

**The City of Boston  
Neighborhood Stabilization Program**

**Mayor Thomas M. Menino**



**APPLICANT PACKET**

**January 2011**

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**Department of Neighborhood Development**  
**Neighborhood Stabilization Program**  
**Applicant Packet**

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## SECTION 1

### PROGRAM OVERVIEW

#### Introduction

The City of Boston Department of Neighborhood Development (DND) and the Boston Housing Authority (BHA) make available with this Application Packet the following resources for the acquisition and rehabilitation of foreclosed, abandoned, or vacant properties to create ownership and rental housing: Neighborhood Stabilization Program (NSP), Lead Hazard funding and a limited amount of Section 8 Project-Based Vouchers (PBV). Applications for all will be accepted on a “Rolling Admission” basis.

DND’s NSP initiative is part of Mayor Thomas M. Menino’s foreclosure intervention strategy. The strategy is designed to ensure that those vulnerable, high-risk neighborhoods where foreclosures are prevalent receive help from the City and its partners to renew and reoccupy properties before blight and decline set in.

Foreclosure rates have been rising steadily over the course of the past years, with increases concentrated in the same Boston neighborhoods where rising number of sub-prime mortgage loans had been tracked between 2004-2006. With 703 foreclosures in 2007, 1,215 in 2008, and 776 in 2009, worsening clusters of foreclosure aggregations are apparent in specific neighborhoods. Mayor Menino convened the Foreclosure Intervention Team (FIT), a cross-cabinet, inter-agency effort that looked not only at the rate of foreclosure in the neighborhood, but also assessed the street-level impact of such disinvestment on the safety and well-being of remaining residents and owners. DND’s efforts in the NSP initiative build off the FIT model.

NSP Funds: DND will administer NSP funds provided by the federal Department of Housing and Urban Development (HUD) to support developers who acquire and redevelop foreclosed, abandoned, or vacant properties that might otherwise become sources of abandonment and blight within targeted neighborhoods in the City of Boston. NSP funds will support the redevelopment of foreclosed, abandoned, or vacant homes in targeted foreclosure areas, for resale to income-eligible owner occupants, or with responsible investor-owners as affordable rental opportunities, in order to stabilize neighborhoods and stem the decline of values of neighboring homes. The program is authorized under Title III of the Housing and Economic Recovery Act of 2008.

Lead Hazard Funds: DND will make available Lead Hazard abatement funding, wherever eligible, to supplement the NSP program. This funding includes evaluation of housing units for lead-based paint, abatement strategies to control the hazards and construction monitoring through compliance with the Massachusetts Lead Law. This effective combination alleviates a common liability concern while promoting lead safe housing and reducing the incidence of childhood lead paint poisoning in Boston.

**BHA PBV:** The BHA is authorized through HUD to implement and administer a Section 8 PBV Program. Through this program, the BHA will make available PBV's for extremely low- to low-income households. The BHA will make available up to 100 PBV's over a 2 year period, through this Application Packet, to qualified applicants seeking to develop "Permanent Supportive Housing" opportunities for homeless and formerly homeless families, as defined herein.

### **Program Overview**

NSP assistance will be targeted to foreclosed, abandoned, or vacant properties within specific NSP high need target areas, with a preference given to properties in the FIT areas (see NSP Map in Section 8 "Appendices"). DND will consider assisting properties outside the target area that are part of a bulk or portfolio purchase; DND will grant approvals on a case-by case basis, giving consideration to the condition of the property, and the impact that acquiring and/or rehabilitating that property will have on the immediate neighborhood.

The target area for the City's NSP program is comprised of 43 census tracts located in neighborhoods with the largest declines in market values, that have a high score (8, 9, or 10) on HUD's Foreclosure Risk Score, have a high number of Real Estate Owned (REO) properties, and have a high % of high cost loans. These 43 census tracts comprise only one quarter of the City's total census tracts, but contain nearly three quarters of the City's REO properties.

### **Program Activities**

Three (3) program activities will be funded in this Application Packet:

#### REO Reclamation Fund: Turnkey Ownership Component

Funds to assist for-profit and non-profit developers with the cost of redeveloping REO properties into owner-occupied properties. Turnkey Ownership component may provide NSP funding to cover the gap between the total development costs including acquisition, rehab and approved soft costs and fees and the projected sales price of the property post rehab to an owner occupant. The projected sales price must reflect the current market value of properties of similar type, size and condition and must be affordable to households earning no more than 120% AMI. NSP assistance will generally be limited to a pro-rata share of the Total Development Cost (TDC) corresponding to the homeowner's unit (1/3 of TDC in a triple-decker, 1/2 of the TDC in a two family). Rents charged by the owner occupant must be affordable to households earning no more than 120% AMI. The NSP assistance to the developer will be structured as a conditional grant agreement.

#### REO Reclamation Fund: Rental Housing Component

Funds to assist for-profit and non-profit developers with the cost of redeveloping REO properties into rental housing for low and moderate income renters. The Rental Housing component can provide NSP funding to cover the gap between the approved total development costs and the supportable mortgage. DND will require rent targeting to

households earning up to 60% of AMI. The number of units targeted to households earning 60% AMI will be based on the amount of NSP funding as a percentage of the TDC. For example, if NSP funding represents one third TDC, one third of the units in the project must be targeted to 60% AMI. The remaining units in a development will be restricted to households with incomes no greater than 120% AMI. DND reserves the right to provide financial assistance that would allow the developer to reach 50% AMI rents. NSP-assisted units projects shall be required to maintain the agreed upon affordability for 30 years, and provide an option to extend that affordability for another 20 years. The Developer shall be required to execute a covenant, note, and mortgage on the property. NSP assistance to the developer will be structured as a deferred payment loan. A provision to allow the property to be sold to an income eligible owner occupant will be provided with a portion of the Loan due upon sale.

#### REO Reclamation Fund: Permanent Supportive Housing Component

Funds to assist for-profit and non-profit developers with the cost of redeveloping vacant REO properties into permanent supportive housing for homeless and formerly-homeless households. The Permanent Supportive Housing component is for the development of permanent rental housing targeted to homeless households with incomes under 30% of AMI, or up to 50% of AMI if homeless status is verified through a homeless services provider. The Supportive Housing component will provide NSP funding to fill the gap between the approved TDC and the amount of the supportable mortgage. Projects funded under this component may receive PBV's provided by the BHA in order to house homeless households, provided tenants receive supportive and stabilizing services. Developers may be required to partner with a services provider to provide case management and self-sufficiency services. Long-term affordability will be achieved through a covenant, note, and mortgage on the property. NSP assistance to the developer will be structured as a deferred loan.

### **Section 8 Project-Based Assistance Program**

As part of this Application Packet, the BHA in conjunction with DND is making available up to 100 PBV's over a 2-year period for homeless or formerly homeless households with services. NSP projects that meet Application Packet requirements and intend to provide 100% of units for homeless households or special needs populations, as well as provide supportive services that will be approved by the BHA and DND, may apply on a rolling basis. DND and the BHA shall commence a joint rolling review of the projects that are submitted upon submittal. Both for-profit and non-profit developers are eligible to apply for these funds. DND and BHA envision funding small scale, 2 - 5 family Permanent Supportive Housing projects in this NSP Applicant Packet.

Key contract terms and program regulations include, but are not limited to the following:

Term: The PBV Housing Assistance Payments Contract will be committed for an initial term of 10 years subject to the availability of adequate annual appropriations to the BHA from HUD.

Rents: Rents shall be set at the lesser of the rents charged for comparable units in the private unassisted market. Effective January 1, 2010 the BHA set maximum rents at 110% of FMR as delineated below. (Please note: notwithstanding the qualifying language in the immediately preceding sentence, depending upon the circumstances, HUD or the BHA may adjust these rents in subsequent calendar years up or down.) The household’s share of the rent is 30 percent of the household’s adjusted gross monthly income.

<u>SRO</u>	<u>0 BR</u>	<u>1BR</u>	<u>2BR</u>	<u>3BR</u>	<u>4BR</u>
\$893	\$1,191	\$1,264	\$1,484	\$1,774	\$1,950

Annual rent increases will be based upon rent increases of comparable unassisted units. Nonetheless, all rent increases are subject to HUD rent reasonableness standards as contained in 24 CFR 983.

Number of Project Based Units: Projects benefitting from PBV will be 100% homeless housing, and shall have associated services provided. Accordingly, projects will not be limited to 25% PBV.

Tenant Selection: Tenant selection procedures must be based upon the BHA’s Administrative Plan for the Section 8 Program. All prospective tenants shall be referred from the BHA Section 8 Priority One Waiting List or site based list. Prospective tenants may also be solicited by the property owner and referred to the BHA for waiting list status through advertising and outreach, and be placed on the Section 8 waiting list. However, tenants referred to the BHA will be placed on the list based upon date and time of their application. The BHA may not refer these applicants for referral to the developer if there are qualified applicants ahead of these applicants.

**Fund Availability**

DND is making available a portion of its federal and state NSP allocations totaling more than \$21,000,000 for the Applicant Packet components, which will be released on a Rolling Admission basis.

**Key Criteria**

- DND will prioritize properties that are foreclosed, abandoned, or vacant in a targeted foreclosure neighborhood; properties outside targeted foreclosure areas are a 2<sup>nd</sup> priority
- Applications will be accepted on a “Rolling Admission” basis
- Unless vacant, Properties acquired prior to December 1, 2008 are ineligible
- Prior to signing a property Purchase and Sale Agreement, the applicant must have a) DND federal “removal of grant conditions”, known as Environmental Review (ER) and b) a signed “Voluntary Acquisition” letter (see Appendix N). Furthermore, the P&S must have a “contingency” clause outlining the buyer requirement to have an approved ER.
- Minor or moderate rehabilitation projects will be considered. Extensive or gut rehabilitation projects are ineligible. As such, architectural drawings are not required
- Projects involving Zoning Board of Appeals are ineligible

- NSP funds will not be made available for acquisition unless the property has a current appraisal and there is a purchase price discount of at least 1% from the as-is appraised value.
- DND encourages small project (2-5 units) applications. Davis-Bacon will apply if the application includes 8 or more units. Boston Fair Housing Commission Affirmative Marketing plans must be filed if the application includes 5 or more units. Furthermore, if the development includes 5 or more units, the project must comply with Federal Accessibility requirements
- At Application, the developer will be required to demonstrate that the construction cost is based on a minimum of 3 bids from General Contractors
- At application, for all properties owned by the developer, they **MUST BE CURRENT** in bills involving the Water and Sewer Commission and the Tax Title Department, and must not have outstanding violations with the Inspectional Services Department and Fair Housing Commission. Furthermore, the developer must be current in all loans with DND

### **NSP Process**

Pre-Application: In this initial 1<sup>st</sup> stage, the developer must submit property information to the DND Contact in Section 2 in order for DND to do the ER, noted above in “Key Criteria”. This includes a draft Scope of Work, development budget and sources of funds, including the NSP request, for the development. As stated above, ER approval is needed prior to signing a property P&S. Furthermore, in this Pre-Application stage, DND will arrange for a property viewing to review the draft Scope of Work. DND will work with the developer to reach agreement on the Scope. Once approved, the developer shall obtain 3 bids on the Scope of Work. **THE ABOVE IS REQUIRED PRIOR TO THE DEVELOPER APPLYING FOR NSP FUNDING.** The Developer should contact the DND Contact noted in Section 2 for guidance.

Application: Developers are encouraged to apply for NSP and other applicable funds outlined in this Applicant Packet at the time Pre-Application items are addressed, all Application Packet requirements are met, and there is a demonstrated need of NSP funds to ensure the success of redeveloping and selling or renting an eligible foreclosed, abandoned, or vacant property.

Application Review: DND staff review of proposals will begin immediately after receipt of an application. If an application does not meet each of the Eligibility Criteria, DND shall terminate further consideration of any application, or request applicants to submit additional information. DND staff will evaluate the application according to the Evaluation Criteria.

DND staff may interview applicants to solicit clarifying information on their proposal and on their ability to finance and complete the project. DND will assign a Development Officer and Construction Specialist (CS) to each application.

Approval and Commitment of Funds: After each application has met Eligibility Criteria, and DND staff approves the program, budget, and finance items (including sales price or rental operating budget,) DND staff will recommend funding at its Project Review Committee (PRC). If approved, DND will issue a Commitment Letter that outlines the amount of funds that will be available for the rehabilitation, and basic terms of the commitment. The commitment amount

will be fixed at this point. If necessary, DND may consider a homebuyer subsidy to support owner occupancy and the timely sale of a unit.

Closing: DND will assign an attorney to close on the NSP funds. Closing documents will include a Conditional Grant Agreement or Loan Agreement, Mortgage, and Affordable Housing Covenant.

Construction Monitoring: DND's CS will be involved in monitoring rehabilitation. The CS will evaluate work based on the approved rehabilitation scope of work and budget. Changes to the Scope of Work, change orders, and drawdowns from hard cost contingency must be submitted to and approved by the CS.

Invoicing: DND is open to processing requisition requests to meet the needs of the developer and General Contractor, although submittals typically occur on a monthly basis. For construction related items, the developer and General Contractor must use the AIA Form G702 "Application and Certification for Payment", and applicable continuation sheets showing construction line items, when requesting payment. Upon submittal of Form G702, the CS will evaluate the request with the developer and GC, at a mutually agreed to time, and if acceptable, will certify the request and sign the form. The developer can submit construction requests separately or combined with soft cost items. DND will issue a standard Cover Letter and Requisition Forms to the developer for submittals.

## **NSP Policies**

Hard Cost Contingency: Provide a hard cost contingency of 15% based on total construction costs.

If contingency funds remain unspent at project conclusion (DND Construction Completion Certificate and final sale or rental), at the discretion of DND, those funds must first be applied to any DND-approved soft cost overruns, and then to cover a sales price reduction if necessary. Remaining savings will be distributed to the developer and DND on a 60% share to the developer and 40% to DND.

Soft Cost Contingency: Include a soft contingency of 5% based on total soft costs.

Legal Fees: Include Developer legal fees only, associated with purchasing the property; title searches and insurance; and selling the redeveloped buildings. Assume \$3,000 for DND legal.

Carry Cost: Include a post construction 30-day reserve. Include costs associated with the carrying period including additional interest, taxes, insurance, security, and utilities.

Developer Fee/Overhead: Fee and Overhead must not exceed 20% of Total Development Cost.

Financing: Priority will be given to applications that have a Commitment Letter from a bank that indicates a willingness to fund the project, or evidence of self-financing. At a minimum, applications must have a strong Letter of Interest from a bank that outlines loan terms, the maximum loan to value that would be provided, and a timeline for issuing a commitment letter

and closing of funds, assuming the applicant has met certain bank conditions. The project must maximize the use of conventional or self-financing sources. Developers that propose Turnkey Ownership must have a budget that reflects conversion to a rental option as a fallback, with a Commitment Letter or Letter of Interest from a bank willing to fund.

**Design and Construction:** Applicants are required to comply with the NSP Residential Design Standards, provided in Appendices. Sustainable design and green building strategies are to be incorporated into the rehabilitation of NSP projects. Projects must utilize LEED for Homes, Energy Star and Healthy Homes construction & material guidelines. At minimum, renovations and improvements proposed must meet applicable parts of these sustainability measures.

**NOTE:** For projects that involve a historic building or are in an historic district, and where the exterior will be modified, an 8 ½ by 11 plan and work narrative is required.

**Lead Abatement:** Projects must demonstrate compliance with federal lead abatement regulations. Housing built on or after January 1, 1978 (when lead paint was banned for residential use) is exempt. Furthermore, compliance is met if a property has been found to be free of lead-based paint by a certified inspector, or if a property from which all lead-based paint has been removed has received clearance. The following is a guide for lead abatement in rehabilitation projects

<b>Rehabilitation Assistance</b>	1. Unit receiving less than or equal to \$5,000 per unit	Pre-1978	<ul style="list-style-type: none"> <li>▶ Provision of pamphlet</li> <li>▶ Paint testing of surfaces to be disturbed, or presume LBP</li> <li>▶ Safe work practices in rehab</li> <li>▶ Repair disturbed paint</li> <li>▶ Notice to occupants</li> </ul>
	2. Unit receiving more than \$5,000 and up to \$25,000	Pre-1978	<ul style="list-style-type: none"> <li>▶ Provision of pamphlet</li> <li>▶ Paint testing of surfaces to be disturbed, or presume LBP</li> <li>▶ Risk assessment</li> <li>▶ Interim controls</li> <li>▶ Notice to occupants</li> <li>▶ Ongoing LBP maintenance if HOME or CILP</li> </ul>
	3. Unit receiving more than \$25,000 per unit	Pre-1978	<ul style="list-style-type: none"> <li>▶ Provision of pamphlet</li> <li>▶ Paint testing of surfaces to be disturbed, or presume LBP</li> <li>▶ Risk assessment</li> <li>▶ Abatement of LBP hazards</li> <li>▶ Notice to occupants</li> <li>▶ Ongoing LBP maintenance</li> </ul>

**Window Guards:** Applicant should budget window guards for family units with windows in excess of 10 feet from the ground. For budgetary purposes, this should be shown as a line item allowance separate from the overall construction budget and contingency.

**Adaptable Unit:** If the development exceeds 5 units it must comply with Federal Accessibility requirements. Provide an allowance totaling \$20,000 for required accessibility features for one

adaptable unit. *This should be included separate from the “direct construction” line in the “Construction” subtotal category.* These funds will be held in reserve by DND until the final unit is rented. If the funds are not needed to create an accessible unit, DND will retain the funds.

Multiple Applications: Applicants may submit more than one NSP application, and may have multiple projects under consideration or in construction, if these projects have met established performance timelines in the Development Schedule (see below) and are on budget. DND will evaluate each application to determine if a commitment of funds is appropriate, based on the applicant performance on other projects.

### **Development Schedule**

Below is the NSP development schedule for Turnkey Ownership and Rental projects. The developer must meet the development schedule (and be on budget) in order to be considered for additional projects. Assume the following dates from the date of Application Submittal:

- Application Review and Commitment of Funds      1 Month from Application
- **Project Closing and Construction Start**      **3 Months from Application**
- Completion of Construction      8 Months from Application
- 100% Sales or Rent Up      10 Months from Application

## SECTION 2

### APPLICATION INSTRUCTIONS

- Applicants are required to submit one (1) original and two (2) copies of the Application in a sealed package clearly marked “**PROJECT NAME**”.
- Applications must be typed and in a format that can be easily copied if necessary. Please use Sectional Tabs.
- **Applications will be accepted on a “Rolling Admission” basis until such time NSP funds have been expended.**
- **Completed applications must be submitted directly to:**

**William Epperson  
NSP Development Specialist  
Department of Neighborhood Development  
26 Court Street, 8th Floor  
Boston, MA 02108**

If you have any questions regarding this Applicant Packet, contact William Epperson, NSP Development Specialist, at (617) 635-0323, or at [wepperson.dnd@cityofboston.gov](mailto:wepperson.dnd@cityofboston.gov).

## SECTION 3

### ELIGIBILITY AND EVALUATION CRITERIA

Applicants must meet all submission requirements and Eligibility Criteria to be considered. Once the applicant meets the Eligibility Criteria, DND will use the Evaluation Criteria below to commit funds to an applicant. DND reserves the right to reject any and all applications at any time and to waive minor informalities for applicants.

DND also reserves the right to change aspects of the development program and Application Packet outlined herein, depending on the needs of the development and zoning, providing that the rights of other applicants are not prejudiced and best judgment has been used to further our mission after accepting developer's application.

#### A. ELIGIBILITY CRITERIA

##### 1. Good Standing

Applicants must be in good standing with DND, Tax Title Department, the Boston Water and Sewer Commission, and the Fair Housing Commission. The Applicant must complete and submit the Property Affidavit included in this RFP as part of their application, which shall be reviewed as follows:

##### **Tax Title Department Review:**

DND shall submit the Property Affidavit to the Tax Title Division of the City. Tax Title shall review the tax status and history of each property listed and or owned within the City by the Applicant. DND shall not recommend any Applicant for this initiative that owes the City Real Estate Taxes or that fails to enter into a payment plan, acceptable to the Tax Title Division, for such amounts. In addition, if an Applicant has owned property that was foreclosed upon by the City for failure to pay real estate taxes, DND shall declare the proposal non-qualifying.

##### **Water and Sewer Commission Review:**

DND shall also submit the Property Affidavit to the Boston Water and Sewer Commission for their review. DND shall not recommend any developer with an outstanding amount due on any property owned in the City or that has not entered into a payment plan, acceptable to the Boston Water and Sewer Commission, for such amounts.

##### **Fair Housing Commission Review:**

The Boston Fair Housing Commission will screen Applicants. Applicants must not have any unresolved housing discrimination complaints or convictions for violating fair housing laws or their application shall be declared non-qualifying.

##### **Inspectional Services Department:**

The Inspectional Services Department will screen all Applicants for outstanding code and trash violations. DND shall not recommend any developer with outstanding code and trash violations or unpaid tickets.

**DND Review:**

DND shall review the status of each property listed on the Property Affidavit to determine if any are abandoned, vacant or not in compliance with Inspectional Services Department Building Standards. Should DND determine that such conditions exist, an inquiry shall be made to the Applicant as to the reason for such status and the plans of the Applicant to remedy such conditions. If the Applicant is unwilling, unable, or does not provide DND with a timely, satisfactory plan to address such issues, DND shall declare the proposal non-qualifying.

DND shall also review the status of all outstanding loans the Applicant may have with DND. If any loans are in default, DND will assess the reason for the default and the Applicant's plan to remedy this condition. If the Applicant does not provide DND with a timely, satisfactory plan to address the loan default, DND shall declare the proposal non-qualifying.

**2. Creditworthiness**

The City of Boston reserves the right to deny funding to any applicant principal or partner whom it determines is not creditworthy and not bankable. In general, an applicant will be considered not creditworthy if (1) debt obligations are not current and/or (2) public filings (e.g. liens, judgments) are outstanding.

**3. Readiness To Proceed**

The applicant must be able to demonstrate an ability to close financing and start construction within 2 months of DND's commitment of funds.

**4. Compliance with Other Policies and Regulations**

The project must comply with the following Federal and City policies and regulations, as appropriate, which are further detailed in Section 8 "Appendices".

- Boston Resident Jobs Policy
- Federal Davis-Bacon Wage Requirements
- Section 3 of the Housing and Urban Development Act of 1968
- HUD Lead Hazard Control Program Requirements
- NSP Design Guidelines and Construction Monitoring Procedures
- Fair Housing and Affirmative Marketing
- Handicapped Accessibility Requirements
- Boston Living Wage First Source Hiring
- Uniform Relocation Act
- Tenant Notice and Protection Requirements of the American Recovery and Reinvestment Act of 2009 (bona fide tenants cannot be evicted except as provided by the ARRA).

**5. Completeness of Submission**

Only complete applications will be considered.

## **6. Section 8 Project-Based Assistance Program Regulatory Requirements**

If applying for Section 8 PBV, unless waived by the BHA because of the nature of the NSP project, the project must comply with the Section 8 PBV Regulatory Requirements, 24 CFR Part 983, as amended.

## **B. EVALUATION CRITERIA**

Evaluation of submitted proposals will be based on the developer's capacity, experience, readiness to proceed, the cost of the project, and the ability to access financing.

The following Evaluation Criteria will be used to evaluate the developer and the project:

### **1. Developer's Capacity and Experience**

The Applicant/Development Team must be able to demonstrate the technical and financial ability to complete the project. Prior successful experience in minor/moderate rehabilitation projects, from construction to sales or rental, is required. The track record of the developer and members of the development team will be considered individually and collectively. The applicant must be able to demonstrate an ability to successfully complete the tasks in the Development Schedule in Section 1.

### **2. Cost of the Product**

Proposals will be carefully evaluated as to budgeted cost for the scope of work proposed, and for their financial feasibility. **At Application, the developer will be required to demonstrate that the construction cost is based on a minimum of 3 bids from General Contractors.** As noted in Section 1, "NSP Process", in the "Pre-Application" stage, the developer must submit a draft Scope of Work for DND review, site visit, and approval. Three (3) bids are required based on the approved Scope of Work. The soft cost budget that is submitted in the application will be viewed as the final budget.

### **3. Developer's Financial Capacity to Design/Construct**

The applicant is required to demonstrate that financing is in place for acquisition and rehabilitation. Priority will be given to applications that have a Commitment Letter from a bank that indicates a willingness to fund the project, or evidence of self-financing. At a minimum, applications must have a strong Letter of Interest from a bank that outlines loan terms, the maximum loan to value that would be provided, and a timeline for issuing a commitment letter and closing of funds, assuming the applicant has met certain bank conditions.

### **4. Scope of Work**

Applicants are required to comply with the NSP Residential Design Standards provided in Section 8- "Appendices"

## SECTION 4

### MARKETING

For the Turnkey Ownership component, the applicant is responsible for all marketing and sales tasks, including Income Certifications, to determine income eligibility for all proposed buyers. The applicant must identify the marketing agent and outline the marketing plan for the project. Furthermore, as part of the sales outreach process, the applicant must be able to demonstrate that the new units have been affirmatively marketed, and a fair and open process for selecting the buyers is in place.

Where the selected developer has proposed sale to an owner-occupant, the conveyance documents will provide that, in the event that owner-occupant cannot be found, after reasonable marketing of said property (2 months from the Certificate of Completion) by the developer, the developer may, upon submission to, and written approval by DND of an interim rental plan, be permitted to rent the property on an interim basis until market conditions for owner-occupancy improve. The conveyance documents shall run with the land and be binding on the successors in interest of the selected developer. DND reserves the right to waive any requirement or restriction set forth in this RFP or conveyance documents, if such waiver is deemed appropriate by DND, in its sole discretion.

#### Affirmative Marketing and Buyer/Tenant Selection:

Developers of 5 or more units are required to submit an Affirmative Marketing and Buyer/Tenant Selection Plan to the Boston Fair Housing Commission (BFHC). The Plan must be approved by the BFHC prior to project closing.

#### Metrolist:

Developers are required to list the availability of ownership opportunities with BFHC Metrolist.

#### Key Marketing Criteria:

- Purchaser total household income (all household residents over 18 years of age) must not exceed 120% of the Area Median Income (see Appendix G).
- Rental units in Owner-Occupied properties must be to individuals with incomes at or below 120% of the Area Median Income.
- Must be an owner occupant for 10 or 15 years depending on the amount of NSP funding. Subsequent buyer would inherit remaining time period balance
- There is no 1<sup>st</sup> time homebuyer requirement
- Sale of units to create condominiums, or “flipping” of owner-occupied building to create condominiums, is not allowed
- Unit resale must be made to a homebuyer earning at or below 120% of AMI
- Purchaser cannot own other residential real estate. Purchasers that own commercial real estate - e.g. a shop owner- would be permitted

## SECTION 5

### FREQUENTLY ASKED QUESTIONS

(1) Definition of “blighted structure”, “abandoned” and “foreclosed” in context of state or local law.

Massachusetts General Laws (MGL) 121A and 121B provide guidance regarding the definitions of blighted structures. Consistent with those statutes, the City of Boston defines **blighted structures** for the purposes of NSP as a building that by reasonable determination displays physical deterioration rendering the building unfit for human habitation, obsolete or in need of major maintenance or repair or lacks ventilation, light or sanitation facilities contributing to a condition that is detrimental to safety, health, or morals.

A home or residential property is **abandoned** if either a) mortgage or tax payments are at least 90 days delinquent, or b) a code enforcement inspection has determined that the property is not habitable and the owner has taken no corrective actions within 90 days of notice of the deficiencies, or c) the property is subject to a court-ordered receivership or nuisance abatement related to abandonment pursuant to state or local law, or otherwise meets a state definition of an abandoned home or residential property.

A home or residential property has been **foreclosed** upon if any of the following conditions apply: a) the property’s current delinquency status is at least 60 days delinquent under the Mortgage Bankers of America delinquency calculation and the owner has been notified of this delinquency, OR b) the property owner is 90 days or more delinquent on tax payments, OR c) under state or local law, foreclosure proceedings have been initiated or completed, OR d) foreclosure proceedings have been completed and title has been transferred to an intermediary aggregator or servicer that is not an NSP grantee, subrecipient, contractor, developer, or end user.

(2) How should the number of NSP affordable units be calculated?

The NSP program requires that a project provide affordable units in proportion to the amount of NSP assistance that is provided. DND’s intent is to pro-rate the amount of NSP assistance based on the number of affordable units in the property. Generally, NSP assistance would be limited to one third of the TDC of acquiring and rehabilitating a triple-decker or half of the cost of rehabilitating a 2-family, so that only the homeowner’s unit would require income limits and long term affordability restrictions. To the extent NSP funding applies to an additional unit, the unit must be rented to a household at or below 120% AMI, and would be under the NSP affordability restriction.

(3) How will DND ensure continued affordability for NSP assisted housing?

For rental units assisted with NSP funds, the City will ensure long term affordability to households with incomes at or below 60% of AMI or 120% of AMI through the use of a deed

restriction (covenant) and a mortgage on the property following the same policies and procedures used in the City's HOME-funded Rental Housing Development Program, generally for 30 plus 20 years.

For homeownership properties, DND will require that for a 10 or 15 year period, depending on the amount of NSP funding, the properties can only be sold to a household with an income below 120% of AMI and that the household occupy the property as their primary residence. As a result of our experience with the frequent failures of triple-decker condominium associations, owners will be prohibited from converting NSP assisted properties to condominiums. These requirements will be enforced through a covenant and secured by Conditional Grant Agreement and mortgage on the property. We do not plan to restrict the resale price because the market prices in the areas targeted for our NSP program are already substantially below what a household with an income at 120% of AMI can afford.

(4) Is NSP funding available to individual condo owners in 3 families?

NSP funding will support an owner-occupant or rental and Supportive Housing scenario. Two-family or triple-decker condos are not eligible.

(5) Is there a 1st time purchaser requirement?

There is no 1<sup>st</sup> time purchaser requirement. The purchaser would have to have a total household income (for all occupants over 18 years of age) less than 120% of Area Median Income.

(6) Will a developer be able to redevelop a property as ownership or rental?

DND's priority is homeownership, but we would consider short-term or long-term alternatives where current market conditions make homeownership infeasible. The applicant would need to provide budget and financial projections for both an ownership and rental scenario for DND to consider.

(7) What financial support is available to promote Supportive Housing and rents being affordable to households and family below 30% and 50% of AMI?

DND, working with the BHA, will provide PBA's to eligible projects and will consider deeper levels of development subsidy, if necessary, to make projects financially viable at 30% and 50% of AMI.

(8) Is gut rehabilitation or demolition permitted?

DND anticipates that NSP projects will consist of primarily one to three family dwellings in need of minimal renovation which can be completed in a timely manner. NSP Residential Standards have been established (see Appendix) for one to three family residential dwellings in need of minor repair or replacement of building elements or systems. These guidelines are targeted toward residential dwellings, which due to neglect, long-term vacancy, or age of the buildings have fallen into general disrepair. Developers are to provide needed upgrades and refurbishing of the existing dwellings in order to return them to service and make these units competitively

marketable for homeownership or rental. Developers are to prioritize rehabilitation that **does not** require relocation or removal of interior walls. NSP projects are **not** to involve extensive structural work, nor work which impacts the structural framing or assembly of the existing building. *Extensive or gut renovation projects are not the priority of the NSP. Demolition is not permitted.*

## SECTION 6

### SUBMISSION REQUIREMENTS AND REQUIRED FORMS

Applicants are required to submit the following information in their submission package. One (1) original and two (2) copies of the following general submission requirements must be submitted. Applications must be typed, bound in a three ring binder, and properly tabbed.

- Application Checklist. Complete the attached application checklist. Please arrange the submission requirements in the same order as the checklist.
- Project Summary Form.
- Developer's Affidavit. Complete and sign Developer's Affidavit
- Disclosure of Property Owned. Complete and sign the Applicant's Disclosure of Property Owned.
- Project Narrative. Applicants must submit a brief narrative of the project and the specific funding request. This narrative is intended to give applicants the opportunity to present any information or explanation that is not captured by the Development Budget/Proforma.
- Scope of Work. Include DND approved Scope of Work submitted and approved during the "Pre-Application" stage.
- Construction Cost. Applicants must demonstrate that the construction cost is based on a minimum of 3 bids from General Contractors. Include a summary of each bid. Include attached Hard Cost Budget.
- Development Budget/Proforma. Applicants are required to fill out all sections of the DND supplied Development Budget/Proforma. DND will accept only the version supplied as part of this Applicant Packet.

PDF Version: [http://www.cityofboston.gov/dnd/pdfs/NSP\\_Proforma.pdf](http://www.cityofboston.gov/dnd/pdfs/NSP_Proforma.pdf)

Excel Version: [http://www.cityofboston.gov/dnd/pdfs/NSP\\_Proforma.xls](http://www.cityofboston.gov/dnd/pdfs/NSP_Proforma.xls)

- Historic Building or Historic Neighborhood. For projects that involve a historic building or are in an historic district, and where the exterior will be modified, an 8 ½ by 11 plan and work narrative is required.
- Green Narrative. Applicants must submit a brief narrative to outline the appropriate sustainable design and green building strategies incorporated into the rehabilitation.
- Section 8 Comparable Rent Information. For projects requesting PBVs, provide three (3) comparable market rents for each type of unit for which assistance is requested. For each

comparable provide monthly rent (indicate whether utilities are included) address, number of bedrooms, amenities, and contact (owner or broker) with phone number.

- Service Plan. For PBV assisted projects, provide a plan that describes family, economic development and other supportive services that will be provided to residents of the project. The project must also demonstrate strong referral and service relationships with area homeless or special needs service providers with the submission of linkage letters.
- Financing. Include a Commitment Letter or Letter of Interest from a bank that demonstrates financing is in place for acquisition and rehabilitation, or evidence of self-financing. Outline the exit strategy for bank loan take-out, including anticipated permanent take-out financing sources.
- Financial Statement. Applicants are required to submit their most recent audited financial statement. If these audited statements are more than 12 months old, applicants must also submit their most recent unaudited financial statements.
- Site Control. So long as the developer has complied with the “Pre-Application” process regarding P&S as outlined in Section 1, the developer may include a deed, Purchase and Sales or option to purchase agreement. Appraisal of the property is required.
- Marketing. Include a summary of the sales outreach process that demonstrates that the new units will be affirmatively marketed, and a fair and open process for selecting the buyers is in place.
- Resumes. Attach resumes for all development team members. Outline the qualifications and experience of the general contractor and management company, as appropriate. In addition, the developer’s resume must list all current projects and future projects expected to be undertaken in the next 6 months.

## SECTION 7

### APPLICATION CHECKLIST

#### **General Submission Requirements** (one (1) original and two (2) copies required)

- o Cover Letter
- o Project Summary
- o Project Narrative
- o Application Checklist
- o Developer's Affidavit
- o Conflict of Interest Affidavit
- o Applicant's Disclosure of Property Owned
- o Disclosure Statement
- o Beneficial Interest Statement
- o Scope of Work
- o DND Development Budget Proforma
- o Construction Cost Estimate Worksheet
- o Historic Building or Historic Neighborhood- plan and narrative, if applicable
- o Green Narrative
- o Commitment Letter or Letter of Interest from a bank or Evidence of Self Financing
- o Evidence of Site Control (P&S, Deed, Offer to Purchase) with Appraisal
- o Resumes of Development Team
- o Marketing and Sales Approach Summary
- o Living Wage Forms

## **SECTION 8**

### **APPENDICES**

- a. Project Summary Form
- b. Applicant's Disclosure of Property Owned
- c. Affidavit of Eligibility
- d. Conflict of Interest Affidavit
- e. Disclosure Statement
- f. Beneficial Interest Statement
- g. Affordability Income and Monthly Rent Limits
- h. Neighborhood Stabilization Program (NSP) Residential Design Standards
- i. Construction Cost Estimate Worksheet
- j. DND Policies and Regulations
- k. NSP Neighborhood Map
- l. Lead Hazard Control Program Fact Sheet
- m. Living Wage Forms- B1, B2, B3, 10A (if applicable)
- n. Model Voluntary Acquisition Letter
- o. Model Seller's Occupancy Certification Letter

**APPENDIX A**

**Project Summary**

Project Name: \_\_\_\_\_

Project Street Address(es): \_\_\_\_\_

Developer: \_\_\_\_\_

Project Description: \_\_\_\_\_

**A. Housing Type: (check one)**

Rental \_\_\_\_\_

Homeownership \_\_\_\_\_

Cooperative \_\_\_\_\_

Supportive Housing \_\_\_\_\_

Other \_\_\_\_\_

Number of Buildings \_\_\_\_\_

Average number of BRs per unit \_\_\_\_\_

**B. Unit Mix:**

Low Income				Moderate Income 61 – 80% (B)	Middle Income 81% - 110% (C)	Market Rate (D)	Total Units (F) (A+B+C+D=F)
<30% AMI (1)	<50% AMI (2)	Other < 60% AMI (3)	Total Low Income (A)  1+2+3=A)				

**If anticipate applying to BHA for PBV units, please note below which of the previous summary will be BHA Replacement Housing Factor (ACC) units.**

<30% AMI (1)	<50% AMI (2)	Other < 60% AMI (3)	Moderate 61-80% AMI (4)

**Number of Homeless Set-Aside Units:** \_\_\_\_\_

**C. Financing:**

TDC	TDC/Unit	City Subsidy				Total State Subsidy
		NSP	Lead	Green (PV)	Total City Subsidy	

State subsidies include HOME, HSF, HIF, AHTF, FCF and CIPF. Will this project utilize Davis-Bacon wage rates? Yes \_\_\_\_\_ No \_\_\_\_\_

**APPENDIX B**

**APPLICANT'S DISCLOSURE OF PROPERTY OWNED**

**City of Boston – Department of Neighborhood Development  
Property Affidavit**

Instructions: List all City of Boston properties currently owned, or previously foreclosed upon for failure to pay real estate taxes or other indebtedness, by the applicant or by any other legal entity in which the applicant has had or now has an ownership or beneficial interest. For any additional properties that do not fit on this form, attach a spreadsheet. (Do not use another loops form. Only one signature page should be submitted.) **Entries in this form should be typewritten.**

Applicant: \_\_\_\_\_

List Addresses of Boston Properties Owned:	WARD	PARCEL	SUB-PARCEL
(Additional properties are identified on attached spreadsheet.)			
Boston Properties Previously Foreclosed Upon by COB:			

I declare under penalties of perjury that the foregoing representations are true, accurate, complete and correct in all respects.

Print Name \_\_\_\_\_ Authorized Representative's Signature \_\_\_\_\_ Date \_\_\_\_\_  
 Applicant Contact (if different from above) \_\_\_\_\_ Telephone Number \_\_\_\_\_

**OFFICIAL USE ONLY:** Delinquency Reported (If Y Include Amount):

Boston Water & Sewer Commission Y \$ \_\_\_\_\_ N

Signature & Date: \_\_\_\_\_

Notes: \_\_\_\_\_

Dept. of Neighborhood Development Y \$ \_\_\_\_\_ N

Signature & Date: \_\_\_\_\_

Notes: \_\_\_\_\_

Inspectional Services Department Y \$ \_\_\_\_\_ N

Signature & Date: \_\_\_\_\_

Notes: \_\_\_\_\_

Treasury Department Y \$ \_\_\_\_\_ N

Signature & Date: \_\_\_\_\_

Notes: \_\_\_\_\_

DND Contact, Division, & Project \_\_\_\_\_

**APPENDIX C**

**AFFIDAVIT OF ELIGIBILITY**

Developer's Name: \_\_\_\_\_

Any person submitting an application for under this RFP must truthfully complete this Affidavit and submit it with their application.

1. Do any of the principals owe the City of Boston any monies for incurred real estate? taxes, rents, water and sewer charges or other indebtedness?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Are any of the principals employed by the City of Boston? If so, in what capacity? (Please include name of principal, name of agency or department, and position held in that agency or department).

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

3. Were any of the principals ever the owners of any property upon which the City of Boston foreclosed for his/her failure to pay real estate taxes or other indebtedness?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

5. Have any of the principals ever been convicted of any arson-related crimes, or currently under indictment for any such crime?

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

6. Have any of the principals been convicted of violating any law, code, statute or ordinance regarding conditions of human habitation within the last three (3) years?

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Signed under the pains and penalties of perjury this

\_\_\_\_\_ day of \_\_\_\_\_, 20 \_\_\_\_

SIGNATURE: \_\_\_\_\_

TITLE: \_\_\_\_\_

ORGANIZATION: \_\_\_\_\_

ADDRESS: \_\_\_\_\_

**APPENDIX D**

**Conflict of Interest Affidavit**

The undersigned hereby certifies, under the pains and penalties of perjury, that neither they, nor those with whom they have business ties, nor any immediate family member of the undersigned, is currently or has been within the past twelve months, an employee, agent, consultant, officer or elected or appointed official of the City of Boston Department of Neighborhood Development. For purposes of this affidavit "immediate family member" shall include parents, spouse, siblings, or children, irrespective of their place of residence.

I declare under penalties of perjury that the foregoing representations are true, correct, accurate, complete and correct in all respects.

WITNESS:

BORROWER:

\_\_\_\_\_

\_\_\_\_\_

THE COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

\_\_\_\_\_ 20\_\_

Then personally appeared the above named \_\_\_\_\_, (title) of (organization) and executed the foregoing instrument and acknowledged the foregoing instrument to be (his/her) free act and deed as (title) aforesaid and the free act and deed of (organization), before me.

\_\_\_\_\_  
Name:  
Notary Public

My Commission Expires:

**APPENDIX E**  
**DISCLOSURE STATEMENT**

In compliance with Chapter 60, Section 77B of the Massachusetts General Laws as amended by Chapter 803 of the Acts of 1985, I hereby Certify, that I have never been convicted of a crime involving the willful and malicious setting of a fire or of a crime involving the aiding, counseling. Or procuring of a willful and malicious setting of a fire, or of a crime involving the fraudulent filling of a claim for fire insurance; nor am I delinquent in the payment of real estate taxes in the City of Boston, or being delinquent, an application for the abatement of such taxes is pending or a pending petition before the appellate tax board has been filed in good faith.

This statement is made under the pains and penalties of perjury this \_\_\_\_\_ day of 20\_\_.

---

Applicant (Signature) & Title

---

Co-Applicant (Signature)

---

Co-Applicant (Signature)

**APPENDIX F**

**BENEFICIAL INTEREST STATEMENT**

**WHEREAS**, the undersigned intends to enter into an agreement to purchase real property situated at

\_\_\_\_\_, (street address), \_\_\_\_\_, (neighborhood)

MA, from the City of Boston, I hereby certify pursuant to Section 40J of Chapter 7 of M.G.L. that the following are the true names and address of all persons who have or will have a direct or indirect beneficial interest in said property.

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

This statement is made under the pain and penalties of perjury this, the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Applicant (Signature) & Title

\_\_\_\_\_  
Co-Applicant (Signature)

\_\_\_\_\_  
Co-Applicant (Signature)

## APPENDIX G

### AFFORDABILITY INCOME AND MONTHLY RENT LIMITS

#### HUD Income Limits - Calendar 2010

Household Size	(2) 30% of median income	(2) 50% of median income	(1) 60% of median income	(2) CDBG Moderate Income: 80% of median income	80% of median income	95% of median income	100% of median income	110% of median income	120% of median income	(3) Inclusionary 80% Ownership limits	(3) Inclusionary 100% Ownership limits	(3) Inclusionary Rental limits
1 person	19,300	32,150	38,580	45,100	51,400	61,050	64,250	70,700	77,100	51,400	64,250	45,000
2 persons	22,050	36,750	44,100	51,550	58,750	69,750	73,450	80,800	88,150	58,750	73,450	51,400
3 persons	24,800	41,350	49,620	58,000	66,100	78,500	82,600	90,900	99,150	66,100	82,600	57,850
4 persons	27,550	45,900	55,080	64,400	73,450	87,200	91,800	101,000	110,150	73,450	91,800	64,250
5 persons	29,800	49,600	59,520	69,600	79,300	94,200	99,150	109,050	118,950	79,300	99,150	69,400
6 persons	32,000	53,250	63,900	74,750	85,200	101,150	106,500	117,150	127,800	85,200	106,500	74,550
7 persons	34,200	56,950	68,340	79,900	91,050	108,150	113,850	125,200	136,600	91,050	113,850	79,700
8 persons	36,400	60,600	72,720	85,050	96,950	115,100	121,200	133,300	145,400	96,950	121,200	84,800

(1) Issued by HUD April 2010, and calculated in accordance with the IRS guidelines for consistency with HOME & LIHTC Programs

(2) Income limits provided by HUD - May 14, 2010. The Median Income for for the Boston Mero FMR Area has increased to 91,800. The FY 2010 estimates take advantage of the 2008 ACS 3 yr data published by the Census.

(3) Incomes set by the BRA for FFY 2010

#### Monthly Rent Limits

Bedroom Size	Homeless Set-Aside (30% of median)	(1) Low HOME (50% of median)	(1) High HOME (65% of median)	LIHTC (50% of median)	LIHTC (60% of median)	(2) CDBG (50% of median)	(2) CDBG (80% of median)	(3) Section 8 FMR	(4) Section 8 110% of FMR	(5) Inclusionary Rent Limits	(6) Maximum Rent NSP Limits
SRO	362	602	769			603	846	812	893		
0 BR/Eff.	483	803	1,025	804	964	804	1,128	1,083	1,191	1,046	1,927
1-BR	517	861	1,099	861	1,034	804 - 919	1,128 - 1,289	1,149	1,264	1,162	2,066
2-BR	620	1,033	1,321	1,033	1,240	919 - 1,148	1,289 - 1,610	1,349	1,484	1,327	2,479
3-BR	717	1,193	1,517	1,194	1,433	1,034 - 1,331	1,450 - 1,869	1,613	1,774	1,494	2,863
4-BR	800	1,331	1,673	1,331	1,598	1,240 - 1,515	1,610 - 2,126	1,773	1,950	1,659	3,194
5-BR	883	1,469	1,827	1,469	1,763	1,331 - 1,515	1,998 - 2,126	2,038	2,242	1,792	3,526
6-BR	910	1,606	1,982	-	-	1365+	2184+	2,304	2,534	1,925	3,854

(1) As issued by HUD April '10, effective June 26, 2010

(2) As issued by City of Boston affordable rent statement

(3) FFY 11 FMR as issued by HUD 9/30/10 and effective 10/1/09

(4) Currently the BHA utilizes 100% FMR rent levels

(5) as set by BRA dated 2010

(6) Maximum NSP Rents at 120% AMI

#### Utility Allowance - BHA Leased Housing Division, Effective 3/1/10

		SRO/0 BR	1BR	2BR	3BR	4BR	5BR	6+BR
Gas	Single Family	64	86	103	130	147	171	197
	Duplex, 3 Decker	58	75	100	124	145	165	190
	Garden, Row/Townhouse	48	64	87	109	132	153	176
	Elevator/Highrise	50	57	67	81	92	115	132
Oil	Single Family	91	124	148	187	211	246	283
	Duplex, 3 Decker	84	108	143	178	208	237	272
	Garden, Row/Townhouse	69	92	125	156	189	220	253
	Elevator/Highrise							
Electric	Single Family	55	74	89	112	127	148	170
	Duplex, 3 Decker	50	65	56	107	125	142	163
	Garden, Row/Townhouse	42	55	75	94	113	132	152
	Elevator/Highrise	38	47	57	70	87	101	117
Water	Gas	11	15	20	24	30	33	38
	Oil	15	19	25	32	39	42	49
	Electric	13	16	22	27	34	36	42
	Single Family	41	60	78	101	115	134	151
Use	Duplex, 3 Decker	41	60	78	101	115	134	151
	Garden, Row/Townhouse	41	60	78	101	115	134	151
	Elevator/Highrise	41	60	78	101	115	134	151
	Gas Oven	9	12	15	19	24	26	29
Cooking	Electric Oven	8	10	13	16	20	21	25
	Refrigerator	4	4	4	5	5	6	6
Range	Refrigerator	4	4	4	5	5	6	6
	Range	3	3	4	4	4	4	4

#### Inclusionary Development Price Limits 2010

BRA	80% AMI	100% AMI	0 BR	1 BR	2 BR	3 BR	4BR
			\$151,600	\$172,800	\$194,000	\$215,300	\$236,500
			\$194,000	\$222,100	\$250,500	\$278,700	\$307,000

#### HOME Purchase Price/Value Limits (as of 4/15/10)

	1 Living Unit	2 Living Unit	3 Living Unit	4 Living Unit	Last Updated
Suffolk	290,700	372,159	449,853	559,057	4/15/2010

#### Home Per Unit Subsidy Caps: Based on High Cost % effective 1/1/10

	0 BR & SRO's	1 BR Units	2 BR Units	3 BR Units	4+ BR Units
Boston	\$134,622	\$155,218	\$187,196	\$239,617	\$266,941

**APPENDIX H**  
**NSP RESIDENTIAL DESIGN STANDARDS**



**Department of Neighborhood Development**  
Neighborhood Housing Development Division

*Design, Construction and Open Space Unit*

NEIGHBORHOOD STABILIZATION PROGRAM (NSP)  
RESIDENTIAL DESIGN STANDARDS

## INTRODUCTION

The scope of these design guidelines have been developed to address the moderate renovation projects proposed within the Foreclosure Intervention Team (or FIT) areas that seek Neighborhood Stabilization Program (NSP) funding. DND anticipates that these project areas consist of primarily one to three family dwellings in need of minimal renovation which can be completed in a timely manner.

DND has developed these design standards to ensure that all projects seeking NSP funding conform to current applicable regulations, and promote cost effective, environmentally responsible, quality design. For each project reviewed by DND the goal is to achieve the highest quality product within the cost constraints of the program.

**The goal of NSP Residential Design Standards is to encourage the preservation of residential dwellings which:**

- *Serve an identified need for housing & community development*
- *Stabilize the condition of existing dwellings*
- *Use interior and exterior space to enhance the quality of life of the residents and neighbors*
- *Results in cost effective construction*
- *Results in low maintenance costs and energy efficiency for renters and homeowners.*
- *Minimizes environmental impact on City infrastructure and promotes public health.*
- *Minimizes environmental impact at the regional, national, and global level by reducing green house gas emissions and water use*

## MODERATE REHABILITATION

The NSP Residential Standards are moderate rehabilitation guidelines developed for one to three family residential dwellings in need of minor repair or replacement of building elements or systems. These guidelines are targeted toward residential dwellings, which due to neglect, long-term vacancy or age of the buildings have fallen into general disrepair. Developers are to provide needed upgrades and refurbishing of the existing dwellings in order to return them to service and make these units competitively marketable for homeownership or rental. Developers are to prioritize rehabilitation that **does not** require relocation or removal of interior walls. NSP projects are **not** to involve extensive structural work nor work which impacts the structural framing or assembly of the existing building. ***Extensive or gut renovation projects are not the priority of the Neighborhood Stabilization Program.*** If extensive renovation is required of a property, all portions of the project will be subject to the provisions of the new construction and renovation design standards. Such projects should seek assistance through DND's Request for Proposals funding rounds.

### ***Stabilization***

Many foreclosed or abandoned properties will have signs of distress and neglect. An important focus will be to prioritize rehabilitation measures that stabilize the underlying physical integrity of the building, address life safety, egress and fire protection code compliance, and consider the long term maintenance & operational costs through the integration of energy efficiency, green building and sustainability measures outlined within these guidelines.

The following outline is meant to illustrate DND's priorities for NSP funded projects. These include:

### **A. Structural Integrity**

- a.** Improvement of the Building Enclosure and Exterior Elevations – Exterior elevations are to have details of quality and dimension equal to or better than existing buildings in buildings in the neighborhood. Every effort is to be made to preserve or replicate the architectural detailing. Damaged exterior details can be rebuilt or replaced. The Design of new exterior details is to carefully consider function, material quality, durability and future maintenance.
  - i.** Window & Door Replacement
  - ii.** Repair & Replacement of exterior siding and trim
  - iii.** Air sealing, rain/ground water runoff, and drainage control
- b.** An initial assessment roof to determine the useful life of the roof and the need for minor repair or partial replacement.
- c.** Minor repair of building structure and/or foundation due to fire or water damage, vandalism, long term neglect or age of the structure. Measures are to undertaken to prevent future degradation of the building structure, as required.
- d.** Seismic and other structural upgrades required by code

### **B. Life Safety, Egress, and Fire Protection code compliance**

- a.** Massachusetts Building and other code review.
- b.** Accessibility (as required)

### **C. Hazardous Materials & De-Leading**

- a.** Remove and properly dispose of Hazardous Materials
- b.** De-leading as necessary in accordance with federal standards (Title X)

## ***Sustainable Design & Green Building Practices***

Sustainable design and green building strategies are to be incorporated into the rehabilitation of NSP projects. Projects must utilize LEED for Homes, Energy Star and Healthy Homes construction & material guidelines. At minimum, renovations and improvements proposed must meet applicable parts of these sustainability measures.

### **LEED for Homes & Energy Star**

Every effort is to be made to implement sustainability methods, which reduce the annual cost of heating, electricity and water consumption within the renovated residence. LEED for Homes and ENERGY STAR for Homes are to be used to determine deficiencies in the energy performance, indoor air quality, thermal performance and water consumption of the existing residence.

Energy efficiency upgrades to the thermal moisture protection and insulation (r-values) are to be implemented using the Energy Star for Qualified Homes Thermal by-pass checklist as a guide. DND will strongly encourage full Energy Star certification whenever the interior wall finishes along the exterior wall or roof assembly are completely exposed during the renovation. Buildings are to meet the National Five Star efficiency performance standard of 85 or lower on the HERS index. All procedures used for this Five Star rating are to comply with the National Home Energy Rating System (HERS) guidelines. The use of cellulose or high r-value insulation systems is strongly

encouraged. Energy Star lighting, appliances, mechanical equipment, etc. are to be used where appropriate.

#### **D. Energy Efficiency, Ventilation, and Mechanical systems**

- a. Thermal moisture protection
- b. Insulation R-values
- c. Ventilation – Indoor Air Quality
- d. Mechanical Systems Performance – Heating and Cooling, Electrical, Plumbing, Security, etc.
- e. Low Flow fixtures and other water conservation measures
- f. Energy efficient Lighting and Appliances

#### **Healthy Homes**

DND is committed to reducing the impact of respiratory ailments such as asthma on families residing in units funded by the City of Boston. Methods and materials are to be used that will minimize building conditions known to trigger asthma and respiratory problems for the occupants. Measures are to be taken to keep the interior environment of the dwellings dry, clean, well ventilated, safe, free of contaminants, pest free and well maintained.

#### **E. Interior Quality**

- a. Use of Durable and sustainable interior finishes
- b. Use of Low or No VOC materials

#### **Preservation of Openspace**

Landscaping is to compliment the building and maximize the use of open space. All new planting is to be allergy reducing. Landscaping is to be compatible with the neighborhood, provide an important visual amenity to the residents and provide adequate dedicated space for children to play. Existing mature and healthy trees will be preserved wherever possible. Existing rows of trees along a street are to be maintained. In addition the landscape elements are to be designed to reduce the heat island effect, assist in storm water management of the site and reduce the overall irrigation water demand and water budget. Portions of the lot located on a steep slope are to control erosion and reduce the long-term effects of runoff through the use of terracing and retaining walls.

**APPENDIX I**

**CONSTRUCTION COST ESTIMATE WORKSHEET**

**Department of Neighborhood Development  
Neighborhood Stabilization Program  
Preliminary Cost Estimate**

**Must attach a detailed narrative explaining work to be performed, and product names, for each cost item listed**

**Property Address:** \_\_\_\_\_

**Neighborhood:** \_\_\_\_\_

**Company Name:** \_\_\_\_\_ **Contact:** \_\_\_\_\_ **Phone #:** \_\_\_\_\_

**Type of property:**  1 family  2 family  3+ family  Condo  Other \_\_\_\_\_

Type of Improvements	Repair/ New	Qty	Cost \$	Type of Improvements	Repair/ New	Qty	Cost \$
	R or N				R or N		
<b>General:</b>				<b>Heating:</b>			
Permits				Boiler / Furnace			
Demolition				Duct Work			
Trash Removal				Baseboard Fin Tube			
Lead Abatement				Radiator			
<u>Asbestos Abatement</u>				Hot Water Tank/Heat			
<b>Exterior:</b>				<b>Air Conditioning:</b>			
Chimney				Central Air			
Roof				Wall Units			
Gutters				Window Units			
Down Spouts							
Siding							
Trim				<b>Electrical:</b>			
Windows				Service			
Paint				Panel			
Bulkhead				Outlets			
Front Porches				Switches			
Back Porches				Light Fixtures			
Walkways				Wiring			
Stairs Front / Back				Cable			
				Doorbells			
<b>Lawn &amp; Grounds:</b>				Telephone			
Tree Trimming				Equipment Wiring			
Fences / Gates				Miscellaneous			
Driveways							
Landscaping							
Retaining Walls							
				<b>Plumbing:</b>			
<b>Basement:</b>				Main Water Line			
Stairs				Main Sewer Line			
Foundation				Main Gas Line			
Structural Framing				Water Pipe Hot / Cold			
Sump Pump				Sewer Pipe / Stacks			
Lally Columns				Gas Pipe			
				Washer / Dry Hook up			
				Miscellaneous			

**Preliminary Cost Estimate cont.**

<b>Type of Improvements</b>	<b>Repair/ New</b>	Qty	Cost \$	Type of Improvements	<b>Repair/ New</b>	Qty	Cost \$
	R or N				R or N		
<b>Kitchen:</b>				<b>Bathroom:</b>			
Cabinets / Knobs				Sink			
Countertop / B-splash				Countertop			
Sink				Vanity			
Disposal				Mirror / Med. Cabinet			
Stove / Range				Toilet & Seat			
Exhaust Fan/Hood				Tower Bar			
Dishwasher				Soap & T.P. Holder			
Refrigerator				Grab Bars			
Back				Tub / Shower			
Total Gut				Shower Rod			
				Energy Star Fan			
<b>Flooring:</b>				Total Gut			
Carpeting							
Hard Wood				<b>Wall:</b>			
Tile				Masonry			
VCT				Brick			
Refinish Wood Floor				Drywall			
Stair Treads							
				<b>Gen Carpentry:</b>			
<b>Insulation:</b>				Wall Framing			
Attic				Floor Joist			
Walls				Roof Rafters			
Pipe and Duct Work				Stairs			
Basement Ceiling				Hand Rail			
Acoustic				Guard Rail			
				Sheathing			
<b>Life Safety Systems:</b>				Sills			
Smoke Detectors				Sub Flooring			
Carbon Detectors				Heavy Timber			
Fire Alarm				Handicap Ramp			
Sprinkler System							
Fire Escape				<b>Subtotal:</b>			<b>\$</b>
Emergency Lights				Overhead & Profit	%		\$
Heat Detectors				<b>Grand Total:</b>			<b>\$</b>
Child Guards							
Other							

**Must attach a detailed narrative explaining work to be performed, and product names, for each cost item listed**

## **APPENDIX J**

### **DND POLICIES AND REGULATIONS**

#### **DND POLICIES AND REGULATIONS**

The following policies and regulations are needed in the preparation of your proposal. It is not a comprehensive list of federal, state, and city regulations that govern City-funded projects.

#### **1. Boston Resident Jobs Policy as established by Chapter 30 of the Ordinance of 1983**

The Boston Resident Policy requires the developer to ensure the following standards are met:

- At least fifty (50) percent of the total employee worker hours in each trade shall be by bona-fide Boston Residents;
- At least twenty-five (25) percent of the total employee worker hours in each trade shall be by minorities; and
- At least ten (10) percent of the total employee worker hours in each trade shall be by women.

The Office of Boston Residents Jobs Policy can provide guidance regarding compliance and “best faith efforts.” They may be reached at 617-918-5200.

#### **2. Davis-Bacon Act Requirements**

Developers should assume that wage rates would emulate existing federal regulations governing wage and labor standards. NSP requires that Davis-Bacon wages will apply if the application includes 8 or more units. The developer would be required to pay wages and benefits that “prevail” in the locality where the work is performed.

#### **3. Section 3 of the Housing and Urban Development Act of 1968**

All projects receiving federal funds in excess of \$200,000 are subject to Section 3. Section 3 requires contracting and employment opportunities, to the greatest extent feasible, be given to low and very low-income persons and to businesses which provide economic opportunities for those persons. Section 3 does not require the creation of opportunity, but rather that when opportunities do arise, they be directed to Section 3 residents or businesses.

#### **4. Design Review and Construction Monitoring**

Applicants are required to comply with NSP Residential Design Standards included herein. DND design review and construction monitoring procedures.

#### **5. Fair Housing and Affirmative Marketing**

All housing projects are subject to Fair Housing laws. For projects of five (5) or more units, Developer will submit an affirmative marketing plan to the Boston Fair Housing Commission for approval prior to loan closing. The Developer will be required to participate in the implementation of the plan by executing P&S agreements, deeds, and other documents that will be necessary to convey the completed properties to buyers selected through the marketing plan.

## **6. Handicapped Accessibility Requirements**

All projects are subject to the following regulations and laws governing accessibility:

- Boston Zoning Code (latest edition)
- Rules and Regulations of the Architectural Access Board (Massachusetts latest edition)
- Massachusetts Fair Housing Law, Chapter 722 Massachusetts Adaptability Statute
- Section 504 of the Federal Rehabilitation Act of 1973
- Federal Fair Housing Amendments Act of 1988

## **7. Boston Jobs and Living Wage Ordinance**

In accordance with The Boston Jobs and Living Wage Ordinance, and the provisions of the promulgated Regulations, any direct recipient (“Beneficiary”) of at least \$100,000 of Assistance as defined by any grant, loan, tax incentive, bond financing, subsidy, debt forgiveness, or other form of Assistance of \$100,000 or more realized by or through the authority or approval of the City of Boston, including, but not limited to Industrial Development Bonds, Community Development Block Grant (CDBG) loans and federal Enhanced Enterprise Community designations awarded after effective date of this Ordinance shall comply with the “First Source Hiring Agreement” provisions of said Ordinance.

The Ordinance requires that all proposal submissions must include a completed “ Beneficiary Affidavit” (Form B-1). See Section IX for the following forms for Beneficiaries Assistance: B-2, B-3 and LW-10A.

## **8. Uniform Relocation Assistance (URA) and Tenant Notice Requirements**

Federal law mandates adherence by the City of Boston (DND) and therefore Applicants (sub-grantees) to the federal relocation statute and regulations, as well as policies, procedures and documentation requirements regarding temporary relocation or permanent displacement of residential or non-residential occupants in all HUD assisted programs and projects.

Section 104(d): Establishes requirements relative to the displacement of any lower income person as a result of demolition or the conversion of low/mod income housing to another use for a CDBG or HOME or certain other federally sponsored projects.

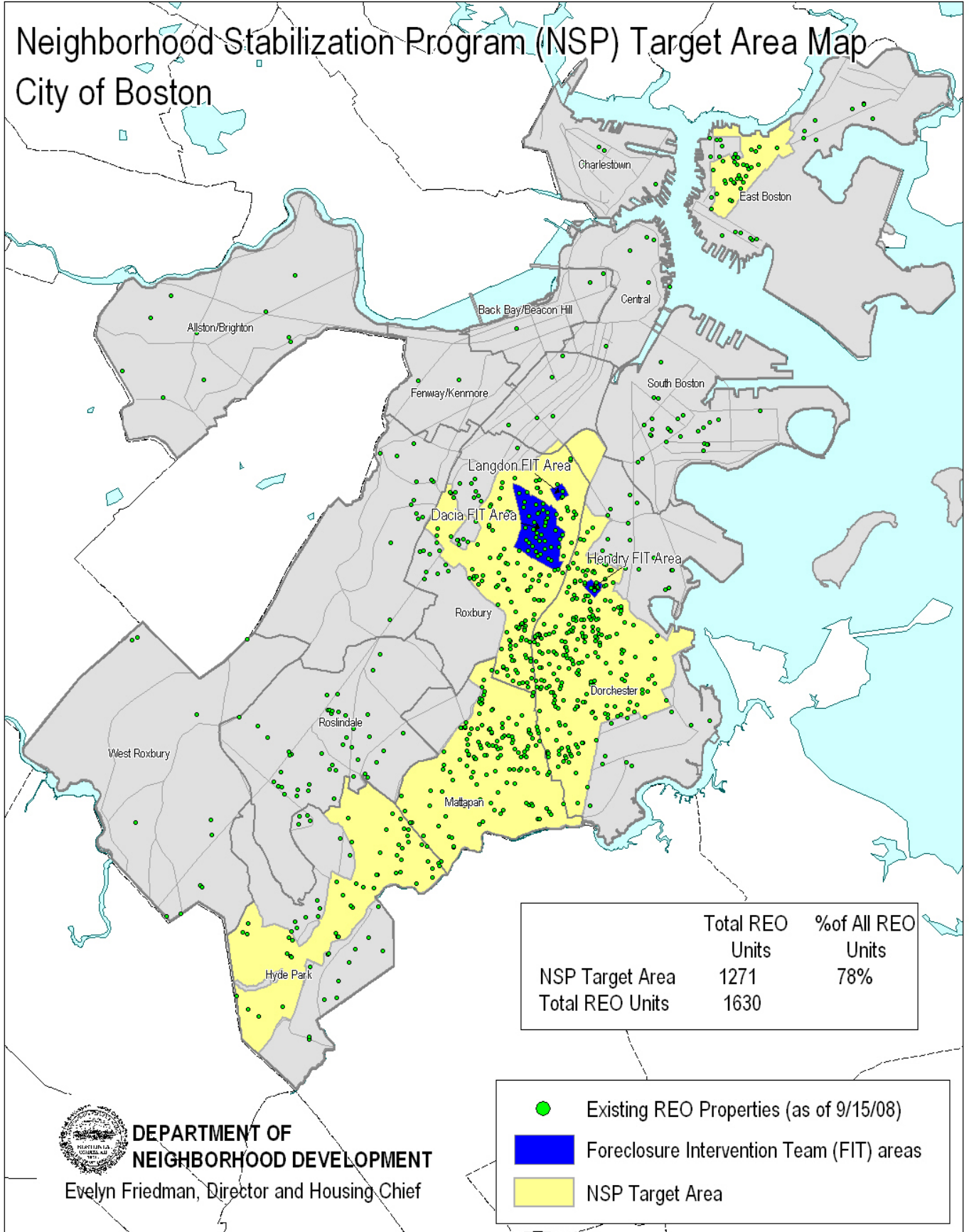
Details of the Neighborhood Housing Division Relocation policies and procedures are found in the NHD Policy “Greenbook.” The required forms and notices are available on CD ROM.

Tenant Notice and Protection Requirements of the American Recovery and Reinvestment Act of 2009 must be adhered to. Bona fide tenants cannot be evicted except as provided by the ARRA.

# APPENDIX K

## NSP NEIGHBORHOOD MAP

### Neighborhood Stabilization Program (NSP) Target Area Map City of Boston



**DEPARTMENT OF NEIGHBORHOOD DEVELOPMENT**  
Evelyn Friedman, Director and Housing Chief

## APPENDIX L

### **HUD Neighborhood Stabilization Program HUD Lead Hazard Control Program Co-funding Fact Sheet**

#### **Lead Funding Requirements:**

##### **Eligible Properties:**

- Non-publicly owned housing built before 1978 with identified lead hazards
- Tenant-based Section 8 housing **IS** eligible
- Project-based Section 8 housing **IS NOT** eligible

##### **Owner Occupied Unit:**

- Household income up to 80% median
- Identified child under 6 living in unit *or* spending a significant amount of time there

##### **Rental Unit (s):**

- Household income: half of units in project up to 50% median and remainder up to 80%
- Rental priority to families with kids <6 for 3 years.

##### **Eligible Activities:**

- Lead paint inspections
- Temporary relocation
- Lead hazard control work
- Clearance dust-wipe testing

##### **Advantages:**

- A lasting health benefit for current and future unit occupants
- Helps DND meet HUD / NSP funding Lead Safe Housing Rule requirement
- Helps DND meet HUD / Lead program production goals
- Meets Section 8 compliance requirement for units housing children
- Normally covers costly window replacement in older properties

##### **Funding:**

- Conditional Grant / can be matched to NSP terms.

**APPENDIX M**

**BOSTON LIVING WAGE FORMS**



# CITY OF BOSTON JOBS AND LIVING WAGE ORDINANCE

THE LIVING WAGE DIVISION ● (617) 918-5259

## BENEFICIARY AFFIDAVIT

Any for-profit Beneficiary who employs at least 25 full-time equivalents (FTE) or any not-for-profit Beneficiary who employs at least 100 FTEs who has been awarded Assistance of \$100,000 or more from the City of Boston must comply with the **First Source Hiring Agreement** provisions of the Boston Jobs And Living Wage Ordinance.

*If you are submitting a Request for Proposal, Request for Qualification, or Invitation for Bid, or negotiating a loan, grant, or other financial Assistance that meets the above criteria, you must submit this Affidavit along with your proposal. If you believe that you are exempt from the First Source Hiring Agreement provisions of the Boston Jobs And Living Wage Ordinance, complete Section 4: Exemption: First Source Hiring Agreement provisions, or if you are requesting a General Waiver, please complete Section 5: General Waiver Reason(s).*

**IMPORTANT:** Please print in ink or type all required information. Assistance in completing this Form may be obtained by calling The Living Wage Administrator, The Living Wage Division of the Office Of Jobs And Community Services, telephone: (617) 918-5259, facsimile: (617) 918-5299.

### Part 1: BENEFICIARY OF ASSISTANCE INFORMATION:

Name of Beneficiary: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Address: \_\_\_\_\_  
Street City Zip

Telephone #: \_\_\_\_\_ Fax #: \_\_\_\_\_

E-Mail: \_\_\_\_\_

### Part 2: ASSISTANCE INFORMATION:

Name of the program or project under which the Assistance is being awarded:  
\_\_\_\_\_

Awarding Department: \_\_\_\_\_

Bid or Proposal Amount: \$ \_\_\_\_\_

Date Assistance Documents Executed: \_\_\_\_\_ Award End Date: \_\_\_\_\_

Duration of Award:  1 year  2 years  3 years  Other: \_\_\_\_\_ (years)

**PART 3: ADDITIONAL INFORMATION**

Please answer the following questions regarding your company or organization:

1. Your company or organization is: *check one*:

- For Profit
- Not For Profit

2. Total number of employees whom you employ: \_\_\_\_\_

3. Total number of employees who will be assigned to work on the above-stated Award: \_\_\_\_\_

4. Do you anticipate hiring any additional employees?

- Yes
- No

*If yes*, how many additional F.T.E.s do you plan to hire? \_\_\_\_\_

**PART 4: EXEMPTION FROM FIRST SOURCE HIRING AGREEMENT PROVISIONS OF THE BOSTON JOBS AND LIVING WAGE ORDINANCE**

Any Beneficiary who qualifies may request an Exemption from the First Source Hiring Agreement provisions of the Boston Jobs And Living Wage Ordinance by completing the following:

I hereby request an exemption from the First Source Hiring Agreement provisions of the Boston Jobs And Living Wage Ordinance for the following reason(s): Attach any pertinent documents to this Application to prove that you are exempt. Please check the appropriate box(es) below:

- The construction contract awarded by the City of Boston is subject to the state prevailing wage law; and
- Assistance awarded to youth programs, provided that the award is for stipends to youth in the program. "Youth Program" means any city, state, or federally funded program which employs youth, as defined by city, state, or federal guidelines, during the summer, or as part of a school to work program, or in other related seasonal or part-time program; and
- Assistance awarded to work-study or cooperative educational programs, provided that the Assistance is for stipends to students in the programs; and
- Assistance awarded to vendors who provide services to the City and are awarded to vendors who provide trainees a stipend or wage as part of a job training program and provides the trainees with additional services, which may include but are not limited to room and board, case management, and job readiness services, and provided further that the trainees do not replace current City funded positions.

Please give a full statement describing in detail the reasons you are exempt from the First Source Hiring Agreement provisions the Boston Jobs And Living Wage Ordinance (attach additional sheets if necessary):

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**PART 5. GENERAL WAIVER REASON(S)**

I hereby request a General Waiver from the First Source Hiring Agreement provisions of the Boston Jobs And Living Wage Ordinance. The application of the First Source Hiring Agreement provisions to my Assistance violates the following state or federal statutory, regulatory or constitutional provision or provisions.

State the specific state or federal statutory, regulatory or constitutional provision or provisions, which makes compliance with the First Source Hiring Agreement provisions unlawful:

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**GENERAL WAIVER ATTACHMENTS:**

Please attach a copy of the conflicting statutory, regulatory or constitutional provisions that makes compliance with this ordinance unlawful.

Please give a full statement describing in detail the reasons the specific state or federal statutory, regulatory or constitutional provision or provisions makes compliance with the First Source Hiring Agreement provisions unlawful (attach additional sheets if necessary):

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**PART 6: BENEFICIARY OF ASSISTANCE AFFIDAVIT:**

I, (print or type) \_\_\_\_\_, the Beneficiary, certify and swear/affirm that the information provided on this **Beneficiary Affidavit** is true and within my own personal knowledge and belief.

Signed under the pains and penalties of perjury.

SIGNATURE: \_\_\_\_\_ DATE: \_\_\_\_\_

TITLE: \_\_\_\_\_



# CITY OF BOSTON JOBS AND LIVING WAGE ORDINANCE

THE LIVING WAGE DIVISION • (617) 918-5259

## NOTICE TO BENEFICIARIES

### Requirements Of The Boston Jobs And Living Wage Ordinance

All City of Boston Departments awarding Assistance must provide Beneficiaries with a copy of this Notice.

**IMPORTANT NOTICE:** Beneficiaries are required to comply with the First Source Hiring Provisions of the Boston Jobs and Living Wage Ordinance. Beneficiaries are not required to comply with the Living Wage Provisions of the Ordinance.

1. **BENEFICIARIES:** Any for-profit employer who employs at least 25 full-time equivalents (FTE) or any not-for-profit employer who employs at least 100 FTEs who has been awarded Assistance of \$100,000 or more from the City of Boston must comply with the ***First Source Hiring Agreement Provisions*** of the Boston Jobs And Living Wage Ordinance. FTE is defined in the Living Wage Ordinance as a formula to calculate the number of employee work hours that equal one full-time position. For the purposes of this Ordinance, full-time shall mean the standard number of working hours, between 35 hours and 40 hours per week that is used by the Beneficiary to determine full time employment.
2. **DEFINITION OF ASSISTANCE:** Assistance shall mean any loan, grant, tax incentive, bond financing, subsidy, or other form of Assistance of \$100,000 or more realized by or through the authority or approval of the City of Boston, including, but not limited to Industrial Development Bonds, Community Development Block Grant (CDBG) loans and federal Enhanced Enterprise Community designations. Leases and subleases are not Assistance.
3. **BENEFICIARY AFFIDAVIT REQUIRED:** All Beneficiaries receiving an award from the City of Boston of \$100,000 or more, must file a **BENEFICIARY AFFIDAVIT, (FORM B-1)**, along with their submission to the Awarding Department.
4. **FIRST SOURCE HIRING AGREEMENT:** All Beneficiaries who are awarded Assistance from the City of Boston shall sign a ***First Source Hiring Agreement (Form B-3)*** with one or more Referral Agencies or One-Stop Career Centers.
5. **THE LIVING WAGE DIVISION:** The Living Wage Division of the Office of Jobs and Community Services is the agency responsible for overall implementation, compliance and enforcement of the Ordinance. They are located at 43 Hawkins Street, Boston, MA, 02114. If you need assistance or further information contact the Living Wage Administrator at (617) 918-5259; fax: (617) 918-5299.
6. **IMPORTANT TAX INFORMATION/EARNED INCOME CREDIT:** Certain employees who earn less than \$49,000 per year **may** be eligible for certain federal and/or state tax credits called ***EARNED INCOME CREDIT***. Your payroll clerk is required to keep on hand the appropriate Internal Revenue Service forms, (Federal Form W5), information and instructions in the event any of your employees requests assistance in this matter.



# CITY OF BOSTON JOBS AND LIVING WAGE ORDINANCE

THE LIVING WAGE DIVISION • (617) 918-5259

## FIRST SOURCE HIRING AGREEMENT Beneficiaries of Assistance

*Under the Boston Jobs and Living Wage Ordinance and Regulations, all Beneficiaries (hereinafter referred to as "the Employer" for the purposes of this Agreement) are required to sign a First Source Hiring Agreement with a Referral Agency or Boston One-Stop Career Center (The Employer may sign additional First Source Hiring Agreements with as many Referral Agencies or Boston One-Stop Career Centers as it chooses.) For a complete list of approved Referral Agencies and Boston One-Stop Career Centers, see the attached Form LW-10A.*

**INSTRUCTIONS FOR BENEFICIARIES OF ASSISTANCE:** You are not required to complete this form until after your Assistance has been awarded. After your Assistance is awarded, you are required to do the following:

1. Complete the portions of this agreement that are applicable to you (Parts 1,2 and 5A)
2. Within five (5) business days after your documents are executed, deliver this agreement (or fax) to a **REFERRAL AGENCY OR BOSTON ONE-STOP CAREER CENTER** of your choice.

**INSTRUCTIONS FOR REFERRAL AGENCIES AND BOSTON ONE-STOP CAREER CENTERS:** Upon receipt of this Agreement, you are required to do the following:

1. An authorized person of the Referral Agency or Career Center must complete Part 3 of this Form and sign the Agreement in Part 5B.
2. Submit this Agreement within two (2) days of receipt to:

**LIVING WAGE ADMINISTRATOR  
LIVING WAGE DIVISION  
OFFICE OF JOBS AND COMMUNITY SERVICE  
43 HAWKINS STREET  
BOSTON, MASSACHUSETTS, 02114**

**NOTE:** All parties to this Agreement should carefully read **Part 4: AGREEMENT OF PARTIES** If you have any questions telephone the Living Wage Administrator at (617) 918-5259.

**Part 1: EMPLOYER INFORMATION:**

Name of Employer: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Address: \_\_\_\_\_  
Street City Zip

Telephone #: \_\_\_\_\_ Fax #: \_\_\_\_\_

E-Mail Address: \_\_\_\_\_

**Part 2: NAME AND IDENTIFICATION NUMBER OF THE PROGRAM OR PROJECT UNDER WHICH THE ASSISTANCE WAS AWARDED:**\_\_\_\_\_  
\_\_\_\_\_**Part 3: REFERRAL AGENCY OR BOSTON ONE-STOP CAREER CENTER INFORMATION:**

Agency Name: \_\_\_\_\_

Contact Person: \_\_\_\_\_

Address \_\_\_\_\_  
Street City Zip

Telephone #: \_\_\_\_\_ Fax #: \_\_\_\_\_

E-Mail Address \_\_\_\_\_

**Part 4: AGREEMENT OF PARTIES**

The Employer and the Referral Agency or Boston One Stop Career Center signing this agreement agree to the following terms and conditions:

1. Prior to announcing or advertising an employment position for work which shall be performed as a result of Assistance created either as a result of a vacancy of an existing position or of a new employment position, the Employer shall notify the Referral Agency and/or Career Center about the position, including a general description and the Employer's minimum requirements for qualified applicants for such position. The notification shall also contain the words: **BOSTON JOBS AND LIVING WAGE ORDINANCE POSTING**, prominently displayed at the top of the first page of the notification.

2. The Employer shall not make such public announcement or advertisement for a period of five (5) business days after notification to the Referral Agency and/or Career Center of the availability of such position. Such five (5) day period is hereinafter referred to as the *Advance Notice Period*. The Referral Agency or Career Center may make public announcements or advertisements of the job position at any time. Any posting, public announcement or advertisement shall clearly state that only Boston residents may be referred for such job opportunities during the Advance Notice Period.
3. The Referral Agency or Career Center shall post any **BOSTON JOBS AND LIVING WAGE ORDINANCE JOB OPPORTUNITY NOTICE** within the first business day after receipt of the Notification from the Employer in a prominent location for a period of at least the five (5) business days. (*Advance Notice Period*). The Referral Agency or Career Center shall provide information on such job opportunities to all Boston residents who receive services. The Referral Agency or Career Center may refer qualified candidates to the Employer. The Referral Agency or Career Center shall maintain a database of such job opportunities.
4. The *Advance Notice Period* shall be waived if the Referral Agency and/or Career Center has no qualified candidates to refer to the Employer.
5. The Referral Agency or Career Center shall institute a tracking system and record the job postings referred by Employers, the number of applicants referred to jobs during the *Advance Notice Period*, which applicants were interviewed, which applicants were not interviewed, and which applicants were hired for the positions or any other information deemed relevant by the Living Wage Administrator. The Referral Agency or Career Center shall forward this information to the Living Wage Administrator, monthly, in a manner prescribed by the Living Wage Administrator.
6. The Agreement does not require the Employer to comply with these procedures if it fills the job vacancy or newly created position by transfer or promotion from existing staff or from a file of qualified applicants previously referred to the Employer by the Referral Agency and/or Career Center.
7. The Agreement shall not require the Employer to hire any applicant referred under the terms of this Agreement.
8. Beneficiaries who receive Assistance from the City in the amount of one million dollars (\$1,000,000) or more in any twelve month period shall be required to comply with the first source hiring provisions of the Boston Jobs And Living Wage Ordinance for five years from the date such assistance reaches the one million (\$1,000,000) threshold. Beneficiaries receiving less than one million dollars but at least one hundred thousand dollars (\$100,000) of Assistance in any twelve-month period shall be required to comply with the first source hiring provisions of the Boston Jobs and Living Wage Ordinance for one year.

**PART 5: SIGNATURES**

An owner or officer of the Employer as well as the Referral Agency or Boston One-Stop Career Center must sign this Agreement.

**A. SIGNATURE**

On behalf of \_\_\_\_\_ (*Employer*), I agree to comply with the terms and conditions of this First Source Hiring Agreement.

_____	_____
PRINT/TYPE NAME	JOB TITLE
_____	_____
SIGNATURE	DATE

**B. REFERRAL AGENCY OR BOSTON ONE-STOP CAREER CENTER AUTHORIZED SIGNATURE**

On behalf of the **REFERRAL AGENCY OR BOSTON ONE-STOP CAREER CENTER** named in Part 3 of this Agreement, I agree to provide services in accordance with the terms and conditions of this First Source Hiring Agreement

_____	_____
PRINT/TYPE NAME	JOB TITLE
_____	_____
SIGNATURE	DATE

**APPENDIX N**

**MODEL VOLUNTARY ACQUISITION LETTER**

GUIDEFORM  
- NSP VOLUNTARY ACQUISITION OF FORECLOSED PROPERTY -  
- Informational Notice -  
Grantee or Agency Letterhead

(date)

Dear \_\_\_\_\_:

\_\_\_\_\_ is interested in acquiring property you own at (address) \_\_\_\_\_ for an affordable housing development that may receive funding assistance from the City of Boston's Department of Neighborhood Development, under the U.S. Department of Housing and Urban Development (HUD) Neighborhood Stabilization Program (NSP).

Please be advised that the City of Boston, which may provide the federal funds to assist with our development, possesses eminent domain authority to acquire property. However, in the event you are not interested in selling your property, or if we cannot reach an amicable agreement for the purchase of your property the City of Boston will **not** pursue its' acquisition under eminent domain.

In addition, since this property may receive assistance under NSP, if your property is currently tenant-occupied or a tenant lawfully occupied your property **within the past 3 months prior to our offer**, we need to know immediately. Under the Uniform Relocation Assistance and Real Property Acquisition Policies Act (URA) a tenant-occupant who moves as a result of a voluntary acquisition for a federally-assisted project may be eligible for relocation assistance. Such displaced persons may include not only current lawful occupants, but also former tenants required to move for any reason other than an eviction for cause in accordance with applicable federal, state, and local laws. However, owner-occupants who move as a result of a voluntary acquisition are not eligible for relocation assistance. Please provide us with any and all information regarding any tenants residing at the property within the last 3 months.

If you have any questions about this notice or the proposed project, please contact \_\_\_\_\_ at the Department of Neighborhood Development, 26 Court Street, Boston MA 02115, (617) 635-\_\_\_\_\_.

Sincerely,

\_\_\_\_\_

## **NOTES to NSP Voluntary Acquisition of Foreclosed Property Informational Notice**

1. The case file must indicate the manner in which this notice was delivered (e.g., certified mail, return receipt requested) and the date of delivery. (See 49 CFR 24.5 and Paragraph 2-3 J of Handbook 1378)
2. Tenant-occupants displaced as a result of a voluntary acquisition may be entitled to URA relocation assistance and must be so informed per 49 CFR 24.2(a)(15)(iv) – Initiations of negotiations, and 49 CFR 24 Appendix A - 24.2(a)(15)(iv).
3. See 49 CFR 24.206 regarding eviction for cause.
4. This guideform may only be used if all of the requirements of 49 CFR 24.101(b)(1)(i)-(iv) are met.
5. This is a guideform. It should be revised to reflect the circumstances.

**APPENDIX O**

**MODEL SELLER'S OCCUPANCY CERTIFICATION**

**SELLER'S OCCUPANCY CERTIFICATION UNDER  
THE PROTECTING TENANTS AT FORECLOSURE ACT**

*[To be completed and signed by the **seller** of the property.]*

\_\_\_\_\_  
Address of Property ("Property")

\_\_\_\_\_  
City, State

\_\_\_\_\_  
Zip

The undersigned, Seller of the Property certifies to \_\_\_\_\_ (Buyer) that

1. Seller has complied and will continue to comply with the provisions of the *Protecting Tenants at Foreclosure Act*, Title VII of the *Helping Families Save Their Homes Act of 2009* ("PTFA") and Title XII of the *American Recovery and Reinvestment Act of 2009* ("ARRA") in connection with the Property, including any requirements of the giving of notice to vacate ("Notice") as required pursuant to PTFA and ARRA to any bona fide tenant of the Property if any such tenant was in possession of the Property prior to Seller's notice of foreclosure; and
2. At the time of the acquisition of the Property by the buyer/grantee, all currently vacant units at the Property will be delivered vacant, unoccupied and without any party in possession or with a right to possession to the Property.

Further, if any units at the Property are not occupied at this time, the Seller also certifies and agrees that it has not now and will not after the date hereof allow any person, including the former owner, to occupy any such units at the Property under a lease or any other agreement for possession of the Property either oral or written.

**Signature of Seller**

\_\_\_\_\_

Date: \_\_\_\_\_

By: \_\_\_\_\_

Its: \_\_\_\_\_

**TEXT BELOW SHOWN FOR REFERENCE BUT SHOULD BE DELETED FOR THE FINAL CERTIFICATION FORM**

**NOTES TO SELLER'S OCCUPANCY CERTIFICATION UNDER PTAF AND ARRA**

1. A tenant is considered "bona fide" if:
  - a) the mortgagor (or the child, spouse, or parent of the mortgagor) under the contract (lease) is not the tenant;
  - b) the lease or tenancy was the result of an arms-length transaction; and
  - c) the lease or tenancy requires the receipt of rent that is not substantially less than fair market rent for the property or the unit's rent is reduced or subsidized due to a Federal, State, or local subsidy. PTFA Section 702(b) (Note the Bridge Notice provides for a slightly different definition at 1 (a)).
2. Generally, the PTFA and ARRA requires that the initial successor in interest (typically the Seller) provide a 90-day notice to vacate to a bona fide tenant of the foreclosed property acquired by the successor in interest. If the tenant has an existing bona fide lease, the tenant may occupy the premises until the remaining term of the lease or 90 days after receipt of the 90-day notice, whichever is longer. However, the successor in interest may terminate the tenant's lease (even a lease for a greater remaining term than 90 days) if the successor in interest sells the unit to a purchaser who will occupy the unit as a primary residence, and the successor in interest provides 90-day notice to the tenant. PTFA Section 702 (a) (2).
3. Notice given under the PTFA and ARRA is notice given as required by state law.
4. The effective date of the requirements of PTFA is May 20, 2009, however the original requirements for protection of tenants in certain federally-assisted properties was found in ARRA which had an effective date of February 17, 2009.