



*Healthy Homes
Caring Communities
Positive Aging*

November 10, 2016

Todd Rawlings
Housing Program Manager
City of Burlington Community & Economic Development Office
Church Street
Burlington, VT 05401

Re: HOME Request for New North Senior Housing

Dear Todd,

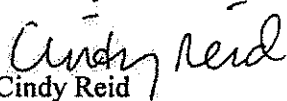
Enclosed please find a Common Application requesting \$250,000 in HOME funds for Cathedral Square's New North Senior Housing (not the final name) to be developed in the new Cambrian Rise neighborhood.

We are excited to be developing a new 35-unit affordable senior community at New North, served by public transportation and designed to be a walkable neighborhood near both services and conserved park land. CSC has a long wait list, over 700 persons, and our senior demographic continues to grow. We are already receiving calls of interest from prospective residents who have heard that CSC is involved in this new development. This is the first phase for CSC – we are planning a second 35-unit phase to begin when phase 1 is complete. Our goal is to begin construction on phase 1 in June 2018.

I am also enclosing attachments (see attachment list).

If you need additional information or have questions or concerns, please contact me. thank you,

Sincerely,


Cindy Reid
Director of Development

Enclosures



412 Farrell Street, Suite 100, South Burlington, VT 05403
P (802) 863-2224 • F (802) 863-6661 • TTY/TTD (800) 253-0191
www.cathedralsquare.org



COMMON APPLICATION

FOR: VHCB, HOME

No

Project Name: New North Senior Housing**Date:** 10/10/2016**Project Address****Address1:** 329 North Avenue**Address2:****City:** Burlington**State:** VT**Zip:** 05401-####**County:** Chittenden**Is this a scattered sites project?**

No

Sponsor / Developer**Name:** Cathedral Square Corporation**Address1:** 412 Farrell Street, Suite 100**Address2:****City:** South Burlington**State:** VT**Zip:** 05403-####**County:** Chittenden**Municipality:** South Burlington**Phone:** (802)863-2224**Fax:** (802)863-6661**Contact First Name:** Cindy**Contact Last Name:** Reid**Contact E-mail:** reid@cathedralsquare.org**Sponsor Status:** non-profit , 501(c)(3) , limited partnership**Project Information:** Apartment Building, Elevator, Full Basement**# of Floors:** 4**List Accessory Buildings (e.g., parking garage):** N/A

List Recreation and/or Common Area Facilities: There are ample recreation facilities on site and in this new neighborhood to promote physical activity, wellness and socialization. Within the building there will be an exercise room in phase 1, and a gym and activity room in phase 2. Until phase 2 is built, the community room will double up as the activity room for programs such as tai chi and chair yoga. There will be garden planters outside for residents' use. One third of the entire Cambrian Rise development (12 acres +/-) is preserved for conservation and passive recreation, including community gardens and a walking path that connects to the bike path by the Lake. BC Community Housing LLC is constructing an accessible paved walkway, at 5% grade, which weaves through the residential development, includes a pedestrian elevator, and eventually connects to the bike path. This walkway is designed to allow maximum accessibility to the bike path and lake for persons of all abilities. Last, sidewalks run throughout the neighborhood which will provide opportunities for wellness walking groups for CSC's senior residents.

List Commercial Facilities: N/A**Total # of Parking Spaces:** 47

Other Amenities of Important Design Elements: CSC's building will meet a high level of accessibility. In addition to meeting the ADA requirements, all of the apartments will be adaptable, designed so that CSC maintenance technicians can easily remove cabinet fronts in kitchens and bathrooms for full accessibility. All units are pre-wired for easy installation of horns and strobes for audiovisual accessibility if needed. CSC incorporates Universal Design features including lever handles throughout, limited transitions, and CSC's buildings offer two elevators for resiliency. CSC's building is designed for seniors to age in place in that they are designed for SASH (Support And Services at Home) care coordination and wellness programs. A community room with full ADA kitchen allows for group gatherings, programming, and celebrations. A SASH Coordinator office is centrally located to be eyes and ears at the front entrance, and to be accessible for residents. A combined Wellness Nurse/small conference room provides the Wellness Nurse private space to meet with residents (a lockable file cabinet and sink are included in this room) and to meet with their family members. This room doubles up as a small conference room for versatility. A covered drop off in view of a lounge offers protected entry and exit.

Project Description: New North Senior Housing Phase 1 is a 35-unit multifamily building for seniors 55+. It is a 4-story building with underground parking, served by two elevators. CSC plans to add a second phase, also 35 units.

Total Residential Square Footage: 34800 **Total Units:** 35

Affordable Units:	31	Accessible Units:	2	Adaptable Units:	33	Elderly Only Units:	35
# Rehab Units:	0	# of Buildings:	1	# Family Units:	0	# Elderly/Disabled Units:	0
'Net' New Units:	35	Homeless Units:	2	Special Needs Units:	0	Mobile Home Lots:	0
'Preservation' Units:	0						

Note: 'Preservation means preserving existing affordable housing stock (i.e. housing already counted on the State of Vermont's Directory of Affordable Rental Housing (DoARH)); it does not refer to projects performing historic preservation. 'Net' New Units refers to the creation / addition of new rental housing to this stock.

Proposed Funding (All Sources & Payment Terms):

<u>Source</u>	<u>\$Amount</u>	<u>Terms(Yrs. Def./Amort.)</u>	<u>Approved</u>	<u>Rate</u>	<u>Approv. Date*</u>	<u>Grant/Loan</u>
VHCB	\$775000	30/30	No	0	12/15/2017	Loan
Lead Paint Reduction	\$					
HOME	\$275000	30/30	No	0	02/10/2017	Loan
VHFA-Permanent Debt	\$600000	30/40	No	4.25	04/12/2018	Loan
VCDP	\$					
Tax Credit Equity*	\$6956000	N/A	No	N/A	04/12/2018	Grant
FHLB-AHP	\$300000	N/A	No	N/A	12/19/2017	Grant
Rural Development	\$					
Existing Deferred Debt**	\$					
Other Amortizing Debt	\$					
Proceeds from Home Sales	\$					

* Anticipated Approval Date

Other Proposed Funding

Burl HTF	\$180000	30/30	No	0	11/21/2016	Loan
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National HTF	\$320000	30/30	No	0	12/15/2017	Loan
Private Foundation	\$300000	N/A	No	N/A	09/15/2017	Grant
VHCB Feasibility	\$10000	N/A	Yes	N/A	03/07/2016	Grant
State Credit Equity	\$198000	N/A	No	N/A	04/12/2018	Grant
Deferred Fee	\$25000	10	Yes	10	10/10/2016	Loan
Efficiency Vermont	\$87500	N/A	No	N/A	12/19/2016	Grant

Total Costs : \$10026500

Total Project Development Cost : \$10026500

Total Project Development Cost without cash accounts and reserves : \$9766500

Construction Financing Needed

Source: VHFA Amount:\$ 7840500 Term: 18 mos Rate: 3.75

NARRATIVE SUMMARY SHEET

FOR: VHCB, HOME

Project Name: New North Senior Housing**Date:** 10/10/2016

Please provide a brief summary of the project. Limit your description to one page whenever possible. Name the entity(s) that will be involved and describe their roles in the project. State when the project will begin and when the project will be completed. Summarize the important goals of the project. Describe how the goals of the Consolidated Plan priorities will be met. (The Consolidated Plan can be found at:

http://accd.vermont.gov/strong_communities/housing/planning/consolidated_plan). Describe any other important project attributes. Include a description of the type of housing, any special populations to be served, the number of buildings and the number of units. If the project involves the acquisition and/or rehabilitation of existing structures, please indicate by building the year of original construction and the year of most recent significant capital improvement. If this is a service-supported housing development, please describe the services to be provided and the entity that will provide them. For homeownership projects include number and type of units and buildings to be created, and projected sales price. Indicate if the proposed units are part of a larger housing or community development project, and if so, describe the entire project. (If so, narrative need not be limited to one page).

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 Cambrian Rise development is approximately 27.65 acres +/- and is one of Burlington's most beautiful sites, overlooking and abutting Lake Champlain, located in a residential area and on the bus line. This project has been in the making for years, has undergone a collaborative planning process, and is guided by a Development Agreement dated January 7, 2016 between the City, Vermont Land Trust, CHT, 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+, to be built in two phases (35 units each). Eric Farrell is subdividing the 2.67 +/- acre parcel into two lots, one for CHT/HVT and one for CSC.

CSC is proposing phase one to include 35 units of senior housing for persons ages 55+. The building will be four stories, include underground parking (30 covered spaces in phase one), and serviced by two elevators. CSC is proposing 31 one-bedroom units, and four two-bedroom units. Nine units will serve households at or below 50% of Area Median Income (AMI), 18 units will serve households at or below 60% of AMI; four units will serve households at or below 65% of AMI, and four units will be market units. Two units will be ADA accessible and 33 units will be adaptable. The entire building and site will incorporate Universal Design principles. Common areas include a community room with kitchen and an exercise room. (Phase two will include a gym and an activity room.) There will be a SASH Coordinator office for Support And Services at Home (SASH) care coordination and property management, and a Wellness Nurse office/small conference room. Common areas designed around CSC's SASH program promote activity, wellness programming, and socialization. Raised garden beds are available for residents. The building is located on a main bus route, and the site offers an accessible route to the bikepath, as well as many sidewalks perfect for CSC's walking program.

The development is in a Neighborhood Activity Center (pending final approval by the City), 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 Inclusionary Zoning units which will remain perpetually affordable. New North Senior Housing 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 gap" for seniors in Chittenden County <50% of AMI is 432 units. The report indicates a vacancy rate of 1.3% county-wide. "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 760 persons, and the wait is often two to three years for a vacant apartment. With the City's vacancy rate hovering at 1%, the need for new housing is critical.

Construction of New North Senior housing is anticipated to begin in June 2018, with completion in April 2019.

DEVELOPMENT TEAM INFORMATION

FOR: VHCB, HOME

SPONSOR/DEVELOPER: Cathedral Square Corporation

Contact Name:	Reid, Cindy	Phone:	(802)863-2224	Fax:	(802)863-6661
Street:	412 Farrell Street, Suite 100,	City/State/Zip:	South Burlington, VT 05403-####	E-mail:	reid@cathedralsquare.org

ARCHITECT: Duncan Wisniewski Architecture

Contact Name:	Wisniewski, Michael	Phone:	(802)864-6693	Fax:	
Street:	255 South Champlain Street,	City/State/Zip:	Burlington, VT 05401-####	E-mail:	michaelw@duncanwisniewski.com

REAL ESTATE ATTORNEY: Daly & Daly, P.C.

Contact Name:	Daly, Celia	Phone:	(802)658-6665	Fax:	(802)658-8565
Street:	110 Main Street, 4th Floor, PO Box 0069	City/State/Zip:	Burlington, VT 05402-0069	E-mail:	celiadaly@dalyanddaly.com

DEVELOPMENT CONSULTANT: J.D. Kantor, Inc.

Contact Name:	Kantor, Jeffrey	Phone:	(802)229-1336	Fax:	
Street:	136 Main Street, Suite #1,	City/State/Zip:		E-mail:	jdkantor@sover.net

GENERAL CONTRACTOR / CONSTRUCTION MANAGER: TBD

Contact Name:	,	Phone:		Fax:	
Street:	,	City/State/Zip:		E-mail:	

PROPERTY MANAGER: Cathedral Square

Contact Name:	Wilson,	Phone:	(802)863-2224	Fax:	(802)863-6661
Street:	412 Farrell Street, Suite 100,	City/State/Zip:	South Burlington, VT 05403-####	E-mail:	wilson@cathedralsquare.org

OTHER:

Contact Name:	,	Phone:		Fax:	
Street:	,	City/State/Zip:		E-mail:	

Please attach resumes and describe any affordable housing experience for the development team members listed above who have not, in the last two years, worked on any developments funded by these agencies. For a homeownership application, describe the organization's experience with developing for-sale homes, stewarding homeownership units, and educating potential home buyers.

If this is a turnkey project, please describe the agreement between your organization and the developer:

N/A

Are there any direct or indirect financial or other interests whom a member of the development team may have with any other member of the development team?

No

Please describe:

Will the property be acquired from a related party?

No

BUILDING, APARTMENT AND UTILITY INFORMATION

FOR: VHCB, HOME

Appliances/ Equipment included with Unit: Range, Refrigerator, Laundry Facilities (On site)

If there are any differences between the appliances or amenities between the income restricted units and any other units, please describe :

We are planning four market rate two-bedroom apartments that will have dishwashers included and may have washer/dryer hookups.

Monthly Utility Allowance Calculations (complete for rental housing applications only):

Utilities	Utility Type	Utilities paid by	Utility Allowance for each BR size(only for utilities paid by tenants)				
			0-BR	1-BR	2-BR	3-BR	4-BR
Heating	Electric	Owner	\$	\$	\$	\$	\$
Hot Water	Gas	Owner	\$	\$	\$	\$	\$
Cooking	Electric	Owner	\$	\$	\$	\$	\$
Lighting		Owner	\$	\$	\$	\$	\$
Other:AC		Owner	\$	\$	\$	\$	\$
Water		Owner	\$	\$	\$	\$	\$
Sewer		Owner	\$	\$	\$	\$	\$
Trash		Owner	\$	\$	\$	\$	\$
Total Utility Allowance for units:			\$0	\$0	\$0	\$0	\$0

Source of data for Utility Allowance Calculation (check as appropriate): Local Public Housing Authority

Local Public Housing Authority: Burlington Housing Authority

Adequacy of Utility Systems (Existing Developments Only):

Are the following utility systems currently available and adequate for the project for the duration of the loan? (For new construction, check "N/A.")

Municipal Sanitary Sewer	N/A
On-Site Storm Sewer (if appl., e.g. MHPs)	N/A
Municipal Water System	N/A
Electricity	N/A
Gas	N/A
On-site Septic	N/A
On-site Well	N/A

How and when was the assessment of the system adequacy done, and by whom?

All infrastructure and utility hookups will be designed by a professional design team (Civil Engineering Associates) and be designed and built to code.

VHCB Policy on Energy Efficiency and Water Conservation in Multi-Family Residential Properties and the VHFA Green Building and

Design StandardsAdequacy of Energy Specifications

Please refer to the Green Building and Design Standards / Multifamily Energy Standards adopted by VHFA, VHCB, and DHCA. Please provide an explanation of any areas that do not meet these standards. Please note that compliance with the Efficiency Vermont Multi-Family Checklist is a component of the funders' Standards.

The building will be designed and built to meet and/or exceed the Green Building and Design Standards.

Please describe any feature of the proposed energy specifications that exceeds the funders' energy standards. The pre-development design work will analyze the feasibility of designing to Passive House standard, which would exceed funders' energy standards. In addition, Cambrian Rise development is being designed and developed as a "sustainable neighborhood", and CSC's building and site plan will contribute toward this plan, including being designed to manage the stormwater on site to control discharge into Lake Champlain. We expect New North Senior Housing to meet Efficiency Vermont's Multifamily High Performance Building standards and receive Enterprise Green Communities certification.

SITE INFORMATION

FOR: VHCB, HOME

Site ControlPlease complete for each property:**Option****(Option) Expiration Date:****Contract Price: \$700000**

Please attach evidence of site control. NOTE: If certain Federal funds are to be used, an Environmental Review must be done prior to any choice-limiting actions (including the execution of a Purchase and Sale Contract).

Appraised Value:

\$1600000

Date of Appraisal:

04/04/2016

Please attach copy of Appraisal:

Are there any special circumstances that surround the purchase of the property, including but not limited to: deed restrictions on the use of the property, impediments to clear title, or the necessity to acquire easements or voter approval?

The City Council approved the four-party Development Agreement which commits the City to purchasing the open space and to general approval of the development concept.

Site Information

Briefly describe the site including size, adjacent uses, existing buildings, archeological sites, the presence of prime agricultural soils or soils of statewide significance, proximity to or presence of brownfields, and other significant features.

The site of the new neighborhood includes a total of 27.65 acres on a bluff between North Avenue and Lake Champlain. Existing structures include Burlington College, a small stone house formerly used as a dorm, and the former orphanage, all positioned close to North Avenue leaving the rest of the property open to the west in a terraced field and wooded plateau overlooking the lake. The parcel designated for affordable housing is 2.67 +/- acres along North Avenue to the south of Burlington College. Once the site of a parochial high school, the parcel is currently vacant with sandy soils. An archaeological study was completed and found no archaeological deposits of significance. The 2.67 +/- lot under Option Agreement is in the process of being subdivided. On one of the newly created lots CSC will build it's 70 unit building in two 35-unit-phases. On the other newly created lot CHT/HVT will build their 76-unit building.

Please describe the proximity to services (e.g., grocery store, health services, schools, public transportation).

The property is on the northern edge of Burlington's Old North End. It is served by public transportation and is within walking distance to downtown, Burlington High School, and the New North end. The land adjacent to the property consists of 12 acres of conserved open land including community gardens, a beach and the bike path. Within ½ to 1 mile are a number of retailers, restaurants, state and local agencies, medical offices, churches, banks and grocery stores.

Is the site located in or within walking distance to a designated downtown or village center as determined by the Downtown Development Board?

Yes

(If yes please attach documentation):

Is the site located in or within walking distance to a growth center as determined by the Downtown Development Board?

Yes

(If yes please attach documentation):

Is the proposed development planned to maintain the historic settlement pattern of the town/city? (See VHFA Qualified Allocation Plan for definition.) Yes

The site is N/A Historical Places.

Is it within a National Register historic district? No

The site is N/A Historical Sites.

Is it within a State historic district? No

Is any portion of the site in the 100 year or 500 year floodplain? No

Please elaborate including a description of any flood resiliency measures being taken or proposed:
N/A No portion of the site is within a floodplain.

Please submit a floodplain map and identify site boundaries on it:

(for VCDP and HOME applicants only: If yes, also see on the VCDP website [Environmental Review Guide "8 Step Process for Flood Plain Management"](#) under [Environmental Review](#) or contact the DHCD Environmental Officer.

Please describe the water and wastewater disposal system of this project including the distribution system? Are there any deficiencies that have been identified with either of these systems? For on site systems and distribution systems, please describe the age and condition. For public systems, please state who owns the on-site distribution system.

The building will be connected to the City of Burlington's municipal water and wastewater systems.

For sites with existing roads please describe the condition, ownership, and any plans to upgrade. If new roads will be constructed, to what standard will they be built and who will be the ultimate owner? A new network of roads will be constructed by the master developer to meet Burlington's standards with the expectation that the City will take over ownership and maintenance.

For sites with other existing infrastructure (e.g., stormwater, electrical distribution systems in a mobile home park) please describe the condition, ownership, and any plans to upgrade. Existing gas, power, phone and cable lines will be extended and upgraded to serve the new neighborhood.

Is any portion of the site at risk of erosion, landslides, unstable soils, or other similar hazards? (Consult ANR for tools and resources.) No. Soil borings revealed sandy soils and gravel. Nothing significant about the soil stability was noted in the Phase 1 Environmental Site Assessment.

PERMITS INFORMATION

FOR: VHCB, HOME

Local permits and approvals required:

Yes

Please list the names of the permits and approvals required and the dates you expect these to be issued by the municipality.

Zoning Change November 2016

Certificate of Appropriateness (combines preliminary and final plat) January 2017

Please identify any issues and/or obstacles you foresee in obtaining the local permits and approvals and strategies for resolution.

There has been a lengthy and robust public process to develop the overall concept for the new neighborhood which included intensive participation from the major partners: Eric Farrell, The City of Burlington, the Vermont Land Trust and the Champlain Housing Trust (representing Cathedral Square). Initial desires and concerns were elicited at a public forum and follow-up meetings were held to present the results of work by planning consultants. The City Council voted unanimously in favor of the Development Agreement which lays out the vision for the property even in the face of some public opposition. To date there are no abutters who have expressed concerns. There will likely continue to be a minority position of opposition expressed at permit hearings, but the overwhelming public sentiment is favorable.

Is the proposed project in conformance with adopted or proposed local and regional plans and zoning?

Yes

Please attach documentation. (From local and regional plans or excerpts of the relevant language).

If applicable, how is the site zoned and what density does it allow?

The affordable housing plan as proposed complies with the current Waterfront Medium Density district. There are portions of the larger proposed site plan that do not comply in relation to proposed heights, however, this site has long been identified for a change in zoning district to Neighborhood Activity Center. This change has been contemplated since at least 2001 (see enclosed "Future Land Use Map – Center for Growth and Development – 2001") and is included in the 2014 Municipal Development Plan which was approved by the Planning Commission and the City Council. Progress has been made on approval of this zoning change as it winds its way through the policy process. As of October, 2016 the new zoning has been forwarded by the Planning Commission to the Ordinance Committee for preparation for City Council. We anticipate approval of the zoning change in November 2016, and the local permit will be submitted immediately following its approval.

State permits required:(including but not limited to Act 250)

Yes

Attach a completed Project Review Sheet from the Department of Environmental Conservation (DEC). Download the most current form from the following address: [Project Review Sheet](#) A list of contact information for the regional DEC offices can be found at [Contact Information](#)

Please identify any issues and/or obstacles you foresee in obtaining the state permits and strategies for resolution and the dates you expect these to be issued.

The project will be designed to be in conformance with all State rules and so we do not expect any obstacles. We expect to begin the State permit process late Fall 2016 with permits in hand by May 2017.

TARGET POPULATION, MARKET, AND REGIONAL DATA

FOR: VHCB, HOME

Please describe the target population, the need for the project, the urgency of that need, and how the need was determined. Please cite specific demographic data and submit any market studies and/or waiting list information.

1. If applying for Housing Credits, please refer to VHFA's Market Study Standards. For all other applications, a full market study is required if new units are being added. See the VHFA link for market study standards. Exceptions may be permitted for projects housing special needs populations. Check with the staff of the agency to whom you are applying.
2. If applying for VCDP or HOME funds, please refer to the Regional Housing Needs Chart from Consolidated Plan Housing Needs Assessment.

The target population for this development is seniors 55 and older. Because CSC is known for its service-enriched SASH housing, residents who need service supported affordable housing apply to live in our communities because of their service needs and the lack of affordable housing in the market. The need for this housing was determined by the 2015 Housing Needs Assessment, CSC's wait list of over 700 persons, and the City's Draft Housing Action Plan.

This is an excellent location for senior housing as it is a smart growth area on the bus line and accessible to goods and services. CSC obtained an independent market study in January 2016 for a proposed 38-unit senior development in nearby South Burlington, and it states that the demand for affordable rental housing for senior renters is overwhelming in this market area. The Chittenden County 2015-2020 Housing Needs Assessment corroborates this finding. The estimate of rental housing need for the county between 2015 and 2020 is 3,075 senior households with incomes less than 50% AMI, or 85.5% of the total senior household need. The estimate of rental housing gap (which excludes cost-burden and is therefore indicative of the more immediate housing requirements of the county) is 432 senior households with incomes less than 50% AMI, or 59% of the total senior household gap. While the total population of the market area is projected to increase by 3.1 percent during the next five years, the number of persons aged 55 or more years will increase by 13.7 percent - clearly a strong indicator for housing targeted to seniors. The largest growing demographic is the 65-74 year old cohort. CSC leases its housing to seniors unable to maintain their owned homes (due to lack of accessibility, declining health, loss of a spouse, declining ability to maintain a home), seniors who seek congregate senior living where services are offered, homeless seniors, and seniors needing affordable rental housing.

Describe why this proposal is the best approach to meet the need described above, and how the proposal will meet this need. Identify other approaches that were considered and explain why they were not pursued.

This smart growth site will offer a mixed income, multi generational neighborhood where seniors can age in place in a dynamic walkable community. Access to public transportation and proximity to goods and services is also a critical element for seniors to age in place. AARP Vermont writes, "In the next 20 years, the number of adults age 65 and older will nearly double and many of these people will reject high-priced institutional care and instead will continue to live in the community, even if they have one or more disabilities. A strong determinant in 'successful aging' is the ability of a person to interact with the community, friends, and family in a variety of activities. The degree to which older adults can participate in community life will be determined, in part, by how well their physical environment accommodates them and the level of services provided. Given that many older adults do not drive and must make ends meet on fixed incomes, they especially benefit from the availability of affordable and accessible housing options near to transportation and other services."

Incorporating affordable, service enriched senior housing in the Cambrian Rise development helps create a multi generational mixed income community, a directional goal of a Neighborhood Activity Center. It helps to address the critical need for affordable housing for low-income seniors. It also promotes aging in place with care coordination and avoids more costly institutionalization which is increasingly what consumers want and need.

Describe the project's marketing plan.

Our most recent HUD-approved Affirmative Fair Housing Marketing Plan describes the CSC outreach and marketing efforts for all CSC properties. The primary marketing of the housing units will be done by advertising in newspapers (such as the Burlington Free Press) and magazines (e.g. Vermont Maturity), attending the Senior Expo and similar events, and through numerous community organizations that work with the senior population (CVAA, CHT's HOC Rehab Loan Fund, VNA). CSC is committed to affirmative outreach to the minority community and we have historically served a higher percentage of minority seniors than the county population percentage in all of our HUD properties. At present, the percentage of minorities in CSC's HUD rent subsidized

apartments is 2.4%, slightly above the percentage of minority seniors in Chittenden County.

CSC actively markets its entire rental housing portfolio through a variety of media in an effort to reach out to the senior and minority community. This effort includes a comprehensive website, www.cathedralsquare.org, which lists information on services and eligibility for each of our properties, advertising in both major and local newspapers as needed, and attendance at elder fairs and other events with a booth describing our housing options and programs. A major effort of our marketing program is to emphasize the variety of housing options available through CSC and the diversity of residents that live in our communities.

Partnerships with local service organizations are a key component of CSC's outreach to the elder and disability community. Through meetings and shared project sponsorship with the Visiting Nurse Association of Chittenden and Grand Isle Counties (VNA), Age Well (formerly Champlain Valley Agency on Aging), Special Services Transportation Agency, and Meals on Wheels, we can provide referrals to each other, and insure that seniors who receive services from these agencies are aware of the housing opportunities that we offer. We also plan to provide information to Champlain Housing Trust's Home Ownership Center and their Rehab Loan Program such that they can refer seniors that may be better served in a congregate setting. Cathedral Square staff takes every possible opportunity to reach out to low income and disabled seniors and let them know of our housing and services, including senior expositions, flu clinics, gerontology conferences and other events geared to seniors.

For homeownership developments: How are pre-sales estimates or sales projections derived?

N/A

Note: For all homeownership applications a market study is required.

Services What services will the project provide (e.g. parking, laundry, storage, snow removal, air conditioning, electric surcharge, health/recreation club membership)? Please indicate in the following chart the specific service to be provided, whether it is optional or included, and if optional, what the monthly cost is (if services are required, they must be included in gross rent and cannot be charged for separately). For projects that meet the special needs definition as stated in the Allocation Plan, please instead submit a service plan (with cost information) with your application.

<u>Type of Service</u>	<u>Optional</u>	<u>If optional, monthly cost per unit</u>
Parking, laundry, storage, snow removal, air conditioning, exercise facility, and living and dining room are all provided at no cost to residents. In addition, all residents can participate in Support And Services at Home (SASH), a care coordination program, at no cost. SASH Coordinator and Wellness Nurse work with residents in partnership with care providers to provide wrap-around health-care services to residents.	Yes	\$0

TIMETABLE

FOR: VHCB, HOME

What is the timetable anticipated for development of the project? Please fill out the following:

<u>Event</u>	<u>Month/Year</u>
Receipt of funding commitments necessary for completion of the project	04/2018
Acquisition of the property.	06/2017
Execution of MOU for supportive services (if applicable).	09/2018
Closing date with funding sources (if different from above).	05/2018
Construction start date.	06/2018
Construction completion date.	04/2019
Date of initial sale or occupancy.	04/2019
Any other relevant development milestones.	05/2017

Please describe: All local and state permit approvals obtained.

Please describe, if applicable, any particular issues which make funding of this project time sensitive. Is there a risk the project will be unable to move forward if the timetable above cannot be met?

CSC is working cooperatively with CHT on the phasing of the affordable housing at Cambrian Rise. Because there are not enough capital resources available to build 146 affordable units at once (even though we need them now and simultaneous construction would be more efficient), we are phasing this development. CHT's 76 units will be built first, followed by two phases for CSC of 35 units each. To achieve this CSC must make significant investment of resources for a future project. Therefore it is critical we obtain as many early funding commitments as possible, both to help defray pre-development costs expended over a long time period, and to leverage funding commitments from the many sources from whom we will be requesting funding for this project. We need to continue to work diligently on design issues, legal agreements and permitting as well as funding applications to meet the goals of the overall development without delay. Any delays to development add to cost and decrease efficiency. The sooner we are able to make more affordable housing available for occupancy the better for our community.

Does this project involve any relocation of tenants?

No

MUNICIPAL AND COMMUNITY SUPPORT

FOR: VHCB, HOME

Describe how the municipality and broader community has supported the project. Were both public and private community members and groups contacted about the project and involved in planning it?

This project represents a substantial public/private partnership with the City of Burlington playing a significant role in the conservation of 12 acres of open space, enforcement of Inclusionary Zoning policies and funding 146 units of critically needed affordable housing. The City's role is detailed in a four-party Development Agreement with Eric Farrell, the Vermont Land Trust representing conservation and environmental interests and the Champlain Housing Trust representing the interests of affordable housing including Cathedral Square's affordable senior housing. The public process to date has been far more extensive than a typical development of a private property and has included:

- public meetings to gather input and concerns from the general public including property tours;
- ongoing and detailed negotiations between the 4 major partners to arrive at conceptual site plans and a Development Agreement;
- a public meeting to present progress;
- review of the Development Agreement by the Burlington Board of Finance;
- unanimous approval of the Development Agreement by the Burlington City Council after a lengthy public hearing.
- review by the Planning Commission (including proposed zoning change); DRB; Wards 4/7 and 2/3 Neighborhood Planning Assemblies;
- this project has been very public, and Eric Farrell has been transparent with public and private community members about progress. Eric and the design team have been responsive and incorporated feedback into the design plans.

Has the project been presented at one or more local hearings or public meeting?

Yes

Type of meeting: City Council **Date:** 12/21/2015

Type of meeting: DAB **Date:** 05/24/2016

Type of meeting: DRB **Date:** 06/07/2016

Type of meeting: Ward 2/3 NPA **Date:** 06/09/2016

Type of meeting: Planning Commission **Date:** 09/27/2016

Type of meeting: Planning Commission **Date:** 09/13/2016

Type of meeting: Planning Commission **Date:** 08/23/2016

Documentation:

PROJECT CHARACTERISTICS

FOR: VHCB, HOME

Please indicate which of the following characteristics the project demonstrates based on the definitions provided. Provide documentation as needed.

Access to Public Transportation

Project is within 0.5 miles of a stop for public transportation, that operates at regular times on fixed routes and are used by the general public.

Yes

Dense Infill Location

The site is not already in a designated downtown or village center. These are intended to provide convenient neighborhood and city-wide oriented goods and services and employment opportunities within walking or biking distance of many of the city's or town's residential areas.

No

Downtown Revitalization

The Project is located in Designated Downtowns, Village Centers, Growth Centers, Vermont Neighborhoods and New Town Centers that are also area-wide low and moderate income benefit communities with façade, streetscape and other infrastructure improvements.

Yes

Energy Star or LEED Certified

The Project is designed and built to a level of energy efficiency that meets or exceeds the levels required to qualify for the Energy Star label. LEED-H: A standard of construction promoted and maintained by the US Green Building Council to encourage green building practices. LEED-H (also known as LEED for Homes) is an abbreviation for Leadership in Energy and Environmental Design – Homes.

Yes

Federally Subsidized and At Risk

A development currently occupied by low-income households that, within the next five years, faces either: 1) a loss of deep rental assistance or other operating subsidy; or 2) prepayment of its mortgage or other action by its owner that would terminate federal low income use restrictions.

No

Leveraging of Funding from Outside Vermont

The Project has other non-federal funding sources for leveraging the HOME funds to ensure the overall HOME Program meets the 25% Match Requirement. Projects must demonstrate leverage of resources and cost-effectiveness, including density bonuses, building weatherization, energy efficiency, and fuel switching available from private and public programs, and lead paint hazard abatement. Historically, a majority of the Vermont Housing Conservation Board (VHCB) State appropriation for housing is matched to the HOME Program funds.

Yes

New Rental Assistance

The Project receives new HAP contract from PRAC, RD Rental Assistance, or comparable Federal or State assistance.

No

Public Housing

The Project serves families currently living in public housing or are on public housing (State or local) waiting lists.

No

Rehab or New Construction with Vacancy less than 3.5%

The Project is the creation of 1.) new rental housing through new construction or adaptive reuse in a town or city with a vacancy rate of 3.5% or less, as evidenced by a regional market study OR 2.) the rehabilitation of an existing residential building.

Yes

Removal of Blight

The Project contains blight. Blight is a condition that exists when a significant portion of a building or site is uninhabitable or unusable due to neglect, condemnation, or damage from fire or other natural disaster. This definition may be met by: a project in which there is one building which is in a blighted condition (whether it's a project having only 1 building, or if there is at least 1 building within a multi-building scattered site project); or a project which involves the clean-up of a brownfield; or a project which may involve the demolition of unused non-housing structures which may be in a blighted condition or a condition of disrepair which has an adverse effect on the surrounding community, in order to develop a site into affordable housing.

No

Universal Design

The Project is using a set of design practices that are intended to make space usable by many people, to the greatest extent possible, at little or no extra cost. Some universal design features include: entrances which do not involve steps; wide doorways; and light switches located at a height easily reached by all residents (including children, the elderly, and disabled).

Yes

ENVIRONMENTAL SITE REVIEW CHECKLIST

FOR: VHCB, HOME

In completing this checklist, at a minimum, you should visit the property, check the town records, and talk to neighbors and the property owner. If you answer "yes" to one or more of questions #1-16, you should contract with an environmental engineering firm for a Level I and/or II environmental assessment. A Phase I Environmental Site Assessment may be submitted in lieu of this checklist.

Date of Review : 10/29/2015 Completed by : Waite Heindel

Present Owner :BC Community Housing LLC

Street: 329 North Avenue,0 City/State/Zip: Burlington,VT 05401-####
County: Chittenden

VHCB Applicant :Cathedral Square

Proposed Use of Property

New Senior Housing Development
See Attached Phase 1 ESA

Age of Building(s) New

1. The building contains the following high-risk construction materials:

2. Is there an on-site water supply?

3. What is the distance of the water source from any high risk activity sites ?

4. Is the property in a neighborhood that is/was zoned for industrial use?

5. Does the property show any of the following signs?

absence of, or stressed vegetation

leaking tank(s)

leaking septic system

unusual colored or smelling seeps

oil staining of soils

junked vehicles

sheen on surface waters

a buried oil tank

6. Within the property, or on adjacent property, have any of the following materials ever been stored: heating oil, gasoline, diesel, kerosene, waste oils, solvents, chemicals, other (explain)? Please describe the location of the storage unit(s), the material stored, and the condition and status.

7. Is the property within one half mile of any state or federal hazardous waste sites?

8. Has there ever been any problem with the septic system backing up or seeping out?

9. Have there ever been any chemical septic system cleaners used at this site?

10. Is there on-site discharge of wastewater to waterbodies?

11. There has been areas within the property, or on adjacent property that has been used as a dumping ground for materials, which include:

other (explain):

12. SITE HISTORY: Has the property or adjacent property ever been used for any of the following "high risk" activities?

Activity	Site/Adjacent Site	Activity	Site/Adjacent Site
service station		battery storage	
industrial cleaning		medical laboratories	
pest control		septic system cleaner	
dry cleaners		lubricant mfg/sales	
wood manufacturing		junk/salvage yard	
paint removal		printing	
wool processing		ag. supplies/operations	
testing laboratories		paper processing	
plastics		chemical/solvent use	
metal plating		roofing	
fuel oil dealer		equipment rental	
adhesive and sealant production		waste disposal/removal	
hog farming		computer industry	
tire repair		leather tanning	
sandblasting/stonecutting		textile manufacturing	
automotive repair		railroad	
electrical transformers		boat yard	
paint or stain mfg.		hospital	
film/photo processing			

13. Do you have any other comments or remark on this property?

14. Do you intend to have a professional phase I or II study completed?

15. Please describe the process you went through to complete this survey.

VHCB /HOME APPLICATION SUPPLEMENT

FOR: VHCB, HOME, VHCB

Please answer all the following questions as completely as possible.

1. Describe the importance of the proposed housing to the community, region or state. This is a high profile project which will create a new mixed use, mixed income neighborhood in the City, along with conservation, park land, and public access to Lake Champlain. This new housing which includes affordable and market rate, rental and homeownership, general occupancy and senior, is critical to Burlington, to Chittenden County, and to Vermont. This project addresses the housing shortage faced by this community, a shortage which is having a negative effect on employers, cost burdened residents, employees dealing with long commutes, seniors who have to wait for several years for an affordable apartment. This is a well planned, high quality energy efficient development designed to be a Sustainable Neighborhood. The 35-unit phase one CSC senior building will offer high quality, affordable, accessible housing to low income seniors and also provide care coordination through Support And Services at Home, allowing seniors to age safely at home. Research shows that seniors who are part of a vibrant, active community that is walkable and close to services are less isolated and less depressed.

This housing will be perpetually affordable. The location is a smart growth site and is served by public transportation. Given the well-documented need for more affordable rental housing in Chittenden County, and the well-documented need for affordable senior housing in Burlington, these homes will be a very important resource for the region.

2. Provide a narrative summary of the construction scope of work. The project will be a four story building over underground parking with 31 one bedroom apartments and 4 two bedroom apartments, and common areas for SASH services. The design and construction will meet Efficiency Vermont's Multifamily High Performance Home standards, creating comfortable, affordable, and durable housing. CSC will explore with the design team the feasibility of building to Passive House standard. The site will be in a new Neighborhood Activity Center, creating a walkable, compact new neighborhood accessed by North Avenue. The design team has spent a lot of time activating the streetfronts and buildings' corners, providing building breaks and multiple entrances, and street frontage. The building will include Cathedral Square's high standards for areas for resident socialization, universal design, and offices for wellness nursing and SASH coordination.

3. Capital Needs Assessments

For moderate rehab projects, VHCB requires a new Capital Needs Assessment. The CNA will project all capital needs over a 20 year timeframe taking in consideration the proposed scope of work and the expected useful life (EUL) of building components that will not be addressed at the time of rehab. For new construction and full rehab projects, VHCB requires an estimate of replacement reserve withdrawals for capital needs over a 20 year timeframe based on similar projects. The estimate shall be included the project's cash flow projection. Should the developer not have experience with similar project types a third party CNA provider or the project architect may provide this estimate.

4. Review the listed VHCB policies for affordable housing. Indicate if each policy applies to the project and whether or not yours meets the policy. If the project does not meet the policy provide an explanation of why it doesn't. In the case of New Construction and Elderly Housing guidelines, describe how the project meets the policy. New North Senior Housing meets all of the relevant VHCB Housing Policies. The applicable policies are: Affordable Housing Projects, Priorities for Funding Housing for the Elderly, Guidelines for New Construction Housing Projects, Service Supported Housing, Development Fee, Conservation of Energy and Water, and Procurement Guidelines.

5. Does this project address the dual goals of housing and conservation? If yes, please explain. Yes. This housing project, sited in a soon to be Neighborhood Activity Center, will contribute to the overall multi-use, mixed income multi-purpose built environment. The Cambrian Rise development preserves 12 acres of land for conservation, passive recreation, community gardens, and access to the bike path and lake. This project is a wonderful dual goal project that is contributing a significant amount of conservation land hand in hand with a significant amount of critically needed housing.

6. Does this project present any opportunities for increasing access to fresh and/or healthy food for residents of the

property? (i.e., on-site gardens, edible landscaping, community kitchens) If so, please elaborate.. Yes. CSC has found that our residents are very interested in gardening both to grow their own healthy food and also as a social, active activity that benefits their health. As with all of our properties, we plan to include resident raised garden beds at multiple heights to accommodate gardeners using wheelchairs and walkers to encourage gardening at New North Senior Housing. In addition, we will work with the Parks and Recreation Department to access the community gardens right next door. Our SASH Coordinators also link residents with farm shares and connect with local grocery stores to obtain produce that goes unused for low to no cost.

7. Perpetual use for affordable housing is a requirement of Vermont Housing and Conservation Board assistance. How can we be assured that this requirement will be met? Please describe the major elements of you plan.

10-Nov-16 New North CSC Senior Housing - Burlington

Total Residential Units:	35	Increase in Income from Rental Units:	1.50%
Housing Credit Restricted Units:	27	Increase in Income from Other Sources:	1.50%
Percent Restricted:	77.14%	Increase in Income from Commercial:	0.00%
Total Development Cost:	10,026,500	Expense increase:	3.00%
Total Development Cost per Unit:	286,471	Vacancy Rate:	3.00%
Total Development Cost Per SF:	288	Partner's Tax Rate:	35%
		Long Depreciation Schedule:	27.5 years
Max Credit Potential:	816,080	Short Depreciation Schedule:	5 years
Credit Amount requested:	740,000	Sponsor's Estimated Yield:	94.01%
VT State Credit	45,000		
LIHTC - 9%	9.00%	Fixed Rate	
LIHTC - 4%	3.23%	May 2016	

SOURCES

		% of Total Development Cost	Interest Rate	Amortization	Term
VHFA Debt	600,000	5.98%	4.25%	30	40
HOME - City of Burlington	275,000	2.74%	0.00%	30	deferred
VHCB	775,000	7.73%	500.00%	1,024	deferred
Burlington Housing Trust Fund	180,000	1.80%	N/A	N/A	Cap Contribution
AHP	300,000	2.99%	0.00%	30	deferred
NHTF (2 units)	320,000	3.19%	0.00%	30	deferred
Private Foundation	300,000	2.99%	N/A	N/A	Cap Contribution
VHCB feasibility	10,000	0.10%	N/A	N/A	Cap Contribution
State Credit Equity	198,000	1.97%	N/A	N/A	Equity
Deferred Fee	25,000	0.25%	0.00%	15	
Efficiency Vermont	87,500	0.87%	0.00%	30	deferred
Tax Credit Equity LP	6,956,000	69.38%	N/A	N/A	Equity
TOTAL SOURCES	10,026,500	100.00%			

USES

Acquisition	380,100	3.79%
Construction Hard Costs	7,477,500	74.58%
Soft Costs	2,168,900	21.63%
TOTAL USES	10,026,500	100.00%

GAP 0

Construction Loan	7,200,000	4.50%	0
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General Partner's Capital Contribution	10,000	696	0.01%
Limited Partner's Capital Contribution	6,956,000	6,956,000	99.99%
Total Equity	6,966,000	6,956,696	

APPLICABLE FRACTION CALCULATION

Tax Credit Restricted Units	27
Total Units	35
Unit Fraction	77.14%
Tax Credit Square Footage	16,740
Total Residential Square Footage	22,300
Square Footage Fraction	75.07%
Applicable Fraction	75.07%

New North CSC Senior Housing - Burlington

34,843.00

Total

Total Project

6,825,002

Budget

Per Unit

Per s.f.

ACQUISITION

1	Land	350,000	10,000	10.05
2	Building		0	0.00
3	Carrying Cost for Land	15,000	429	0.43
4	Property Appraisal	7,000	200	0.20
5	Legal - Title and Recording	8,100	231	0.23
	Subtotal - Acquisition	380,100	10,860	10.91

CONSTRUCTION HARD COSTS

6	New Construction	6,825,000	195,000	195.88
7	Energy upgrades		0	0.00
8	Kitchen		0	0.00
9	Sitework cost related to Phase II		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		1,024	0.00
15	Construction Contingency	432,500	12,357	12.41
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	220,000	6,286	6.31
20			0	0.00
	Subtotal - Hard Costs	7,477,500	213,643	214.61

SOFT COSTS

21	Architect	415,000	11,857	11.91
22	Survey	3,750	107	0.11
23	Legal/Accounting	29,000	829	0.83
24	owners representative/ Clerk	35,000	1,000	1.00
25	Environmental Assessment	1,800	51	0.05
26	Civil Engineering	35,000	1,000	1.00
27	Permits/Fees	154,000	4,400	4.42
28	Archeology	5,000	143	0.14
29	Compaction/Testing/soils	7,000	200	0.20
30	Independent Market Study	2,000	57	0.06
31	Construction Period Insurance	21,000	600	0.60
32	Construction Interest	90,000	2,571	2.58
33	Loan Origination Fee	10,000	286	0.29
34	Taxes During Construction	7,500	214	0.22
35	Inspection Fee	6,000	171	0.17
36	Marketing	20,000	571	0.57
37	Tax Credit Fees	29,850	853	0.86
38	Soft Cost Contingency	10,000	286	0.29
39	Lender's Council Fee	3,500	100	0.10
40	Impact Fees (incl in permits)		0	0.00
41			0	0.00
42	Cost Cert IRS	7,000	200	0.20
43	Capital Needs Assessment	2,500	71	0.07

SYNDICATION COSTS

44	Organizational (Partnership)	1,500	43	0.04
45	Bridge Loan Fees and Expenses	45,000	1,286	1.29
46	Syndication Consultant	2,500	71	0.07
47	Tax Opinion	0	0	0.00

DEVELOPER'S FEES

48	Developer's Fees	750,000	21,429	21.53
49	Deferred Development Fee	125,000		3.59
50	Consultant Fees	90,000	2,571	2.58

RESERVES

51	Working Capital		0	0.00
52	Rent-up (Deficit Escrow) Reserve	25,000	714	0.72
53	Operating Reserves	165,000	4,714	4.74
54	Sinking Fund (services)	50,000	1,429	1.44
55	Replacement Reserves	20,000	571	0.57

Subtotal - Soft Costs

TOTAL DEVELOPMENT COSTS

	10,026,500	286,471	287.76
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	Itemized Cost	Acquisition Basis	Construction Basis	Residential Depreciation
ACQUISITION				
1 Land	350,000			
2 Building	0			0
3 Carrying Cost for Land	15,000			
4 Property Appraisal	7,000	7,000		
5 Legal - Title and Recording	8,100	8,100		
Subtotal - Acquisition	380,100			
CONSTRUCTION HARD COSTS				
6 New Construction	6,825,000		6,825,000	6,825,000
7 Energy upgrades	0		0	0
8 Kitchen			0	
9 Sitework cost related to Phase II	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	432,500		432,500	432,500
16 Architectural/Engineering	0		0	0
17 Hazardous Materials Abatement	0		0	0
18 Off-Site Improvements	0		0	0
19 Furnishings, Fixtures, & Equipment	220,000		220,000	220,000
20 0	0		0	0
Subtotal - Hard Costs	7,477,500			
SOFT COSTS				
21 Architect	415,000	415,000	415,000	
22 Survey	3,750	3,750	3,750	
23 Legal/Accounting	29,000	29,000	29,000	
24 owners representative/ Clerk	35,000	35,000	35,000	
25 Environmental Assessment	1,800	1,800	1,800	
26 Civil Engineering	35,000	35,000	35,000	
27 Permits/Fees	154,000	154,000	154,000	
28 Archeology	5,000	5,000	5,000	
29 Compaction/Testing	7,000	7,000	7,000	
30 Independent Market Study	2,000	2,000	2,000	
31 Construction Period Insurance	21,000	21,000	21,000	
32 Construction Interest	90,000	90,000	90,000	
33 Loan Origination Fee	10,000	10,000	10,000	
34 Taxes During Construction	7,500	7,500	7,500	
35 Inspection Fee	6,000	6,000	6,000	
36 Marketing	20,000			
37 Tax Credit Fees	29,850			
38 Soft Cost Contingency	10,000	10,000	10,000	
39 Lender's Council Fee	3,500	3,500	3,500	
40 Impact Fees (incl in permits)	0			
41 0	0			
42 Cost Cert IRS	7,000	7,000	7,000	
43 Capital Needs Assessment	2,500	2,500		
SYNDICATION COSTS				
44 Organizational (Partnership)	1,500			
45 Bridge Loan Fees and Expenses	45,000			
46 Syndication Consultant	2,500			
47 Tax Opinion	0			
DEVELOPER'S FEES				
48 Developer's Fees	750,000	750,000	750,000	
49 deferred fee	125,000	125,000	125,000	
50 Consultant Fees	90,000	90,000	90,000	
RESERVES				
51 Working Capital	0			
52 Rent-up (Deficit Escrow) Reserve	25,000			
53 Operating Reserves	165,000			
54 Sinking Fund (services)	50,000			
55 Replacement Reserves	20,000			
Subtotal - Soft Costs	2,168,900			
TOTALS	10,026,500	15,100	9,287,550	9,065,050
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		15,100	9,287,550	
TIMES: Adj for QCT/DDA; Special Construction	130.00%		12,073,815	
TIMES: Applicable Fraction	75.07%	11,335	9,063,483	
Total Qualified Basis		11,335	9,063,483	8,485,050 Long Term Depreciable Basis
TIMES: Applicable Percentage		3.23%	9.00%	27.5 Depreciation Schedule
Total Annual Credit Qualified		366	815,713	308,547 Annual Depreciation
Total Tax Credits Requested	740,000		816,080	220,000 Short Term Depreciable Basis
Estimated Net Syndication Proceeds (excluding historic credit equity)	6,956,000			5 Depreciation Schedule
Estimated Yield - Housing Credit Syndication	94.01%			44,000 Annual Depreciation
Equity Gap	6,956,000			
Credits Needed to fill Equity Gap	740,000			360,000 mid term depreciation basis
				15 depreciation schedule
				24,000 annual depreciation

10-Nov-16 **New North CSC Senior Housing - Burlington**

HC UNITS

Bedrooms	Type	Average Square Feet	Number	Average Rent	Utilities	Total Annual Rent
1 Br	No RA	620	18	850		183,600
1 BR	RA	620	2	780		18,720
1 BR	No RA	620	7	780		65,520
1 BR	No RA	620	0	850		0
						0
						0
						0
					0	0
HC Unit SF		16,740				
Common& Circulation Area		12,543				
Totals			27	15,092		267,840

NON HC UNITS

Bedrooms	Type	Square Feet	Number	Rent	Utilities	Annual Rent
0 Br					0	0
1 Br IZ		620	4	1,024	0	49,152
2 BR Mkt		770	2	1,400	0	33,600
2 BR		770	2	1,400	0	33,600
					0	0
					0	0
					0	0
Total Mkt SF		5,560	8			116,352
Total		34,843				

Total Units	35	TOTAL All Units	384,192
Less Vacancy	3.00%		(11,526)

NET RENT 372,666

OTHER INCOME

Rent Stipends for RM	(2,076)
Laundry Included in Rent	
Interest N/A - too low	
Commercial Space Income	
Other	0

tax credit SF

TOTAL INCOME 370,590

10-Nov-16 **New North CSC Senior Housing - Burlington**

	35		Per Unit Monthly Per Month	
Administration				
Management Fee	24,780	2,065	59	
Support Services	13,728	1,144	33	
Audit/Accounting	6,650	554	16	
Legal	500	42	1	
Compliance Monitoring	2,268	189	5	
Marketing	1,116	93	3	
Training/Meetings	1,116	93	3	
Telephone/internet	2,800	233	7	
Office Salaries	14,120	1,177	34	
Office Expenses	2,500	208	6	
Misc Admin Fee	360	30	1	
TOTAL ADMINISTRATIVE	69,938	5,828	167	
Utilities				
Electricity	30,000	2,500	5	1,024
Fuel - Natural Gas	12,000	1,000	29	
Water and Sewer	8,500	708	20	
Fire Alarm / Emergency	4,500	375	11	
Other		0	0	
TOTAL UTILITIES	55,000	4,583	131	
Maintenance				
Maintenance / Janitor Payroll	39,000	3,250	93	
Janitor supplies	9,000	750	21	
Trash Removal	4,000	333	10	
Snow Removal	6,500	542	15	
Grounds	4,000	333	10	
Repairs Contract	8,500	708	20	
Mileage	1,000	83	2	
Elevator Maintenance	6,000	500	14	
Misc Maintenance	2,000	167	5	
TOTAL MAINTENANCE	80,000	6,667	190	
Real Estate Taxes	34,000	2,833	81	per unit montl excl. ds & res 664
Property Insurance	15,000	1,250	36	
Replacement Reserves	21,000	1,750	50	
Primary Debt Service	35,420	2,952	84	
Payroll Taxes	5,682	474	14	
Worker's Comp	2,005	167	5	
Health Ins & Benefits	17,046	1,421	41	
Other "must pay" debt service		0	0	
Other	0	0	0	
Total	335,091	27,924	798	

10-Nov-16 New North New North CSC Senior Housing - Burlington												63
	Year	1	2	3	4	5	6	7	8	9	10	40
Operating Income												1
Gross Rent		384,192	389,955	395,804	401,741	407,767	413,884	420,092	426,394	432,789	439,281	445
Other Income		0	0	0	0	0	0	0	0	0	0	
Rent Stipends for RM		(2,076)	(2,107)	(2,139)	(2,171)	(2,203)	(2,236)	(2,270)	(2,304)	(2,339)	(2,374)	(2
Vacancy and other losses		(11,526)	(11,699)	(11,874)	(12,052)	(12,233)	(12,417)	(12,603)	(12,792)	(12,984)	(13,178)	(13
Total Operating Income		370,590	376,149	381,791	387,518	393,331	399,231	405,219	411,298	417,467	423,729	430
Operating Expenses												
Total Expenses (excl. Reserves)		278,672	287,032	295,643	304,512	313,648	323,057	332,749	342,731	353,013	363,603	374
Reserves		21,000	21,420	21,848	22,285	22,285	22,285	22,285	22,285	22,285	22,285	22
Sub-Total Operating Expense		299,672	308,452	317,491	326,798	335,933	345,342	355,034	365,016	375,298	385,889	396
GP services fee		2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2,000	2
Total Operating Expense		301,672	310,452	319,491	328,798	337,933	347,342	357,034	367,016	377,298	387,889	398
Net Operating Income		68,918	65,697	62,300	58,721	55,398	51,889	48,185	44,281	40,169	35,840	31
Less Debt Service		35,420	35,420	35,420	35,420	35,420	35,420	35,420	35,420	35,420	35,420	35
Annual Cash Flow		33,499	30,278	26,880	23,301	19,978	16,469	12,766	8,862	4,749	421	(4
Net Cash		33,499	30,278	26,880	23,301	19,978	16,469	12,766	8,862	4,749	421	(4
DCR		194.58%	185.48%	175.89%	165.79%	156.40%	146.50%	136.04%	125.02%	113.41%	101.19%	88
Sinking Fund & Op Resv's												
Beginning Balance		215,000	230,824	260,256	286,438	309,171	328,695	344,808	357,297	365,945	370,524	370
Deposits		16,749	30,278	26,880	23,301	19,978	16,469	12,766	8,862	4,749	421	(4
Interest	1.0%	1,075	1,154	1,301	1,432	1,546	1,643	1,724	1,786	1,830	1,853	1
GP services fee		(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2
Ending Balance		230,824	260,256	286,438	309,171	328,695	344,808	357,297	365,945	370,524	370,797	366
Cumulative Replacement Reserves	6 Months											
Beginning Balance		20,000	30,553	52,125	74,234	81,891	104,586	115,394	138,256	161,233	134,324	117
Deposits		10,500	21,420	21,848	22,285	22,285	22,285	22,285	22,285	22,285	22,285	22
Interest	1.0%	53	153	261	371	409	523	577	691	806	672	
Withdrawals		0	0	0	(15,000)	0	(12,000)	0	0	(50,000)	(40,000)	(15
Ending Balance		30,553	52,125	74,234	81,891	104,586	115,394	138,256	161,233	134,324	117,281	125
	6 Month Yr 1											
Net Operating Income		16,749	30,278	26,880	23,301	19,978	16,469	12,766	8,862	4,749	421	(4
Less Sinking Fund Expense		(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2,000)	(2
Plus Reserves		10,500	21,420	21,848	22,285	22,285	22,285	22,285	22,285	(27,715)	(17,715)	7
Less Interest Expense		(57,652)	(24,866)	(24,409)	(23,932)	(23,434)	(22,914)	(22,372)	(21,807)	(21,217)	(20,601)	(19
Less Long Depreciation		(154,274)	(308,547)	(308,547)	(308,547)	(308,547)	(308,547)	(308,547)	(308,547)	(308,547)	(308,547)	(308
Less Mid Term Depreciation		(12,000)	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)	(24,000)	(24
Less Short Depreciation		(22,000)	(44,000)	(44,000)	(44,000)	(44,000)	0	0	0	0	0	
Taxable Income (Loss)		(220,676)	(351,716)	(354,227)	(356,892)	(359,717)	0	(321,868)	(325,207)	(378,730)	(372,443)	(351
Cash Flow		0	0	0	0	0	0	0	0	0	0	
Plus Tax Savings		77,237	123,101	123,980	124,912	125,901	0	112,654	113,823	132,555	130,355	122
Plus Tax Credits		370,000	740,000	740,000	740,000	740,000	740,000	740,000	740,000	740,000	740,000	262
After Tax Cash Flow		447,237	863,101	863,980	864,912	865,901	740,000	852,654	853,823	872,555	870,355	385

City of Burlington HOME Program
New North Senior Housing Application
Cathedral Square
November 2016

Attachments

Budget (capital and operating)

Appraisal

Site plan

Site location map

Preliminary floor plans

Building elevations

Option Agreement

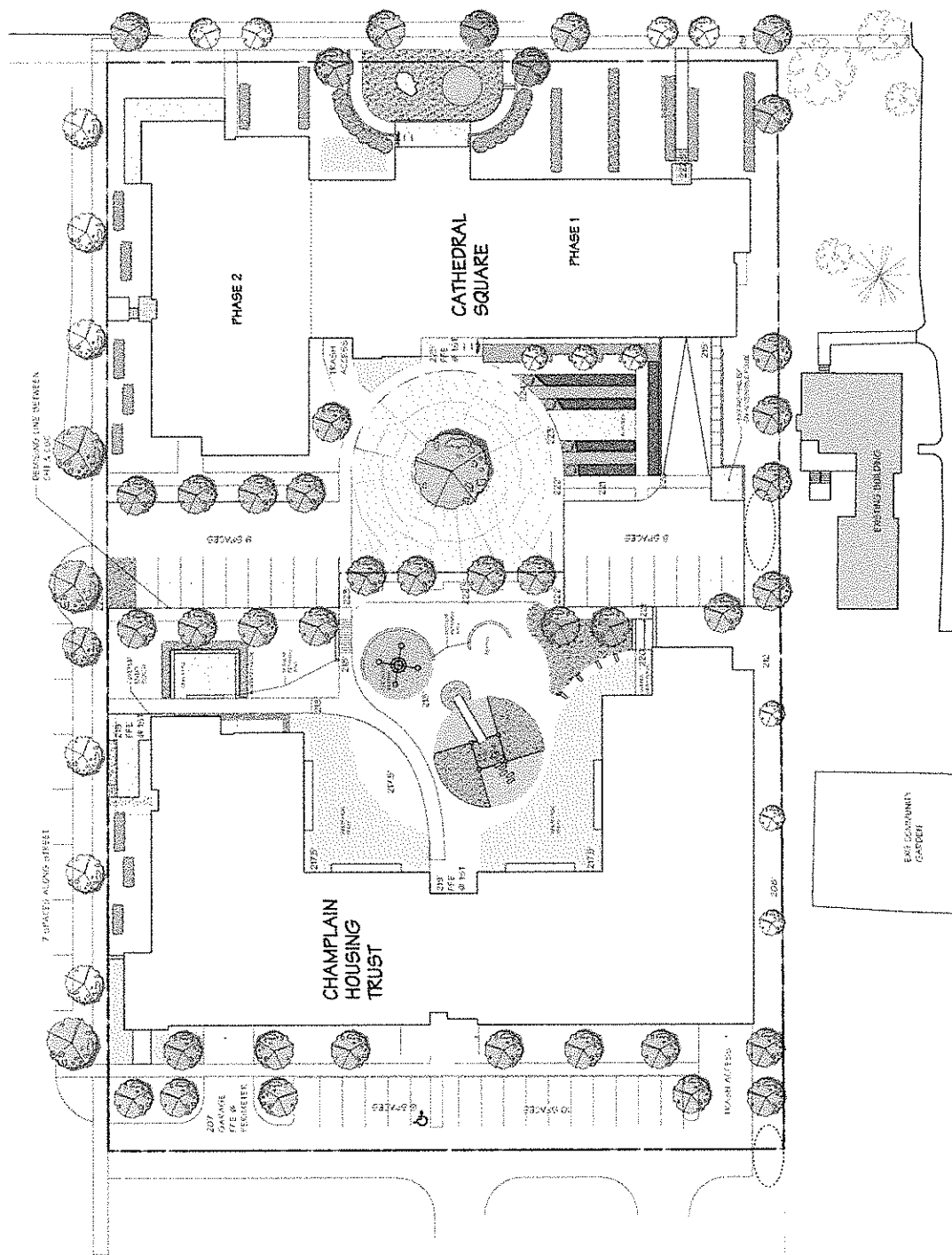
Other Funding Commitments


VHCB Feasibility Award

BHTF committed (award letter pending)

Audited Organizational Financial Statements

Development Team Resumes (Cindy Reid; Miranda Lescaze)




SITE PLAN
 Scale: 1" = 20'

NEW NORTH AVENUE
 BURLINGTON, VERMONT

Duncan Wisniewski
 ARCHITECTURE

PRICING SET

DATE: 03/26/2016
 DRAWN: SW

AD-010

APPRAISAL REPORT
OF A PORTION OF THE
BC COMMUNITY HOUSING, LLC PROPERTY
329 NORTH AVENUE
BURLINGTON, VERMONT
Effective Date: July 1, 2017

FUVV
REPORT
IN
ELECTRONIC
FILES

By: Kurt J. Kaffenberger, MAI
O'BRIEN & KAFFENBERGER, INC.
26 West Allen Street
Winooski, Vermont

O'Brien & Kaffenberger, Inc.

Real Estate Analysts and Appraisers

26 West Allen Street
Winooski, VT 05404
Phone (802) 658-1053

April 4, 2016

Housing Vermont
Ms. Kathy Beyer
123 St. Paul Street
Burlington, Vermont 05401

Dear Ms. Beyer:

At your request, I submit an appraisal report on the prospective market value of a portion of the BC Community Housing LLC property located at 329 North Avenue in Burlington, Vermont. An inspection of the property for the appraisal was conducted on March 18, 2016.

The purpose of this report is to develop a prospective market value opinion of the property's fee simple estate according to the definition stated in the report, subject to assumptions, limitations, and certification.

As of the date of the inspection, the subject consists of an unimproved land parcel that is part of a larger parcel. The appraisal is being made with the extraordinary assumption that the property is fully permitted to develop 146 units of affordable housing on a 2.67-acre land parcel. The extraordinary assumption was made at the request of the client and is necessary for a reasonable analysis given the intended use of the appraisal. The use of the extraordinary assumption might have affected the assignment results.

After analyzing all available information, it is the appraiser's opinion that the prospective market value of the property described in this report, as of July 1, 2017, will be \$1,600,000.

Sincerely yours,

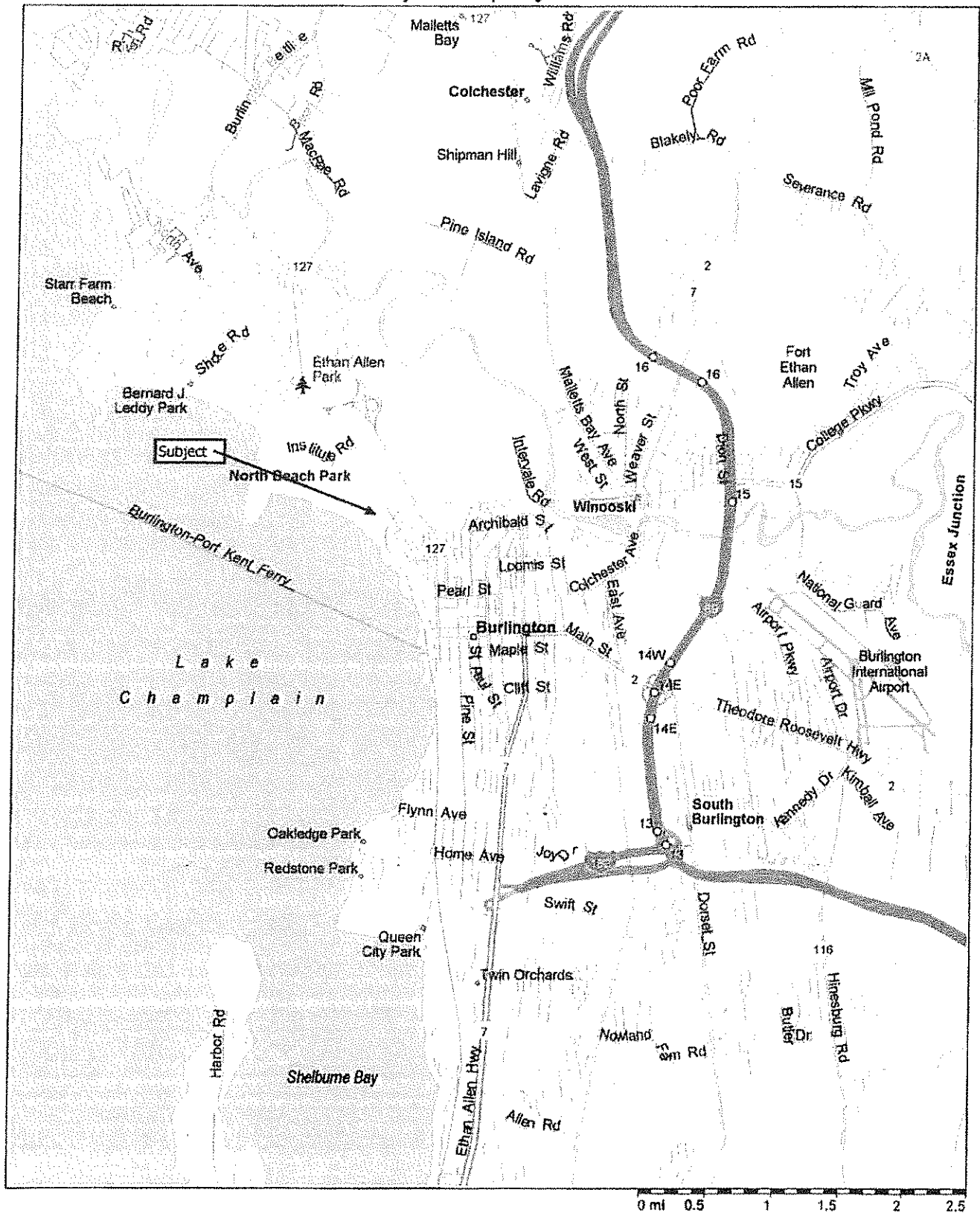


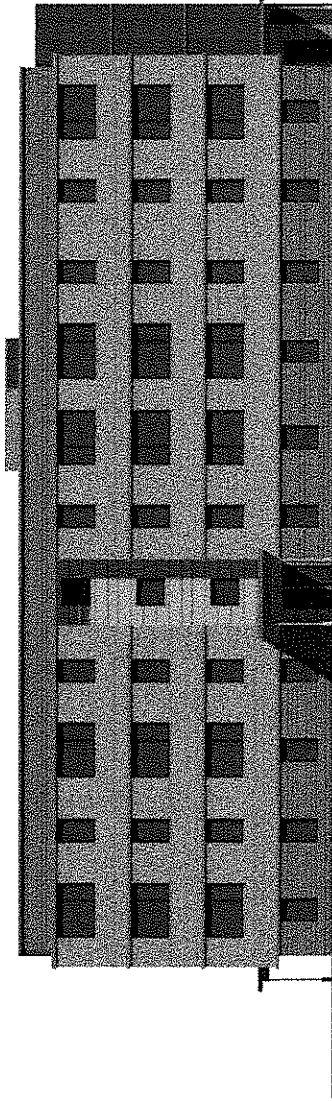
Kurt J. Kaffenberger, MAI
Certified General Real Estate Appraiser
080.0000012, State of Vermont

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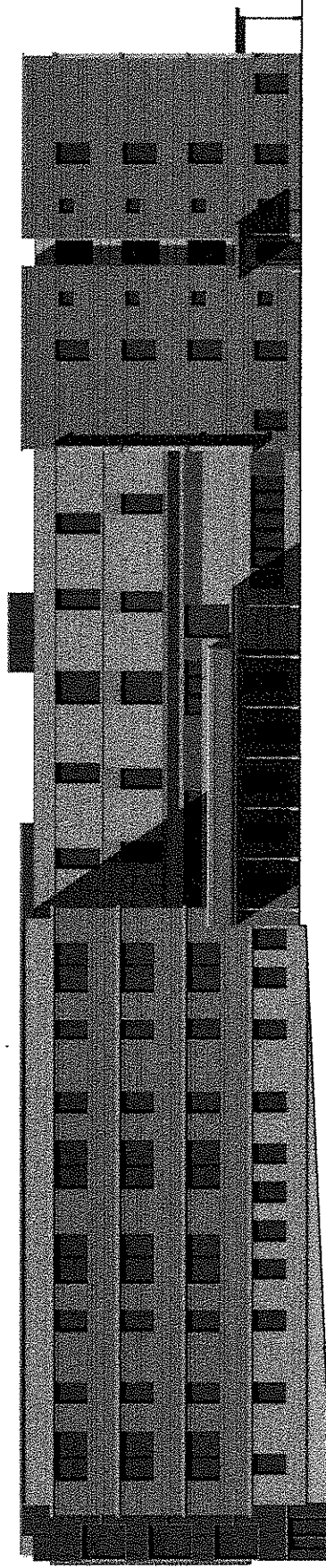
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Zoning	

Subject Property Location





NORTH ELEVATION
Scale: 1/8" = 1'-0"



EAST ELEVATION
Scale: 1/8" = 1'-0"

NEW NORTH AVENUE - CSC

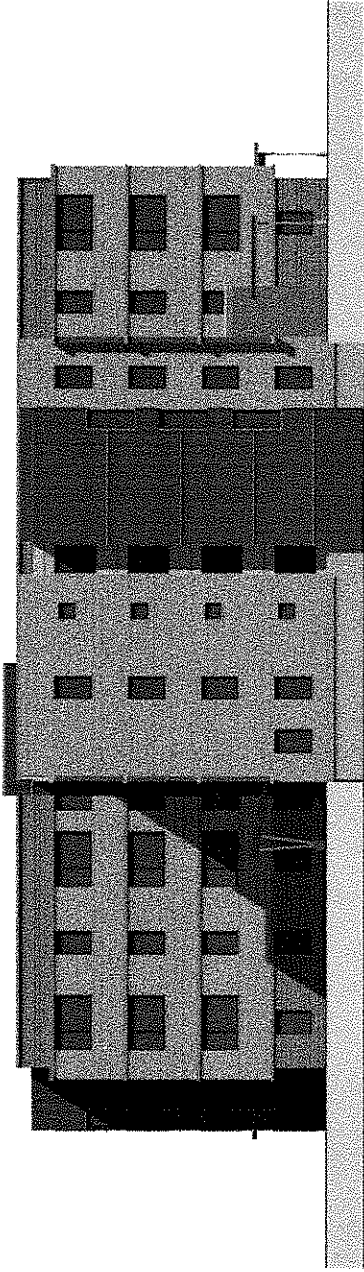
BURLINGTON, VERMONT

Duncan
Wisniewski
ARCHITECTURE

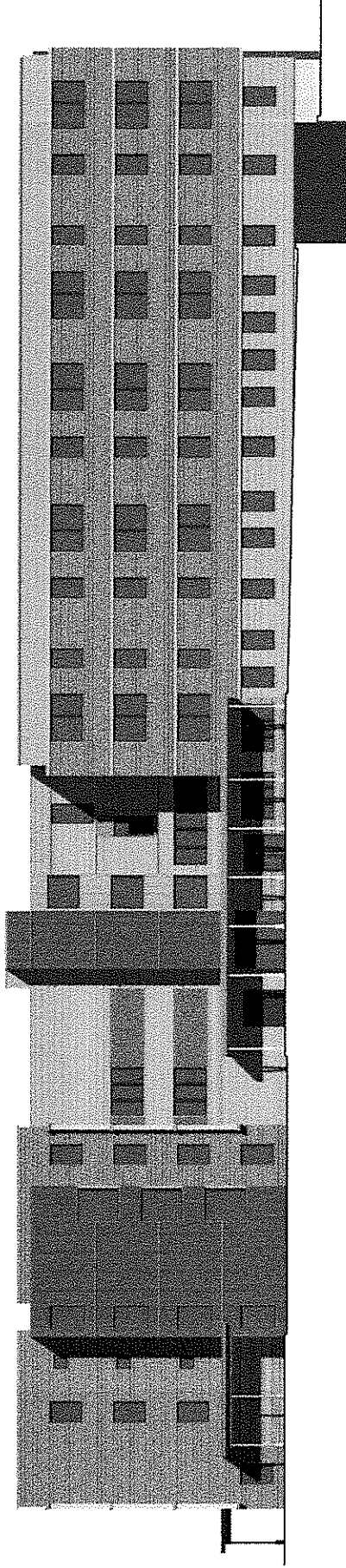


DATE: 5/20/2016
PROJECT: CSC

A2-1.0



SOUTH ELEVATION
Scale: 1/8" = 1'-0"



WEST ELEVATION
Scale: 1/8" = 1'-0"

NEW NORTH AVENUE - CSC

BURLINGTON, VERMONT

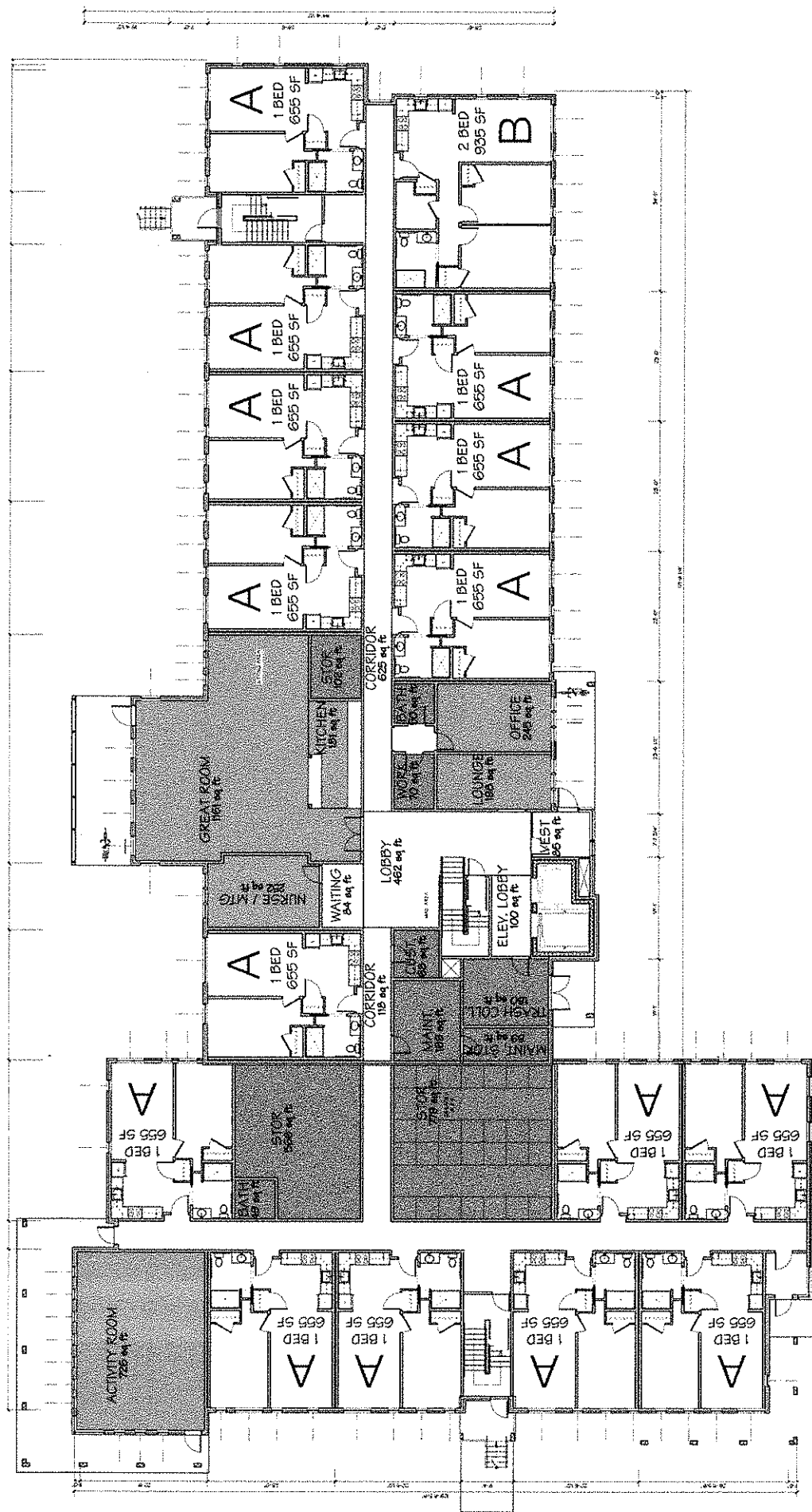
Duncan
Wisniewski
ARCHITECTURE



127 North Main Street
Burlington, Vermont 05401
Tel: 802.255.1234

DATE: 06/20/2018
DRAWN BY:

A2-210

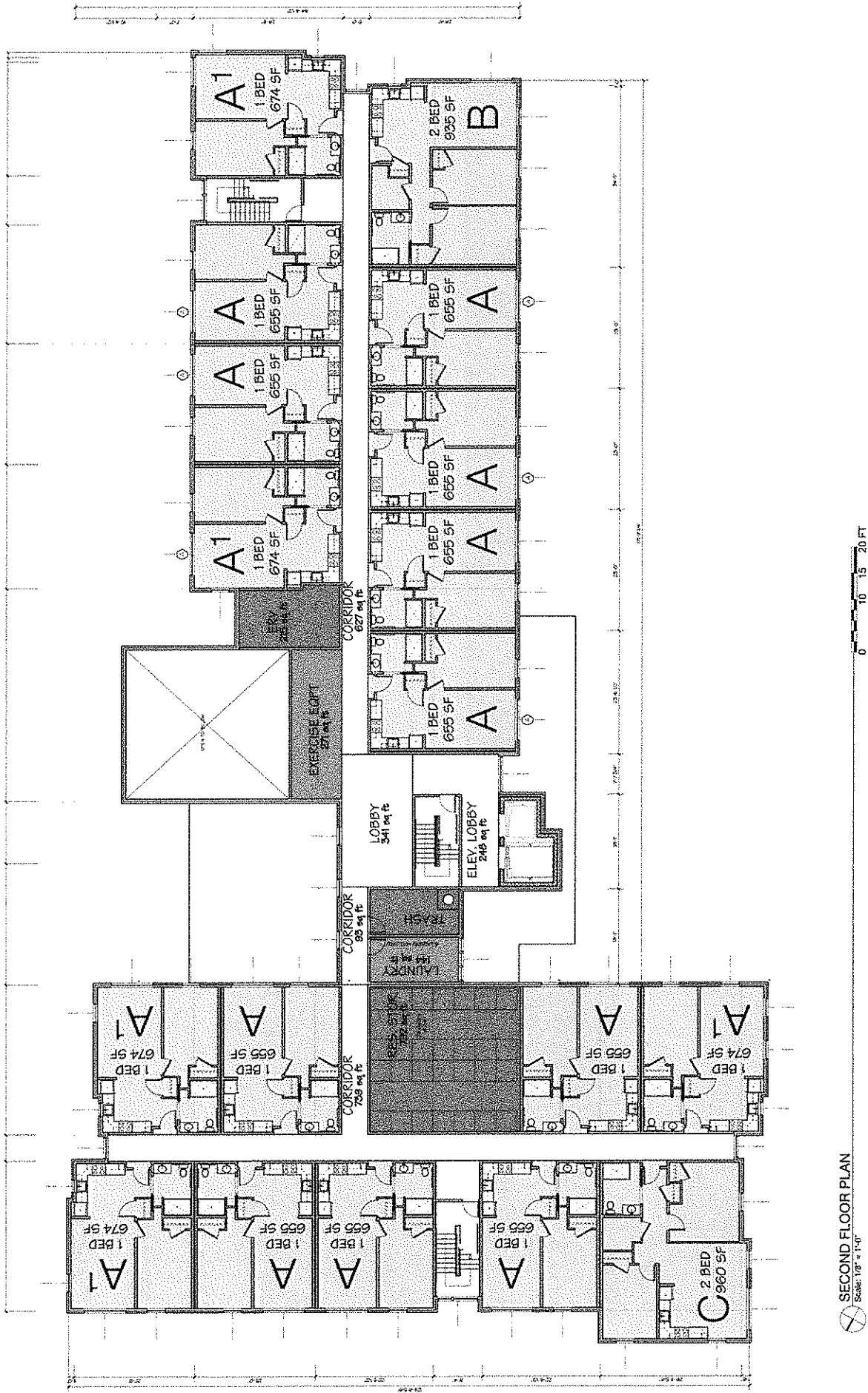


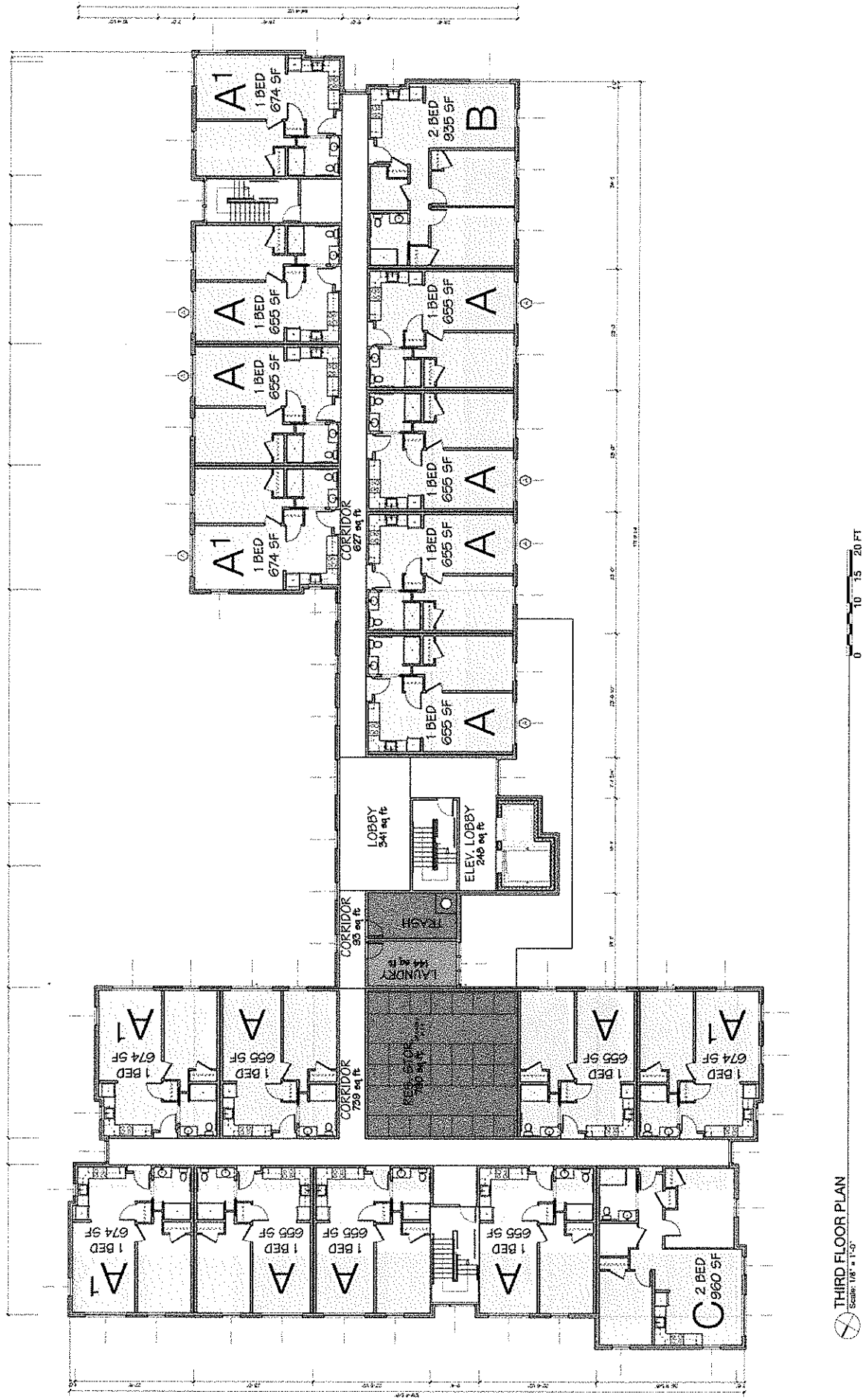
FIRST FLOOR PLAN
Scale: 1/8" = 1'-0"

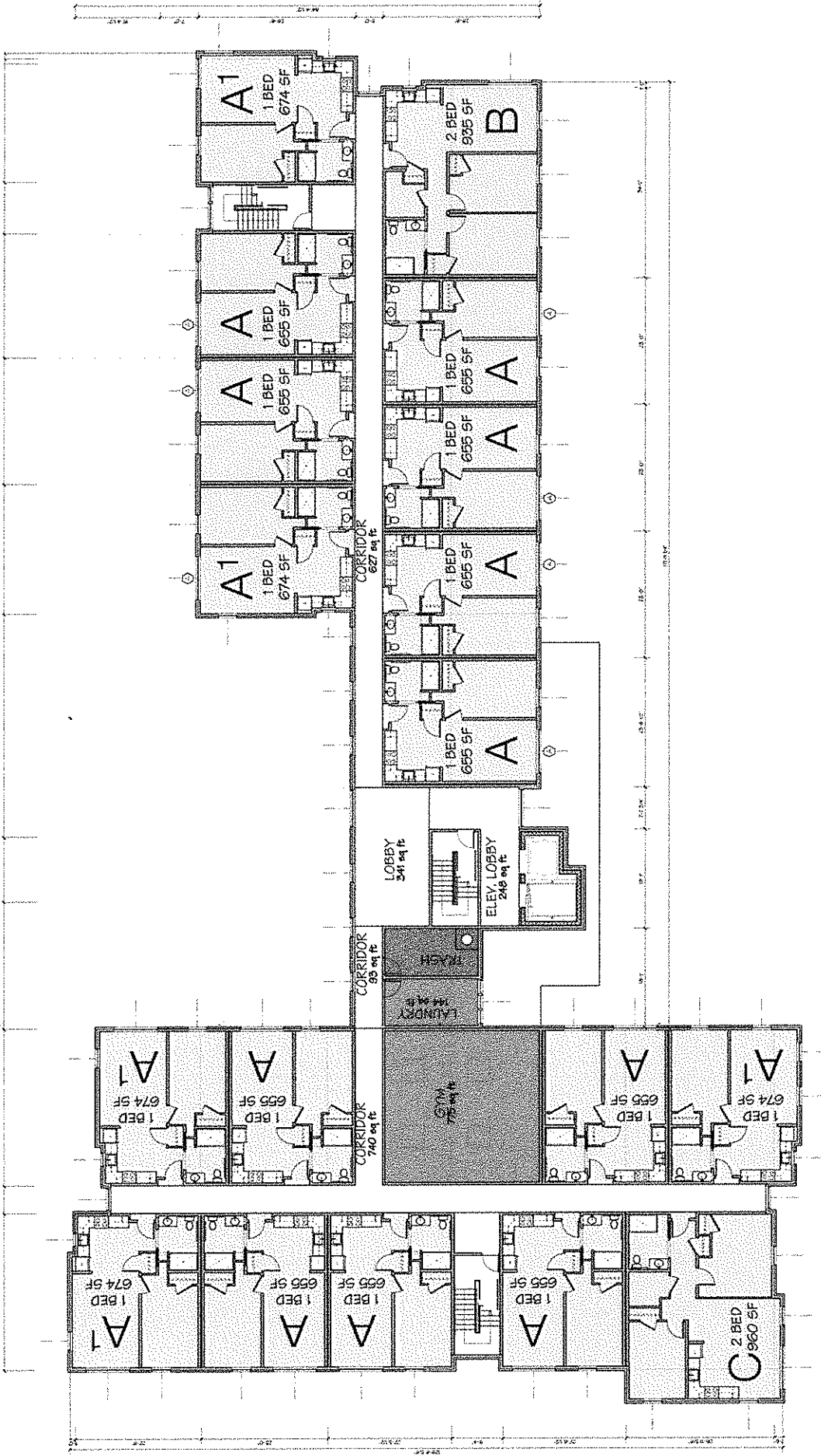
BC COMMUNITY HOUSING • BUILDING K

**Duncan
Wisniewski**
ARCHITECTURE

01027642-1-VOL
01027642-1-VOL







FOURTH FLOOR PLAN
Scale: 1/8" = 1'-0"

0 10 15 20 FT

BC COMMUNITY HOUSING • BUILDING K

BURLINGTON, VERMONT

PERMIT PLANS

Duncan
Wisniewski
ARCHITECTURE

DATE: 03/27/19
DRAWN: DCA

A1-410

BC Community Housing, LLC

Mailing: P.O. Box 1335, Burlington, VT 05402

802-861-3000 fax 802-861-3003



February 25, 2016

Ms. Miranda Lescaze, Developer
Cathedral Square Corporation
412 Farrell Street, Suite 100
South Burlington, VT 05403

Re: 329 North Avenue, Burlington, Vermont

Dear Miranda,

I am writing to indicate our intention to work with Cathedral Square at the Burlington College site I am developing in Burlington. We are working towards entering into an option agreement with Champlain Housing Trust on a 2.5 acre building lot to be created within a new development proposed at 329 North Avenue, Burlington, and expect to finalize said option agreement within the next month. The 2.5-acre parcel has potential for two affordable housing buildings, one each for Cathedral Square and Champlain Housing Trust for affordable senior and family housing respectively. My understanding is that CSC and CHT will develop each of their respective projects in two phases.

We propose to work with Cathedral Square and Champlain Housing Trust on the site plan of these affordable housing projects for the next three years, and during that time we will not explore the sale or lease of that land to any other entity.

Sincerely,

Eric Farrell
General Member

REAL ESTATE OPTION AGREEMENT

This Real Estate Option Agreement is entered into by and between BC Community Housing, LLC, Seller, and Champlain Housing Trust, Inc., Buyer. In consideration of the agreements hereinafter set forth, the parties agree as follows:

1. DEFINITIONS AND BACKGROUND. For the purposes of this Option Agreement, the following words and phrases have the following meanings assigned to them:
 - a. "Buyer" means Champlain Housing Trust, Inc. The Buyer is a Vermont nonprofit corporation of Burlington, Vermont. The Buyer is a qualified nonprofit organization as defined in Section 42(h)(5) of the Internal Revenue Code of 1986.
 - b. "CHT Parcel" means a certain 2.67-acre, more or less, building lot to be created within a new development proposed by the Seller at 329 North Avenue, Burlington; said lot will have frontage on North Avenue and is depicted as a parcel with buildings "L" and "K" on a plan entitled "Burlington College Concept Masterplan," dated March 3, 2016 (the "Concept Plan"), attached hereto as *Exhibit A* and on a plan entitled "BC Community Housing, LLC, CHT Parcel," dated March 18, 2016, attached hereto as *Exhibit B*. The CHT Parcel is a portion of the Seller's lands, depicted as Lot C on a plan entitled "Lot Line Adjustment Between 311 & 329 North Avenue, BC Community Housing, LLC", attached hereto as *Exhibit C*. The CHT Parcel will have utility services available from the new public street as depicted on *Exhibit A*, subject to final engineering design, including municipal water, stormwater, municipal sewer, natural gas, Burlington Electric, Comcast, Fairpoint and Burlington Telephone.
 - c. "CHT Project" means a project consisting of affordable rental housing for seniors and family housing and being the lesser of (i) the actual number of Inclusionary Zoning (as that term is defined in the Burlington Comprehensive Development Ordinance) ("IZ") units necessary to satisfy the requirement for the portion of the projects depicted on the Concept Plan as multi-family rental units, or (ii) 160 units.
 - d. "Closing" means the closing of the purchase and sale of the CHT Parcel in accordance with Paragraph 5 below.
 - e. "Development Agreement" means that certain Agreement dated January 7, 2016, by and between Seller, Buyer, Vermont Land Trust, Inc. and the City of Burlington, Vermont.
 - f. "Notice" means the notice of the Buyer's election to exercise this Option that is provided for in Paragraph 4 below.

- g. "Option" means the right of the Buyer to purchase the Property from the Seller on the terms and conditions of this Option Agreement.
 - h. "Option Agreement" means this Real Estate Option Agreement.
 - i. "Option Money" means the payment for the Option of \$1,000.00 which the Buyer has paid to Seller upon execution of this Agreement.
 - j. "Initial Deposit" means \$24,000.00. The Initial Deposit shall be paid by Buyer to Seller upon the execution of the Purchase and Sale Agreement. The Option Money and the Initial Deposit shall be credited to the Purchase Price (as defined below) at Closing. The Option Money is nonrefundable upon execution of the Purchase and Sale Agreement. The Initial Deposit shall become non-refundable upon (i) Buyer's completion of the environmental review (outlined in Section 4 below), and (ii) the approval of the zoning change for the district (as defined in Section 1(k) below) to the extent that zoning changes are necessary for the PUD Project (as those zoning changes are outlined in the Development Agreement. An additional sum of \$375,000 (the "Additional Deposit") shall be paid by Buyer to Seller within two (2) business days of preliminary plat approval of the PUD (as defined in Section 1k) below, (which shall include the CHT Project) from the City of Burlington. The Additional Deposit shall be credited to the Purchase Price and \$50,000 shall be non-refundable if the PUD Project (as defined below) fails to get final permits.
 - k. "Option Period" means the period of time beginning with the Seller's execution of this Option Agreement and ending within one (1) business day of receipt of final and un-appealable permits for the CHT Project.
 - l. "PUD" means the planned unit development depicted on *Exhibit A*.
 - m. "PUD Project" means the projects depicted on *Exhibit A*, as may be modified.
 - n. "Purchase Price" means \$10,000 per unit permitted on the CHT Parcel by the Buyer or assignee, however in no event shall the Purchase Price be less than \$1,460,000 nor more than \$1,600,000.00 (regardless of the number of units developed by CHT or its assignee).
 - o. "Seller" means BC Community Housing, LLC.
 - p. "Sustainable Neighborhood Guidelines" means those guidelines set forth on *Exhibit D* attached.
2. OPTION. The Seller grants to the Buyer the sole and exclusive right and option throughout the Option Period to purchase the CHT Parcel.

3. CONSIDERATION FOR THIS OPTION. The Buyer has paid the Option Money to the Seller as the consideration for this Option, and the Seller acknowledges receipt of the Option Money.
4. HUD REVIEW. The Buyer intends to obtain financing with respect to the CHT Parcel from the United States Department of Housing and Urban Development ("HUD"). The environmental effects of any activity carried out with federal funds must comply with the provisions of the National Environmental Policy Act of 1969 and HUD regulations at 24 CFR Part 58, which include the completion of an environmental review. If the Vermont Department of Housing and Community Affairs provides the Buyer with a written determination at any time before the expiration of the Option Period, on the basis of a federally required environmental review and HUD's approval for release of federal funds, that it may enter into a conditional contract to purchase the CHT Parcel, then the Buyer and the Seller will enter into a Purchase and Sale Agreement for the CHT Parcel, within fifteen (15) business days thereof, which Purchase and Sale Agreement will establish the required number of IZ units. The Purchase and Sale Agreement will replace this Option Agreement and this Option Agreement will thereafter become null, void and of no force or effect.
5. EXERCISE OF OPTION. The Buyer may exercise this Option at any time during the Option Period by giving the Seller written notice of its election to exercise this Option. This Option Agreement is subject to a determination by Buyer on the desirability of the CHT Parcel for the CHT Project as a result of the completion of the HUD environmental Review in accordance with 24 CFR 58.22. The Notice shall be given by certified mail addressed to the Seller at its address set out below in Paragraph 14, or at such other address that the Seller provides to the Buyer in writing. Notice shall be deemed to have been given on the date on which the Buyer delivers the notice to the United States Postal Service for mailing.
6. CLOSING. If the Buyer exercises this Option, the Closing shall take place at the Buyer's offices at 10:00 a.m. on the 45th business day after the day on which the Notice is mailed, or at such other time and place as the parties may agree. At the Closing, the Seller shall deliver to the Buyer:
 - a. a company resolution in recordable form, authorizing the Seller's transfer of title to the CHT Parcel to the Buyer and appointing an individual to execute all transfer documents for the Seller;
 - b. a Warranty Deed in the usual Vermont form, sufficient to convey marketable title to the CHT Parcel;
 - c. a completed Vermont Property Transfer Tax Return;

- d. if the conveyance of the CHT Parcel is subject to the Vermont Land Gains Tax, a certificate issued by the Vermont Department of Taxes certifying the amount of the Vermont Land Gains Tax due or certifying that no such tax is due on account of the conveyance;
- e. a discharge and/or termination statement of any mortgage, security interest, lease, lien or other encumbrance affecting the title to the CHT Parcel;
- f. any affidavits, reports and agreements that may be reasonably required by Vermont Attorneys Title Insurance Corporation as a condition to its issuing an owner's title insurance policy with respect to the CHT Parcel; and
- g. without additional expense to the Seller, such other instruments as the Buyer may reasonably request to carry out the purchase and sale of the CHT Parcel.

Buyer will provide Seller with a resolution approving the purchase.

- 7. PURCHASE PRICE. At the Closing, the Buyer shall pay the Purchase Price, as follows: \$800,000.00 payable to the Seller by good bank or certified check, or by wire transfer, at the Seller's election and the balance (no less than \$660,000 and no more than \$800,000) in the form of a Promissory Note (the "Promissory Note"), secured by a 2nd mortgage on the CHT Parcel, subordinated only to the Buyer's primary lender. The Promissory Note shall have a term of three (3) years and bear interest at the rate of three (3%) percent. The Promissory Note shall be paid off when due by good bank or certified check, or by wire transfer, at the Seller's election. The Option Money shall be credited towards the portion of the Purchase Price payable at Closing.
- 8. PRORATED EXPENSES. At the Closing, the following expenses and adjustments shall be borne by the Seller or the Buyer as follows:
 - a. Real Property Taxes: Education property taxes and municipal property taxes shall be prorated using a July 1 fiscal year;
 - b. Title Search: the Buyer;
 - c. Vermont Property Transfer Tax: the Buyer;
 - d. Preparation of Transfer Documents: the Seller;
 - e. Vermont Land Gains Tax, if any: the Seller; and
 - f. Land Use Change Tax, if any: the Seller.

Buyer and Seller shall each pay their own legal and accounting fees in connection with the Closing.

9. PERMITS. The Seller, at its sole cost and expense, shall secure the necessary local and State subdivision permits for the PUD, including the CHT Project, plus all other permits required to create and prepare the CHT Parcel for development by the Buyer. The Seller shall be responsible for all costs of development of the new public street as depicted on *Exhibit A* and for providing the utilities outlined in Section 1(b) above (the "Utilities") to the CHT Parcel within twelve (12) months of Closing. If Seller fails to (i) complete that portion of the street allowing Buyer access from the CHT Parcel to and from North Avenue, or (ii) provide Utilities to the CHT Parcel within twelve (12) months of Closing, then Buyer shall be entitled to abate interest payments due under the Promissory Note until that portion of the street allowing Buyer access to and from North Avenue is completed and the Utilities have been provided. The term of the Promissory Note will be extended to coincide with the period of time required by Seller to complete that portion of the street servicing the CHT Parcel and provide the Utilities. For purposes of this Agreement, the term "complete" shall mean "serviceable." Seller shall not accept any permit condition that imposes an undue adverse impact on the CHT Project, except to the extent, if at all, specifically agreed to in writing by Buyer.

Notwithstanding the forgoing, Buyer shall pay all State and local permitting costs directly associated with the CHT Project, as such costs are determined by the size, cost and nature of the improvements planned by the Buyer on the CHT Parcel, including application fees, impact fees, building permit fees and other fees (the "CHT Permits"). Buyer shall hire consultants as needed and pay for all costs and expenses associated therewith. The Buyer agrees to use the professional consultants the Seller is also using, including: Duncan Wisniewski Architecture, TJ Boyle Associates, and Civil Engineering Associates, Inc. Buyer may use any other consultants it chooses for the balance of the design of the CHT Project. Buyer shall pay directly those costs associated with the improvements to be designed and constructed on the CHT Parcel.

Each party shall provide the other party with non-monetary support in its efforts to obtain the requisite permits.

10. ACCESS TO THE CHT PARCEL.

- a. During the term of this Agreement and upon prior written notice to Seller, Buyer and the Buyer's agents, employees and invitees may enter onto the CHT Parcel for the purpose of making such inspections, tests, surveys and other studies that the Buyer decides in its sole discretion are necessary to determine whether the Seller's representations about the CHT Parcel are correct; and
- b. Buyer hereby agrees to indemnify and hold Seller harmless from and against any

and all claims, liens, damages, losses and causes of action which may be asserted by Buyer and its agents or any third party entering the CHT Parcel on behalf of Buyer, provided that such indemnification and hold harmless shall not apply to claims arising out of the willful or negligent conduct of Seller or its agents. Subsequent to completing said tests, investigations and inspections, Buyer shall, at its sole expense, return the CHT Parcel as nearly as is practical to its presently existing state unless the transaction contemplated by this Agreement closes, in which case Buyer may leave the CHT Parcel "as is" and accept the CHT Parcel subject to the conditions that exist as a result of such tests, investigations and inspections.

11. REPRESENTATIONS AND WARRANTIES OF THE SELLER. The Seller hereby represents and warrants to the Buyer that:

- a. the Seller is a limited liability company which has been duly organized and is validly existing and in good standing under the laws of the State of Vermont and has the full power and authority to enter into, execute, deliver, consummate and carry out the transaction contemplated by this Option Agreement and any instruments and agreements reasonably necessary therefor;
- b. the Seller has not: (i) made a general assignment for the benefit of creditors; (ii) filed any voluntary petition in bankruptcy or suffered the filing of an involuntary petition by the Seller's creditors; or (iii) suffered the appointment of a receiver that could take possession of all or substantially all of the Seller's assets;
- c. the Seller has no knowledge of any litigation or claim, pending or threatened, against the Seller that would have an adverse effect on the CHT Parcel, the Seller's ability to convey the CHT Parcel pursuant to this Option Agreement, or any successor owner of the CHT Parcel;
- d. the Seller has no knowledge of any condition affecting the CHT Parcel that might have a material adverse effect on the natural environment; and
- e. the Seller will be the record owner of marketable title to the CHT Parcel at the Closing.

12. REPRESENTATIONS AND WARRANTIES OF THE BUYER. The Buyer represents and warrants to the Seller that:

- a. the Buyer is a *non-profit* corporation duly organized and in good standing under the laws of the State of Vermont and has the full power and authority to enter into, execute, deliver, consummate and carry out the transaction contemplated by this Option Agreement and any instruments reasonably necessary therefor; and
- b. the Buyer is not the subject of any case, action or proceeding, whether

contemplated, threatened or actual, under any bankruptcy, insolvency or similar laws affecting creditor's rights.

13. ASSIGNMENT. The Buyer may assign this Option and its rights hereunder to any third party without the Seller's consent upon the condition that the assignee agrees to construct or maintain affordable housing on the CHT Parcel. The Buyer may not assign this Agreement to any other party without the Seller's consent, which consent shall not be unreasonably withheld, conditioned or delayed. Any assignment of this Option Agreement by Buyer shall not be valid, unless the assignee also assumes the Buyer's obligations under the Development Agreement, whereby the Buyer is satisfying the Seller's inclusionary zoning requirement in connection with the Seller's proposed development of lands of which the CHT Parcel is a part, plus adjacent lands owned by Burlington College, all as set forth in the Development Agreement.
14. CHARITABLE CONTRIBUTION. Seller may commission an appraisal which may reveal that the Property has a value in excess of the Purchase Price. Buyer recognizes that, if warranted, it is the intent of the Seller to make a charitable contribution to Buyer of the difference between the fair market value of the Property and the Purchase Price. Buyer shall cooperate with the Seller in the preparation of Form 8283, as required by the Internal Revenue Service, to substantiate the occurrence of the closing on the sale of the Property and that a charitable contribution occurred to a qualified organization, but Seller shall be solely responsible for the calculation and substantiation of the amount and other details of the charitable contribution; provided, however, that the Buyer will not be obligated to so cooperate if in its sole discretion it has significant concerns about the tax deduction. Seller acknowledges that in order to claim a charitable contribution Seller will have to comply with the IRS substantiation requirements. Neither the Buyer nor its employees or agents shall assume any liability in the event that the intended charitable gift or any portion thereof is determined by appropriate authorities not to be deductible.
15. COMMISSIONS AND FEES. The parties represent to each other that no real estate broker, agent or finder was the competent producing cause of this Option Agreement. Each party shall indemnify and hold harmless the other party from and against, and shall pay the legal expenses the other party incurs in connection with, all claims or demands made by any real estate agent, broker or finder claiming by, through, or under such party.
16. NOTICES. Any notice or other communication other than the Notice provided for in Paragraph 4 above that is to be given hereunder shall be in writing and delivered by certified mail, or sent by reliable electronic means, or sent by nationally recognized overnight courier to such party at the address set forth below:

If to Seller: Eric F. Farrell, General Member
 BC Community Housing, LLC
 PO Box 1335
 Burlington, Vermont 05402

with a copy to: Judith L. Zullo, Esq.
Doremus Kantor & Zullo
P.O. Box 445
346 Shelburne Road, Suite 603
Burlington, VT 05402-0445

If to Buyer: Michael Monte, Chief Operating and Financial Officer
Champlain Housing Trust
88 King Street
Burlington, Vermont 05401


with a Copy to: Jill Lanman Broderick, Esq.
3923 Darling Hill Road
P.O. Box 129
East Burke, VT 05832

17. RECORDING. This Option Agreement shall not be recorded in the Burlington, Vermont land records. The Buyer may, at its election, prepare and record a notice of the existence of this Option Agreement. The Seller shall execute and acknowledge the notice if the Buyer so requests.
18. ENTIRE AGREEMENT; AMENDMENT. This Option Agreement embodies the entire agreement and understanding between the parties relating to the subject matter hereof and there are no covenants, promises, agreements, conditions or understandings, oral or written, except as herein set forth. This Option Agreement may not be amended, waived or discharged except by an instrument in writing executed by the party against whom such amendment, waiver or discharge is to be enforced.
19. BINDING EFFECT. This Option Agreement shall be binding upon and insure to the benefit of the parties hereto and their heirs, successors and assigns.

IN WITNESS WHEREOF, this agreement is executed by the duly authorized officers or representatives of the parties hereto.

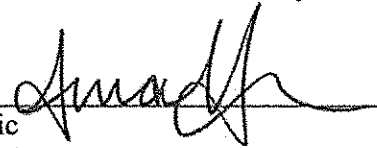
DATED this 18th day of March, 2016.

BC COMMUNITY HOUSING, LLC

By: 
Eric F. Farrell, Sole Member of EF Farrell, LLC,
General Member

STATE OF VERMONT
CHITTENDEN COUNTY, SS

At Burlington, in said County and State, this 18th day of March, 2016, personally appeared Eric F. Farrell, Sole Member of EF Farrell, LLC, General Member and Duly Authorized Agent of BC Community Housing, LLC and he acknowledged the within instrument by him subscribed, to be his free act and deed and the free act and deed of BC Community Housing, LLC.

Before me, 
Notary Public
My Commission expires: 2/10/19

CHAMPLAIN HOUSING TRUST, INC.

By: 
Title: COO / CFO

STATE OF VERMONT
CHITTENDEN COUNTY, SS

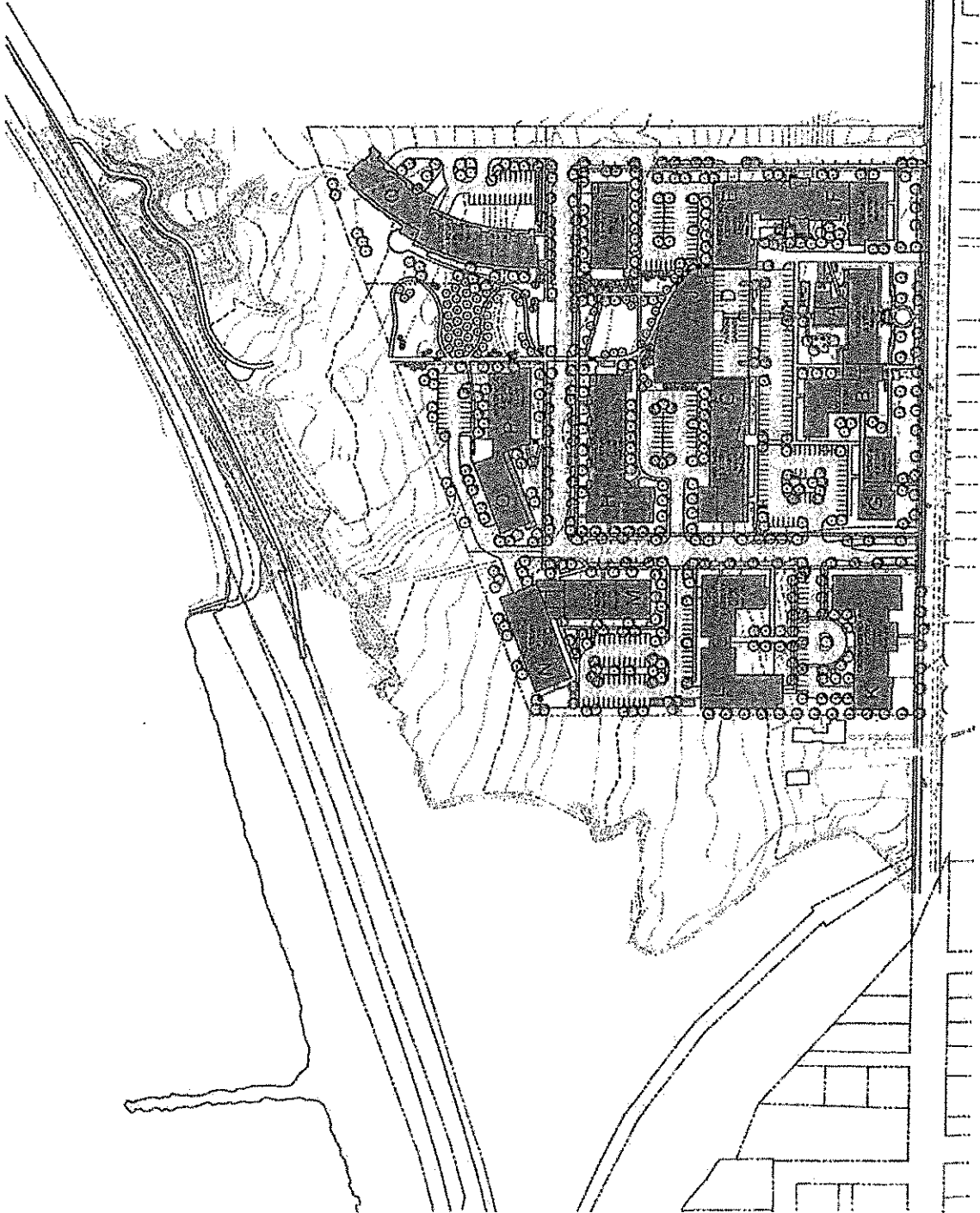
At Burlington, in said County and State, this 18th day of March, 2016, personally appeared Michael Monte, Member and Duly Authorized Agent of Champlain Housing Trust, Inc. and he/she acknowledged the within instrument by him/her subscribed, to be his/her free act and deed and the free act and deed of Champlain Housing Trust, Inc.

Before me, 
Notary Public
My Commission expires: 2/10/19

List of Exhibits

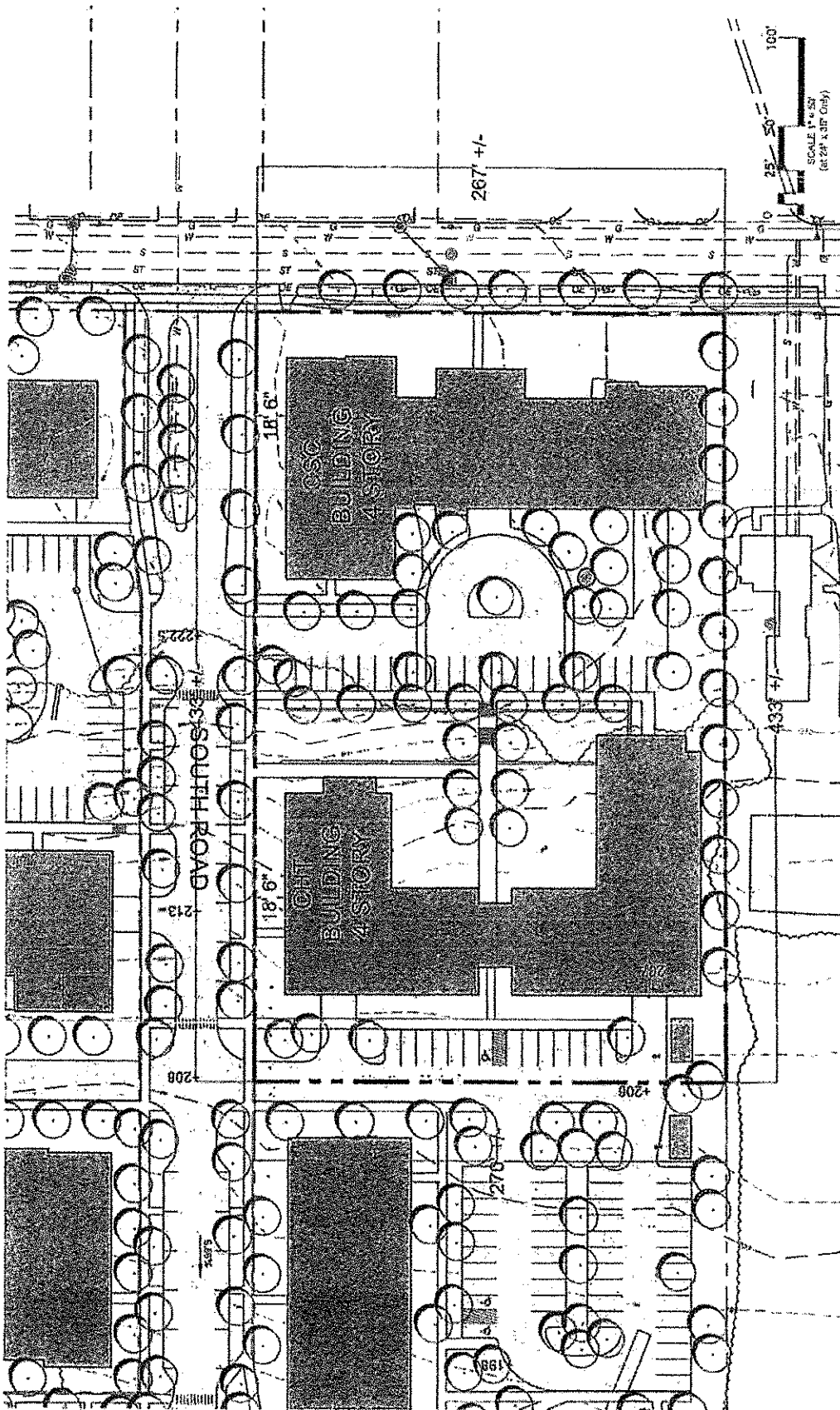
- | | |
|-----------|--|
| Exhibit A | Plan entitled: "Burlington College Concept Masterplan" |
| Exhibit B | Plan entitled: "BC Community Housing, LLC, CHT Parcel" |
| Exhibit C | Plan entitled: "Lot Line Adjustment Between 311 & 329 North Avenue, BC Community Housing, LLC" dated January 18, 2016, last revised January 29, 2016, prepared by Civil Engineering Associates, Inc. |
| Exhibit D | Sustainable Neighborhood Guidelines |

EXHIBIT A to Real Estate Option Agreement



Project Name		Project Number		Project Date	
Burlington College Concept		L-102		10/1/2008	
Address		City		State	
1000 North Main Street		Burlington		VT 05401	
Phone		Fax		Email	
802-253-1234		802-253-1234		info@burlingtoncollege.com	
Project Manager		Project Engineer		Project Architect	
John Doe		Jane Smith		Bob Johnson	
Project Description		Project Location		Project Status	
New building construction		On-site		In Progress	

EXHIBIT B to Real Estate Option Agreement



T. J. Boyle Associates LLC landscape architects • planning consultants 301 college street • burlington • vermont • 05401 802 • 688 • 3555 www.tjboyle.com		Doc # 19-0018 Scale 1" = 50'	BC Community Housing, LLC CHT Parcel	A
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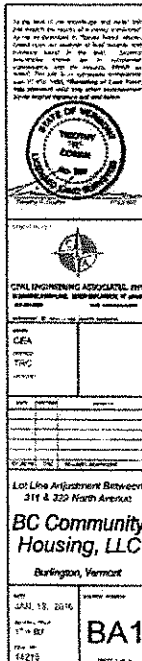


EXHIBIT D to Real Estate Option Agreement

BC Community Housing, LLC
311 - 329 North Avenue
Burlington, Vermont

Standards for Achieving a Sustainable Neighborhood

To be attached to and form a part of the Development Agreement, dated January 7, 2016,
as the "standard" referenced in section II Development Parcel, paragraph 4.

The following are standards of excellence, plus an overall commitment to create a 21st Century "sustainable neighborhood" that builds on Burlington's legacy as "America's most sustainable City", will guide the design of the BCCH Project planned for the Development Parcel. These guidelines will be considered in good faith by BCCH and implemented when and where BCCH has determined they are economically feasible and appropriate, considering initial construction costs, long-term operating costs and overall societal benefit.

In recognition of the multi-year development schedule of the BCCH Project, combined with the pace of technological revolution, and the ever-evolving awareness of the human impact on our surroundings, BCCH believes there will continue to be new opportunities to evaluate and leverage, including technologies and best practices that are currently unknown, to further refine and improve the sustainability of the project development.

BCCH and its project team members are committed to maximizing the efficiency, sustainability and livability of this new neighborhood community.

The Parties acknowledge that a component of the BCCH Project will be developed as affordable housing by CHT and its partners and that state and federal resources used to develop affordable housing are limited, and that the rent and income that assures affordability is fixed and cannot be raised to offset certain energy investments. However, affordable housing development should include innovative energy efficiency and green building standards, such as Efficiency Vermont's High Performance Building standard, VHFA's Green Building Standards, and the stretch code of the Vermont Residential Building Energy Standards. Through compliance with these standards CHT and its partners will address the intent and goals stated herein and will work with others to leverage additional funding and financing that would be used to offset higher initial construction costs.

The following principles will guide and inform the design of the BCCH Project.

Successful Neighborhood Context (Development Parcel and Public Open Space)

- Designate a significant portion of the site for natural landscape/maintained woodland
- Maintain and reuse significant existing buildings (stone house, orphanage)
- Create outdoor active and passive recreation spaces
- Link to existing neighborhoods, streets, bike paths, trails and sidewalks
- Include neighborhood commercial spaces serving local needs
- Include community meeting spaces
- Provide a dog park (off-leash)

Neighborhood Collaborations (Development Parcel and Public Open Space)

- Create a new Neighborhood Farmers' Market to serve local farmers and consumers
- Expand existing community gardens and look for new shared growing spaces working with VT Community Gardening Network
- Work with CCTA to optimize access to public transportation

Transportation Alternatives

- Carshare Vermont
- EV Charging Station(s)
- Secure Bike Storage and Maintenance Facilities
- Accessible connection to the Burlington Bike Path and neighborhood sidewalks
- Public Transportation connections (bus stops)

Human Health and Well-Being

- Site access with excellent wayfinding
- Safe site lighting using efficient LED fixtures
- Year-round recreation/outdoor activities
- Composting
- Recycling
- Pet friendly buildings
- On-site indoor exercise facilities

Renewables

- Rooftop and off-site solar opportunities
- Geothermal
- Wind power
- Low Carbon initiatives including smart grids, consumer feed-back technologies, etc
- Leveraging heat pump technology

General Site Guidelines To Inform the Design

- Enterprise Green Communities Certificate (EGC)
- Sustainable SITES Initiative program promulgated by the US Green Building Council (USGBC)
- Best Management Practices (BMPs) for Storm and Surface Water Management

Specific Site Guidelines

- Manage storm water on-site to control discharge into Lake Champlain
- Meet or exceed City's Pesticide Ordinance
- Reduce need for landscape irrigation (through plant selection, soil management, composting mulching)
- Green street design
- Design visible storm water features as amenities and provide education signage
- Include rain gardens, cisterns and/or greywater for gardening re-use
- Permeable pavers
- Restore native plant communities in natural areas
- Conserve and reuse top-soil and strive to achieve balance between excavation cuts and fills on site
- Manage invasive plants
- Encourage appropriate use of native plants
- Use vegetation to minimize building energy use
- Edible plantings
- Encourage resident food production in community gardens and shared gardens

Specific Building Guidelines

- Achieve energy efficiency, designing to a minimum of Efficiency Vermont's 'Multifamily New Construction, High Performance Building' Program (administered by BED aiming for a progressive partnership)
- Embrace the possibilities of the Energy Green Communities (EGC) criteria, including site, building, materials and systems, for example building materials to be scrutinized for chemical content and effect on occupant health, as well as life cycle impacts and performance
- Building envelope/thermal comfort through energy efficient design, including but not limited to evaluating indirect lighting, building orientation and sizing of exterior glazing systems
- Design and engineer roofs to accommodate photovoltaic or solar hot water system (PV ready)
- Interior use of LED lighting
- Measure schematic design energy modeling of buildings against 2030 Challenge criteria, incorporating those criteria where feasible. Explore Passive House and Net Zero-Ready construction concepts as additional benchmarks and techniques for improved energy efficiency.
- Consider building materials from local and sustainably produced sources where possible.

**Vermont
Housing &
Conservation
Board**



58 East State Street
Montpelier
Vermont 05602

TEL 802 828 3250
FAX 802 828 3203
WEB www.vhcb.org
EMAIL info@vhcb.org

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Thomas C. Yahn

Gustave Seelig
Executive Director

March 7, 2016

Miranda Lescaze
Cathedral Square Corporation
412 Farrell Street Suite 100
So Burlington VT 05403

Re.: VHCB Feasibility Fund Award #1989-062-834 –
New North – Burlington College

Dear Miranda;

The VHCB staff has reviewed your application for feasibility funds for the above referenced project. The project involves investigating the feasibility of CSC developing senior housing on the former Burlington College site.

Based on the Feasibility Fund Guidelines, we will award an amount not to exceed \$10,000 for this project. The funds will be used for the following purposes: appraisal (not to exceed \$2,500), market study, architectural and engineering work for site planning, legal work, and a portion of the option payment.

If the full amount of this award has not been drawn down within six months this commitment will automatically expire unless you specifically request an extension.

Should you proceed with this project and apply to VHCB for additional funding, this award must be noted in the Sources and Uses Statement as a grant. If the project is financed entirely by another source this grant shall be converted to a loan and shall be due and payable at the time of closing with that lender. If the project does not go forward it shall remain a grant.

If you agree to accept these funds, please indicate acceptance by signing below and returning this letter via email to our office. In order to request funds, you must submit invoices to me for the items outlined above. We will then request a check for this amount from the State Treasurer to be paid to you. You can expect to receive a check within two weeks from when we request it.

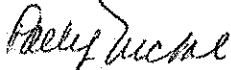
To the extent that the specifics of the project are not included in this letter, reference is made to your letter dated March 1, 2016. That letter is incorporated herein and made a part of this Agreement.



Any variation from this agreement will need approval by the Vermont Housing and Conservation Board, and the Board does not guarantee payment for work other than that outlined in this agreement.

If you have any questions about this please give Jenny Hyslop a call at 802-828-5539.

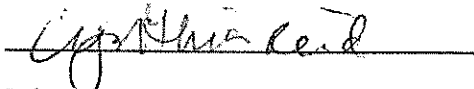
Sincerely,



Polly Nichol

Director of Housing Programs

I agree to accept the conditions of this award.



Duly authorized representative
Cathedral Square Corporation

Cathedral Square Corporation

FINANCIAL STATEMENTS

September 30, 2015

Cathedral Square Corporation
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September 30, 2015

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Kittell Branagan & Sargent

Certified Public Accountants

Vermont License #167

INDEPENDENT AUDITOR'S REPORT

To the Board of Directors
Cathedral Square Corporation
Burlington, Vermont

We have audited the accompanying financial statements of Cathedral Square Corporation (a non-profit corporation) which comprise the statement of financial position as of September 30, 2015, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Cathedral Square Corporation (a non-profit corporation) as of September 30, 2015, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Other Matter

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The Schedules of Revenue and Expenses included in Schedules 1-5 are presented for purposes of additional analysis and are not a required part of the financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Kittell Branagan & Syant

St. Albans, Vermont
December 28, 2015

Cathedral Square Corporation
STATEMENT OF FINANCIAL POSITION
September 30, 2015

ASSETS

	Management	Assisted Living Operations	SASH	Heineberg Senior Housing	Whitney Hill Housing	Inter-Fund Elimination	Total
CURRENT ASSETS							
Cash	\$ 1,776,211	\$ 144,885	\$ 603,642	\$ 75,100	\$ 84,364	\$ -	\$ 2,684,202
Accounts receivable	130,953	158,420	1,656	6,933	1,167	-	299,129
Grants receivable	27,550	-	63,747	-	-	-	91,297
Resident security deposits	-	-	-	77,570	38,995	-	116,565
Inventory	-	4,604	-	-	-	-	4,604
Due from intercompany	333,905	-	-	-	-	(333,905)	-
Prepaid expenses	172,535	-	-	4,555	6,365	-	183,455
TOTAL CURRENT ASSETS	2,441,154	307,909	669,045	164,158	130,891	(333,905)	3,379,252
OTHER ASSETS							
Notes receivable (Note B)	335,371	-	-	6,742	3,216	-	345,329
Equity contributions	975,720	-	-	-	-	-	975,720
Development projects (Note M)	321,997	-	-	-	-	-	321,997
Fixed income securities (Note K)	119,738	-	-	-	-	-	119,738
Restricted escrow accounts/receivables	18,909	-	-	137,099	286,671	-	442,679
Finance costs	-	-	-	84,486	11,613	-	96,099
TOTAL RESTRICTED DEPOSITS	1,771,735	-	-	228,327	301,500	-	2,301,562
PROPERTY, PLANT AND EQUIPMENT							
Land & land improvements	-	-	-	58,558	207,799	-	266,357
Building and improvements	-	-	-	4,666,353	1,572,529	-	6,238,882
Furniture, fixtures & equipment	202,911	-	-	134,849	78,905	-	416,665
	202,911	-	-	4,859,760	1,859,233	-	6,921,904
Accumulated depreciation	(130,880)	-	-	(1,372,931)	(411,461)	-	(1,915,272)
PROPERTY, PLANT AND EQUIPMENT, Net	72,031	-	-	3,486,829	1,447,772	-	5,006,632
TOTAL ASSETS	\$ 4,284,920	\$ 307,909	\$ 669,045	\$ 3,879,314	\$ 1,880,163	\$ (333,905)	\$ 10,687,446

LIABILITIES AND NET ASSETS

	Management	Assisted Living Operations	SASH	Heineberg Senior Housing	Whitney Hill Housing	Inter-Fund Elimination	Total
CURRENT LIABILITIES							
Accounts payable	\$ 74,872	\$ 5,719	\$ 216,241	\$ 12,353	\$ 6,830	\$ -	\$ 316,015
Accrued interest payable	-	-	-	6,592	3,973	-	10,565
Other accrued liabilities	325,946	28,859	186,174	2,204	2,122	-	545,305
Resident security deposits	-	-	-	77,570	38,795	-	116,365
Due to intercompany	-	162,623	167,169	2,875	1,238	(333,905)	-
Resident service deposit	-	30,324	-	-	-	-	30,324
Deferred revenues	-	-	-	67	-	-	67
Current maturities of long term debt	-	-	-	76,665	24,020	-	100,685
TOTAL CURRENT LIABILITIES	400,818	227,525	569,584	178,326	76,978	(333,905)	1,119,326
ACCRUED INTEREST PAYABLE (Note J)	-	-	-	1,372,793	-	-	1,372,793
LONG-TERM DEBT (Note C)	-	-	-	2,609,141	1,737,678	-	4,346,819
NET ASSETS (DEFICIT)	<u>3,884,102</u>	<u>80,384</u>	<u>99,461</u>	<u>(280,946)</u>	<u>65,507</u>	<u>-</u>	<u>3,848,508</u>
TOTAL LIABILITIES AND NET ASSETS	<u>\$ 4,284,920</u>	<u>\$ 307,909</u>	<u>\$ 669,045</u>	<u>\$ 3,879,314</u>	<u>\$ 1,880,163</u>	<u>\$ (333,905)</u>	<u>\$ 10,687,446</u>

See Notes to Financial Statements.

Cathedral Square Corporation
STATEMENT OF ACTIVITIES
For the Year Ended September 30, 2015

	Management	Assisted Living Operations	SASH	Heineberg Senior Housing	Whitney Hill Housing	Inter-Fund Elimination	Total
SUPPORT AND REVENUE							
Rental income - residents	\$ -	\$ -	\$ -	\$ 596,129	\$ 351,838	\$ -	\$ 947,967
Rental income - federal assistance	-	-	-	259,374	100,855	-	360,229
State and municipal assistance	-	389,123	-	-	-	-	389,123
Donations	9,736	-	2,926	-	-	-	12,662
Management & development fees	3,455,174	-	-	-	-	(458,552)	2,996,622
Client fees	-	659,617	-	-	-	-	659,617
Other income/grants	466,221	-	3,156,174	64,949	26,944	(20,000)	3,694,288
Investment income	9,336	-	-	-	-	-	9,336
TOTAL SUPPORT AND REVENUE	3,940,467	1,048,740	3,159,100	920,452	479,637	(478,552)	9,069,844
RESTRICTED INTEREST INCOME							
Restricted interest - reserve	-	-	-	432	664	-	1,096
TOTAL REVENUES	3,940,467	1,048,740	3,159,100	920,884	480,301	(478,552)	9,070,940
EXPENSES							
Operating expenses	(4,008,764)	(988,051)	(3,155,773)	(963,994)	(480,328)	478,552	(9,118,358)
INCREASE (DECREASE) IN NET ASSETS	(68,297)	60,689	3,327	(43,110)	(27)	-	(47,418)
NET ASSETS (DEFICIT), Beginning of Year	3,952,399	19,695	96,134	(237,836)	65,534	-	3,895,926
NET ASSETS (DEFICIT), End of Year	\$ 3,884,102	\$ 80,384	\$ 99,461	\$ (280,946)	\$ 65,507	\$ -	\$ 3,848,508

See Notes to Financial Statements

Cathedral Square Corporation
STATEMENT OF CASH FLOWS
For the Year Ended September 30, 2015

	Management	Assisted Living	SASH	Heineberg Senior Housing	Whitney Hill Housing	Total
CASH FLOWS FROM OPERATING ACTIVITIES						
Increase (Decrease) in Net Assets	\$ (68,297)	\$ 60,689	\$ 3,327	\$ (43,110)	\$ (27)	\$ (47,418)
Adjustment to reconcile net income to net cash provided by operating activities						
Depreciation	29,373	-	-	165,048	51,058	245,479
Amortization	-	-	-	4,378	547	4,925
(Increase) Decrease in:						
Accounts Receivable	702,756	(5,282)	1,486	(1,968)	432	697,424
Note Receivable	83,703	-	-	(5,049)	(1,856)	76,798
Grants Receivable	15,414	-	199,717	-	-	215,131
Equity Contributions	(236,113)	-	-	-	-	(236,113)
Prepays	(19,880)	-	-	209	(171)	(19,842)
Inventory	-	73	-	-	-	73
Interfund Loans	158,092	25,353	-	-	-	183,445
Increase (Decrease) in:						
Accounts Payable	21,912	(5,388)	211,083	(154,557)	(5,846)	67,204
Accrued Interest Payable	-	-	-	342	(82)	260
Resident Service Deposits	-	(11,290)	-	-	-	(11,290)
Due to intercompany	-	-	(184,052)	356	251	(183,445)
Unearned Revenue	(10,000)	-	(209,127)	(1,571)	25	(220,673)
Other Accrued Liabilities	45,799	8,094	(77,416)	51	(32)	(23,504)
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES	<u>722,759</u>	<u>72,249</u>	<u>(54,982)</u>	<u>(35,871)</u>	<u>44,299</u>	<u>748,454</u>

CASH FLOW FROM INVESTING ACTIVITIES

(To) From Restricted Accounts	(33)	-	-	49,370	(26,008)	23,329
Interest Receivable	46,226	-	-	-	-	46,226
Development Projects	(216,870)	-	-	-	-	-
Property and Equipment	(36,007)	-	-	(217,685)	(17,300)	(270,992)

NET CASH PROVIDED BY (USED) IN
IN INVESTING ACTIVITIES

(206,684)	-	-	(168,315)	(43,308)	(201,437)
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CASH FLOW FROM FINANCING ACTIVITIES

Loan Principal Payments	-	-	-	(67,384)	(22,697)	(90,081)
Fixed Income Securities	1,210	-	-	-	-	1,210
Loan Proceeds	-	-	-	223,173	-	223,173

NET CASH PROVIDED BY (USED) IN
FINANCING ACTIVITIES

1,210	-	-	155,789	(22,697)	134,302
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NET INCREASE (DECREASE) IN CASH

517,285	72,249	(54,982)	(48,397)	(21,706)	681,319
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CASH AT BEGINNING OF YEAR

1,258,926	72,636	658,624	123,497	106,070	2,219,753
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CASH AT END OF YEAR

\$ 1,776,211	\$ 144,885	\$ 603,642	\$ 75,100	\$ 84,364	\$ 2,684,202
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SUPPLEMENTARY INFORMATION

Cash Payments for Interest	\$ -	\$ -	\$ -	\$ 111,406	\$ 72,317	\$ 183,723
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See Notes to Financial Statements

Cathedral Square Corporation
NOTES TO FINANCIAL STATEMENTS
September 30, 2015

NOTE A NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities

Cathedral Square Corporation is a non-profit corporation organized for the purpose of assisting elderly, handicapped people and other special needs populations with their housing needs and to provide them with other support services. The specific activities of the organization are summarized below:

Assisted Living Operations

The Assisted Living Residence at Cathedral Square Senior Living consists of 29 units within the 108 unit building located at 3 Cathedral Square, Burlington, VT. On July 31, 2003, Cathedral Square Corporation became licensed to provide services under the Vermont Assisted Living Regulations adopted on March 15, 2003. Personal care services are available 24 hours a day and three meals per day are provided.

Heineberg Senior Housing

The Corporation purchased a senior housing project subsidized by the Vermont Housing Finance Agency and the Vermont Housing Conservation Board on February 15, 2005. The project consists of 82 units that are rented to elderly low-income residents.

Whitney Hill Senior Housing

The Corporation purchased a senior housing project subsidized by the Vermont Housing Finance Agency and Vermont Housing Conservation Board on February 8, 2007. The project consists of 44 units that are rented to elderly low-income residents.

Support and Services at Home (SASH)

SASH is a caring partnership connecting statewide health and long term care systems to nonprofit affordable housing providers. The program is part of the Blueprint for Health, Vermont's health care reform initiative. The program helps Vermont's most vulnerable citizens, seniors and individuals with special needs, access the care and support services they need to stay healthy while living comfortably and safely at home.

Management

Management accounts for all payroll related activities of Cathedral Square Corporation. The other funds are charged a fee for services rendered by the employees of the Management Fund. In addition, the Management Fund provides services for entities which are independent of Cathedral Square Corporation. These services consist of development, management and maintenance of housing projects along with other special assistance designed to improve the quality of life of the residents of the housing projects.

Income Taxes

The Corporation is a nonprofit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code.

Consideration has been given to uncertain tax positions. The federal tax returns for the years ended after September 30, 2012, remain open for potential examination by major tax jurisdictions, generally for three years after they were filed.

Cathedral Square Corporation
NOTES TO FINANCIAL STATEMENTS
September 30, 2015

NOTE A NATURE OF ACTIVITIES AND SIGNIFICANT ACCOUNTING POLICIES (continued)

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Property and Equipment

Property and equipment are recorded at cost, if purchased, and fair market value at the date of acquisition, if donated. Depreciation is computed using the straight-line method over the estimated useful lives of the assets. A substantial portion of property and equipment consists of Heineberg Senior Housing and Whitney Hill Housing and is restricted as described in Note C.

Cash and Cash Equivalents

For the statement of cash flows, all unrestricted investment instruments with original maturities of three months or less are cash equivalents.

Rental income/allowance for uncollectible rents

Rental income is recognized as rents become due under the terms of operating leases with project residents. All receivables are reported at net realizable value. Cathedral Square Corporation does not charge interest on past due receivables. Most receivables are collected within 90 days. The Company maintains allowances for doubtful accounts for estimated losses resulting from the inability of its residents to make required payments. Management considers the following factors when determining the collectability of specific resident accounts: resident credit-worthiness, past transaction history with the resident, current economic industry trends, and changes in resident payment terms. If the financial condition of the Company's residents were to deteriorate, adversely affecting their ability to make payments, additional allowances would be required. Based on management's assessment, the Company provides for estimated uncollectible amounts through a charge to earnings and a credit to a valuation allowance. Balances that remain outstanding after the Company has used reasonable collection efforts, including professional collection services, are written off through a charge to the valuation allowance and a credit to accounts receivable.

Notes receivable

Notes receivable are reported at their outstanding principal balances. As described in Note B repayment on these notes are dependent on cash flow. Cathedral Square Corporation owns 100% of the general partner in each of the entities reported in Note B. Cathedral Square considers all development fee receivables to be 100% collectable.

Finance Costs

Costs incurred to refinance Heineberg Senior Housing and Whitney Hill Housing with VHFA are being amortized over the life of the new VHFA mortgages.

Inventory

Inventories are stated at cost using the First-In, First-out (FIFO) method.

Fixed Income Securities

Fixed income securities consist of mutual funds and are carried at fair value.

Cathedral Square Corporation
NOTES TO FINANCIAL STATEMENTS
September 30, 2015

NOTE B NOTES RECEIVABLE – MANAGEMENT

Promissory note - development fee for development services rendered by Cathedral Square Corporation to the McAuley Square project, 5.05% interest, principal and interest payable on an annual basis in amounts dependent on the project's cash flow, due in full with interest no later than 12/27/16, secured by a non-recourse mortgage deed.	\$ 163,243
Promissory note - development fee for development services rendered by Cathedral Square Corporation to the Essex Senior Housing, L.P., 0% interest. The fees are to be paid from available cash flows.	8,683
Promissory note - development fee for development services rendered by Cathedral Square Corporation to the Thayer Senior Housing, L.P., 0% interest. The fees are to be paid from available cash flows.	<u>163,445</u>
	<u>\$ 335,371</u>

NOTE C LONG-TERM DEBT

HEINEBERG SENIOR HOUSING

Vermont Housing Finance Agency (VHFA) - Note payable, in monthly installments of \$12,836, including interest at 6.41%, due March, 2035. Secured by land, building, and assignment of leases and rents. Subject to conditions of an underlying regulatory agreement.	\$ 1,712,236
Vermont Housing Conservation Board (VHCB) - Note payable, interest at 8%, compounded quarterly. The principal and accrued interest are payable on February 1, 2020. The note is secured by all real and personal property of the project. In October 2012, VHCB agreed to reduce the interest on the note to 0%, effective retroactively to September 30, 2004.	625,000
Peoples United Bank, Note payable, in monthly installments of \$3,145, including interest at 3.90%, due July 2021. The note is unsecured.	198,570

Cathedral Square Corporation
NOTES TO FINANCIAL STATEMENTS
September 30, 2015

NOTE C LONG-TERM DEBT (continued)

City of Burlington, Note payable, 0% interest, \$150,000 available, February 2014, upon the sale of the property or change in the agreed use of Assisted Units.	150,000
	<u>2,685,806</u>
Less: Current Portion	<u>(76,665)</u>
 TOTAL LONG-TERM DEBT - HEINEBERG	 <u>\$ 2,609,141</u>

WHITNEY HILL

Vermont Housing Finance Agency (VHFA) - Note payable, in monthly installments of \$7,901, including interest at 6.57%, due February, 2037. Secured by land, building, and assignment of leases and rents. Subject to the conditions of an underlying regulatory agreement.	\$ 1,088,415
 Vermont Housing Conservation Board (VHCB) - Note payable, interest at 4%, simple interest. The principal and accrued interest are payable on January 23, 2022. The note is secured by all real and personal property of the project. In October 2012, VHCB agreed to reduce the interest rate on the loan to 0% effective retroactively to February 7, 2007.	 <u>673,283</u>
	<u>1,761,698</u>
Less: Current Portion	<u>(24,020)</u>
 TOTAL LONG-TERM DEBT - WHITNEY HILL	 <u>\$ 1,737,678</u>

Current portions of long-term debt are due within the next five years as follows:

Year Ending Sept. 30	Heineberg	Whitney Hill	Total Amount
2016	\$ 76,665	\$ 24,020	\$ 100,685
2017	80,823	25,647	106,470
2018	85,195	27,383	112,578
2019	89,877	29,237	119,114
2020	94,308	31,217	125,525
Thereafter	<u>2,258,938</u>	<u>1,624,194</u>	<u>3,883,132</u>
	<u>\$ 2,685,806</u>	<u>\$ 1,761,698</u>	<u>\$ 4,447,504</u>

Cathedral Square Corporation
NOTES TO FINANCIAL STATEMENTS
September 30, 2015

NOTE D LONG-TERM DEBT/NOTES RECEIVABLE – MANAGEMENT

Cathedral Square Corporation received a loan/grant from Vermont Housing Conservation Board for the purpose of assisting elderly people to purchase shares in a Williston cooperative. No interest is due on the loan/grant and no repayment plan is scheduled. The notes receivable consist of loans to elderly people to assist them with the purchase of shares in the cooperative. During fiscal year 2012 Vermont Housing Conservation Board approved Cathedral Square Corporation's request to reserve up to \$2,000 per year for a period of three years to cover unforeseen SASH expenses at Williston Woods. The initial \$2,000 reserve was established during FY 2012, with an additional \$2,000 added during FY13 and FY14. Through September 30, 2015, \$953 of SASH expenses have been incurred to be reimbursed from the reserve. The balance of the loan/grant at September 30, 2015 is \$12,074 plus accrued interest of \$5,882 (total of \$17,956). This liability is offset by a restricted escrow account, a related loan receivable and the SASH reserve, that in total, equal the same amount.

NOTE E RETIREMENT PLAN

The Corporation maintains a retirement plan for its employees under Section 403(b) of the Internal Revenue Code. Contributions are made by the Corporation; and in addition, employees may make voluntary, tax-deferred contributions from their compensation. During the year ended September 30, 2015 employer contributions to the retirement plan charged to operations totaled \$97,080.

NOTE F RESTRICTED CASH ACCOUNTS

Under the terms of a Regulatory Agreement with the Department of Housing and Urban Development and the Vermont Housing Finance Agency, Whitney Hill Housing and Heineberg Senior are required to set aside specified amounts for the replacement of property and other project expenditures as approved. Restricted funds, which totaled \$442,679 as of September 30, 2015, are held in separate accounts and generally are not available for operating purposes.

NOTE G SIGNIFICANT CONCENTRATIONS OF CREDIT RISK

Cathedral Square Corporation maintains the majority of its cash balances at several banking institutions in Burlington, Vermont. Accounts at each institution are insured by the Federal Deposit Insurance Corporation up to \$250,000. Cathedral Square Corporation acquired a surety bond for coverage up to \$2,950,000 of cash balances in excess of the FDIC limit. In addition, the Corporation had a balance of \$113,772 at a brokerage firm that is fully insured.

NOTE H CURRENT VULNERABILITY DUE TO OTHER CONCENTRATIONS

A substantial portion of the Corporation's assets are concentrated in multifamily real estate.

The SASH program operates, and is primarily funded, under the Multi-Payer Advanced Primary Care Practice (MAPCP) Demonstration of the Centers for Medicare and Medicaid Services (CMS). Under the Demonstration SASH is funded through December 31, 2016. Permanent funding by CMS is not certain, nor is the sustainability of the program without such funding.

Cathedral Square Corporation
NOTES TO FINANCIAL STATEMENTS
September 30, 2015

NOTE I RELATED PARTY TRANSACTIONS

Cathedral Square Corporation is related to several non-profit entities through common board membership. At September 30, 2015, Cathedral Square Corporation was owed \$13,066 from these related entities, which is included in accounts receivable. Cathedral Square Corporation entered into management contracts with the related entities. During 2015 management and development fees from the related entities were \$35,352. Cathedral Square Corporation also provides onsite administrative support and maintenance services. During 2015 these services totaled \$192,724.

CSC Partners, Inc., a majority owned subsidiary of Cathedral Square Corporation, is the general partner in several limited partnerships. Cathedral Square Corporation is the general partner in one other limited partnership. At September 30, 2015, Cathedral Square Corporation was owed \$82,430 from these partnerships, which is included in accounts receivable. Cathedral Square Corporation entered into management contracts with the partnerships. During 2015 management and development fees from these partnerships were \$377,638. Cathedral Square Corporation also provides onsite administrative support and maintenance services, which totaled \$2,001,749 in 2015.

Cathedral Square Corporation rents office space for \$3,000 per month from Farrell Street Senior Housing, L.P. Cathedral Square Corporation is the general partner of Farrell Street Senior Housing, L.P.

Cathedral Square Corporation entered into a "Capital Advance" with the United States of America through the Secretary of Housing and Urban Development ("HUD") for \$3,527,800 pursuant to a Capital Advance Program Mortgage Note dated April 14, 2006. The note bears no interest and matures on May 1, 2047. Simultaneously, Cathedral Square Corporation agreed to loan these Capital Advance funds to the Farrell Street Senior Housing, LP ("Partnership") for the construction of the project. This loan is accounted for on the Partnership's and not Cathedral Square Corporation's books.

NOTE J ACCRUED INTEREST PAYABLE

Heineberg Senior Housing

Heineberg Senior Housing has a note payable to Vermont Housing Conservation Board (VHCB) for \$625,000 with original interest at 8%. Accrued interest payable at September 30, 2015 was \$1,372,793. The note and related accrued interest is due on February 1, 2020. On September 30, 2012, VHCB elected to reduce the interest rate of the loan to 0%, effective retroactively to September 30, 2004.

NOTE K FAIR VALUE MEASUREMENTS

As of the beginning of the fiscal year 2009, the Corporation implemented professional accounting standards that established a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of fair value hierarchy under the professional accounting standards are described below:

Cathedral Square Corporation
NOTES TO FINANCIAL STATEMENTS
September 30, 2015

NOTE K FAIR VALUE MEASUREMENTS (continued)

Basis of Fair Value Measurement

- Level 1 Unadjusted quoted prices in active markets that are accessible at the measurement date for identical, unrestricted assets or liabilities;
- Level 2 Quoted prices in markets that are not considered to be active or financial instruments for which all significant inputs are observable, either directly or indirectly;
- Level 3 Prices or valuations that require inputs that are both significant to the fair value measurement and unobservable.

A financial instrument's level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement.

The following table presents by level, within the fair value hierarchy, the Corporation investment assets at fair value as of September 30, 2015. As required by professional accounting standards, investment assets are classified in their entirety based upon the lowest level of input that is significant to the fair value measurement.

<u>Description</u>	<u>September 30, 2015</u>	<u>Quoted Prices</u>		
		<u>In Active Markets For Identical Assets (Level 1)</u>	<u>Significant Other Observable Inputs (Level 2)</u>	<u>Significant Unobservable Inputs (Level 3)</u>
Fixed Income Securities	\$ 119,738	\$ 119,738	\$ -	\$ -

NOTE L EQUITY CONTRIBUTIONS

CSC Partners, Inc. a majority owned subsidiary of Cathedral Square Corporation, is the general partner in several limited partnerships. Cathedral Square Corporation is the general partner in one limited partnership. Equity contributions to these limited partnerships at September 30, 2015 were \$975,720. The equity contributions are accounted for under the cost method.

NOTE M DEVELOPMENT PROJECTS

As of September 30, 2015, Cathedral Square Corporation has paid \$321,997 in development costs associated with the development, redevelopment, and potential redevelopment of various affordable properties. These costs are expected to be refunded by the entities.

Cathedral Square Corporation
NOTES TO FINANCIAL STATEMENTS
September 30, 2015

NOTE N OPERATING DEFICIT OBLIGATIONS

Under the terms of the SH Limited Partnership agreement, CSC Partners, Inc. is obligated as the General Partner to contribute to the Partnership a maximum operating deficit contribution not to exceed \$170,000 if at any time after the later of the Stabilization Date or Loan Conversion an Operating Deficit exists. The obligation terminates after the project has operated at the Required Debt Service Coverage period for at least two consecutive years and the balance in the Operating reserves have been properly funded. Any Operating Deficit Contributions made by CSC Partners, Inc. would be repayable without interest, solely from surplus cash flow as provided in the partnership agreement. The property became operational in July of 2014.

NOTE O GUARANTEES

CSC Partners, Inc. a majority owned subsidiary of Cathedral Square Corporation, is a general partner in Kelley's Field Limited Partnership. Under the terms of the partnership agreement, CSC Partners, Inc. is obligated to make capital contributions for any downward capital adjustment dependent on the final determination of certified tax credits.

The agreement calls for repurchase of the limited-partnership interest with interest at 8.25% if any of the following occur:

1. The project is not completed by December 31, 2015 or the Partnership loses the 130% eligible basis.
2. The Form 8609 is not issued to allow the credit period to commence during the quarter ending December 31, 2015.
3. The final closing has not occurred by December 31, 2015.
4. The partnership fails to meet the minimum set-aside test by the close of the first year of the credit period or at any time thereafter or the rent restriction test on a recurring basis of ten times or more in any given year of the credit period.
5. Breakeven Operations have not occurred within 18 months following substantial completion.
6. At any time before the breakeven operations the project will qualify for less than 70% of the projected tax credits or the property is foreclosed or abandoned.
7. Loans or other commitments by the partnership are withdrawn and a comparable commitment has not been received within 30 days of such withdrawal.
8. The partnership is dispossessed of its fee simple interest in the land.
9. An extended use agreement is not in effect before the end of the first year of the credit period.

The agreement also calls for a construction completion guarantee, an operating deficit guarantee, a housing credit compliance guaranty, and a project loan funding guaranty by the general partner.

The repayment shall not exceed \$175,000 in the aggregate.

Cathedral Square Corporation
NOTES TO FINANCIAL STATEMENTS
September 30, 2015

NOTE P SELF INSURANCE

Effective November 25, 2013, the corporation maintains a self-insurance program for its unemployment costs for former employees who have terminated their employment with Cathedral Square Corporation. The Corporation is liable for direct reimbursement on claims made by former employees with the State of Vermont. Cathedral Square Corporation participates in a trust to maintain deposits and process claims. The trust has established a stop loss reserve fund to pay claims in excess of \$25,000 or 10% of the Corporation's taxable wages, whichever is greater up to twice the threshold for accessing the fund. Stop loss reserve fund payments are at the sole discretion of the Trustees. Self-insurance costs are accrued based on claims reported as of the balance sheet date as well as an estimated liability for claims incurred but not reported. As of September 30, 2015, the total accrued liability for self-insurance costs was \$6,300.

NOTE Q SUBSEQUENT EVENTS

In accordance with professional accounting standards, the Corporation has evaluated subsequent events through December 28, 2015, which is the date the basic financial statement was available to be issued. All subsequent events requiring recognition as of September 30, 2015, have been incorporated into the basic financial statement herein.

On October 1, 2015, the Company entered into a loan agreement for up to \$74,000 to make energy efficiency improvements. Beginning on January 1, 2016, monthly payments of \$714.55 including 3% interest are due on the note. The loan matures on December 31, 2025. As part of the loan, the Company may not permit the outstanding principal amount of the Loan to exceed 7.5% of the Company's aggregate net assets. The Company has agreed not to create, incur, or assume additional indebtedness as part of the note.

SUPPLEMENTARY INFORMATION

Cathedral Square Corporation
SUPPLEMENTARY INFORMATION
SCHEDULES OF REVENUES AND EXPENSES
For the Year Ended September 30, 2015

Schedule 1

Management

REVENUES

Management & Maintenance Fees:

Housing Projects:

Management Fees	\$ 3,294,774
Development Fees	160,400
Donations	9,736
Interest Income	9,336
Other	<u>466,221</u>

TOTAL REVENUES

3,940,467

EXPENSES

Administrative

Salaries	560,904
Payroll Taxes	42,533
Life/Disability	6,688
Insurance	160,416
Worker's Comp	14,964
Pension	<u>24,181</u>
Total General Management	<u>809,686</u>

Housing Operations

Salaries	1,102,586
Payroll Taxes	83,596
Pension	41,889
Life/Disability	12,152
Insurance	368,240
Worker's Comp	<u>51,407</u>
Total Operations	<u>1,659,870</u>

Housing Services

Salaries	522,455
Payroll Taxes	39,859
Pension	20,464
Life/Disability	5,614
Insurance	122,983
Worker's Comp	<u>13,981</u>
Total Services	<u>725,356</u>

Cathedral Square Corporation
SUPPLEMENTARY INFORMATION
SCHEDULES OF REVENUES AND EXPENSES
For the Year Ended September 30, 2015

Schedule 1

Management

EXPENSES (continued)

Development

Salaries	244,342
Payroll Taxes	18,527
Pension	10,545
Life/Disability	4,113
Insurance	60,077
Travel	40,168
Total Development	<u>377,772</u>

Unallocated Expenses

Dues & subscriptions	6,071
Telephone	20,657
Office expenses	22,225
Education	18,419
Rent	38,460
Audit	15,531
Legal	6,073
Grant expenses	18,966
Computer	64,283
Consulting	2,947
Depreciation - office equipment	29,373
Vehicle	7,443
Postage	14,153
Printing	1,121
Employee Appreciation	5,649
Marketing	14,778
Bad Debt	102,416
Contributions	5,540
Other	41,975
Total Unallocated Expenses	<u>436,080</u>

TOTAL EXPENSES

4,008,764

(DECREASE) IN NET ASSETS

\$ (68,297)

Cathedral Square Corporation
SUPPLEMENTARY INFORMATION
SCHEDULES OF REVENUES AND EXPENSES
For the Year Ended September 30, 2015

Schedule 2

Assisted Living Operations

	<u>Personal Care</u>	<u>Kitchen</u>	<u>Total</u>
REVENUE			
Medicaid	\$ 389,123	\$ -	\$ 389,123
Client Fees	425,701	-	425,701
Client Fees for Meals	<u>-</u>	<u>233,916</u>	<u>233,916</u>
 TOTAL REVENUE	 <u>814,824</u>	 <u>233,916</u>	 <u>1,048,740</u>
EXPENSES			
Compensation	531,735	113,071	644,806
Agency Call Out	19,319	-	19,319
Payroll Taxes	40,168	8,361	48,529
Health Insurance	66,943	11,788	78,731
Life, Disability and Dental Insurance	5,887	1,002	6,889
Workers Compensation	41,894	4,924	46,818
Pension	14,501	3,228	17,729
Education	170	-	170
Supplies	10,603	11,627	22,230
Food	-	97,176	97,176
Travel	-	442	442
Other	<u>4,602</u>	<u>610</u>	<u>5,212</u>
 TOTAL EXPENSES	 <u>735,822</u>	 <u>252,229</u>	 <u>988,051</u>
 INCREASE (DECREASE) IN NET ASSETS	 <u>\$ 79,002</u>	 <u>\$ (18,313)</u>	 <u>\$ 60,689</u>

Cathedral Square Corporation
SUPPLEMENTARY INFORMATION
SCHEDULES OF REVENUES AND EXPENSES
For the Year Ended September 30, 2015

Schedule 3

SASH

REVENUE

Grant Income	\$ 3,156,174
Donations	<u>2,926</u>

TOTAL REVENUE	<u>3,159,100</u>
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EXPENSES

Compensation	1,204,150
Payroll Taxes	90,332
Health Insurance	188,537
Life, Disability and Dental Insurance	18,648
Workers Compensation	32,102
Pension	40,027
Recruitment	3,386
Education	24,086
Supplies	13,773
Legal	16,911
Travel	48,864
Consulting	4,919
Information Technology	5,479
Nursing	201,104
Functional Team	17,561
Grant Expenditures	1,235,324
Other	<u>10,570</u>

TOTAL EXPENSES	<u>3,155,773</u>
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INCREASE IN NET ASSETS	<u>\$ 3,327</u>
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Cathedral Square Corporation
SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUE AND EXPENSES
For the Year Ended September 30, 2015

Schedule 4

Heineberg Senior Housing

REVENUE

Resident rent	\$ 596,129
Rental assistance payments	259,374
Interest income - restricted accounts	432
Other income	64,949
Total Income	<u>920,884</u>

OPERATING EXPENSES

Administrative expenses:

Management fee	58,644
Social services	72,254
Legal and accounting	8,214
Other	65,472
Total Administrative	<u>204,584</u>

Utilities:

Electricity	53,307
Fuel	17,910
Water and sewer	21,783
Fire alarm/emergency call	9,168
Total Utilities	<u>102,168</u>

Maintenance:

Maintenance/janitor payroll	74,376
Supplies	15,029
Exterminating	8,803
Trash removal	7,569
Snow Removal	6,796
Grounds/landscaping	7,451
Repairs - materials	2,003
Repairs under contract	32,073
Elevator maintenance	13,224
Miscellaneous maintenance	32,397
Total Maintenance	<u>199,721</u>

Cathedral Square Corporation
SUPPLEMENTARY INFORMATION
SCHEDULE OF REVENUE AND EXPENSES
For the Year Ended September 30, 2015

Schedule 4

Heineberg Senior Housing

OPERATING EXPENSES (continued)

General

Real estate taxes	96,735
Interest - VHFA	111,748
Interest - Other	6,725
Depreciation	165,048
Amortization	4,378
Insurance	<u>72,887</u>
Total General	<u>457,521</u>

TOTAL OPERATING EXPENSES

963,994

(DECREASE) IN NET ASSETS

\$ (43,110)

Cathedral Square Corporation
SUPPLEMENTARY INFORMATION
SCHEDULES OF REVENUES AND EXPENSES
For the Year Ended September 30, 2015

Schedule 5

Whitney Hill Senior Housing

REVENUE

Resident rent	\$ 351,838
Rental assistance payments	100,855
Interest income - restricted accounts	664
Other income	26,944
Total Income	<u>480,301</u>

OPERATING EXPENSES

Administrative expenses:

Management fee	30,324
Social services	21,124
Legal and accounting	4,500
Bad debts	38
Other	32,952
Total Administrative	<u>88,938</u>

Utilities:

Electricity	27,195
Fuel	17,590
Water and sewer	11,614
Fire alarm/emergency call	13,644
Other	21,483
Total Utilities	<u>91,526</u>

Maintenance:

Maintenance/janitor payroll	33,900
Supplies	12,248
Exterminating	1,087
Trash removal	3,733
Snow Removal	8,274
Grounds/landscaping	4,910
Repairs under contract	19,154
Elevator maintenance	8,290
Miscellaneous maintenance	2,188
Total Maintenance	<u>93,784</u>

Cathedral Square Corporation
SUPPLEMENTARY INFORMATION
SCHEDULES OF REVENUES AND EXPENSES
For the Year Ended September 30, 2015

Schedule 5

Whitney Hill Senior Housing

OPERATING EXPENSES (continued)

General

Real estate taxes	45,615
Interest - VHFA	72,235
Depreciation	51,058
Amortization	547
Insurance	<u>36,625</u>
Total General	<u>206,080</u>

TOTAL OPERATING EXPENSES	<u>480,328</u>
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(DECREASE) IN NET ASSETS	<u>\$ (27)</u>
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EMPLOYMENT EXPERIENCE

CATHEDRAL SQUARE CORPORATION, South Burlington VT

Director of Development, February 2013 – present. Senior level position developing affordable senior housing with services for a non-profit mission driven organization. The position involves planning, negotiating, feasibility analysis, permitting, securing federal, state, local and private funding for housing development. Provide technical assistance to other nonprofit organizations and be versed in and influence housing policy. Represent the organization at the local, state and federal level. Promote and develop resident oriented housing that promotes wellness and aging in place and strengthens communities.

VERMONT HOUSING FINANCE AGENCY, Burlington, VT

Assistant Director of Development, May 1996 – January 2013. Senior level position overseeing program that provides capital to affordable housing real estate development for low-income populations. Position involves programmatic and financial analysis of affordable housing proposals based on annual guidelines and federal regulations. Make determinations related to suitability of cost, location, construction design and materials, market. Determine technical assistance needs of nonprofit organizations; represent Agency at national trade events; network with local, state, and federal housing agencies; serve as high level resource for national and state policy regulations.

CENTRAL VERMONT COMMUNITY LAND TRUST, Montpelier, VT

Associate Director, January 1994 - May 1996. Developed single and multi-family housing for low income households. Responsibilities included market analyses; preparing loan and grant applications; executing and administering contracts; developing & monitoring budgets; grant and loan compliance; creating and managing partnerships with private developers, lenders and attorneys; development of marketing materials; community outreach; educating homebuyers on financial literacy and budgeting.

BURLINGTON COMMUNITY LAND TRUST, Burlington, VT

Homeownership Program Coordinator, January 1991 - December 1993. Directed the homeownership program; responsibilities included developing new housing opportunities; counseling homebuyers; developing marketing plans, working with private developers, grant compliance, producing a newsletter and marketing materials for limited equity homeownership; attending mortgage loan closings; working with area lenders, realtors and attorneys. Produced the "Community Land Trust Homeownership Program Manual" which was distributed nationally by the Institute for Community Economics.

Tenant & Membership Services Coordinator, January 1987 - January 1991. Served as property manager: coordinated rent-ups & repairs, code compliance, renovations, interviewing prospective tenants, overseeing collections and evictions. Organized annual membership meeting, member mailings & newsletter.

UNIVERSITY OF VERMONT, Burlington, VT

Teaching Assistant, January - May 1987, and September - December 1985. Introduction to International Environmental Studies II, and Environmental Studies I. Developed program and instructed two discussion groups per semester. Organized and planned activities to illustrate concepts from lectures utilizing local resources & resource people. Provided one-on-one student guidance and evaluation.

CERTIFICATION

- Housing Development Finance Professional, The National Development Council, Jan. 2001

COMMUNITY & PROFESSIONAL INVOLVEMENT

- Federal Home Loan Bank of Boston Advisory Council Member, 2015 –current
- Vermont Affordable Housing Coalition Steering Committee Member, 2014- current
- Department of Housing & Community Development Consolidated Plan Advisory Committee Member 2014-current
- South End Community Housing, Burlington, Board Member 2013 - current
- Brewster-Pierce Memorial School, Partners in Education Treasurer, 2006 - 2009
- Brewster-Pierce Memorial School, Huntington, School Board Member, 2002-2004

EDUCATION

New Hampshire College Graduate School of Business, Master of Science in Community & Economic Development, March, 1994. Cum Laude.

University of Vermont, Bachelor of Arts in History, 1986. Recipient of the History Department Award, Magna Cum Laude, Phi Beta Kappa.

Temple University Summer in Sicily Program, 1983. Multicultural community & economic development program in northwest Sicily.

Northfield Mount Hermon School, Northfield, MA, 1981. Cum Laude.

Miranda M. Lescaze

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Richmond, Vermont 05477
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EMPLOYMENT EXPERIENCE

Cathedral Square Corporation

Developer, 2014 - present

- Develop service-enriched senior housing for non-profit mission driven organization.
- Represent the company's mission and interests to funders, nonprofit housing organizations, community groups, government agencies, and the general public.
- Create and evaluate multifamily housing development opportunities.
- Coordinate development of affordable multifamily housing projects.
- Implement energy efficiency initiatives company-wide.

VT EPSCoR Center for Workforce Development and Diversity

Director, Saint Michael's College 2011-2014

Outreach Professional Senior, University of Vermont 2010-2011

- Directed programs and initiatives to support student pursuit of STEM careers and increased scientific research capacity and infrastructure in Vermont.
- Developed partnerships with stakeholders including institutions of higher education, industry, non-profit organizations, government agencies and high schools and supervisory unions.
- Designed and marketed education, training, and scholarship programs.
- Evaluated programs and prepared reports to funder, the National Science Foundation.
- Developed and managed annual budget of \$800K.
- Grew enrollment in education programs by 50% between 2010 and 2014.
- Supervised program staff.

Friends of the Mad River

Watershed Coordinator, 2005-2007

- Managed research and monitoring programs, and restoration projects for a local nonprofit organization.
- Trained community members to monitor water quality.
- Worked with community groups, town officials and boards, and landowners in river corridor planning.
- Wrote grant proposals and project reports.
- Managed budget and membership database.

Lake Champlain Basin Program

Technical Coordinator, 2001-2005

- Managed technical programs for partnership program between the states of NY and VT and the province of Quebec to cooperatively manage the Lake Champlain watershed.
- Coordinated the Technical Advisory Committee, a group of scientists and managers responsible for interpreting and presenting data, making technical policy recommendations to the Steering Committee, and preparing research or implementation projects.
- Managed research and implementation grants including developing Requests for Proposals and Memorandums of Understanding, overseeing contracts, and developing Quality Assurance Project Plans.
- Supervised technical programs staff.

Northeast Rural Water Association

Source Water Protection Specialist, 2001

- Identified and analyzed potential hazards to water supplies and wrote community source water protection plans.

Otter Creek Natural Resource Conservation District

Watershed Coordinator, 2000

- Analyzed water quality datasets to identify pollution sources and coordinated community stakeholder partnerships to address them.

University of Vermont

Research Technician and Rubenstein Ecosystem Science Lab Coordinator, 1999-2000

- Coordinated partnership between the new UVM ecosystem science laboratory and the ECHO Lake Aquarium and Science Center.
- Conducted research on the impact of zebra mussels on Lake Champlain's underwater historic resources.

Burlington College

Teacher - Ecology, 1999-2000 and Off-campus program to Belize and Guatemala, 2001

Mercer Slough Environmental Education Center, Seattle, WA

Wetland Ecology Instructor, 1996

King County Parks and Recreation, Seattle, WA

Naturalist and Environmental Educator, 1995-1996

Pacific Science Center, Seattle, WA

Science Education Associate, 1994-1995

EDUCATION

University of Vermont, Master of Science in Natural Resources, 1999

U.S.G.S. Research Grant

Graduate Teaching Fellowship

Carleton College, Bachelor of Arts in Geology, 1994

Magna cum laude

Distinction in the geology major

Distinction in senior thesis research conducted in N. Apennines, Italy

Nominated to Sigma Xi scientific honor society

School for International Training, Comparative Ecology Program in Ecuador, 1992

PROFESSIONAL TRAINING

Applying Building Science in Real Construction, Vermont Energy Investment Corporation, April 2015

Rental Housing Development Finance, The National Development Council, Oct. 2014

Understanding Tax Credits for Affordable Housing, Vermont Housing and Conservation Board, April 2014

COMMUNITY INVOLVEMENT

Girls on the Run Vermont, Richmond coach, 2015

Lake Champlain Sea Grant, Program Advisory Committee member, 2012-2014

Starksboro Conservation Commission, Secretary, 1999-2004

National Wildlife Federation, Malformed frog surveyor, 1999

Casa Latina, English as a Second Language teacher, 1994-1996

Kathryn S. Forleo
16 Kriste Lane
Jericho, VT 05465
(802) 233-8279

Professional Summary:

A seasoned professional with practical experience in manufacturing, project management and product development that is seeking an organization that has an environmentally driven mission where I can continue polishing my above strengths.

Work History:

- 2011 – present Cathedral Square Corporation, South Burlington, VT 05403
- Project Manager: Responsible for all phases of development project management for new construction of affordable elderly housing. Project Management experience includes the development of over 175 new or rehabilitation units from seven projects in Chittenden and Addison County. Responsibilities also included budgeted tracking, vendor correspondence to ensure satisfaction, product research to source building components that are specific to allow residents to age in place. Sought out additional funding sources by researching and writing grant applications to fund future building developments or specific resident accessibility needs.
- 2008 – 2011 Cathedral Square Corporation, South Burlington, VT 05403
- Special Projects Coordinator: Managed, maintained, and serviced network, servers, and fifteen remote sites throughout Chittenden and Franklin counties. Redesigned and maintained company website to ensure up to date information and professional appearance. Handled daily technical questions regarding phone system, computers, and all computer applications. Delivered Microsoft Office 2007 and soft skill training sessions monthly to employees. Developed and maintained grant database to ensure that reports are submitted in a timely manner. Served as the company wide Pandemic Coordinator and successfully created a proven executable pandemic plan.
- 2005-2008 Calyx and Corolla
A sister company of Vermont Teddy Bear Company, Shelburne, VT 05482
- Grower Relations Manager: Managed 13 growers around the country to have adequate product levels, minimize left over perishable inventory, monitor quality return rates, negotiated corporate pricing and production fees. Led blind samples, designed new bouquets, styled bouquets during photo shoots, designed new packaging concepts for fresh cuts and plants. Organized product sessions for call center employees to incorporate past season feedback and share new product designs for the upcoming season.
- 2003-2005 Vermont Teddy Bear Company, Shelburne, VT 05482
- Sr. Operations Trainer: Train approximately 2,000 seasonal employees yearly throughout the country on sales, product, customer service and order entry software. Visited outsource facilities during the holiday season to manage and promote the Vermont Teddy Bear Company brand. Develop and execute leadership development programs, Microsoft classes and Turn the Walls activities. Create reports to analyze areas of improvement to increase productivity.
- 2003-2003 Fast Channel Network, Needham, MA 02494
- Client Training Manager: Managed and trained approximately 70 customer accounts to ensure timely media distribution of TV, radio and newspapers across the country. Maintained and expanded customer relationships using sales strategies to increase company profitability. Negotiated terms of new and existing accounts to meet company set margins.

2001-2003 Charter One Bank, Burlington, VT 05401

Training Specialist: Created, delivered and maintained retail sales training programs for the region of New York, Vermont and Massachusetts. Developed adult training programs to be delivered one on one or in a large group session, while working on other projects and mentoring new employees to improve in their personal development. Managed technological issues within Access, website design and development troubleshooting common computer questions within the region.

2000-2001 State of New Hampshire
Department of Education, Concord, NH 03301

Systems Development Specialist: Created databases using Access and Visual Basic and the management of them for nine youth programs. Managed twenty youth directors on how to track database problems and how to correct them. Wrote training manuals and presented training sessions on proper procedures and successful tracking of statistics to programs. Created monthly reports for state, government and funding requirements. Managed select area of Department's website from creating to updating page content. Delivered trainings to department employees in Microsoft Access, Excel, Word and PowerPoint.

Education:
8/11 – 11/11

Champlain College, Burlington, VT 05408
Major: Master's in Healthcare Administration
Anticipated Completion: 2019

9/96-5/00 St. Joseph's College of Maine, Standish, ME 04084
Major: Business Management Minor: Computer Science.

Activities and Awards:

3/2016 – present	Town of Jericho Planning Commission Member
3/2016 – 5/2016	Jericho/Underhill T-ball Volunteer Coach
5/2015 – present	O'Dell Planned Unit Development Board President
9/2010 – present	Farrell Street Senior Housing Limited Partnership Board Secretary
7/2009 – 6/2016	Cathedral Square Social Committee Chair
7/06-7/08	Essex Town Woman's Field Hockey Club
8/05-6/08	Vermont Teddy Bear Co. United Way Co-Chair / Member
9/99-5/00	Student Government Association Senate Secretary
9/99	Nominated for Service/Leadership Scholarship
9/96-5/99	Class of 2000 Secretary
10/98-12/98	Honorary Degree Committee Member
9/98-12/98	Portland Housing Authority Volunteer
9/96-6/98	Student Ambassador
8-97-11/97	Varsity Field Hockey team for St. Joseph's College of Maine