

TOWN OF WESTON COMMUNITY PRESERVATION COMMITTEE Project Submission Form – FY15

Submitter:
Weston Affordable Housing Trust

Submission Date:
September 10, 2014

Submitter's Address:
Weston Affordable Housing Trust
c/o CPC Administrator
11 Townhouse Rd.
Weston, MA 02493

Phone #: 617-523-5000
E-Mail Address:
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Purpose: (Check all that apply)

- Acquisition, creation, or preservation of open space or the rehabilitation/restoration of open space if acquired or created with CPA funds _____
- Acquisition, creation, preservation, or rehabilitation/restoration of recreational land _____
- Acquisition, creation, preservation, or support of community housing (low and moderate income housing for individuals and families, including low or moderate income senior housing) or the rehabilitation/restoration of community housing if acquired or created with CPA funds X
- Acquisition, preservation, or rehabilitation/restoration of historic resources _____

Project Name and Brief Description:

Funds for construction of 7 community housing units on Town owned land. Please see attached letter for a more detailed description of the project.

How This Project Helps to Preserve Weston's Character:

This project involves adaptive reuse of existing structures in an established neighborhood. Site planning will minimize disruption to the natural landscape, including the vast wetlands, and may result in improvements to environmental conditions (for instance, reducing the amount of paved surfaces and improving landscaping). The design will be historically sensitive and in keeping with the character and aesthetic of the neighborhood.

Projected Cost:

Fiscal Year	Total Project Cost	CPC Funds Requested	Other Funding Sources
2015	Up to \$2,987,000	Up to \$2,688,500	Previous CPC appropriations (\$298,500)
2016			
2017			
Total			

For Community Preservation Committee Use:

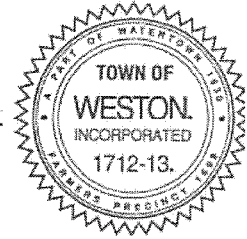
Received on:

Associated Town Department/Committee:

Reviewed on:

Determination:

TOWN OF WESTON



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HOUSING TRUST
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(781) 786-5000
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September 10, 2014

Dear Community Preservation Committee Members,

As you may recall from our previous presentations to you, the Warren Ave. Project (the “Project”) is a proposal to create affordable rental housing within 3 existing buildings on Town owned land at the end of Warren Avenue. To date, the Trust has received 3 appropriations of CPA funds for the Project: 1) \$18,500 in administrative funds approved in January 2011 for feasibility, 2) \$100,000 approved at May 2011 Town Meeting for feasibility, and 3) \$180,000 approved at May 2013 Town Meeting for design/predevelopment. The request before you is for funds to construct/renovate the Project.

The Warren Ave. land consists of one large parcel (approximately 9.3 acres), the majority of which is wetlands or lies within 200 feet of a riverfront. The parcel contains 3 existing structures: 1) a single-family house (71 Warren Ave.), 2) a two-family house (66-68 Warren Ave.), and 3) the former Water Division Building (74 Warren Ave.). The Town’s Water Division moved from 74 Warren Ave. when the new DPW building opened in 2011, and the building has been vacant ever since. The Town rented the single-family home and duplex to Town employees for many years. At this time, the single family house is vacant and unlivable, and the bottom floor apartment (66 Warren Ave.) is rented by a Town employee who is likely to remain in the unit under a grandfathered status.

The Weston Affordable Housing Trust (the “Housing Trust”), a municipal housing trust

created under M.G.L. Chapter 44, Section 55C by the Town in 2011, has been working on redevelopment plans under the direction of the Town's Permanent Building Committee (the "PBC"). The proposal calls for the Town to convey the property to the Housing Trust and for the Housing Trust to contract with the Brook School Apartments Management Office to handle management and rental of the apartments for income eligible tenants.

The Project will convert the single-family home into 2 units (1, 2 BR/1.5 BA unit and 1, 3 BR/1.5 BA unit) and the Water Division Building into 3 units (1, 2 BR/1 BA unit and 2, 3 BR/1.5 BA units) and will retain 66-68 Warren Ave. as a duplex (2, 2 BR/1 BA units) for a total of 7 units of below market rate housing. Four of the units will be available and rented to those earning less than 80% of the area median income ("AMI") as defined by the Massachusetts Department of Housing and Community Development (the "LIP Units"), two of the units will be available to those earning less than 100% of AMI (the "CPA Units"), and one unit will continue to be occupied by an existing Town employee and his partner, under a grandfathered status, whose combined income exceeds CPA funding limits (100% AMI). This unit, however, will be perpetually deed restricted to 100% AMI occupancy. When the existing Tenant leaves, the unit will be rented to income qualified tenants. Interior renovations to this unit will be paid for with Town general funds.

By offering a mix of 80% AMI and 100% AMI units, the Project will serve a broad range of income levels and meet the urgent need for rental housing within the Town. Furthermore, to the extent permissible by law, the Trust will give preference to individuals with local ties, including Town residents, Town employees, METCO students/families.

The Project will also meet many of the Town's Policies and Preferences for Affordable Housing in terms of its location, density, site planning, and design. Older buildings within an established neighborhood will be renovated and preserved. Site planning will minimize disruption to the natural landscape, including the vast wetlands, and will result in improvements to environmental

conditions, including reduction in the amount of paved surfaces. The Project is located within walking distance of Town Center. At .75 units/acre, density is well below the Town's preference for a 4 units/per acre limit. Construction will be, to the extent possible, "green," energy efficient, and sustainable, and the design will be historically sensitive and in keeping with the character and aesthetic of the neighborhood. Finally, the Project is projected to be self-sustaining: rents will cover operating and management costs, capital improvements, and potentially result in a modest income flow to the Trust over time. Any income from the Project would be available to the Trust for other affordable housing projects in the Town of Weston.

Since the Project involves Town owned buildings, the PBC is leading the design and construction phases of this Project. Sarah Rhatigan is the Trust's appointed representative to the PBC and a temporary and voting member. The PBC and the Trust have sought input and approvals (where necessary) from the following entities:

1) **Massachusetts Department of Housing and Community Development ("DHCD")** –

The Trust submitted its application for approval of a Comprehensive Permit under the Local Initiative Program ("LIP") in January and received its Determination of Project Eligibility on March 21, 2014. The Determination of Project Eligibility means that the State has deemed this an eligible affordable housing project and allows the Trust to submit an application to Weston's Zoning Board of Appeals ("ZBA") for a Comprehensive Permit under LIP, as described below.

2) **Conservation Commission ("ConCom")** – ConCom approved an Abbreviated Notice of Resource Area Delineation in the Spring of 2014. The Trust filed a Notice of Intent (to file a permit application) with ConCom which was considered at their July 15th and August 5th meetings. At the August 5th meeting, ConCom was generally pleased with the Project as proposed, as it improves conditions vis a vis the Wetlands Protection Act. There is a

relatively minor checklist of items which ConCom will need to review before issuing an Order of Conditions. ConCom has asked the Warren Ave. team to keep the hearing open until after our first hearing with the ZBA, in case the ZBA should recommend site changes which impact ConCom concerns.

- 3) **Historical Commission (“HC”)** – The Trust presented preliminary plans to the HC on December 5, 2012 and modified the Project’s design significantly based on HC feedback. Updated plans were presented to the HC at their meetings on June 24, 2014 and August 4, 2014. Many of the HC’s requested modifications have been made or are in the process of being incorporated into final architectural plans, with one exception. HC has requested that the architects modify plans to 66-68 Warren Avenue to move the front door to 66 Warren Avenue to the rear/side of the building, presumably so as to alter the existing 2 family house to appear as a single family house. The Warren Avenue team has considered this request, and determined that this change would require significant modifications to the interior of 66 Warren Avenue (costs of which are not CPA eligible, as described above). Such changes would disrupt the existing tenant, and increase the scope and cost of the Project, and are not being pursued at this time.
- 4) **Planning Board (“PB”)** – The Trust met informally with the PB in early 2012 and met again to present preliminary plans on December 18, 2012. The Project team attended an informal site walk with the PB on August 19, 2014 and continued discussions with the PB at their August 20, 2014 meeting. Al Aydelott is the PB’s appointed liaison to the PBC during the Project’s design phase and is providing real time PB input. The PB has agreed to assist by initiating a traffic study to evaluate existing conditions due to ongoing concerns from the neighbors about traffic speed and flow through the neighborhood. Depending upon the results of such study, the PB may make recommendations to the

Board of Selectman to modify existing easements and roadways in order to improve conditions.

- 5) **Board of Selectmen (“BOS”)** – The Trust formally presented the Project to the BOS on December 10, 2012, June 11, 2013, and January 8, 2014 and obtained the unanimous support of the BOS at the January 8th meeting. At their July 30, 2014 meeting, the BOS met with the Housing Trust and PBC Chairs and a number of neighbors and stakeholders with regard to proposals to modify the existing easements and roadways in order to address neighbor concerns about traffic and safety in the area. A modified site plan was conditionally approved by the BOS at this meeting. However, due to ongoing concerns and the pending PB traffic study, this issue will likely be revisited again in the near future. The BOS reaffirmed their unanimous support for the Project in a letter to the ZBA dated August 12, 2014.
- 6) **Housing Partnership (“HP”)** – The Trust presented the project to the HP on January 7, 2014, and the HP unanimously supported the Project in a letter to DHCD dated January 14th, 2014. The Trust’s liaison routinely updates the Housing Partnership on the Project.
- 7) **Neighbors** - The HT has reached out to neighbors and interested fellow residents over the past several years through various methods including neighborhood site visits and notices posted on myGrapevine. There are often at least 2 to 3 neighbors who regularly attend Trust meetings and provide feedback for the Trust which assists us greatly in the planning process. .
- 8) **Board of Health** – Preliminary septic design has been reviewed by the Board of Health. Updated and detailed septic designs are being reviewed at present.
- 9) **Police/Fire/DPW** – Preliminary reviews are complete and updated plans have been submitted for further review. These departments will provide feedback/comments to the

ZBA prior to issuance of a comprehensive permit.

10) **Zoning Board of Appeals (“ZBA”)** – The Trust expects to submit its application for a Comprehensive Permit (the “Comp Permit”) under LIP next week. The ZBA will distribute copies of the Comp Permit application to interested boards and committees within 7 days of receipt, and an Initial Public Hearing for the Project will be scheduled within 30 days. Though the ZBA may not have issued the Comp Permit in time for fall Town Meeting, the Trust hopes to have sufficient feedback from the ZBA to understand the conditions under which it will be issued prior to December 1st.

The PBC will continue to oversee the team’s architect, TBA Architects, as construction bid documents are prepared. Since construction bids may not be received prior to Town Meeting, the PBC has recommended that our CPA funding request contain a large (25%) contingency. If bids are received in time, the team will evaluate whether it can safely reduce the CPA funding request on the floor of Fall Town Meeting.

The Project schedule calls for construction commencement in late 2014 and initial Project occupancy in late 2015.

In sum, we hope that you agree that the Project will meet the urgent housing needs of the Town, fit seamlessly with the neighboring community, and provide a long-lasting asset to the Town. Thank you very much for your consideration and support.

The Trustees

Sarah Rhatigan, Chair
Michael Price
Steve Charlip
Ed Coburn
Glenn Cardozo
Liz Valenta
Susan Haber

TOTAL BUDGET			
Building & Acquisition Cost		Total Acquisition	0
Hard Costs			
Construction Hard Cost - Units	1,472,700		Includes interior of 66 Warren to be removed and financed separately; At 7-30-14 Wkg Group Jerry McCarty estimated at \$20k - \$30k; need increases for multiple heat/hot water system:
Site Work	396,000		Includes most costly Gun Club widening & easement relocation and water line extension but not well decommissioning
Fire Suppression	40,000		TBA estimate
Water Line Extension/Well Decommiss.	0		Well decommissioning to be handled by Town.
Hazardous Materials Removal - Unit & Site	0		
Contingency @ 25%	477,175		
	<u>2,385,875</u>	Total Hard Costs	Per Boston Estimating Services 7-21-14 Estimate (with fire suppression at \$40k and contingency at 10% added)
Soft Costs			
Design			
Architect - TBA	193,740		\$52,272.50 Feasibility + \$144,097 Construction Ready Contract less \$2,300 Phase I and \$330 for Land Tech charged to feasibility account
Civil Engineering	27,579		\$27,579 spent in feasibility stage (MWE)
Survey	330		
Permits - DHCD LIP Application	1,210		
Preconstruction Estimator	0		
Financing			
Bank Appraisal	0		
Bank Engineer	0		
Bank Fees	0		
Construction Interest	0		
Legal			
General Legal	43,000		\$8,491.50 spent in feasibility stage; At 8-5-14 meeting, George Pucci estimated 20 hours to get Comp Permit (x \$185/hour = \$3,700);
Property Tax	0		
Environmental	2,300		
Operating Reserve (3 months)	16,000		Phase I in 4/10/14 TBA Bill - charged to feasibility
Project Accounting	10,000		
Marketing/Tenant Selection	10,000		
Relocation	10,000		
Title & Recording	9,000		
Owner's Project Manager	104,935		4% hard costs plus \$9,500 Compass predevelopment contract
Insurance	10,000		Builder's risk on \$12 million police station is \$8,312 for 16 months.
Other Consultants	25,000		\$2,500 spent in feasibility phase (Peter Smith)
Developer Fee/Profit	0		
	463,094	Subtotal Soft Costs	
Feasibility Contingency (Or return to CPA Fund)	21,891		Feasibility funds remaining on 9-10-14
Soft Cost Contingency @ 25%	<u>115,773</u>		Excludes feasibility contingency
	<u>600,758</u>	Total Soft Costs	
	<u>2,986,633</u>	Total Project Costs	
	426,662	Per Unit Cost	

FEASIBILITY BUDGET - Through		9/10/2014	
Design			
Architect	52,273	CPC Admin. Funds - Jan. 2011	18,500
Civil Engineering	27,579	CPA Fund Grant - May 2011	100,000
Legal	10,268		
Consulting	2,500		
Soft Cost Contingency (Misc.)	150		
Permits - DHCD LIP Application	1,210		
Environmental Assessment - TBA	2,300		
Survey - TBA	330		
Feasibility Contingency (Or return to CPA Fund)	21,891		
	<u>118,500</u>		<u>118,500</u>

PREDEVELOPMENT BUDGET			
Building & Acquisition Cost	0	CPA Fund Grant - May 2013	180,000
Design			
Architect - TBA	141,467		
Civil Engineering	0		
Survey	0		
Permits - DHCD LIP Application	0		
Preconstruction Estimator	0		
Financing			
Bank Appraisal	0		
Bank Engineer	0		
Bank Fees	0		
Construction Interest	0		
Legal			
General Legal	10,911		
Property Tax	0		
Environmental	0		
Operating Reserve (3 months)	0		
Project Accounting	0		
Marketing/Tenant Selection	0		
Relocation	4,000		
Title & Recording	3,000		
Owner's Project Manager	9,500		
Insurance	0		
Other Consultants	0		
Soft Cost Contingency @ 25%	11,122		
Total	<u>180,000</u>		<u>180,000</u>

CONSTRUCTION BUDGET			
Construction Hard Cost - Units	1,908,700	CPA Fund Grant	2,592,638
Contingency @ 25%	477,175	Bank Construction Loan	0
Financing			
Bank Engineer	0		
Bank Fees	0		
Construction Interest	0		
Legal			
General Legal	10,911		
Property Tax	0		
Environmental	0		
Operating Reserve (3 months)	0		
Project Accounting	0		
Marketing/Tenant Selection	6,667		
Relocation	6,000		
Title & Recording	3,000		
Owner's Project Manager	95,435		
Insurance	10,000		
Other Consultants	22,500		
Developer Fee/Profit	0		
Soft Cost Contingency @ 25%	52,251		
Total	<u>2,592,638</u>		<u>2,592,638</u>

PERMANENT BUDGET			
General Legal	10,911	CPA Fund Grant	95,495
Operating Reserve (3 months)	16,000	Bank Permanent Loan	0
Project Accounting	10,000		
Marketing/Tenant Selection	3,333		
Relocation	0		
Title & Recording	3,000		
Insurance	0		
Developer Fee/Profit	0		
Soft Cost Contingency @ 25%	52,251		
Repay Bank Construction Loan	0		
Total	<u>95,495</u>		<u>95,495</u>

TOTAL PERMANENT SOURCES OF FINANCING:			
Bank Permanent Loan	0	0%	
CPA Fund Grants	<u>2,986,633</u>	100%	
	2,986,633	100%	

	29-Apr-14 <u>Funds Remaining</u>	<u>Spent</u>	10-Sep-14 <u>Balance</u>
281000-581232 (Feasibility - May 2011 Appropriation)	26,297	4,406	21,891
281000-581233 (Predevelopment - May 2013 Appropriation)	180,000	40,357	139,643
Building & Acquisition Cost			
Design			
Architect - TBA	141,467 *	36,431	105,036
Civil Engineering	0		0
Survey	0		0
Permits - DHCD LIP Application	0		0
Preconstruction Estimator	0		0
Financing	0		0
Bank Appraisal	0		0
Bank Engineer	0		0
Bank Fees	0		0
Construction Interest	0		0
Legal	0		0
General Legal	10,911 **		10,911
Property Tax	0		0
Environmental	0		0
Operating Reserve (3 months)	0		0
Project Accounting	0		0
Marketing/Tenant Selection	0		0
Relocation	4,000		4,000
Title & Recording	3,000		3,000
Owner's Project Manager	9,500	3,926	5,574
Insurance	0		0
Other Consultants	0		0
Soft Cost Contingency @ 25%	11,122		11,122
	<u>180,000</u>	<u>40,357</u>	<u>139,643</u>

* TBA Contract is for \$144,097. Deducts \$2,300 for Phase I and \$330 for civil work charged to feasibility account.

** \$1,776 in legal charged to feasibility account per DSV 9-3-14 email.

9-10-14-Warren Ave - Predevelopment Budget.xlsx
 All CPC Appropriations

	<u>Appropriation</u>	<u>Spent</u>	<u>Balance</u>
29176-578600 (Feasibility - January 2011 CPC Administrative)	18,500	18,500	0
281000-581232 (Feasibility - May 2011 Appropriation)	100,000	78,109	21,891
281000-581233 (Predevelopment - May 2013 Appropriation)	180,000	40,357	139,643
	<u>298,500</u>	<u>136,966</u>	<u>161,534</u>