

Community Preservation Committee Project Submission Sheet

Submitted by: Lincoln Housing Commission **Submission date:** September 14, 2004
Revised: October 25, 2004

Contact Person: B-J. Scheff, Chair P.O. Box 577, Lincoln 781-259-9511
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Project Name: Housing Plan Implementation **Town Committee:** Lincoln Housing Commission

Brief description of the project:

In compliance with the wishes of the Town as expressed through the adoption of the Comprehensive Housing Plan by the March 2003 Town Meeting and the allocation of CPA funds at the March 2004 Town Meeting, the Lincoln Housing Commission plans during FY06 to continue the implementation of the Comprehensive Housing Plan through:

- | | |
|---|-------------------|
| 1. Renovate and update the town-owned house at 65 Tower Road | \$ 50,000 |
| 2. Completion of two units of affordable housing on Lot 41 Sunnyside Lane | \$ 114,500 |
| 3. Renovate existing house & add apartment on Lot 42 Sunnyside | \$ 193,000 |
| 4. Funds for buying down market-rate condos | \$ 600,000 |

The Housing Commission is requesting that the Community Preservation Committee allocate the funds to implement items 3 and 4 above. (See Table 1) Item 1, the renovation of 65 Tower Road will be funded out of the Housing Commission's revolving fund of rents received. The Lincoln Foundation has generously agreed to raise the funds needed to complete Lot 41 on Sunnyside Lane.

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Item 3 will implement the final phase of the plans for Sunnyside Lane: adding an accessory apartment to the existing house on Lot 42. (See Table 3) This will involve a one bedroom addition and some renovation of the existing house. (In FY2005 a new septic system was installed for Lot 42 utilizing Town funds allocated in FY04.)

Town Meeting in March 2004 approved the construction of Minuteman Common, a 55 plus (senior) housing development. It will include 6 affordable units and the Town has the option to purchase 2 additional units for resale as 'affordable'. Item 4 will provide the funds for that or a similar purchase. Table 2 shows the cost of the recent buy down at Greenridge. It is clear that the Town needs a minimum of \$300,000 on hand to purchase each unit and that the final cost to the town could be about \$200,000 per unit. Any funds remaining after resale of the units would be put towards the purchase or development of additional affordable housing.

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In projecting the dollars needed from the Community Preservation Act funds we have taken into consideration funds available from the MetroWest H.O.M.E. Consortium, fundraising by Lincoln Foundation, in-kind donations, and rents received on the properties.

At this time little State or Federal funding is expected to be available. If the situation changes any excess funds would be reserved for the development of additional affordable housing per the Comprehensive Housing Plan.

How does this project preserve Lincoln’s character or further its mission?

Lincoln has worked to maintain its small town identity and rural character through diversity in its housing stock. This allows diversity among its residents in terms of age, education, jobs, professions, and racial and ethnic backgrounds. This economic diversity is made possible through the availability of a varied housing stock - both rental and purchase - priced to be affordable for families of many different income levels.

Upon completion of this part of Lincoln’s Comprehensive Housing Plan the Town will have:

- added three rental units to Lincoln’s town-owned affordable housing stock,
- added two additional occupant-owned unit to the Towns affordable units, and
- preserved two of the current town-owned units for continued rental as affordable housing.

To accomplish these goals the Lincoln Housing Commission is requesting from the Community Preservation Committee the allocation of \$ 784,000 for FY06.

TABLE 1

Fiscal Year	Implementation Costs	Maintenance Costs	Total Costs	Other Funding Sources	CPC Funds Requested	
FY2006	Sunnyside Lane Lot 42 development Renovate existing Building & add Accessory Apt		\$ 193,000	H.O.M.E.	\$ 9,000	\$ 184,000
	Buydown 2 units		\$ 600,000			\$ 600,000
	TOTALS		\$ 793,000		\$ 9,000	\$ 784,000

TABLE 2

GREENRIDGE BUYDOWN	
Lincoln Foundation acquired the unit for	\$370,000
Affordable buyer paid	\$174,000
Buy down cost	\$196,000
CPA funds	\$150,000
H.O.M.E. funds	\$9,585
Lincoln Foundation contributed remainder	\$36,415

TABLE 3

Lincoln Housing Commission Back-up data for Community Preservation Grant submission		
	Lot 42 (30 Sunnyside)	
	Existing	Accessory
Size (square feet)		700
Number of Bedrooms	4	1
IMPROVEMENTS		
Construction (SF X 150)		\$105,000
Improvement of existing	\$50,000	
Site work/utilities		\$7,000
Foundation/Slab		\$10,000
Driveway/paving		\$3,500
Landscaping		
TOTAL IMPROVEMENTS		\$20,500
SOFT COSTS		
Survey		\$1,500
Site engineering		\$3,000
Architect		\$10,000
Legal		\$3,000
TOTAL SOFT COSTS		\$17,500
TOTAL DEVELOPMENT COSTS	\$50,000	\$143,000
TOTAL LOT DEVELOPMENT COSTS	Lot 42=	\$172,500
Funding Sources		
CPA FY06		\$193,000
H.O.M.E. FY 06		\$9,000
Total Funding		\$184,000

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2nd Revision November 11, 2004

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- | | |
|--|--------------------------|
| 1. Renovate and update the town-owned house at 65 Tower Road | \$ 50,000 |
| 2. Completion of 2 units of affordable housing on Lot 41 Sunnyside Lane | \$ 141,500 |
| 3. Development of architectural plans and RFP for Lot 42 Sunnyside | \$ 50,000 |
| 4. Developing funding towards buying down market-rate units | <u>\$ 171,000</u> |

The Housing Commission is requesting that the Community Preservation Committee allocate the funds to implement items 2, 3 and 4 above. (See Table 1).

- Item 1: The renovation of 65 Tower Road will be funded out of the Housing Commission's revolving fund of rents received.
- Item 2: Because the Town must have all funds in hand before an RFP is promulgated, we are requesting that \$141,500 be allocated out of Community Preservation funds. However, The Lincoln Foundation has generously agreed to contribute up to \$120,000 towards the funds needed to complete Lot 41 on Sunnyside Lane. They hope to do this by mid-January so that we can go out for bid well before Town Meeting. This is a significant increase over their original commitment of \$75,000. If they are successful this would leave a need for \$21,500 in this line.
- Item 4: The 'buy-down funds' line of \$171,000 has been reduced significantly from the initial submission. The Housing Commission will ask Town Meeting to move any funds not needed for Item 2 to Item 4. Town Meeting in March 2004 approved the construction of Minuteman Common, a 55 plus (senior) housing development. It will include 6 affordable units and the Town has the option to purchase 2 additional units for resale as 'affordable'. Item 4 will provide the funds for that or a similar purchase. Table 2 shows the cost of the recent buy down at Greenridge. It is clear that the Town needs a minimum of \$300,000 on hand to purchase each unit and that the final cost to the town would be over \$200,000 per unit.
- Item 3: This allocation will begin the implementation of the final phase of the plans for Sunnyside Lane. The funds will enable us to hire an architect and develop the plans and accurate cost estimates for the one bedroom addition and some renovation of the existing house. (See Table 3) (In FY2005 a new septic system was installed for Lot 42 utilizing Town funds allocated in FY04.)

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Upon completion of this part of Lincoln's Comprehensive Housing Plan the Town will have:

- added three rental units to Lincoln's town-owned affordable housing stock,
- added two additional occupant-owned unit to the Town's affordable units, and
- preserved two of the current town-owned units for continued rental as affordable housing.

To accomplish these goals the Lincoln Housing Commission is requesting from the Community Preservation Committee the allocation of \$ 362,500 for FY06.

TABLE 1

Fiscal Year	Implementation Costs	Maintenance Costs	Total Costs	Other Funding Sources	FY 06 CPC Funds Requested
FY2006	2. Sunnyside Lane Lot 41 Completion		\$ 381,000	FY 05 CPA \$239,500	\$141,500
	3. Sunnyside Lane Lot 42 development		\$ 211,000	FY 04 Town Funds \$ 18,000 FY 07 CPA \$143,000	\$50,000
	4. Buy down Funds		\$ 300,000	H.O.M.E. \$ 9,000 Transfer from Item 2 or add'l fundraising \$120,000	\$171,000
	TOTALS		\$ 892,000	\$529,500	\$362,500

TABLE 2

GREENRIDGE BUYDOWN	
Lincoln Foundation acquired the unit for	\$ 370,000
Affordable buyer paid	174,000
Buy down cost	\$ 196,000
CPA funds	150,000
H.O.M.E. funds	9,585
Lincoln Foundation contributed remainder	36,415
Additional costs absorbed by the Lincoln Foundation	\$ 7,292
Total cost of buy down	\$ 203,292

TABLE 3

Lincoln Housing Commission		1/6/2003			
Back-up data for Community Preservation Grant submission					
	Lot 42 (30 Sunnyside)		Lot 41		Total
	Existing	Accessory	Main House	Accessory	
Size (square feet)		700	2000	700	
Number of Bedrooms	4	1	4	1	10
IMPROVEMENTS					
Construction (SF X \$110-\$150)		\$105,000	\$220,000	\$77,000	\$402,000
Improvement of existing	\$50,000				\$50,000
Site work/utilities		\$7,000	\$5,000		\$12,000
Foundation/Slab		\$10,000	\$5,000		\$15,000
Driveway/paving		\$3,500	\$2,500		\$6,000
Landscaping			\$2,000		\$2,000
Septic system	\$18,000		\$32,000		\$50,000
TOTAL IMPROVEMENTS	\$68,000	\$125,500	\$266,500	\$77,000	\$85,000
SOFT COSTS					
Survey		\$1,500	\$1,500		\$3,000
Site engineering		\$3,000	\$3,000		\$6,000
Architect		\$10,000	\$30,000		\$40,000
Legal		\$3,000	\$3,000		\$6,000
TOTAL SOFT COSTS		\$17,500	\$37,500		\$55,000
TOTAL DEVELOPMENT COSTS	\$68,000	\$143,000	\$304,000	\$77,000	\$592,000
TOTAL LOT DEVELOPMENT COSTS	Lot 42=	\$211,000	Lot 41=	\$381,000	
Funding Sources					
Town Meeting FY04		\$18,000			\$18,000
CPA FY05				\$239,500	\$239,500
CPA FY06		\$50,000		\$141,500	\$191,500
CPA FY07		\$143,000			
Total Funding		\$211,000		\$381,000	\$592,000
Balance Needed		\$0		\$0	\$0
Original FY04 estimates		150,500		\$328,500	\$479,000
Percent change Parcel	0	28.67%		13.78%	19.09%

Note:

Increase in Lot 41 costs: Architect=\$25,000, Increase in Sq. Ft. costs=\$27,000, Site Eng.=\$500 = \$52,500
 Increase in Lot 42 costs include addition to Architect line and increase in Sq.Ft. costs due to change to stick built construction from modular.

John, I have tried to answer your questions. If you need additional information please call me at 9511.

1. What is the basis for total costs on Lot 41 of \$381,000? Is that based on bids in hand or on estimates, and in either case, who submitted the bids or prepared the estimates? In other words, how sure are you of that number. *This figure has been reached through a series of refinements. Chris Coleman and the building subcommittee (Chris, Earl, Mark, Tom G., George Georges and myself) feel very confident and the architect we have hired agrees that it is an accurate number.*
2. Is the advantage of using Lincoln Foundation funds for Lot 41 that you can get those committed prior to Town Meeting, and thus move the process along sooner? *Yes! But if they are unable to raise the full amount we need to be able to proceed without waiting for another Town Meeting.*
3. If the Lincoln Foundation contribution comes through, would you be receptive to shifting CPC funds from Lot 41 to Lot 42, rather than to a condo-buy down? *This is certainly a possibility. However, I would be concerned that people would then say it wasn't needed until FY07 and we would lose both the possibility of buy-downs and of proceeding with Lot 42 and be in the same position at next Town Meeting. On the other hand we would like to proceed quickly with the addition on Lot 42 and shifted that request to FY 07 to lower our total request for this year.*
4. We did not understand what you meant by "It is clear that the Town needs a minimum of \$300,000 on hand to purchase each unit . . ." Based on Greenridge, the purchase price was well over \$300,000. *We agree, but there appear to be ways to pull off a purchase if the Town and the Lincoln Foundation together can come up with most of the dollars. Also, if Minuteman Commons get built we would like to buy the two additional units. In that case we will be negotiating with the builder, not on resale.*
5. Is my assumption correct that you believe you will be able to cover any balance of the town's cost for a buy down in excess of the \$170,000 of CPC funds? *How much more will be needed will depend on the fund raising success of the Lincoln Foundation. We would like to establish an affordable housing fund to accumulate dollars from various sources to be available for purchase or development. The Commission has just begun to discuss this and hasn't had time to explore how the town can do this.*
6. What is the basis for your request for \$50,000 for Lot 42? *This was to assure that we had the funds to hire an architect and do the necessary land survey and development of plans for the addition to the house on Lot 42 before the next Town Meeting. With this \$50,000 if we did move the funds from Lot 41 to Lot 42 (See question 3 above) we would have almost all the dollars needed for Lot 42. The Commission could probably cover the rest from rental income.*

Hope this helps. I don't envy you the job of allocating the CPA funds but I do want to remind the committee that over the years the Town has put a lot of dollars into conservation and relatively little into affordable housing.

Thanks for your efforts and interest. B-J.