

City of Burlington Housing Trust Fund (HTF) Project Award Application

APPLICANT ORGANIZATION Cathedral Square Corporation
CONTACT NAME Cindy Reid
DAYTIME PHONE & E-MAIL 802-859-8805; Reid@cathedralsquare.org
NAME OF PROJECT Juniper House
AMOUNT REQUESTED \$188,174
ESTIMATED CONSTRUCTION START DATE September 1, 2018
ESTIMATED COMPLETION DATE December 1, 2019
TOTAL ESTIMATED PROJECT COST \$17,536,404
TOTAL NUMBER OF AFFORDABLE HOUSING UNITS 70
TOTAL ESTIMATED PROJECT COST / TOTAL NUMBER OF AFFORDABLE HOUSING UNITS (PER UNIT COST) \$250,520 per unit (\$17,536,404 TDC / 70 units) BHTF Request: \$2,688 per unit (\$188,174 request / 70 units)

Is the applicant a corporation, partnership or individual who is delinquent, at the time of application, in the payment of property taxes or impact fees to the City of Burlington, who have been convicted of arson, who have been convicted of discrimination in the sale or lease of housing under article IV of this chapter or under the fair housing laws of the State of Vermont, or who have pending violations of current city electrical, plumbing, building or housing codes or zoning ordinances?

☒ Yes

☐ No

CSC is currently (as of 8/2017) delinquent on Ruggles House property taxes since expiration of a PILOT and are working through the City process for 1) tax exemption and/or 2) change in assessment. All other properties are current.

Will the proposed housing project be perpetually affordable?

☒ Yes

☐ No

Will the proposed housing project be affordable for 10-40 years?

☒ Yes

☐ No

Project Narrative

Funding priority goes to projects which respond to requirements of the Housing Trust Fund and the City of Burlington's affordable housing priorities. The Housing Trust Fund Administrative Committee (HTFAC) uses the attached criteria to score projects. Scores are tallied and ranked high to low. The HTFAC funds projects at its discretion.

Please provide the information below in the space provided. It is important to complete all fields. If you need additional space, attach separate pages to your application and title them as indicated below.

Project Description (Please briefly describe your project. Attach a project budget including all sources and uses):

Cathedral Square Corporation (CSC) is working with Champlain Housing Trust (CHT), Housing Vermont (HVT) and Eric Farrell on the affordable housing component of the new Cambrian Rise development at 311-375 North Avenue. The approximately 27.65 acre Cambrian Rise development is one of Burlington's most beautiful sites, overlooking and abutting Lake Champlain, and is located in a residential area and on the bus line. This project has been in the making for years, has undergone a robust collaborative planning process, and is guided by a Development Agreement dated January 7, 2016 between the City, Vermont Land Trust, CHT (on behalf of CHT and CSC), and BC Community Housing LLC (Eric Farrell, principal). The Agreement outlines a collaborative development approach to include 12 acres for open space/parkland, the creation of up to 160 affordable housing units for seniors and families (meeting Burlington's Inclusionary Zoning Ordinance requirement), and mixed residential and non-residential uses. In March 2016 CHT (on behalf of both CHT and CSC) entered into an Option Agreement with BC Community Housing LLC, for the affordable housing component of the project.

CSC, CHT and HVT have worked together on site design of the 2.67 +/- acre portion of the site on which the affordable housing will be developed. CHT/HVT will develop a building serving families to be built in one phase totaling 76 housing units. CSC will develop a second building totaling 70 units to serve seniors 55+. Eric Farrell has subdivided the +/- 2.67-acre parcel into two lots, one for CHT/HVT (Lot 3) and one for CSC (Lot 2).

Juniper House will be four stories over underground parking, serviced by two elevators, offering 63 one-bedroom units, and seven two-bedroom units. Four units will be ADA accessible and 66 units will be adaptable. The entire building and site will incorporate Universal Design principles.

This project addresses the affordability goals of the Burlington Housing Trust Fund well: 50% of the units (35) serve households <50% AMI; 36% of the units (25) serve households below 80% AMI; and 14% of the units (10) serve households 80%-100% of AMI.

Common areas include a community room with kitchen, an exercise room and an activity room. A Wellness Nurse office/small conference room and SASH Coordinator office will enable delivery of SASH (Support and Services at Home) services. Common areas designed around CSC's SASH program promote activity, wellness programming, and socialization. Raised garden beds at multiple heights (for accessibility) will be available for residents. The building is located on a main bus route and there is a heated bus shelter for residents' convenience, and the site offers an accessible route to the bike path and Texaco Beach on Lake Champlain, as well as many sidewalks perfect for CSC's walking program.

The development is in a Neighborhood Activity Center (and Neighborhood Development Area), a new neighborhood in a mixed-use district, allowing for a range of housing types and associated neighborhood-oriented, small scale retail and services. The housing will contribute to the City's affordable housing stock by adding 60 Inclusionary Zoning units which will remain perpetually affordable. Juniper House is well-planned, energy efficient and accessible, and part of a larger mixed-income, mixed-use new neighborhood which both protects open space for conservation and recreation while providing much needed housing within the largest city in Vermont.

The City's Draft Housing Action Plan acknowledges the challenges posed by our aging population: 10% of Burlington's population is over age 65, with that percentage expected to grow in the decades to come; by 2017 one in three Vermonters will be 55 years of age or older; "The City should take proactive steps to make sure that seniors are better able to access and enjoy life in the downtown and across the City by improving housing options and types available to better allow seniors to downsize and remain in their respective neighborhoods (page 10)." The Chittenden County Housing Needs Assessment prepared in 2015 by Bowen National Research, states that between 2015 and 2020 the fastest growing age cohort is between the ages of 65-74, adding 1,085 households during that time. The Bowen report indicates the "housing need" for seniors in Chittenden County <50% of AMI is 3,075 rental units. "According to the 2010 Census, 821 individuals, ages 65+ in the City, identified an independent living difficulty. In addition, 1,179 senior households, or 29.56% of the population over 65, are paying over 30 % of their income for housing and are cost burdened" (page 4). CSC's wait list is approximately 800 persons, and the wait is often two to three years for a vacant apartment. With the City's vacancy rate hovering at 1% (corroborated by a recently commissioned market study), the need for new housing is critical.

Construction of Juniper House is anticipated to begin in September 2018 and conclude in December 2019. We seek a FY18 commitment of Burlington Housing Trust Funds now in order to secure needed project funding before May 31, 2018, as is required by our project-based voucher commitment from BHA. BHTF funds committed to this project will support the creation of long-term affordable housing in all three of the BHTF affordability targets, very low, low and moderate-income households, and will leverage an additional 98%, or \$17,230,600, in public, private and philanthropic resources for housing. The VHCB Housing Bond will be a critical source for this project, however this new source does not replace our need for soft sources of funding, including Burlington Housing Trust Fund support. In fact, our proforma calls for \$900,000 in private foundation funding, an unprecedented amount. Early funding commitments coupled with the commitment of PBVs will position us to apply to several private foundations.

Please describe how many households at or below 80% of AMI will be served by the project:

Twenty units will be affordable to households at or below 60% of Area Median Income (AMI) and five units will be affordable to households at or below 65% of AMI. Seven units will be VHCB-restricted, with rents making them affordable to households <80% AMI. An additional three units will also be VHCB-restricted, affordable to households <100% AMI, which meets the affordability target of the VHCB Housing Bond.

Please describe how many households at or below 50% of AMI will be served by the project:

Six units will be affordable to households at or below 30% of Area Median Income (AMI), and twenty-nine units will be affordable to households at or below 50% of AMI, for a total of 35 total units below 50% AMI. Twenty-five of these units will have rental assistance through Project Based Vouchers from Burlington Housing Authority (BHA). Data from BHA indicate that 72% of tenants in BHA project-based voucher units have incomes less than 30% AMI, suggesting that although only six Juniper House units will be committed to households <30% AMI, likely 18 of the 25 units with project based subsidy will be occupied by households below 30% AMI.

Please describe how the City has already demonstrated its interest and support through the investment of CDBG funds, the provision of technical assistance, and/or acquisition of site control for the proposed housing project:

The City has played a key role in making Cambrian Rise possible, in several ways. The City entered into an Agreement with Eric Farrell, Vermont Land Trust, and Champlain Housing Trust to ensure that 12 acres of open space remained protected and to ensure that the Inclusionary Zoning Units would be created in the project. The price concession from Eric Farrell for the per unit land cost for the IZ rental units is substantial (\$10,000 purchase price per unit vs appraised value of \$25,400 per unit) and helps create value in the affordable developments.

The City permitted the zoning change from Waterfront Residential to Neighborhood Activity Center CR – allowing for the mixed use, dense and compact design proposed by Cambrian Rise.

The CEDO office has committed HOME and BHTF funds to Juniper House, and provided technical support during the Environmental Review process.

Please describe how the application supports one or more of the priorities listed in the City's Housing Action Plan:

The Juniper House affordable senior housing development supports several of the priorities in the City's Housing Action Plan. It:

- Strategically uses municipal resources to support new, perpetually affordable housing production for low to moderate income persons, including those ineligible for subsidy but unable to afford market rents;
- Juniper House offers affordability for a range of household incomes from <30% AMI to 80% AMI;
- Cambrian Rise, where Juniper House is located, is a newly established Neighborhood Activity Center. This zoning change was supported by the City to support healthy growth and mixed income, mixed use dense development;
- Juniper House will create 60 Inclusionary Zoning rental housing units.
- Juniper House will be an energy efficient development designed and constructed to meet Efficiency Vermont's high performance tier, in order to reduce reliance on fossil fuels and lower CSC's carbon footprint.

- Juniper House has a commitment for 25 project based vouchers, and will serve 11 homeless or at risk of homeless seniors on site, and another three households within CSC's portfolio. CSC has MOUs with Burlington Housing Authority, Pathways, and ANEW Place, and works with the Continuum of Care and Coordinated Entry to effectively serve homeless seniors. Juniper House will offer Support and Services at Home to residents to provide care coordination and promote health and stability. SASH also helps prevent homelessness.
- The new, service-supported affordable housing at Juniper House will provide appropriate housing options for an aging population. According to the Housing Action Plan, "Nearly 10 percent of Burlington's population is over 65, with that percentage expected to grow in the decades to come, as by 2017 one in three Vermonters will be 55 years of age or older. Burlington's changing demographics offer an opportunity to make our City a tremendous place to grow old. The City should take proactive steps to make sure that seniors are able to better access and enjoy life in the downtown and across the City by improving housing options and types available to better allow seniors to downsize and remain in their respective neighborhoods."

Please describe how the application supports one or more of the priorities listed in the City's Consolidated Plan:

The new senior housing at Juniper House advances several Consolidated Plan goals:

- Production of 70 new units of affordable housing (including 60 IZ units);
- Protects the vulnerable: Juniper House will provide safe, accessible, SASH service-supported housing to 70 households with incomes ranging from <30% AMI to 80% AMI. Forty-five units will serve households 55+ and 25 units will serve households 62+ and/or disabled (due to the project-based rental assistance). Many seniors are frail and/or have multiple chronic conditions and SASH supported housing helps them stay independent with appropriate supports.

Please describe how the proposed project supports an underserved and vulnerable population:

Juniper House will house between 70 and 85 frail seniors (depending on the number of 2-person households) and support them with the Support and Services at Home (SASH) program, allowing them to age safely, and independently, at home.

We have committed eleven units at Juniper House, and an additional three units on site or elsewhere within our portfolio, to households who are homeless or at risk of homelessness for a total of 14 homeless or at risk of homelessness households housed as a result of this project. The commitment of 25 PBVs from BHA will facilitate our ability to support previously homeless residents. Further, our Director of Operations, Laura Wilson, participates in the Coordinated Entry program, and Cathedral Square has MOUs with BHA, Pathways Vermont, and ANEW Place to refer homeless clients and support them in their tenancy. SASH services are integrated with Cathedral Square's management model and all of our properties have MOUs with SASH to provide services. Juniper House will as well.

Support and Services at Home (SASH) services are designed to meet the needs of homeless seniors. Care coordination, disease prevention, suicide prevention, and primary care access are some of the important elements of SASH's work. CSC also partners with CHT and BHA on a Housing Retention Team which includes a hoarding specialist. Eleven percent (11%) of households currently living in our existing portfolio were formerly homeless or at risk of homelessness and our SASH staff and organization are experienced in working with these residents to meet their needs. Not only does SASH serve formerly homeless persons, but the Corporation for Supportive Housing has cited SASH as an effective approach to preventing homelessness.

Twenty-five units at Juniper House will have project-based rental assistance from the Burlington Housing Authority (BHA) (See attached selection letter). The residents of these 25 units will pay no more than 30% of their income towards rent (utilities are included). This project-based subsidy is committed for a 20-year term, subject to annual appropriations. At the end of this 20-year term we will work to try to extend Juniper House's project-based subsidy, though of course are not able to predict the availability of PBVs at that time. We have applied to VHCB for National Housing Trust Funds for eight units, and if successful, we will ensure that the eight Housing Trust Fund unit rents remain affordable to households at 30% AMI through operating assistance reserves, or other means, as necessary, if the HTF term outlasts the PBV term.

Please describe the experience of the development team:

CSC is a Vermont nonprofit housing and aging services organization created in 1977 (now in our 40th year), with over 125 employees, annual operating revenues of over \$10.4 million and assets of over \$11.8 million. CSC develops affordable housing in Vermont's most populous Chittenden County, and provides technical assistance to nonprofit housing organizations in more rural areas statewide. CSC pioneered the development of the SASH initiative and is responsible for statewide administration of this Medicare funded program. CSC partners with more than 68 organizations around Vermont through the SASH program, now located at 138 affordable housing locations in all counties of the state serving 5,000 seniors and persons with disabilities. CSC's mission "Healthy Homes, Caring Communities, and Positive Aging" is carried out in development, management, and SASH work.

CSC has developed over 1,300 affordable housing units, 466 during the past 10 years, has 39 units of new construction underway, and has a robust pipeline. CSC has worked with numerous funding sources including HUD 202, USDA RD 515, VHCB, CDBG, HOME, LIHTC, AHP, Enterprise Community Partners, private foundations, energy programs, and more. CSC is committed to energy efficiency and green building, demonstrated by two recent projects: Vermont's first Passive House multifamily building, Elm Place, and the first net-zero energy rental community for low-income households, McKnight Lane. CSC has provided development expertise to many nonprofits developing and operating affordable housing for low-income populations of all ages, including senior housing with services as well as licensed care.

CSC is a fully integrated organization, including maintenance, compliance, finance, development and management all in one organization. Our proactive professional maintenance team has resulted in our properties receiving among the highest REAC (Real Estate Assessment Center) scored in the State. In 2016, five inspections of CSC properties yielded two 98% and three 99% scores.

CSC also has the distinction of operating properties for long periods of time without needing to re-syndicate them post year 15 of the LIHTC period. CSC typically owns/manages properties for 25-30 years with existing reserves, realizing maximum useful life out of most building systems, which saves public investment. CSC is uniquely positioned to do so given its long development and management history, connecting health and housing, and creating and preserving affordability for Vermont's most vulnerable citizens.

CSC has an experienced development team who will be working on the Juniper House development. Cindy Reid is CSC's Director of Development and brings over two decades of experience in affordable housing development and finance to this project. Miranda Lescaze, Developer, and Katie Forleo, Project Manager, have worked in CSC's Development department 4 and 7 years, respectively, and have helped to develop Elm Place, McKnight Lane, Kelley's Field, Richmond Terrace, Wright House, and Thayer II. JD Kantor, Inc. is providing development consulting services on this project. Jeff Kantor has 38 years of experience in development and financing of affordable housing in Vermont, including the past 29 years as President of JD Kantor, Inc. His development consulting services include project feasibility analysis, financial modeling, preparing development and operating budgets, assisting with all phases of project development, placement of tax credit equity and construction/permanent financing. He is familiar with State and Federal funding sources for affordable housing including HOME, CDGB, VHFA, VHCB, Rural Development 515 and 532, HUD 202 and others.

Please describe other ancillary uses (community space, mixed use, etc.), if any, in the proposed project:

Juniper House will have generous community space designed to offer SASH services to all residents, promote exercise and spaces for socialization, and a community room for residents as well as community members. Included in the building are a large community room with kitchen facilities for social gatherings, meetings, and community use. There will be an exercise room with age appropriate exercise equipment, and an activity room for group activities such as tai chi, chair yoga, art and dance classes. There will also be a SASH Coordinator office, a Wellness Nurse office and conference room combined. There will be garden planters outside at different heights for accessibility, and a courtyard area connecting the outside space to the Champlain Housing Trust building (the Laurentide) for intergenerational social interaction. Juniper House is adjacent to the City parkland, where there are community gardens which some residents may choose to utilize. The building is next to the heated bus shelter as well as connected to the larger neighborhood with sidewalks, offering connectivity.

Please describe how the project addresses community need:

We are experiencing significant growth in our senior population, while also facing a critical housing shortage, an affordability crisis, and a desire for older adults to "age in community" and avoid institutional care. The need and demand for service-supported affordable senior housing is great. CSC's most recent (October 2017) update of its

wait list indicates 1,074 (unduplicated) persons on the wait list. Our recent market study for Juniper House indicated the market area vacancy rate at <1% and that CSC can fully lease the 70-unit building within two months.

Juniper House will make a positive difference in addressing the well documented and overwhelming need, by offering 70 accessible, mixed income service supported housing units in a smart growth site, near services and transportation.

CSC plans to start construction in September 2018 and be open for occupancy in December 2019. CSC has incurred pre-development expenses, including an option payment for the land, and will continue to do so until construction begins. An FY18 award from the BHTF will be fully expended before June 30, 2018 and will help CSC offset these significant pre-development expenses.

Please describe how the project would impact the community:

- Permanently affordable housing will serve generations of low-income seniors.
- Support and Services at Home (SASH) at Juniper House will provide care coordination, promote health and wellness, and delay or avoid institutionalization altogether, thereby providing a safe and affordable age at home option. SASH also saves health care costs.
- Twenty-five units at Juniper House will offer rental assistance; this deepens the income targeting we are able to achieve, enabling the project to serve households <30%, <50%, <60%, <65% and <80% AMI, for a truly mixed-income community.
- Juniper House will have a large community room with kitchen on the first floor, which will be available to the community for meetings, gatherings, and events. This community space will be an inviting connector to the wider neighborhood, similar to arrangements we have at Thayer House on North Avenue, and Wright House in Shelburne.
- CSC's SASH-supported housing at Juniper House provides a positive model for aging, which ripples out into the community. Our older adult communities consist of many retirees who volunteer in the wider community to both contribute and stay engaged.
- Juniper House will provide affordable, well-designed senior housing in the Cambrian Rise development, rounding out a truly mixed-income, mixed-generation new neighborhood.
- CSC senior housing communities support many partnerships, with other housers and social service agencies, for example BHA, CVOEO, Pathways, Howard Center, and Age Well; and with health care providers, for example UVMHC, Visiting Nurse Association, and primary care providers, all to benefit and effectively serve our older adult population.
- Juniper House, like all CSC housing, will have active garden programs, will connect with farm shares, and farmer's markets, and promote healthy eating.

Signature Page

Please check each box that applies:

- X **Good Standing:** I certify that I am in "good standing" with respect to, or in full compliance with a plan to pay any and all taxes due to the City of Burlington.
Please Note: CSC currently has one unpaid quarter of taxes on Ruggles House; CSC is appealing a decision to deny tax exemption and is concurrently appealing the assessment of value. CSC is attending a Tax Appeal Board meeting on 11/30; so while we are delinquent on one tax payment, we are following the prescribed City process for handling such matters.
- X **Certification:** Under penalties of perjury, I declare that the information I have provided, to the best of my knowledge and belief, is true, correct, and complete.

Cindy Reid

Print Name



Applicant Signature

11/7/17

Date

07-Nov-17 **Juniper House, Burlington**

Total Residential Units:	70	Increase in Income from Rental Units:	1.50%
Housing Credit Restricted Units:	55	Increase in Income from Other Sources:	1.50%
Percent Restricted:	78.57%	Increase in Income from Commercial:	0.00%
Total Development Cost:	17,536,404	Expense increase:	2.75%
Total Development Cost per Unit:	250,520	Vacancy Rate:	4.00%
Total Development Cost Per SF:	249	Partner's Tax Rate:	25%
Total IZ Units:	60	Long Depreciation Schedule:	27.5 years
Max Credit Potential:	1,395,846	Short Depreciation Schedule:	5 years
Credit Amount requested:	875,000	Sponsor's Estimated Yield:	89.72%
VT State Credit	48,000		
LIHTC - 9%	9.00%	Fixed Rate	
LIHTC - 4%	3.23%		

SOURCES

		% of Total Development Cost	Interest Rate	Amortization	Term
VHFA Debt	2,565,000	14.63%	5.25%	40	40
HOME - City of Burlington	223,700	1.28%	0.00%	40	deferred
VHCB		0.00%	100.00%	41	deferred
VHCB Bond	4,000,000	22.81%	0.00%	40	deferred
Burlington Housing Trust Fund	305,800	1.74%	0.00%	40	deferred
NHTF (8 units)	1,293,904	7.38%	0.00%	40	deferred
Private Foundations	900,000	5.13%	N/A	N/A	Cap Contribution
VHCB feasibility	10,000	0.06%	N/A	N/A	Cap Contribution
State Credit Equity (or 0% funds)	220,000	1.25%	N/A	N/A	Cap Contribution
Efficiency Vermont & VT Gas	168,000	0.96%	0.00%	40	deferred
Tax Credit Equity LP	7,850,000	44.76%	N/A	N/A	Equity
TOTAL SOURCES	17,536,404	100.00%			

USES

Acquisition	750,500	4.28%
Construction Hard Costs	13,908,804	0.00%
Soft Costs	2,877,100	16.41%
TOTAL USES	17,536,404	20.69%

GAP 0

Construction Loan	6,000,000	4.75%	17	201,875
-------------------	-----------	-------	----	---------

General Partner's Capital Contribution	10,000	785	0.01%
Limited Partner's Capital Contribution	7,850,000	7,850,000	99.99%
Total Equity	7,860,000	7,850,785	

APPLICABLE FRACTION CALCULATION

Tax Credit Restricted Units	55
Total Units	70
Unit Fraction	78.57%
Tax Credit Square Footage	33,030
Total Residential Square Footage	44,417
Square Footage Fraction	74.36%
Applicable Fraction	74.36%

Juniper House, Burlington			70,549.00	Total		Burlington									
Total Project			13,068,806	Budget	Per Unit	Per s.f.	Equity	VHFA Loan	VHCB	HOME & HTF	NHTF	Foundations	AHP	State Credit	EIFVT Feasibility
ACQUISITION															
1	Land		700,000	10,000	9.92				700,000						
2	Building			0	0.00										
3	Carrying Cost for Land		30,800	429	0.43							30,000			
4	Property Appraisal		8,000	114	0.11							5,000			3,000
5	Legal - Title and Recording		12,500	179	0.18		3,000					9,500			
Subtotal - Acquisition			750,500	10,721	10.64										
CONSTRUCTION HARD COSTS					0.00										
6	New Construction		13,068,804	186,697	185.24	5,443,000	2,565,000	2,776,900	250,000	1,283,904	362,000			220,000	168,000
7	Energy upgrades			0	0.00										
8	Kitchen			0	0.00										
9	Sitework			0	0.00										
10	Commercial Space Costs (if any)			0	0.00										
11	General Requirements			0	0.00										
12				0	0.00										
13	Contractor Profit			0	0.00										
15	Construction Contingency		495,000	7,071	7.02	495,000									
15	Construction Management			0	0.00										
16	Construction Bond Fee			0	0.00										
17	Hazardous Materials Abatement			0	0.00										
18	Off-Site Improvements			0	0.00										
19	Furnishings, Fixtures, & Equipment		345,000	4,929	4.89	345,000									
20				0	0.00										
Subtotal - Hard Costs			13,908,804	198,697	197.15										
SOFT COSTS					0.00										
21	Architect		505,000	7,214	7.16			125,000	202,000	10,000		161,000			7,000
22	Survey		6,500	93	0.09								6,500		
23	Legal/Accounting		40,000	571	0.57			20,000				20,000			
24	owners representative/ Clerk		40,000	571	0.57			40,000							
25	Environmental Assessment	0	9,500	136	0.13			9,500							
26	Civil Engineering		70,000	1,000	0.99			70,000							
27	Permits/Fees		299,100	4,273	4.24							299,100			
28	Archaeology		9,500	136	0.13			2,600				6,900			
29	Compaction Testing/soils		16,000	229	0.23				16,000						
30	Independent Market Study		3,500	50	0.05				3,500						
31	Construction Period Insurance		58,000	829	0.82				58,000						
32	Construction Interest & Fee		235,000	3,357	3.33	145,000		90,000							
33	Loan Origination Fee		37,500	536	0.53			37,500							
34	Taxes During Construction		57,000	814	0.81	57,000									
35	Inspection Fee		11,000	157	0.16			11,000							
36	Marketing		12,000	171	0.17	12,000									
37	Tax Credit Fees		35,000	500	0.50			35,000							
38	Soft Cost Contingency		15,000	214	0.21	15,000									
39	Lender's Council Fee		8,000	114	0.11			8,000							
40	Impact Fees - incl in permits			0	0.00										
41	lenders Inspection Fee		12,000	171	0.17			12,000							
42	Cost Cert IRS		7,500	107	0.11	7,500									
43	Capital Needs Assessment		3,500	50	0.05	3,500									
SYNDICATION COSTS					0.00										
44	Organizational (Partnership)		1,500	21	0.02	1,500									
45	Bridge Loan Fees and Expenses		25,000	357	0.35	25,000									
46	Syndication Consultant		2,500	36	0.04	2,500									
47	Tax Opinion - Syndication Legal			0	0.00										
DEVELOPER'S FEES					0.00										
48	Developer's Fees		875,000	12,500	12.40	875,000									
49	Deferred Development Fee			0	0.00										
50	Consultant Fees		122,500	1,750	1.74	60,000		62,500							
RESERVES					0.00										
51	Working Capital			0	0.00										
52	Rent-up (Deficit Escrow) Reserve		40,000	571	0.57	40,000									
53	Operating Reserves		220,000	3,143	3.12	220,000									
54	Sinking Fund (services)		50,000	714	0.71	50,000									
55	Replacement Reserves		50,000	714	0.71	50,000									
Subtotal - Soft Costs			2,877,100	41,101	40.78										
TOTAL DEVELOPMENT COSTS			17,536,404	250,520	248.57	0	7,850,000	2,565,000	4,000,000	529,500	1,293,904	900,000	0	220,000	178,000

HC UNITS

Bedrooms	Type	Average Square Feet	Number	Average Rent	Utilities	Total Annual Rent
1 BR 50%	No RA	598	10	773		92,760
1 BR 60%	No RA	598	13	860		134,160
1 BR 60%	No RA	618	7	860		72,240
1 BR 50%	RA	598	19	1,038		236,664
1 BR NHTF 30%	RA	598	6	1,038		74,736
						0
					0	0

HC Unit SF

33,030

Common& Circulation Area

26,132

Totals

55

15,092

610,560

NON HC UNITS

Bedrooms	Type	Square Feet	Number	Rent	Utilities	Annual Rent
0 Br					0	0
1 Br IZ 65%		618	5	1,024	0	61,440
1 BR Market		618	3	1,300	0	46,800
2 BR Market		946	3	1,400	0	50,400
2 BR Market		893	3	1,400		50,400
2 BR Market		926	1	1,400	0	16,800
					0	0
					0	0

Total Mkt SF

11,387

15

225,840

Total

70,549

60 IZ units

Total Units

70

TOTAL All Units

836,400

Less Vacancy

4.00%

(33,456)

NET RENT 802,944**OTHER INCOME**

Resident Manager stipend

(2,076)

Laundry Included in Rent

Interest N/A - too low

Commercial Space Income

Other

0

tax credit SF

TOTAL INCOME 800,868

	Itemized Cost	Acquisition Basis	Construction Basis	Residential Depreciation	
ACQUISITION					
1 Land	700,000				
2 Building	0			0	
3 Carrying Cost for Land	30,000				
4 Property Appraisal	8,000	8,000			
5 Legal - Title and Recording	8,100	8,100			
Subtotal - Acquisition	746,100				
CONSTRUCTION HARD COSTS					
6 New Construction	13,068,804		13,068,804	13,068,804	
7 Energy upgrades	0		0	0	
8 Kitchen			0		
9 Sitework	0		0	0	
10 Commercial Space Costs (if any)	0				
11 General Requirements	0		0	0	
12 0	0		0	0	
13 Contractor Profit	0		0	0	
15 Construction Contingency	495,000		495,000	495,000	
16 Architectural/Engineering	0		0	0	
17 Hazardous Materials Abatement	0		0	0	
18 Off-Site Improvements	0		0	0	
19 Furnishings, Fixtures, & Equipment	345,000		345,000	345,000	
20 0	0		0	0	
Subtotal - Hard Costs	13,908,804				
SOFT COSTS					
21 Architect	505,000		505,000	505,000	
22 Survey	6,500		6,500	6,500	
23 Legal/Accounting	40,000		40,000	40,000	
24 owners representative/ Clerk	40,000		40,000	40,000	
25 Environmental Assessment	9,500		9,500	9,500	
26 Civil Engineering	70,000		70,000	70,000	
27 Permits/Fees	0		0	0	
28 Archaeology	9,500		9,500	9,500	
29 Compaction/Testing	16,000		16,000	16,000	
30 Independent Market Study	3,500		3,500	3,500	
31 Construction Period Insurance	58,000		58,000	58,000	
32 Construction Interest & Fee	235,000		235,000	235,000	
33 Loan Origination Fee	37,500		37,500	37,500	
34 Taxes During Construction	57,000		57,000	57,000	
35 Inspection Fee	11,000		11,000	11,000	
36 Marketing	12,000				
37 Tax Credit Fees	35,000				
38 Soft Cost Contingency	15,000		15,000	15,000	
39 Lender's Council Fee	8,000		8,000	8,000	
40 Impact Fees - incl in permits	0				
41 lenders Inspection Fee	12,000				
42 Cost Cert IRS	7,500		7,500	7,500	
43 Capital Needs Assessment	3,500		3,500		
SYNDICATION COSTS					
44 Organizational (Partnership)	1,500				
45 Bridge Loan Fees and Expenses	25,000				
46 Syndication Consultant	2,500				
47 Tax Opinion - Syndication Legal	0				
DEVELOPER'S FEES					
48 Developer's Fees	875,000		875,000	875,000	
49 deferred fee	0		0	0	
50 Consultant Fees	122,500		122,500	122,500	
RESERVES					
51 Working Capital	0				
52 Rent-up (Deficit Escrow) Reserve	40,000				
53 Operating Reserves	220,000				
54 Sinking Fund (services)	50,000				
55 Replacement Reserves	50,000				
Subtotal - Soft Costs	2,578,000				
TOTALS	17,232,904	16,100	16,038,804	15,690,304	
LESS: Amount of Non-qualified Financing					
LESS: Adjustment for per unit cost limits	100.00%		0		
LESS: Historic tax Credit (Residential Portion)			0	0	
Total Eligible Basis		16,100	16,038,804		
TIMES: Adj for QCT/DDA: Special Construction	130.00%		20,850,445		
TIMES: Applicable Fraction	74.36%	11,973	15,505,104		
Total Qualified Basis		11,973	15,505,104	14,685,304	Long Term Depreciable Basis
TIMES: Applicable Percentage		3.23%	9.00%	27.5	Depreciation Schedule
Total Annual Credit Qualified		387	1,395,459	534,011	Annual Depreciation
Total Tax Credits Requested	875,000		1,395,846	345,000	Short Term Depreciable Basis
Estimated Net Syndication Proceeds (excluding historic credit equity)	7,850,000				5 Depreciation Schedule
Estimated Yield - Housing Credit Syndication	89.72%			69,000	Annual Depreciation
Equity Gap	7,850,000				
Credits Needed to fill Equity Gap	875,000			660,000	mid term depreciation basis
				15	depreciation schedule

#REF!

Juniper House, Burlington

	Annual	Monthly	Per Unit Per Month	
ADMINISTRATIVE				
Audit Expense	7,500	625	9	
Bookkeeping Fees/Acctg Services		0	0	
Conventions & Meetings	2,170	181	3	
Legal Expense	1,500	125	2	
Management & Consultants		0	0	
Management Fee	49,560	4,130	59	5.9%
Manager or Superintendent Salaries		0	0	
Marketing	2,170	181	3	
Misc. Admin Expense (incl TRACS, LIHTC Fees, Training, Telephone, etc)	5,000	417	6	
Office Expenses	3,000	250	4	
Office Salaries	25,650	2,138	31	
Tax Credit Monitoring Fee	4,620	385	6	
TOTAL ADMINISTRATIVE	101,170	8,431	120	
SUPPORTIVE SERVICE				
Supportive Services	30,368	2,531	36	
TOTAL SUPPORTIVE SERVICE	30,368	2,531	36	
UTILITIES				
Electricity	60,000	5,000	71	
Fuel	33,000	2,750	39	
Sewer & Water	28,000	2,333	33	
		0	0	
TOTAL UTILITIES	121,000	10,083	144	
MAINTENANCE				
Contracts (Grounds, Exterminating, Repairs, Elevator)	33,000	2,750	39	
HVAC Repairs / Maintenance		0	0	
Misc Operating & Maintenance Expense (incl Fire Alarm)	5,000	417	6	
Payroll (Maintenance, Grounds, Re	65,000	5,417	77	
Snow Removal	9,500	792	11	
Supplies (Janitor, Repairs, Paint)	18,000	1,500	21	
Trash Removal	9,000	750	11	
Vehicle & Maintenance Equip. Operation & Repair	1,000	83	1	
TOTAL MAINTENANCE	140,500	11,708	167	
TAXES & INSURANCE				
Health Insurance & Other Benefits	30,860	2,572	37	
Miscellaneous Taxes, Permits, Licenses, Insurance		0	0	
Payroll Taxes	10,287	857	12	
Property Insurance	33,000	2,750	39	
Real Estate Taxes	82,000	6,833	98	
Workman's Compensation	3,631	303	4	
TOTAL TAXES & INSURANCE	159,778	13,315	190	
FINANCIAL				
Primary Debt Service	153,552	12,796	183	
Other "must pay" debt service		0	0	
Miscellaneous Financial Expense		0	0	
TOTAL FINANCIAL	153,552	12,796	183	
			0	
Replacement Reserves	42,000	3,500	50	
			0	
Total	748,368	62,364	891	

per unit month excl. debt svc & res. 658
--

"Below-the-Line" Expenses:

Special LP or GP Fee	3,000	GP Asset Management Fee
Repayment of Deferred Fee	0	

form revision date: 2/27/97

07-Nov-17		Juniper House Burlington																			
Year		1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20
Operating Income	Gross Rent	836,400	848,946	861,680	874,605	887,724	901,040	914,556	928,274	942,198	956,331	970,676	985,236	1,000,015	1,015,015	1,030,240	1,045,694	1,061,380	1,077,300	1,093,460	1,109,862
	Other Income	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Resident Manager Stipend	(2,976)	(2,107)	(2,139)	(2,171)	(2,203)	(2,236)	(2,270)	(2,304)	(2,339)	(2,374)	(2,409)	(2,445)	(2,482)	(2,519)	(2,557)	(2,595)	(2,634)	(2,674)	(2,714)	(2,755)
	Vacancy and other losses	(53,456)	(53,958)	(54,467)	(54,984)	(55,509)	(56,042)	(56,582)	(57,131)	(57,688)	(58,253)	(58,827)	(59,409)	(60,001)	(60,601)	(61,210)	(61,828)	(62,455)	(63,092)	(63,738)	(64,394)
	Total Operating Income	800,368	812,881	825,074	837,450	850,012	862,762	875,704	888,839	902,172	915,704	929,440	943,382	957,532	971,895	986,474	1,001,271	1,016,290	1,031,534	1,047,007	1,062,712
	Operating Expenses	552,816	568,018	583,639	599,689	616,180	633,125	650,536	668,426	686,808	705,695	725,102	745,042	765,531	786,583	808,214	830,440	853,277	876,742	900,852	925,626
	Total Expenses (incl. Reserves)	42,800	42,840	43,697	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571
	Sub-Total Operating Expense	594,816	610,858	627,336	644,260	660,751	677,696	695,107	712,997	731,379	750,266	769,672	789,613	810,101	831,153	852,744	875,010	897,847	921,313	945,423	970,196
	Total Operating Expense	594,816	610,858	627,336	644,260	660,751	677,696	695,107	712,997	731,379	750,266	769,672	789,613	810,101	831,153	852,744	875,010	897,847	921,313	945,423	970,196
	Net Operating Income	206,052	202,023	197,738	193,191	189,261	185,066	180,597	175,842	170,793	165,439	159,768	153,769	147,431	140,742	133,689	126,260	118,442	110,222	101,584	92,516
	Less Debt Service	153,552	153,552	153,552	153,552	153,552	153,552	153,552	153,552	153,552	153,552	153,552	153,552	153,552	153,552	153,552	153,552	153,552	153,552	153,552	153,552
	Annual Cash Flow	52,500	48,470	44,186	39,638	35,709	31,514	27,044	22,290	17,241	11,886	6,215	217	(6,121)	(12,810)	(19,863)	(27,292)	(35,110)	(43,331)	(51,968)	(61,036)
	Net Cash	52,500	48,470	44,186	39,638	35,709	31,514	27,044	22,290	17,241	11,886	6,215	217	(6,121)	(12,810)	(19,863)	(27,292)	(35,110)	(43,331)	(51,968)	(61,036)
Sinking Fund & Op Resv's		134.19%	131.57%	128.78%	125.81%	123.26%	120.52%	117.61%	114.52%	111.23%	107.74%	104.05%	100.14%	96.01%	91.66%	87.06%	82.23%	77.13%	71.78%	66.16%	60.25%
Cumulative Replacement Reserves	Beginning Balance	270,000	290,221	326,009	357,316	383,659	406,237	424,165	437,350	445,486	448,256	445,332	436,374	421,030	398,934	369,708	332,961	291,285	241,268	182,476	114,458
	Deposits	26,250	48,470	44,186	39,638	35,709	31,514	27,044	22,290	17,241	11,886	6,215	217	(6,121)	(12,810)	(19,863)	(27,292)	(35,110)	(43,331)	(51,968)	(61,036)
	Interest	675	726	815	893	960	1,016	1,060	1,093	1,124	1,121	1,113	1,091	1,053	997	924	832	728	603	456	286
	Wellness Nurse	(5,204)	(10,408)	(10,694)	(10,988)	(11,290)	(11,601)	(11,920)	(12,248)	(12,585)	(12,931)	(13,286)	(13,652)	(14,027)	(14,413)	(14,809)	(15,216)	(15,635)	(16,065)	(16,507)	(16,961)
	GP services fee	(1,500)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)	(3,000)
	Ending Balance	290,221	326,009	357,316	383,659	406,237	424,165	437,350	445,486	448,256	445,332	436,374	421,030	398,934	369,708	332,961	291,285	241,268	182,476	114,458	36,747
	Beginning Balance	50,000	71,053	114,070	158,052	178,018	223,034	238,162	283,328	328,607	274,000	279,255	296,524	341,836	398,934	369,708	332,961	291,285	241,268	182,476	114,458
	Deposits	21,000	42,840	43,697	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571
	Interest	53	178	285	395	445	558	595	708	822	685	698	741	855	668	781	657	708	794	881	856
	Withdrawals	0	0	0	(25,000)	0	(30,000)	0	0	(100,000)	(40,000)	(28,000)	0	(120,000)	0	(95,000)	(25,000)	(10,000)	(10,000)	(55,400)	(98,500)
	Ending Balance	71,053	114,070	158,052	178,018	223,034	238,162	283,328	328,607	274,000	279,255	296,524	341,836	398,934	369,708	332,961	291,285	241,268	182,476	114,458	36,747
6 Month Yr 1	Net Operating Income	103,026	202,023	197,738	193,191	189,261	185,066	180,597	175,842	170,793	165,439	159,768	153,769	147,431	140,742	133,689	126,260	118,442	110,222	101,584	92,516
	Less Sinking Fund Expense	(6,704)	(13,408)	(13,694)	(13,988)	(14,290)	(14,601)	(14,920)	(15,248)	(15,585)	(15,931)	(16,286)	(16,652)	(17,027)	(17,413)	(17,809)	(18,216)	(18,634)	(19,063)	(19,503)	(19,954)
	Plus Reserves	21,000	42,840	43,697	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571	44,571
	Less Interest Expense	(92,001)	(131,161)	(132,064)	(132,968)	(133,871)	(134,774)	(135,677)	(136,579)	(137,480)	(138,381)	(139,281)	(140,181)	(141,081)	(141,981)	(142,881)	(143,781)	(144,681)	(145,581)	(146,481)	(147,381)
	Less Long Depreciation	(267,066)	(534,011)	(534,011)	(534,011)	(534,011)	(534,011)	(534,011)	(534,011)	(534,011)	(534,011)	(534,011)	(534,011)	(534,011)	(534,011)	(534,011)	(534,011)	(534,011)	(534,011)	(534,011)	(534,011)
	Less Mid Term Depreciation	(22,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)	(44,000)
	Less Short Depreciation	(34,500)	(69,000)	(69,000)	(69,000)	(69,000)	(69,000)	(69,000)	(69,000)	(69,000)	(69,000)	(69,000)	(69,000)	(69,000)	(69,000)	(69,000)	(69,000)	(69,000)	(69,000)	(69,000)	(69,000)
	Taxable Income (Loss)	(298,284)	(548,717)	(551,334)	(554,146)	(557,160)	(560,382)	(563,818)	(567,475)	(571,359)	(575,478)	(579,837)	(584,443)	(589,305)	(594,431)	(599,821)	(605,466)	(611,381)	(617,566)	(624,031)	(630,886)
	Cash Flow	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Plus Tax Savings	74,571	137,179	137,833	138,537	139,290	139,471	139,705	140,000	140,359	140,784	141,274	141,828	142,446	143,128	143,874	144,684	145,558	146,496	147,498	148,564
	Alter Tax Cash Flow	512,071	1,012,179	1,012,833	1,013,537	1,014,290	1,015,043	1,015,796	1,016,549	1,017,302	1,018,055	1,018,808	1,019,561	1,020,314	1,021,067	1,021,820	1,022,573	1,023,326	1,024,079	1,024,832	1,025,585



65 Main Street
Burlington, VT 05401-8408
tel 802.864.0538
fax 802.658.1286
www.burlingtonhousing.org

August 23, 2017

Ms. Cindy Reid
Cathedral Square Corporation
412 Farrell Street, Suite 100
South Burlington, Vermont 05403

Dear Cindy:

This is to confirm receipt of your letter dated August 10, 2017 requesting an allocation to Cathedral Square Corporation (CSC) of twenty-five (25) Project-Based Vouchers to be used in the Juniper House Senior Housing Development located at 311-351 North Avenue in Burlington, Vermont.

Eleven of the PBV units will be set aside for households who are homeless or at substantial risk of homelessness.

The Burlington Housing Authority has reviewed and selected your request for project based voucher assistance in accordance with its Section 8 Administrative Plan and the requirements of the Section 8 Project Based Voucher Program Final Rule. BHA has also received and reviewed the following documents:

1. Application for PBV Assistance
2. CEDO HOME Letter re Competitive Funding Allocated to Project
3. Development Budget including Sources and Uses and Stabilized Operating Proforma
4. Commitments of Other Funding
5. Appraisal
6. Environmental Review and Notice of Release of Funds

This selection letter is conditioned upon the receipt, review and approval of the following documentation prior to the execution of an Agreement to Enter into a Housing Assistance Payment Contract (AHAP).

1. Documentation of CSC purchase of Lot 2 at 311-351 North Avenue no later than April 30, 2018.
2. Documentation of final funding commitments and LIHTC award no later than May 31, 2018.

3. Documentation of Lot 2 conveyance by CSC to a Housing Tax Credit Limited Partnership in which CSC Partners, Inc., a subsidiary of CSC, is the General Partner no later than October 31, 2018.
4. Documentation of Site and Neighborhood Standards
5. A Subsidy Layer Review and Certification to be completed by the Vermont Housing Finance Agency.

Following confirmation that all conditions have been met, BHA will execute an Agreement to Enter into a Housing Assistance Payment Contract (AHAP) with the to be created Housing Tax Credit Limited Partnership. Please note that no construction activities may begin prior to the execution of the AHAP.

Following completion of project construction and prior to the execution of a Housing Assistance Payment (HAP) Contract, the Partnership will need to provide the Burlington Housing Authority with the following additional documentation:

1. Owner Certification that the work has been completed in accordance with the HUD Housing Quality Standards (HQS) and requirements of the AHAP.
2. Architect's Certification that the housing complies with (a) HUD Housing Quality Standards, (b) State and local building codes, (c) zoning, (d) the construction work description and (e) any additional design or quality requirements pursuant to the Agreement.
3. Documentation of compliance with Davis-Bacon requirements.
4. Documentation of compliance with HUD Section 3 requirements.

The following is a proposed schedule of the Project Based Voucher gross rents and utility allowances:

	<u>Gross Rent</u>	<u>Utility Allowance</u>	<u>Net Rent</u>
Twenty-five (25) One Bedroom Units	\$1,038	\$0 (all utilities included)	\$1,038

Please do not hesitate to contact me should you have any questions. We look forward to working with you on this exciting project.

Sincerely,



Allyson Laackman
Executive Director

Cc: Janet Green

Todd Rawlings

From: Todd Rawlings
Sent: Wednesday, November 08, 2017 5:58 PM
To: 'Miranda Lescaze'
Cc: Cindy Reid
Subject: RE: Juniper House FY18 BHTF Request

Good afternoon Miranda,

This is your confirmation that I have received your proposal prior to the Housing Trust Fund ("HTF") Request for Proposals deadline. The HTF committee will be examining all proposals and we hope to have final decisions about the awards by the middle of December. I will notify you as soon as possible regarding the HTF committee's decisions regarding awards. In the meantime, I may contact you if there are questions about your proposal.

Very Best,

Todd Rawlings
CEDO Housing Program Manager
652-4209

From: Miranda Lescaze [<mailto:Lescaze@cathedralsquare.org>]
Sent: Wednesday, November 08, 2017 2:28 PM
To: Todd Rawlings
Cc: Cindy Reid
Subject: Juniper House FY18 BHTF Request

Good afternoon Todd,

Please find attached Cathedral Square's application for FY18 Burlington Housing Trust Funds for Juniper House at Cambrian Rise.

We thank the City for its generous award of \$117,626 in FY17. Since that time we have made significant progress in permitting and design, have received commitments of 25 project-based vouchers from BHA, a HOME award from the City, and tax credit equity from People's United Bank, and have submitted funding applications to VHCb, NHTF, FHLBB's Affordable Housing Program, and two private foundations. Cindy submitted a closeout report and disbursement request 10/25. We plan to begin construction of Juniper House in September 2018.

Please let me know if you have any questions and thank you very much for your consideration.

Best,
Miranda
--
Miranda Lescaze
Developer
Cathedral Square
802.859.8815

PRIVACY & CONFIDENTIALITY NOTICE: This message and any attachments are for the designated recipient only and may contain information that is privileged, confidential or otherwise private. If you are not the intended recipient, you are hereby notified that any use or distribution of this communication is strictly prohibited. Please notify the sender immediately and delete the original message and any copies and attachments from your system. Thank you. <https://www.cathedralsquare.org>