Elderly (JCHE)*

# Golda Meir House Expansion

**Community Preservation Committee  
Planning & Development Committee  
August 11, 2020**

## Why We're Here Tonight

- ▶ Secured federal 202 funding award → 50% increase in housing for extremely low- and very low-income seniors
- ▶ Operating subsidy for 45 households to pay 30% of their income in rent, instead of 30 in original proposal
- ▶ Requirements of 202 program create a financing gap



## Project Highlights

- ▶ 68 new apartments in 2 additions to existing Golda Meir House
  - ▶ **45 units for households under 50% AMI, with project-based assistance**
  - ▶ 5 units for LI households (under 60% AMI)
  - ▶ 10 units for moderate income (under 100% AMI)
  - ▶ 1 unit for graduate student “scholar-in-residence” program
  - ▶ 7 unrestricted units, priced at below market rents
- ▶ 9 apartments for chronically homeless individuals with disabilities
- ▶ State and Federal funds committed
- ▶ Construction Documents completed, construction cost finalized



## Golda Meir House Today

- ▶ 199 apartments, 174 serving low income seniors with project-based subsidies, 23 unrestricted, 2 resident managers
- ▶ Built in two phases, completed 1979 and 1995
- ▶ Comprehensive \$30 million renovation in 2017-2018
- ▶ Weekday lunch program prepared on-site





Upper Addition





## Lower Addition



## Evolution in Project Structure

- ▶ **2017 - 2018:** Local planning, funding, permitting approved
  - ▶ CPC & City Council approved \$3.25 million CPA funding award
- ▶ **2019:** HUD announces first 202 funds in 8 years
- ▶ **2020:** HUD and DHCD funding awards announced
  - ▶ 25 PRAC vouchers (HUD 202)
  - ▶ 20 Project-Based Section 8 vouchers (DHCD)
  - ▶ Deeper affordability requires additional subsidy



## Next Steps/Anticipated Timeline

- ▶ **September 2020:** Present proposal to City Council
- ▶ **Fall 2020:** Closing process with City, DHCD, and HUD
- ▶ **Winter 2021 - Summer 2022:** Construction
- ▶ **Fall 2022:** Lease-up



## Current Unit and Income Mix – Serving More VLI and ELI Households

UNIT TYPE	≤ 30% AMI (ELI)*	≤ 50% AMI (VLI)*	≤ 60% AMI (LI)	<100% AMI	Unrestricted	TOTAL
1 BR	18	25	2	8	4	<b>57</b>
2 BR	2	-	3	2	4**	<b>11</b>
<b>TOTAL</b>	<b>20</b>	<b>25</b>	<b>5</b>	<b>10</b>	<b>8</b>	<b>68</b>
<i>original</i>	8	22	20	10	8	68

\*includes project-based subsidy, residents pay 30% of income in rent

\*\*includes 1 resident manager unit with no rent and 1 unit with reduced rent set aside for graduate students.

*Note: 9 units set aside for chronically homeless individuals with disabilities will utilize Section 8 project-based vouchers.*





## Development Budget - Sources

SOURCE	July 2020 Proposal	Nov. 2018 proposal	Difference
Permanent Loan	7,972,000	7,770,000	202,000
Fed Tax Credit Equity*	10,162,081	10,298,970	(136,889)
State Tax Credit Equity*	3,999,600	3,999,600	-
City of Newton CPA*	3,250,000	3,250,000	-
City of Newton Additional Funding Request	1,500,000	-	1,500,000
DHCD Sub Debt*	5,000,000	3,750,000	1,250,000
Utility Rebates	74,800	74,800	-
Golda Rehab Savings*	835,400	-	835,400
Farnsworth + Weinberg Foundations*	1,730,000	-	1,730,000
2Life Philanthropy*	1,512,098	2,546,475	(1,034,377)
HUD 202 Capital Advance*	4,000,000	-	4,000,000
Deferred Dev Fee*	400,000	625,000	(225,000)
<b>Total Sources</b>	<b>40,435,979</b>	<b>32,314,845</b>	<b>8,121,134</b>

\*awarded/committed funds



## Development Budget - Uses

USE	July 2020 Proposal	Nov. 2018 proposal	Difference
Acquisition	\$100	\$100	-
Construction (\$394/sf and 5% contingency)	\$31,115,000	\$24,366,192	\$6,748,876
Soft Costs (including water tower decommissioning)	\$6,129,000	\$4,892,419	\$1,236,456
Developer Fee & Overhead	\$2,600,000	\$2,500,000	\$100,000
Capitalized Reserves	\$591,900	\$556,133	\$35,803
<b>Total Uses</b>	<b>\$40,436,000</b>	<b>\$32,314,745</b>	<b>\$8,121,135</b>







Ruthanne Fuller  
Mayor

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

**364-20**

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

Barney S. Heath  
Director

**Community Preservation Committee  
Funding Recommendation for  
Golda Meir House Expansion Additional Funding  
Affordable Housing**

**Date:** August 24, 2020  
**From:** Community Preservation Committee  
**To:** The Honorable City Council

**PROJECT GOALS & ELIGIBILITY** This proposal requests \$1,244,857 to increase the affordability of the 68-unit expansion proposed by 2Life Communities at their existing Golda Meir House located at 160 Stanton Avenue in Auburndale. In December 2018, City Council approved the use of \$3.25 million in CPA affordable housing funds for the construction of this project. Since that time, 2Life has assembled all of its project funding process, including an award of HUD 202 funding, the only such grant in Massachusetts, which provides \$4 million in Capital Advance funds and 25 Project Rental Assistance Contract (PRAC) vouchers. 2Life Communities is now proposing to leverage the HUD 202 funds to provide a deeper level of affordability than was originally presented to the CPC and City Council in 2018. The overall number of units has not changed, but the level of affordability has shifted significantly as shown below:

Level of Affordability	1 Bedroom		2 Bedroom	
	2018	2020	2018	2020
Up to 30% AMI	7	18	1	2
Up to 50% AMI	20	25	2	0
Up to 60% AMI	18	2	2	3
Up to 100% AMI	8	8	2	2
No Income Restriction	4	4	4	4
Total Units	57	57	11	11

As noted above, the project will continue to create a total of 68 units, 57 of which will be restricted to residents who are 62 years of age or older. 60 of the units will be permanently affordable to households with incomes ranging from 30% to 99% of the federally defined Area Median Income (AMI), including nine units without age restrictions which are designated for individuals with disabilities who have experienced chronic homelessness.

[www.newtonma.gov/cpa](http://www.newtonma.gov/cpa)

Lara Kritzer, Community Preservation Program Manager  
[lkritzer@newtonma.gov](mailto:lkritzer@newtonma.gov) 617.796.1144

Preserving the Past  Planning for the Future

August 24, 2020

The increase in affordability has created a funding gap which 2Life Communities proposes to address with the additional \$1.5 million in combined Newton HOME and CPA funding. HOME funding of \$255,143 was approved by the Planning and Development Board at the joint public hearing with the CPC on August 11. The 60 new permanently affordable housing units developed through this project are all CPA-eligible under Creation of Community Housing. Those units which are not deed restricted and other site amenities to be constructed at this time are not eligible for CPA funding.

**RECOMMENDED FUNDING** At its monthly meeting on Thursday, August 11, the Community Preservation Committee unanimously recommended, with a vote of 8 to 0, the appropriation of \$1,244,857 in Community Preservation Act Funding to the control of the Planning & Development Department for a grant to 2Life Communities for the development and construction of 60 units of permanently affordable senior housing at the deeper range of affordability stated in the July 2020 funding proposal.

### **SPECIAL ISSUES CONSIDERED BY THE CPC**

**Funding leverage & project costs:** The CPC appreciates the tremendous leveraging of CPA funding achieved by this project, and recognizes the work that had gone into creating the funding package which includes state and federal funding programs, private philanthropic and foundation funding, local grants, private loans, and other funds. The project costs have risen to \$40,436,000 from the 2018 total of \$32,314,845, but the amount of CPA funding requested for the project has remained at 11% of total project costs. State and federal funding sources will cover approximately 57% of total project costs.

**Community spaces & services:** In their 2018 recommendation, CPC members pointed to the benefits provided by Golda Meir's recently renovated and expanded common spaces, strong supportive services, wide array of enrichment programs, and subsidized weekday lunch program. 2Life Communities' partnership with Newton-Wellesley Hospital will provide nursing-level care and geriatric care management through the new wellness center. Further, [Hearth, Inc.](#), a well-respected nonprofit dedicated to eliminating elder homelessness, will provide support services for the 9 formerly homeless tenants. This has not changed from the original proposal.

**Accessibility:** As noted in both project proposals, the expansion will accomplish a number of accessibility improvements for the Golda Meir House including creating an at-grade accessible upper entrance, four fully accessible units, two units adapted for residents with hearing impairments, and 65 units that are adaptable, with wide doorways, showers rather than tubs, existing grab bars plus framing for additional supports, and kitchens that can be reconfigured for roll-in use.

### **ADDITIONAL RECOMMENDATIONS** *(funding conditions)*

1. The CPC assumes that all recommended funds will be appropriated within three years after the date of this recommendation. If this deadline cannot be met, 2Life Communities should submit a written request to the CPC to extend that deadline.
2. A grant agreement governing the phased release of both the current proposal and the 2018 CPA funding award should be executed following the City Council's approval of the CPA funding. That agreement's conditions should include, but not be limited to, those usual in other recent grants for CPA-funded affordable housing projects, including permanent affordability restrictions on all of the funded units, a final report to the CPC, and an independent "accessibility audit" to ensure as-built compliance with accessibility standards.
3. Any CPA funds appropriated but not used for the purposes stated herein should be returned to the Newton Community Preservation Fund.

### **KEY OUTCOMES**

The Community Preservation Committee will evaluate this project based on its success in using CPA funds to create much needed deeply affordable senior housing units which are not only affordable in perpetuity but also provide residents with the supportive services described in 2Life Communities' 2018 and 2020 proposals.

### **ATTACHMENTS**

- 2020 Proposal and selected attachments submitted to the CPC for the August 11, 2020 review
- Presentation to August 11 joint public hearing with the CPC and Planning and Development Board

Additional information not attached to this recommendation, including petitions and letters of support, are available on the CPC's website at:

[www.newtonma.gov/gov/planning/cpa/projects/jche.asp](http://www.newtonma.gov/gov/planning/cpa/projects/jche.asp)