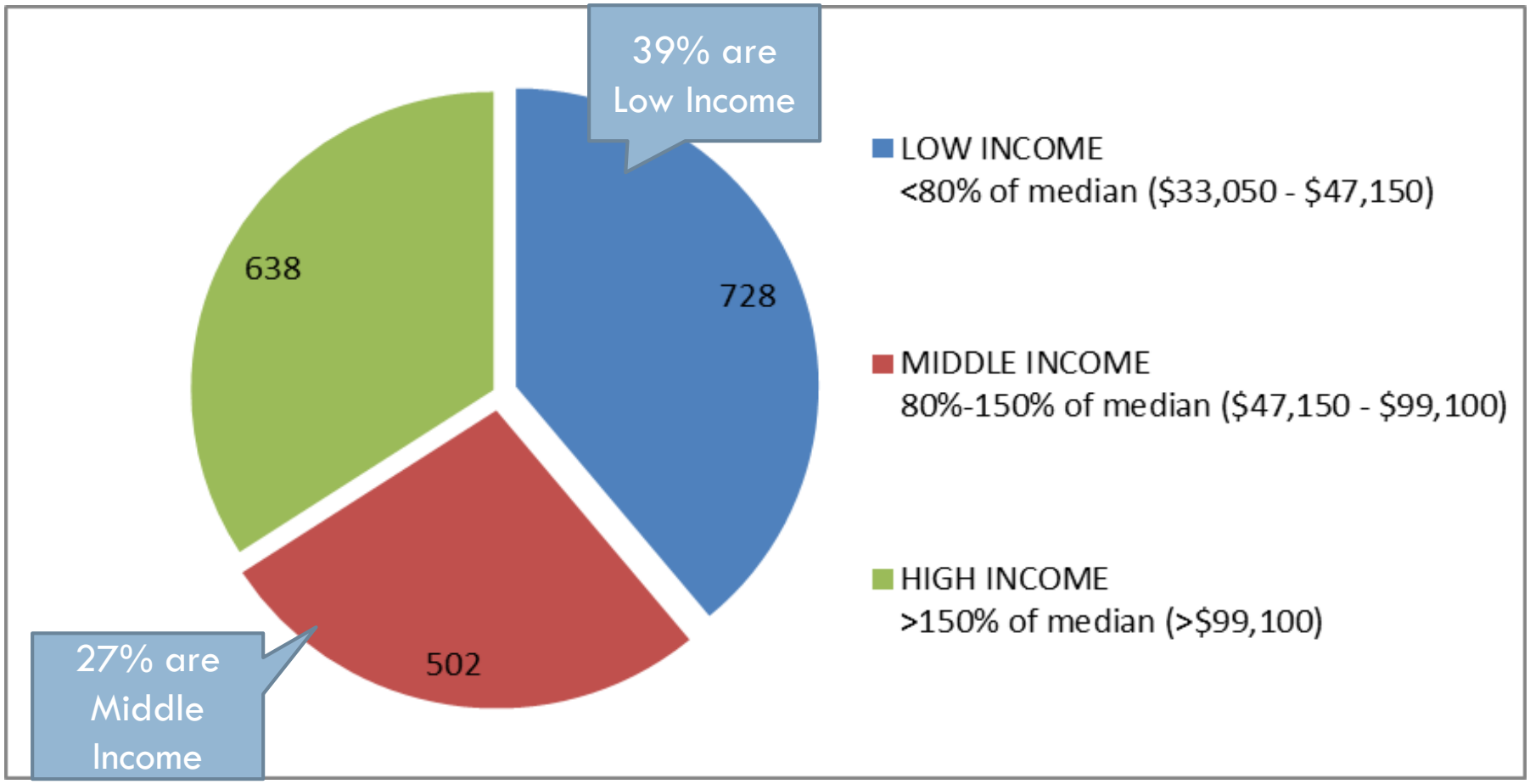
POTENTIAL SLIDES TO INCLUDE WITH CPC APPLICATION

Substantial need for elderly affordable housing



Why more funding required?

- Project construction costs have risen
- DHCD caps tax credit funding for assisted living projects
  - So more local support is required
- DHCD Tax Credit allocation process super competitive

Project Cost Projections

	2013 Proposal		2017 Projection
Total Development Cost	$13,570,000		$16,922,000
Tax Credits	$4,600,000		$4,600,000
Bank Mortgage	$8,035,000		$8,322,000
DHCD Subsidy	$435,000		$1,000,000
Local Subsidy	$500,000		$3,000,000
	$13,570,000		$16,922,000

Description of Gap

$1,693,000	Updated price estimate based on comparable building under construction in 2015
$500,000	Additional cost due to Concord infrastructure needs
$650,000	Construction cost inflation to 2017 projected start date
$509,000	Construction contingency and soft cost increase due to higher construction cost
$3,352,000	**Total Increase in Costs**
(352,000)	Increase in DHCD and mortgage financing
$3,000,000	**Total Gap for Local Sources of Funding**

Grantham Assisted Living

Units	Income	Total Monthly Charges
17	30% of median = $ 20,700	$ 2,300*
26	60% of median = $ 41,400	$ 3,000**
40	150% of median = $103,425	$ 4,200

*Service fee (~$1,750) paid by MassHealth's Group Adult Foster Care Program
**Service fee partially paid by MassHealth; part by resident

All units count on Subsidized Housing Inventory (SHI); 150% units are not CPA eligible

Grantham at JV is cost effective per SHI unit

	Project	Total SHI Units	Local Subsidy Amount	Per SHI eligible Unit
	Emerson Annex Unit 4	1	$274,000	$274,000
	Lalli Woods	1	$140,000	$140,000
	405 Old Bedford Road	4	$410,000	$102,500
	Peter Bulkeley - Phase 2	4	$371,000	$92,750
	1888 Main Street	1	$90,000	$90,000
	Walden Street	5	$385,000	$77,000
	129 Old Bedford Road	3	$222,000	$74,000
	Emerson Annex Unit 10	1	$71,400	$71,400
	Peter Bulkeley - Phase 1	24	$1,000,000	$41,667
	Junction Village	***83 total/43 CPA eligible***	***$3,000,000***	***$69,770***

THE REST OF THE SLIDES

Update, May 2015

Agenda

- Background & Timeline
- Request clear BOS for support of:

a) additional local funding b) zoning

- Why additional funding is needed
- Why additional funding should be provided
- Summary

Why we are here

Seeking Support for $3,000,000 of Town subsidy for Grantham Assisted Living

Why clear support required now?

- Project must have permits before submitting tax credit application to DHCD
- CHDC/Grantham will spend $200,000 + on permitting, engineering, plans etc.
- No sense going forward without clear BOS support for zoning and $3,000,000 funding

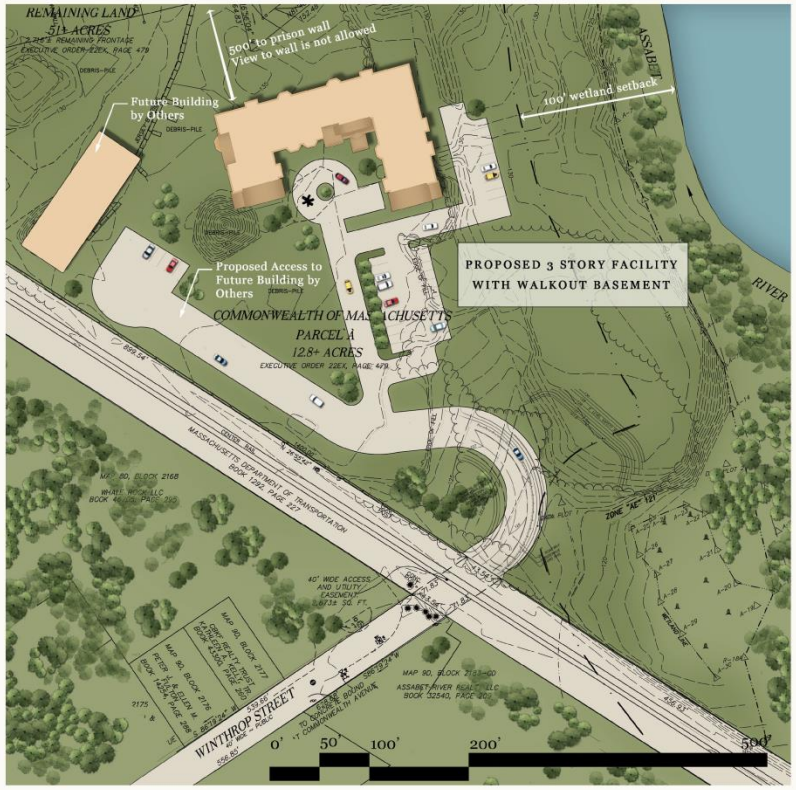
Background

- Concord Housing Development Corporation
  - CHDC is charged… with increasing and maintaining housing for people with low to middle income, on behalf of the Town
  - CHDC is a Separate Corporation, created through legislation, with a Volunteer Board that is appointed by selectmen
- Land Donation
  - Received Junction Village deed from state in 2013 – must be used for affordable housing or site reverts back to the state
  - CHDC delineated the wetlands and recorded the access easements

Background

- CHDC's Junction Village Goals
  - Make best affordable housing use of land
  - Create a project that benefits and is supported by community
  - Collaborate on open space opportunity
- Land not residentially zoned
  - Zoning thru friendly 40B LIP process

Preliminary Site Plan + Elevation



TYPICAL ELEVATION

TYPICAL FLOOR PLAN

The Assistant Living Facility of
CHRISTOPHER HEIGHTS
Proposed Development
West Concord, Massachusetts

POTOMAC CAPITAL ADVISORS

The GRANTHAM GROUP, LLC

SMOOK ARCHITECTURE

Timeline-Presentations & Meetings

- 1/13 CHDC accepted donation of site
- 5/13 Solicitation of developer interest issued
- 7/13 Eleven proposals from 9 developers
- 9/13 CHDC recommends mixed-income family rental to Town officials

Timeline-Presentations & Meetings

- 11/13 CHDC to West Concord Advisory Committee
- 11/13 WinComm Neighbors email list of concerns
- 2/14 CHDC makes presentation to Planning Board
- 10/14 Grantham presents at Harvey Wheeler
- 11/14 CHDC presents to League of Women Voters

Community Feedback - Multifamily housing

- Too much traffic
- Too many school children
- Not in keeping with 20 units project predecessors discussed with neighbors

Assisted living impacts

- About same traffic as 20 SFH
- No school children
- All units count toward 10% SHI
- Project Keeps town above 10%
- Truly affordable housing -Serves needy elderly

DHCD Funding Priorities

- Projects that address homelessness
- Projects that assist families
- Family projects in communities with excellent school systems
- Assisted living

Grantham Assisted Living

83 units

17 – affordable at or below 30% of median

26 – affordable at or below 60% of median

40 – affordable at or below 150% of median

Nearby Towns Spend More

Project	SHI units	Local Subsidy Amount	Per Unit
Pearl Street, Newton	3	$1,145,000	$381,667
Myrtle Village, Newton	7	$1,853,858	$264,837
South Street, Needham	5	$500,000	$100,000
SHA Duplexes, Sudbury	11	$750,000	$68,182
Beals Street, Brookline	31	$1,938,920	$62,546
Dummer Street, Brookline	32	$1,944,401	$60,763
Junction Village	***83***	***$3,000,000***	***$36,145***

SHI

- Today 9.82%
- Today 14 SHI units short of 10%
- 2020 SHI need at least 23-33 units

Failing to Maintain 10%

- Multiple new 40B projects
- At least 250 new 40B units likely
- Traffic 1663 TPD (6.65 TPD per multifamily unit)
- School children
- Many Board Hearings
- much town staff time

Approvable Alternatives to Town Funding $3,000,000 Gap

- 20 unit SHI ineligible family ownership project
  - No upfront town subsidy required; below 10% in 2020; serves higher income households
- 20 unit SHI eligible family ownership project
  - Requires $2,800,000 of Town subsidy; below 10% in 2020; serves higher income households

A Case for CPA Funds

- Lower per SHI unit cost than most Concord projects
- Lower per unit subsidy than projects most in neighboring towns
- Maintain 10% SHI
- Serves needy population

Why clear support required now?

- Project must have permits before submitting tax credit application to DHCD
- CHDC/Grantham spend $200,000 + on permitting, engineering, plans etc.
- No sense going forward without clear BOS support for zoning and $3,000,000 funding

Summary

- $3,000,000 is a good investment relative to other affordable housing investments
- Support required from the selectmen, staff, planning board in order to go forward.

Appendix

Failing to Maintain 10%

Potential 250 unit 40B			
		Cost per unit	Totals
Education	58 kids	$10,000- $16,000	
General Government	250 units	$1,000	
		Total cost range	$830,000-$1,178,000
Real Estate Taxes - based on Mews	250 unit	$2,820	
Excise Taxes	375 cars	$75-$125	
		Total taxes range	$733,125-$751,875
		Net Annual Cost to Town	$96,975 - $426,126

Trips per Day

Units	Type	Trips per day
110	Mixed age rental	731.5
60	Mixed age rental	399
50	Mixed age rental	332.5
103	Elderly Ind/AL/MC	226.6
83	Assisted living	224.1
36	Ownership	360
Assumptions		
Rental	6.65	
Ownership	10	
Assisted Living & Group Home	2.7	
Ind/Assisted Living/MC	2.2	

Traffic Study Conclusions

- Winthrop/Com Ave. LOS grades remain same for 60 unit apartment and 83 units assisted living.
- 110 apartments reduce Level of Service one grade morning and evening.
- "Additional traffic generated by all development scenarios not expected to significantly impact operations at the intersections to the north (Concord Rotary) or south (Laws Brook Road). "

SHI Units Needed Detail

6,852	total number of housing units in 2010
+ 510	growth from 2010 to 5/2015
+ 100-200	projected growth 5/2015 to 2020
7,462 – 7,562	projected units in 2020

746 - 756	affordable units required to stay above >10%
- (718)	on SHI today
- (5)	in pipeline
23 to 33	**Short of 10% in 2020 depending on future growth and number of new SHI in future growth***

**(Historically 8% of housing growth has been affordable.)*