

JUNCTION VILLAGE

Update, May 2015



Concord Housing Development Corporation



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

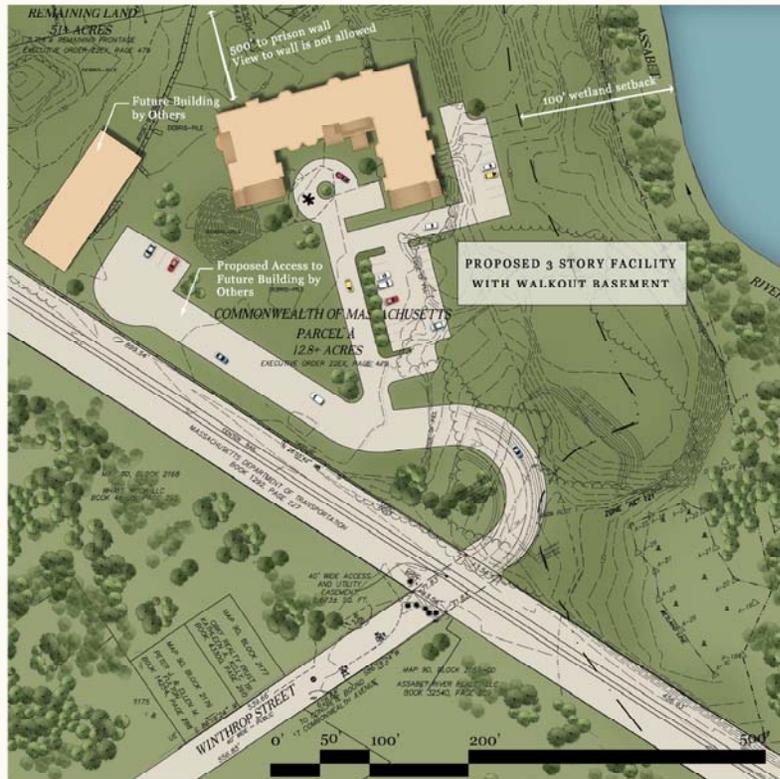


Background

- 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 GRANHAM GROUP, LLC

The Assistant Living Facility of
CHRISTOPHER HEIGHTS

Proposed Development
West Concord, Massachusetts





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



Why more funding required?

- ❑ Project construction costs have risen
- ❑ DHCD caps tax credit funding for assisted living projects
- ❑ DHCD Tax Credit allocation process super competitive

DHCD Funding Priorities



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

DHCD Funding Priorities



- Assisted living projects require more local support to compete for DHCD funding



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	<u>\$500,000</u>	<u>\$3,000,000</u>
	\$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

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



Market Assisted Living Vs. affordable incomes

Average annual market assisted living cost \$63,600 per Genworth Financial

<u>Units</u>	<u>Income</u>	<u>Average Assisted Living Cost as a % of income</u>
17	30% = \$ 20,700	293%
26	60% = \$ 41,400	154%
40	150% = \$103,425	61%



Grantham Assisted Living

<u>Units</u>	<u>Income</u>	<u>Total Monthly Charges</u>
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)



Grantham at JV is cost effective per SHI unit

Project	SHI Units	Local Subsidy Amount	Per SHI 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	\$3,000,000	\$36,145



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

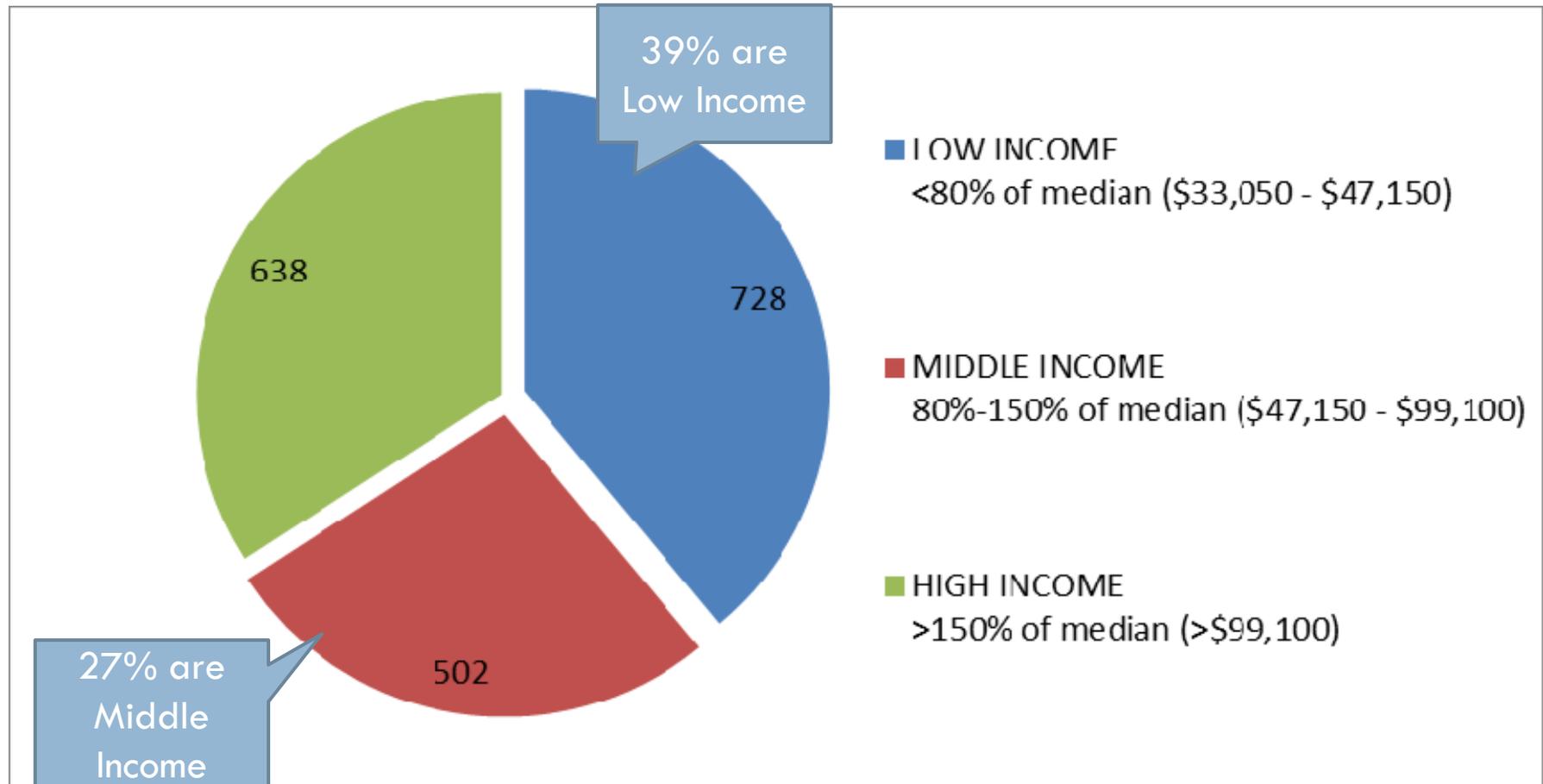


Failing to Maintain 10%

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



Substantial need for elderly affordable housing





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.)*