



Junction Village Project
Article 30
Town Meeting
April, 2017



Warrant Article 30

Mr. Lawson moves Article 30 as printed in the handout.



Junction Village Affordable Assisted Living Development

Recommended Funding: \$350,000*

Category: Community Housing

Summary of Project: Concord's first entirely affordable assisted living development will include 83 affordable units with 43 at deeply affordable levels

* \$271,757 of these funds are taken from Community Housing Reserve Funds, including the \$116,000 allocated to Reserve Funds in Article 29, Item N



Warrant Article 30

- \$350,000 from the Community Preservation Fund and,
- \$1,000,000 from Free Cash



Junction Village Project

- Junction Village consists of 83 units of affordable assisted living located at the Junction Village property in West Concord
- The ~12 acres of land was given to the CHDC by the State in 2013 with restrictions that the property could only be used for affordable housing and open space.
- The proposed buildings occupy approximately 4 acres of the site and the remaining approximate 8 acres will be protected open space.



Junction Village Site





The Need

- Growing demand for assisted living facilities
- Many Concord citizens cannot afford to remain in town due to a lack of affordable options
- There is a waiting list for current affordable units in Town.
- Concord's goal is to stay above the 10% MGL 40B State Statute; we will be approximately 48 units short at the next census*



Junction Village Project

Breakdown of the Types of Affordable Units and Monthly Charges:

UNITS	INCOME	MONTHLY CHARGES
17	30% of Median < \$23,550	\$2,300
26	60% of Median <\$47,100	\$3,000
40	150% of Median <\$117,750	\$4,200

- All Units would count as part of the Town's Subsidized Housing Inventory (SHI).
- We have applied for a Concord Preference for 70% of the units (58 of the 83 units) during the initial lease-up period of approximately 15-18 months.



Financing

- The Grantham Group will develop the property and manage the assisted living facility.
- The construction of the facility is financed by:
 - A mortgage of \$8,600,000
 - \$5,000,000 in Federal Tax credits,
 - DHCD/MHP subsidy of \$1,000,000
 - \$715,000 from the HOME fund (A Federal HUD program)
 - \$2,000,000 Contribution by the Town.



Why does Concord Need to Contribute?

- Without Concord's contribution, the development would not take place. Concord's contribution is necessary to successfully compete for the tax credits.
- Grantham's revenue is constrained because all units are affordable – there are no market-rate units.
- The development and management fees Grantham can earn are regulated by the State.
- The land remains the property of the CHDC and has no 'market' value due to the deed restrictions.
- The facility, in the future, could be sold only to another organization that would manage a 100% affordable facility.



Other Concord Affordable Housing Project Costs

Project	SHI Units	Town Contribution	Cost per Unit
Emerson Annex Unit 4	1	\$274,000	\$274,000
Lalli Woods	1	\$140,000	\$140,000
405 Old Bedford Road	4	\$410,000	\$102,000
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	\$71,000
Peter Bulkeley – Phase 1	24	\$1,000,000	\$41,667
Junction Village	83	\$2,000,000	\$24,100



Examples of Local Contributions to Affordable Housing Projects

Project	SHI	Local	Cost
	<u>Units</u>	<u>Contribution</u>	<u>Per Unit</u>
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
Sudbury Housing Authority Duplexes, Sudbury	11	\$750,000	\$68,182
Beals Street, Brookline	31	\$1,983,920	\$62,546
Dummer Street, Brookline	32	\$1,944,401	\$60,763
Junction Village	83	\$2,000,000	\$24,100



Town Contributions to Grantham Projects

Site	Year	Number of Units	Number of Affordable Units	Town Contribution	Town Cost per Affordable Units
Marlboro	2007	83	50	\$ -	\$ -
Belchertown	2017	83	43	\$ 1,488,000	\$ 34,604.65
Scituate	2019	30	30	\$ 2,500,000	\$ 83,333.33
Concord	2019	83	83	\$ 2,000,000	\$ 24,096.39



Benefits to Concord

- 83 Affordable Assisting Living Units.
- Protected Open Space through a Conservation Restriction.
- Meeting our Affordable Housing Goals.
- Maintaining diversity of housing and providing housing options for Concord seniors.



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Fiscal Impact

Favorable Fiscal Impact Compared to 83-Unit 40B Apartment

	40B Apartment	Assisted Living
Estimated Gross Revenues	\$248,586	\$40,000
Total Municipal Costs		
Police	-\$53,482	-\$33,748
Fire	-\$46,462	-\$ 7,151
Public Health	\$ 0	-\$ 2,000
Schools	-\$473,636	\$ 0
Total Costs	-\$573,580	-\$42,899
Fiscal Impact	-\$324,994	-\$ 2,899

"Fiscal Impact Analysis Report" April 5, 2017, Fougere Planning & Development, Inc.



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