

NOAH (from Housing Partnership Board)

1. Why are you choosing to undertake a mixed-income housing project in Winchester?

NOAH is always on the lookout to increase access to affordable, workforce and market rate housing throughout Greater Boston, where we are developing a variety of mixed-income developments. We learned of the Waterfield opportunity during the time the Town was dealing with the CVS 'super store' on Washington and Swanton. We then read the MHP synopsis to get a sense of what the Town wanted. We inquired from time to time and waited for the release of the RFP. We know of other developers which are working on larger 40b's in Town, not all of which are readily accepted. We were excited to learn that this opportunity would be a high priority because it is a prime TOD location and it would definitely get funded by the public sector. Importantly, the Town was approaching it the right way through a deliberative, collaborative effort of committees that led to significant agreement on outcomes, including the need for higher levels of affordability, which is aligned with our purpose and Mission.

We chose mixed income, if that is the question, because it is our organizational perspective that all income groups need access to quality housing. Mixed income with higher levels of affordability is basically our approach to development. We also judge that communities want mixed income housing, not all affordable (under 50-60% AMI) and not 100% market. In our work we have found that too many communities want to increase their SHI, but very often they want to minimize affordability. While we understand why some municipalities (and developers) use the law this way, we cannot agree that is the intent of the law.

Winchester provides a rare opportunity to develop the kind of housing we would normally be developing if we were to purchase a site on our own. You are also willing to commit AHT funds of a significant amount, which we know will

- a. open the eyes of decision-makers at DHCD as well as
- b. enable your elected representatives to make a strong case for faster funding.

You are also not trying to maximize the price of the land, whereas most towns demand a high purchase price. The stars are aligned for early if not immediate funding from a variety of investors at the State level. In sum, we have a strong story to incentivize and to convey to all parties.

2. What are the advantages for Winchester in working with a non-profit rather than a for-profit developer?

To begin, NOAH can do anything a for-profit can do, except we choose a different path to housing production – we focus on both affordable/workforce/mixed-income housing as well as community development. We would add that municipal missions and our Mission are generally aligned. For example, both

serve the public through a variety of well-run, family and community-centered, programs, services, projects and opportunities. ++

Secondly, we spend considerable time with residents who may run into life issues such as health coverage, job loss, family separations and the like. Our staffs are trained to work closely with families when delinquency becomes an issue. Evictions are a last resort, except for those who create serious lease violations, which are rare. During COVID, we are tracking different areas where we can help people through rent loss, rent referrals to City or State funds (e.g. RAFT), help filing with Unemployment, COVID referrals to a health clinic, emergency (fresh) food relief, and access to all of our programs. It is essential to pay the rent because we have debt service payments to make, but we understand, and our investment partners understand, there can be mitigating issues and we take these into account when trouble emerges. For example, during COVID, all lenders have granted extensions or postponements of debt service enabling us to preserve cash.

While we are most certainly a business, which requires solid management and strong financials, we offer towns the security that we are monitored by several outside entities, which files a 990 and is publicly audited every year. Importantly, our funders also stand behind our projects. We will not fail and they will not fail us nor the community. They monitor us, our management and our financials.

We are reachable and accessible. NOAH is governed by a non-profit Board of Directors which sets policy, goals and budgets and meets monthly to monitor the affairs of the organization. We are rated 'Excellent' by one of our funders, NeighborWorks America. (see attachment).

We are local. It may be of benefit for you to know we invest our revenues to *support the work of the organization, not individuals*. We do not upstream our profits to a corporate or out of state mothership. That is one of the major reasons we do development – to support our multiple programs and services for young people or those in need or citizens who appreciate a boost to get traction in their life or financial situations.

++ Mission Statement: “NOAH, a community development corporation, promotes equity, community cohesion, environmental justice, and economic resiliency. We increase access to affordable housing, create social and economic opportunities, and empower residents to be leaders of change”.

On the design side, as a non-profit organization, NOAH can provide additional value in our design as we are able to create:

- 1 Shared space that will be programmed to serve the community - both the resident's community as well as the wider society. This is a direct benefit opportunity that is available to us in not having to drive revenue from every square foot of the project.

- 2 The communal spaces will serve as an amenity with the added focus on designing an area to transform & meet the immediate needs of our residents. The future could hold a surprise or two when identifying what the residents need, not only to survive, but to thrive. Today residents of all backgrounds require areas for at-home work and pod class learning. Tomorrow we may need larger spaces to gather and rebuild. Adaptability is key to a resiliency plan for building operations.
  - 3 We will study integrating a back-up generator to maintain operations to key building services, allowing residents to shelter-in-place in the case of prolonged power outages or natural disasters. We will evaluate the ability to provide support, first-aid services to the community from the entry-level Shared Space in the event of an emergency.
3. Describe the financial counseling that you will provide to tenants? What specific types of services does this include? How extensively is this utilized, especially during the current COVID pandemic? \*\* How extensive are the problems you are now having with tenants being unable to pay their rent? How are you coping with these problems?

Homeownership Readiness and Sustainability Financial planning, budgeting, or credit counseling: NOAH provides free education and counseling to individuals to improve their financial capability in both English and Spanish. We offer eight-hour workshops that include information on establishing financial goals, budget management, credit, banking, insurance, taxes, and retirement planning. Course graduates also receive two hours of free group counseling or can meet one-on-one with a counselor. NOAH helps over 150 households with VITA tax preparation services each year and initiated a successful new Matched Savings Pilot program in 2018, with a 100% success rate.

NOAH offers first-time homebuyer education classes that provide a comprehensive overview of the necessary steps towards purchasing a home. Our experienced staff and a wide variety of guest speakers educate clients on how to locate, finance, and buy property. Graduates of these classes receive certificates which allows them to apply for better loans, helps them with down payment assistance, and gives them overall greater credibility when buying their first home. We educate over 300 individuals each year, many of whom go on to successfully purchase their first homes; over 1,200 families own their first homes resulting from our counseling efforts. In 2019, 304 households graduated from NOAH's First-Time Homebuyer program, and 83 graduates purchased a home.

Financial planning, budgeting, or credit counseling for homeownership readiness: NOAH provides free education and counseling to individuals to improve their

financial capability for homeownership in both English and Spanish. We offer eight-hour workshops that include information on establishing financial goals, budget management, credit, banking, insurance, taxes, and retirement planning.

See list of Homebuyer Services below with numbers from NOAH's 9/17 Board meeting:

	9/9/2020
<b>Foreclosure Prevention</b>	
Open Cases (Currently)	52
New Cases	35
Referrals from the AGO	79
Modifications	7
Forbearance Agreement *	10
Currently under trial	4
Refinance	1
Bankruptcy	0
Brought Mortgage Current	3
Pre-foreclosure sale	1
Sold Property	1
Foreclosed	3
Referred to agency	1
Referred to legal assistance	2
<b>First Time Homebuyer</b>	
Graduated (In-person)	154
Graduated (Online)	35
Purchased	33
<b>Financial Capability</b>	
Workshop Attendants	71
New Cases	92

This is how we record our delinquencies by corporation in the Executive Director's report to the NOAH Board last week:

Period August 1, 2020 - August 31, 2020									
	<u>Benfield Farms</u>	<u>Paco</u>	<u>Paz</u>	<u>Shalom</u>	<u>Siochain</u>	<u>Trinity</u>	<u>Everett</u>	<u>PB/Church</u>	<u>CVTH</u>
GPR Residential	\$32,797	\$72,404	\$45,423	\$32,896	\$16,485	\$14,772	\$4,579	\$0	\$4,781
GPR Commercial	\$0	\$0	\$3,000	\$0	\$3,100	\$0	\$0	\$8,430	\$0
Rents Collected	\$29,802	\$60,312	\$32,907	\$30,797	\$15,579	\$13,626	\$1,479	\$0	\$4,180
Commercial Rent Collected	\$0	\$0	\$3,000	\$0	\$2,100	\$0	\$0	\$0	\$0
Total Rent Uncollected	\$2,995	\$12,092	\$12,516	\$2,099	\$906	\$1,146	\$3,100	\$0	\$601
Total Commercial Rent Uncollected	\$0	\$0	\$2,900	\$0	\$1,000	\$0	\$0	\$0	\$0
<b>Total Uncollected</b>	<b>\$2,995</b>	<b>\$12,092</b>	<b>\$15,416</b>	<b>\$2,099</b>	<b>\$1,906</b>	<b>\$1,146</b>	<b>\$3,100</b>	<b>\$0</b>	<b>\$601</b>
Collection Percentage	91%	83%	74%	94%	90%	92%	32%	0%	87%

  

March 15, 2020 - Sept. 10, 2020										
	<u>Benfield Farms</u>	<u>Paco</u>	<u>Paz</u>	<u>Shalom</u>	<u>Siochain</u>	<u>Trinity</u>	<u>Everett</u>	<u>CVTH</u>	<u>CVA</u>	<u>Totals</u>
Loss of Income	0	27	15	17	7	3	3	0	5	77
Called for rental assistance	0	22	25	12	12	2	3	0	0	76
Helped file for unemployment	0	10	7	6	4	1	3	0	0	31
Need food assistance	5	3	2	0	1	16	0	0	0	27
Moved out due to COVID-19	0	4	0	0	0	0	0	0	0	4
Received with gift card	0	24	9	8	4	6	0	0	0	76
Domestic Violence Reported (DV)	0	3	0	0	0	2	0	0	0	5
Partner Separations	0	3	0	0	0	0	0	0	0	3
Tenant Disputes Among Tenants	11	5	3	0	2	6	0	0	0	27

4. Do you ever offer units up to either 110% or 120% as part of your developments?

Yes, as Workforce Housing (up to 120% AMI), the Affordable Housing Trust (110%), CPA (100%) allow for income mixing. Of course, unrestricted market rate housing, of which we have 23 units, allow for people/families of any income.

NOAH (from Chamber)

1. Does this Proposal include an initial ground lease payment?

Based upon present modeling we can report the ability to pay a one-time fee up to \$1,000,000 in a ground lease payment subject to negotiation and State matching funds

2. Does this Proposal include an annual ground lease payment?

No, but we could make this arrangement if we have funds set aside in an Annuity.

3. Does the parking income include revenue from the public parking spaces?

We are not currently projecting income from public parking. We propose to charge the same amount the Town charges to the Town Center employees which is the amount to pay for the production of a laminated parking permit/pass, plus a \$10 service charge.

4. Is the additional parking level feasible given the site constraints?

Yes, given our understanding of the topography, we estimate having to dig down as little as an additional 3-6 ft to accomplish the creation of additional parking, IF the town wants more public parking. This is not an underground garage, which would be prohibitive. We might use \$50,000 per space as our financial guide. Parking is also only on one side of the ramp because we designed the front side to accommodate existing grading and level with the entry of the building, while the parking will either ramp up or down behind the ground floor program.

5. How many of the units would have private balcony spaces?

Presently there are 11 Juliet's and 16 walk-out balconies that would be constructed in accordance with Town building code section 3.5. We are also providing a common roof deck amenity. This is our first pass at the design, we will re-study the pros and cons of balconies and add or take away, as necessary or in consultation with the Town during the LDA process.

We feel having outdoor space is important to the well-being of our residents. There are also opportunities for outdoor access through the roof decks and a potential green roof. There is a challenge with balconies within a passive house design project to ensure that thermal bridging and air sealing is done properly. If chosen, we would develop these details in more detail and communicate our findings to the Town.

6. What is the projected cost of the additional parking level?

The cost is estimated at approximately \$1,250,000

7. Does the Proposal include income from the Co-work/Chamber space?

Basically, we do not require income or revenue from the Workshare spaces. There will be small to modest fees for use of the spaces on an hourly or daily basis. This will help us cover management and upkeep, but we are not seeking a management fee. We basically will cover only our operating costs.

From a Co-Working standpoint. There are many ways that this can be managed from a work share standpoint. Peerspace <https://www.peerspace.com/> is a web

based way that many multifamily buildings manage outside access to spaces of all types, including amenity rooms, office spaces, roof deck areas. If the Chamber of Commerce were interested in the space, then it would be a rental situation and we would design it with separate services, utilities, and entrance points. The rent would be minimal, basically CAM charges and a small management upkeep markup.

## Waterfield Proposals - Possible Interview Questions

### General

- What do you see as major challenges or concerns in undertaking this development; and what are your plans for overcoming them?

Coordination with the MBTA during their reconstruction could be a timing issue but you will guide us on this.

Onsite public parking during construction will be very difficult as construction logistics, construction parking, the lay-down area, and site work will prohibit public access. We will work to have as much as possible work prefabricated and completed off site to shorten the down time for public parking. There will likely be some public parking available during the last months of interior finish work inside the building. We can alert the Town as to timing. We can also coordinate re-stripping of the Aberjona lot with the Town and/or MBTA, whichever entity controls that overgrown area of the lot. We will also inform and coordinate with adjacent small businesses, so they are aware of the construction schedule.

- Share your thoughts on how your development will add vitality to Winchester's Town Center.

While we are proposing a welcoming and visually attractive new development, which blends in with the local architecture, in our opinion, Winchester is *already* a comfortable, walkable, accessible, friendly, appealing and green environment. The Common environs are a totally relaxing atmosphere where families/individuals will be *delighted* to have so many nearby amenities. It is almost unique. We do not think anything in particular is missing. There are trails, easy access sidewalks, natural beauty, fields for youth games, public amenities, restaurants/groceries, and desirable views. It is wonderful and 'vital' already!

Nevertheless, through the addition of 55 new households and their disposable income, 'Waterfield Commons' will add more active users for the existing Town Center businesses. We are proposing to demolish the ugly Chamber building and potentially relocate them to our facility which will anchor business services in that area of the Town. We think one can question the need for more ground floor

retail in a building where there are 55 families. This is not downtown Boston or New York where living above retail is expected or desirable. To our way of thinking, this is a tight, closed-in cul-de-sac where small business deliveries are made, where the public can enter through their rear doors, where turning is constricted, where some number of children enter/attend school, where public safety access is required, where families reside in peace and comfort and where the general public will venture only occasionally. It does not need to be a new 'hot zone' when the Town already has these many pleasing enterprises.

We are cognizant of activity and vitality in the sense that small businesses are being served, where art can be displayed, and the building is available to the public if needed or desired. In a sense, it may be a more 'quiet and natural vitality' than is entertained in some visions of the site.

The second floor would be utilized as a work share space available to lease or rent by the Winchester community for those who may want to Work (nearly) From Home (WFH). This space will also be available to our residents. As for the foreseeable future anyway, there will be a need for remote educational learning space and this will afford our residents and the community to do this outside their home but within Winchester We also see this space being utilized and offered as a cultural extension of the Winchester art community by having it available for larger classes that may be offered by the Studio on the Commons or to the Griffen Museum as additional exhibit space

We hope you have noticed that our development also serves as a natural connection to the Town Common and the Commuter rail, further adding to the vitality and strength of the Town Center. Residents or passersby can quietly sit and watch the simple activities of moms/dads pushing strollers, pets on their leashes, joggers or small business people hurrying back to work as they also enjoy the shade and natural beauty of The Common just across the street. To us, that is the 'vitality' a soul requires in today's hyper-extended, overexcited, sometimes volatile world.

The Town Common and the Commuter rail on both sides are universally used and therefore need to feel open and accessible to function safely. We have provided an open, comfortable connection to both that accomplishes these goals. In addition to expanding the amount of green space in the Town, we are prioritizing pedestrian connections to the new central pocket park with a traffic table crossing through our circulation system, a new crosswalk to connect to the Town Common and a green gateway linking the Common with our central pocket park.

We do note that Winchester has a comprehensive plan to increase density within the town center. Adding our 55 units to a one-acre site certainly meets that goal. Preserving green space as we densify is important. Through a densification

process, we also want to make sure that we preserve or create green space through pocket parks as we develop these areas. Much of the quiet liveliness and vitality of the town center is from the natural beauty that weaves its way under and through the commuter rail, the walkway, the riverway and the pleasingly designed walkable areas.

- Describe three specific examples of support services that will be provided to residents in the building.

Normally residents do not ask for or require support services, but as stated in question 3 above, all residents will have access to NOAH Homebuyer classes for free, each child who wishes will receive one free year of classes at Studio on the Common residents who want to use the WFH spaces will pay only a small (undetermined) hourly fee; we offer 24 hour maintenance/emergency, convenient on-line financial transactions; if needed, special support services such as assistance with filing Unemployment, health care or quasi-legal matters; occasional translation services are needed for non-English speaking families. Of course, each family will benefit from NOAH's excellent management teams.

- Describe your strategy for identifying tenants for the commercial spaces in your building. How have you handled vacant retail spaces in other buildings?

We are adding WFH pods on the second floor of the front facing, two-story entrance. We are open to hosting the Chamber of Commerce for nominal COB functions. We are open to having our community room or our Fitness area open to the public. As we described above, we are not adding ground floor commercial for several reasons. Winchester has a vibrant downtown and commercial spaces are notoriously hard to fill; there is often significant vacancy loss. We have pushed the building back to the rear so that the train is less of the occasional noisy bell/whistle/braking nuisance for our prospective residents while providing them easy access to the environment in which they live, 24/7/365. This is their home with plenty of life and commerce around them. Speaking for the prospective residents, we do not believe there is a need for more commercial enterprises directly underfoot, competing for parking, quiet enjoyment, and seating in our green entryway.

NOAH has four commercial spaces, one of which now remains a 3,000-sf unfilled restaurant space. Our marketing agent, Peter Gori, is currently working on pursuing new prospects for the use of this corner space near the waterfront. We have three other commercial spaces; there are rent delinquencies. We are being patient and taking what they can offer at this time.

- If we have a continuing recession during the period of construction of the development, do you have resources that you can access that will enable you to complete the development?

Yes, we do. Please see our FY '19 Audit and our just received NeighborWorks America Program Review, which stated on p26. "NOAH has \$33M of net assets including unrestricted net assets of nearly \$13M. This strong financial position should enable NOAH to survive and ultimately prosper despite the devastating human and economic impact of the COVID-19 pandemic."

- If the MBTA for some reason decides to delay the planned reconstruction of the Winchester Center Commuter Rail Station and the Town decides to go forward with the Waterfield development first, are you prepared to do that?

Not a problem. Given the space between our proposed building and the MBTA commuter rail, we can make arrangements which allow for the construction to be delayed and completed in coordination with Town needs and without too much trouble.

- How long will you commit to be the owner of the development?

State funding sources basically require the development to remain affordable 'In perpetuity'. That is, the investment the public tax dollars make to create affordable housing basically stipulates that the property cannot be flipped, though some developers try at the 15 year buy-out marker. NOAH readily pledges to retain the project as affordable and not try to sell to an investor at any point.

- Your response to the sustainability objectives for this development of the Waterfield site, consistent with the RFP, focus on energy conservation features associated with the proposed building. The interests and scope of the Town's recently updated Climate Action Plan, though, also extend to the external environment of a building or development, so as to encompass the entire site. Are there ways in which you may be able to enhance your proposal to include the full environment, including green infrastructure, nature on the site, green in general? Doing so would enable this site and the associated development to serve as an example of holistic design for the town going forward. Is your team currently constituted to be able to accomplish this?

Our proposal intends to look for LEED Gold Certifiable status, Enterprise Green Communities 2020 - now including WELL Building Certification, and implement Passive House standards as a way to inform the building envelope, energy efficiency, water usage, healthy materials, environmental impact, health, and wellbeing, and resiliency of the project as a whole.

In line with the vision outlined in Winchester's Climate Action Plan, our vision for the Waterfield Lot aspires to deliver a regenerative, carbon reduced future for all residents of the site development: people, plants, critters, and insects. A 'net positive' future begins by responding and enhancing the land's natural ecology. It is preserved through reverent redevelopment, reducing the resources necessary for operations, and with considerate, ongoing maintenance.

Through the development of the building, we strive for the whole site to be a better participant in the ecological flow of its surroundings by considering Place, Materials, Water, Energy, Health & Happiness, Equity, and Beauty – further expounded upon in our approach as outlined on pages 26-31 of our proposal.

- Select site materials that combat 'heat island' effects from landscape to hardscape, identifying an appropriate balance of each
  - Urban agriculture (Green Roof/Community Garden), to be studied
- Planted Materials
  - 1 Select indigenous plant media that restores the local ecology and encourages onsite biodiversity.
  - 2 Design with natural media that tolerates high saturation and drought conditions as regularly seen in New England
  - 3 Increase existing green space onsite by 400%
- Water management strategies
  - 1 Hardscape encouraging onsite infiltration through pervious materials and perimeter bioswales
  - 2 Onsite catchment & recharge systems
  - 3 Delays stormwater surge discharge
  - 4 Reduced flow water fixtures within the building
- Onsite renewable resources We will investigate PV over the on-grade parking. We look to make the building solar ready.
- Embodied Carbon
  - 1 Recognizing that structural materials are the most carbon-intensive building components, identify an approach that balances the embodied carbon among all project goals
  - 2 Consider the durability and maintenance when selecting building materials

- Operational Carbon
  - 1 Reduce energy demand through a tight, enhanced thermal envelope and windows
  - 2 All-Electric HVAC systems, Washers & Dryers, & Stoves
  - 3 Offset a portion of the electric demand with onsite solar energy generation
  - 4 Purchase green energy through an approved firm such as Agilitas and Liberty Power which is about to be NOAH's own supplier.
  
- Occupant & trades-person health & wellbeing
  - 1 Select materials that avoid red-list chemicals and are sustainably managed
  - 2 Filtered, fresh air supply into all units
  - 3 Access to fresh air & nature through balconies, shared roof decks, pocket parts, and access to nearby natural amenities
  - 4 Individual controls & operable windows
  - 5 Universal/ Inclusive Design principals to promote inclusivity & diversity to be enjoyed by all no matter their physical abilities.
  
- Community
  - 1 Fostering a sense of place & belonging along with the community residents through shared amenities and management strategies
  - 2 Blurring the line between public and private by extending the Town Common on the site with a parklet and providing a Community Share Space to connect with fellow Winchester neighbors
  - 3 Affordability for those who are working their way up.
  
- Future Planning (Resilient Design Strategies)
  - 1 Passive heating & ventilation strategies through a Passive House approach
  - 2 The possibility of redundant energy sources to maintain power to essential services such as building ventilation systems and power to the shared amenity space for powering communication devices and refrigerating medications
  - 3 The ability to provide support, first-aid services to the community from the entry-level Shared Space in the event of an emergency

- Encourage Transportation Strategies to
  - 1 Provide bike storage for residents and visitors
  - 2 Make available Electric Vehicle charging stations
  - 3 Embrace existing infrastructure to provide alternatives to single-occupant vehicles (commuter rail transit, walking paths, and bike routes)

The team is intentionally structured to identify and deliver a project that meets its highest potential with the training, experience, and certifications necessary.

PCA is a firm fully committed to a holistic approach to sustainability, led by our Sustainable Director, DiAnn Tufts, and Principal in charge of sustainability, Laura Homich. We currently have 2 Certified Passive House Consultants (CPHC's) and 22 LEED AP's with a firm commitment to foster our employees and build on this robust foundation. We have an extensive portfolio of LEED, Enterprise Green, Energy Star Multifamily projects with several projects on track to be Passive House certified with others studying the possibility.

Petersen Engineering is also known for their work on sustainably focused projects and has several CPHC's on the team. Specializing in optimizing the internal infrastructure per the architectural envelope performance, Petersen Engineering & PCA are currently pursuing three buildings for Passive House jointly and partnering on several additional projects focused on building performance.

Odeh Engineering is a master problem solver with a portfolio that demonstrates expertise across all structural systems. When partnering with PCA, Odeh has led the conversation exploring the use of cross-laminated timber (CLTs) in mass-timber construction, deliberated on the most appropriate structural system to achieve the design goals, and is actively partnering on buildings pursuing passive house certification. The team relies on their trusted guidance to explore a structural approach that reduces the embodied carbon in the Waterfield Lot, when given the opportunity.

In our role as Landscape Architects, Verdant is innately committed to a fully collaborative exploration of design alternatives with an emphasis on sustainable solutions. This includes focusing on the relationship between ecology and cultural impact in the landscape - for example collaborating with our civil engineer team to design stormwater structures that double as aesthetic features – aka Green Infrastructure. From the Principals to the LEED certified staff, we excel at finding that sweet spot - or balance - where the opportunities and constraints of a site and a project's programmatic goals can be creatively and sustainably realized. It is only natural for us to seek out sustainable solutions for our designs including reuse of salvaged materials from the site demolition,

protection of existing valuable vegetation on site, and designing with drought tolerant and native plants.

Nitsch Engineering has been a leader in sustainable site solutions since our inception. Using principles of biomimicry, ecohydrology, and ecological restoration, Nitsch Engineering creates unique solutions for sites that respect the natural environmental conditions. Our approach results in sites that more closely reflect natural ecological patterns than traditional engineering techniques, while still accomplishing the program goals and objectives. Nitsch Engineering has worked on hundreds of LEED projects in a variety of settings and has worked within other sustainable frameworks such as Living Building Challenge and MassCHIPS.

- How will the public parking spaces be monitored after completion of the project to make sure they are available for public use?

Management is often on site. Signs will be posted. They can observe or take a violation referral. We will make this part of our Lease provisions. We will have Waterfield occupancy stickers in the rear window of Waterfield vehicles. A towing service will be on call by management.

## FINANCIAL

- Are you confident you will be able to secure the anticipated funds for your proposal? How long will it take you to secure them?

As stated previously, Winchester provides a unique opportunity to develop the blend of mixed-income, mixed-use housing we would normally be developing if we were to purchase a site on our own. The Town is also not trying to maximize the price of the land, whereas most towns do which enables our lease payment to be reasonable yet competitive. You are also willing to commit AHT funds of a significant amount, which we know will open the eyes of decision-makers at DHCD as well as enable your elected representatives to make a strong case for faster funding. The State does look to see what kind of financial match a municipality is making; higher investments are a sure sign of commitment to the venture. The stars are aligned for early if not immediate funding from a variety of investors at the State level and the private investment community as they know the favorable demographics/location of both the Town and the project. In summary, we are *very* confident in our ability to procure all the necessary funds we have identified in our proposal.

As for timing, the funds are available in a competitive round as released by Massachusetts Department of Housing and Community Development, under the Secretary of Housing and Economic Development. We would contemplate

submitting our Pre-Application to DHCD in December 2021 and a One Stop Application in February 2022. Awards are typically announced in July of each calendar year. If not successful in a first time funding application, for any number of competitive reasons, then the same process would follow potentially in an autumn Mini-Round or 1 year later in a second Pre-App to DHCD in December 2022 and a subsequent One Stop application in February 2023.

- Can you give us examples of how your proposal is adequately conservative in its financial assumptions?
  1. We have accounted for increased inflation factors for the cost of construction for a 2-year period. Our construction cost of \$275 per square foot has a 3% per annum or 6% total inflation cost factor.
  2. We are not dependent on commercial leases of any kind. Commercial leasing is often a very difficult and financially challenging burden on housing, particularly low/mod/mixed-income housing.
  3. We can secure lower than market construction and permanent interest rates through the State's housing intermediary funders such as MHP, MHIC, Mas Dev, Mass Housing and others, such as LISC, CEDAC and two NeighborWorks America CDFI's.
  4. We designed our project according to all of the easements and boundaries described in the RFP. We need to do surveys, but we do not need to go back and ask forgiveness on parking, driveway or footprint.
  5. We have asked for a financial contribution from the Town in order to incentivize the State to invest their considerable millions of dollars in this attractive project
  6. We have not over-promised on parking or the design. We definitely want and need Town input on public/private parking and how it works best for the Town and the project. On Design, we have fashioned the appropriate layout, local scale, building materials, fenestration, historic character, distance from the T and Sustainable uses. However, we do seek your input and advice in order to blend character, materials and charm.
  
- How do your financial assumptions manage potential risks, including changes in the real estate market, economic fluctuations, or other external factors?

We are able to secure lower than market construction and permanent interest rates through the State's housing intermediary funders such as MHP, MHIC, Mas Dev, Mass Housing and others, including our non-profit partners such as Community Housing Capital and NeighborWorks Capital, both CDFI's which fund our work. We do a market study prior to submitting our One Stop to DHCD so we will be aware of potential changes in market forces.

- Is the cost of demolition of the Chamber of Commerce building included in your proposal? (if applicable)

Yes, the cost for the demolition of the Chamber of Commerce building is included in our proposal.

- What funds will you request from the Town of Winchester to enable you to go forward if you are selected?

At this time, we anticipate requesting some level of matching funds from the Winchester Affordable Housing Trust. This is a requirement of certain DHCD funds in order to access to their soft debt finance funds. We are happy to describe (or later offer a tutorial) on how the State funders or tax credit funding system works if you so choose.

Thank you for this wonderful opportunity!