

Neighborhood Housing Trust



City of Boston – Thomas M. Menino – Mayor



A Message from the Mayor

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A MESSAGE FROM THE MAYOR



Dear Friends,

I am very proud of the work done by the Neighborhood Housing Trust and invite you to get acquainted with the trust's efforts through this web site.

The linkage program introduced an important tool in the production of affordable housing. As you will see, the Neighborhood Housing Trust has taken that resource and helped create quality, attractive, affordable housing across the length and breadth of our city.

I am committed to the advancement of this work in the years to come. In concert with the Neighborhood Housing Trust and our partners in banking, community development, and government, Boston will continue to set the national standard for the production and preservation of affordable housing.

I congratulate the Neighborhood Housing Trust on its accomplishments and extend my full support in future efforts.

Sincerely,

Thomas M. Menino
Mayor, City of Boston

INTRODUCTION

Over the past two decades the Neighborhood Housing Trust's (NHT) administration of the linkage program has become an integral component of large-scale development in Boston, and its impact has been dramatic. Since its inception, the Neighborhood Housing Trust has committed \$81,458,485 in linkage funds. These funds have helped create or preserve 6,159 affordable housing units in 115 development projects throughout the City of Boston. The projects range in scope from the conversion of the Longfellow School to elderly housing in Roslindale, to the preservation of the Mishawum Park Apartments in Charlestown, to the new construction of the multi-unit Davenport Commons in Roxbury.

This web site has been developed to share with you the work performed by the NHT in administering linkage funds, and the powerful effect that it has had on our city's neighborhoods.


A BRIEF HISTORY OF LINKAGE

The City of Boston's linkage program began in 1983 with the approval of Article 26 of the Boston Zoning Code, which sought to balance large-scale commercial development with needed residential construction. Three years later, Article 26 was expanded to shorten the payment period for linkage dollars in the area defined as "downtown" as well as to include job training as an element of the linkage program. In 1986 the



Neighborhood Housing Trust was created to manage housing linkage funds, while in 1987 the Neighborhood Jobs Trust (NJT) was created to manage jobs linkage funds. In response to a legal challenge, the City of Boston submitted a home rule petition to the Massachusetts Legislature that resulted in Chapter 371 of the Acts of 1987 — legislative authorization for Boston's linkage program. In 1996, by action of the Boston Zoning Commission, linkage was further incorporated into Article 80B of the Boston Zoning Code.

More recently Mayor Thomas M. Menino convened a panel of developers and advocates to study the linkage program. Their recommendations were formulated



into a home rule petition that Mayor Menino sent first to the City Council and then to the Massachusetts Legislature. The home rule petition was adopted in December 2001. As a result, the affordable housing linkage fee increased to \$7.18 per square foot, and the employment linkage fee increased to \$1.44 per square foot. In addition, the pay-in period for both neighborhood and downtown development was standardized at seven years for housing payments and two years for jobs payments. Effective April 5, 2006 the affordable housing linkage fee was increased to \$7.87 psf, and the employment linkage fee was increased to \$1.57 psf. For more information, see Linkage Payment Requirements.

A recent survey of linkage programs across the United States indicated that Boston's program succeeded in raising more dollars and generating more housing than any similar municipal program

LINKAGE PAYMENT REQUIREMENTS

Linkage is a fee exacted from all new large-scale commercial real estate development exceeding 100,000 square feet and requiring zoning relief, including expansion and rehabilitation projects. The linkage requirement can be fulfilled with a cash payment or through direct creation of housing or a job-training program. All cash payments are received by either the NHT or the NJT for distribution. In the area defined as "neighborhood," housing payments are made over a seven-year period beginning with the earlier of either the issuance of an occupancy permit or two years from issuance of a building permit; in the area defined as "downtown," payments are made over a seven-year period, beginning upon issuance of the building permit. Jobs payments are made over a two-year period, the first due at issuance of the building permit, regardless of the location of the development. Development Impact Project (DIP) agreements serve as contracts by which the developer and the Boston Redevelopment Authority (www.ci.boston.ma.us/bra) confirm the payment of linkage fees.

The two options for meeting the housing-related linkage obligation are:

Housing Payment: A housing contribution grant of \$7.18 for every square foot of gross floor space of DIP uses in excess of 100,000 square feet is required to be paid by the respective developer. The housing contribution grant must be made in seven equal annual installments. If the developer elects, the entire amount due may be present valued and paid in one year. Otherwise, for developers of neighborhood projects the first linkage payment is due upon either issuance of a certificate of occupancy or 24

months after the issuance of a building permits for the proposed project, whichever comes first. Developers of downtown projects must begin paying linkage when the building permit is issued. The remaining installments are due and payable annually on the anniversary of the first payment.

Housing Creation: As an alternative to direct payments, developers may fulfill their linkage obligation by opting to be directly involved in housing creation. This option requires developers to create or assist in the creation of housing units for low- and moderate-income residents of the city. The cost of this housing creation option must be equivalent to the housing payment the developer would have made. Housing creation proposals must conform to the BRA's written housing creation regulations. These regulations govern how a project comes to fruition by laying out a number of options developers may pursue, such as directly creating housing or channeling the net present value of the linkage obligation to an entity approved by the BRA to construct affordable housing. All housing creation proposals must be recommended by the NHT for BRA approval.

A developer may opt for any combination of the above payments or creations in order to meet its linkage obligation. The choice a developer makes is detailed in the DIP agreement made with the BRA. The DIP agreement lists the total housing obligation of the developer along with a payment schedule or housing agreement, whichever applies. The NHT is responsible for receiving the linkage payments after a DIP agreement is executed, as well as approving the distribution of these funds.

FUNDING AFFORDABLE HOUSING PROJECTS

If a developer chooses the housing payment option, the funds are paid into the Neighborhood Housing Trust. The NHT awards funds to projects that expand affordable housing and meet the eligibility and competitive criteria listed below.

Eligible Entities: Private, public, non-profit and for-profit development entities or private individuals are eligible applicants for NHT funding. The applicant must be current in taxes with no record of arson or fair housing violations.



Eligible Projects: Projects may be homeownership, rental, cooperative or other forms of permanent or transitional housing. They may be new construction, rehabilitation of abandoned or occupied rental property, or conversion of non-residential property. To be eligible for consideration, projects must meet the following requirements:

- ❑ The project must meet a “but for” test – that is, without (but for) linkage funding, the project would not be feasible;
- ❑ Trust funds will assist only “affordable units.” In this case “affordable units” is defined as low- and moderate-income units serving households below 80% of median income for the Boston area;
- ❑ Homeowner units must be affordable for a minimum of 50 years (30 years, with a 20-year renewal option); rental units must be affordable in perpetuity;
- ❑ The developer must have site control, and the proposed project must be financially feasible and meet the requirements of the state sanitary and building codes;
- ❑ The units shall be managed in compliance with the Boston Jobs Ordinance, the City of Boston Fair Housing Commission guidelines, and other applicable fair housing and equal opportunity requirements.



Competitive Criteria: In evaluating applications for funding, the NHT reviews the following project elements:

- ❑ Number and percentage of affordable units, including the number available to low-income households (below 50% of median income) and special needs populations;
- ❑ Amount of NHT funds requested per affordable unit;
- ❑ Developer’s capacity and track record;
- ❑ Readiness to proceed;
- ❑ Additional affordability beyond the minimum requirement;
- ❑ The extent to which the project will provide employment, financial, or managerial participation by minority- or women-owned business enterprises;
- ❑ The extent to which the neighborhood has not previously received linkage funds.

Requests for proposals (RFPs) issued from time to time may set out additional thresholds or targets.

NHT FUNDED TO DATE

Project Name	Neighborhood	Date of Trust Vote	Amount	Total Units	Affordable Units
1 Fountain Hill Square	Roxbury	12/18/1986	\$169,000	46	18
		2/14/1989	\$281,000		
2 Leighton Park (Tent City)	South End	1/16/1987	\$765,465	271	203
3 O'Reilly School	South Boston	6/18/1987	\$305,000	32	32
4 Waterford Place	South End	7/16/1987	\$1,221,736	40	26
5 Bricklayer's Back of the Hill	Mission Hill	7/16/1987	\$900,000	165	105
		2/14/1988	\$275,000		
		4/3/1990	\$500,000		
6 Charlestown Townhouses	Charlestown	7/16/1987	\$116,000	26	10
		1/12/1988	\$79,000		
		7/27/1989	\$225,986		
7 Dacia Residence	Roxbury	8/8/1988	\$949,000	29	29
8 Granite Properties - BHP II	Roxbury	7/16/1987	\$3,337,951	938	938
9 Casa Esperanza	Roxbury	7/17/1987	\$84,000	25	25
10 483-487 Blue Hill Avenue	Roxbury	1/12/1988	\$200,000	12	12
11 Navy Yard Rowhouses	Charlestown	1/12/1988	\$210,000	50	50
		2/14/1988	\$286,000		
		2/14/1989	\$390,000		
12 Brooks School	Roxbury	9/28/1989	\$1,246,000	57	43
13 Dorchester Terrace	Mattapan	1/12/1988	\$88,000	11	11
14 Infill I	Roxbury & Dorchester	1/12/1988	\$370,840	48	40
		2/14/1988	\$525,434		
15 Langham Court	South End	9/28/1989	\$2,308,000	88	56
16 Lithgow	Dorchester	9/28/1989	\$1,100,000	31	16
17 Monsignor Lyons	South Boston	1/12/1988	\$220,000	10	8
		9/14/1989	\$85,000		
18 Parmelee Court	Roxbury	9/28/1989	\$1,057,000	77	51
19 TDC 3	South End	1/12/1988	\$40,000	94	62
		1/12/1988	\$1,100,000		
		1/24/1991	\$350,000		
20 Roxbury Corners	Roxbury	2/14/1988	\$1,175,000	54	41
21 Lower Roxbury Tenants Corp.	Roxbury	8/9/1988	\$350,000	70	51
22 Lorne St./Browne Kaplan	Mattapan	8/9/1988	\$975,000	60	39
23 Taino Tower	South End	9/28/1989	\$650,000	27	18
24 Audubon/Baker/Logue	Mattapan	2/14/1989	\$275,000	37	37
25 Bridge Over Troubled Waters	Allston-Brighton	2/14/1989	\$144,820	6	6
26 Garrison Trotter	Roxbury	2/14/1989	\$375,000	15	15
27 Operation Food	Mattapan	7/13/1989	\$150,000	10	10
28 1734 Lodging House	South End	9/28/1989	\$270,000	33	31
29 Low Cost Housing, Inc.	South End	9/28/1989	\$350,000	73	73
30 Bowditch School	Jamaica Plain	9/28/1989	\$685,000	45	45
31 Bowdoin Street	Beacon Hill	9/28/1989	\$850,805	122	87
32 Urban Edge Capital Improvements	Roxbury, JP	9/28/1989	\$750,000	211	201
33 438 Warren Street	Roxbury	9/28/1989	\$255,000	21	20
34 Cortes Street SRO	South Cove	4/3/1990	\$615,000	48	44
35 Hazel Parks Estates	Mattapan	4/3/1990	\$1,472,800	48	48
36 57 Hemenway Street	Fenway	12/20/1990	\$126,000	14	14
37 Hyde Square Coop	Jamaica Plain	12/20/1990	\$603,000	42	42

38 Stony Brook Gardens	Jamaica Plain	12/20/1990	\$998,000	50	50
39 Douglass Park	Roxbury	1/24/1991	\$75,000	155	33
40 Winslow Court	Roxbury	1/24/1991	\$144,000	24	24
41 Alexander Magnolia Coop.	Dorchester	5/24/1991	\$1,095,183	44	44
42 Re-Vision House	Roxbury	5/24/1991	\$50,000	10	10
43 26-28 Thane Street	Roxbury	5/24/1991	\$86,000	7	7
44 Father Walter Martin Cooperative	South Boston	5/27/1991	\$1,153,667	34	34
45 CNY Building 104	Charlestown	6/4/1991	\$428,358	46	46
		3/5/1993	\$106,642		
46 28 West Cottage	Roxbury	10/10/1991	\$60,000	4	4
47 45 Thorndike Street	Roxbury	10/10/1991	\$45,000	3	3
48 Oak Street Village	Chinatown	10/10/1991	\$150,000	88	60
		11/16/1992	\$1,175,000		
49 Trinity House	East Boston	10/10/1991	\$418,170	16	15
50 Parkview SRO	Fenway	10/10/1991	\$515,000	63	63
51 Lowell Square	West End	12/23/1991	\$340,000	199	66
52 253 Main Street	Charlestown	11/16/1992	\$100,000	7	4
53 Vinfen	Mattapan	11/16/1992	\$14,900	10	10
54 Winston-Lucerne	Dorchester	11/16/1992	\$1,200,000	45	45
55 Youthbuild	Roxbury	3/5/1993	\$75,000	13	13
		9/21/1993	\$100,000		
56 Habitat III	Dorchester	3/5/1993	\$50,000	8	8
57 Boston Housing Authority	Roxbury	6/22/1994	\$98,333	3	3
58 Stafford Heights Cooperative	Roxbury	2/23/1994	\$1,227,538	42	42
59 Pine Street Inn Women's Shelter	South End	9/23/1995	\$500,000	110	110
60 11-17 East Concord Street	South End	9/23/1995	\$407,000	41	41
61 Longfellow School	Roslindale	10/9/1997	\$225,522	45	44
		10/9/1997	\$99,478		
62 Mishawum Park Apartments	Charlestown	10/14/1997	\$500,000	337	337
63 Walnut Community Housing	Roxbury	10/14/1997	\$350,000	37	34
64 South End Tenants Housing II	South End	10/14/1997	\$500,000	184	184
65 McBride House	Fenway	11/16/1997	\$500,000	17	17
66 Academy Homes I	Roxbury	11/16/1997	\$500,000	202	150
67 Bowdoin Geneva Home Again	Dorchester	7/23/1998	\$400,000	7	7
68 Goodale Road Home Again	Mattapan	9/10/1998	\$413,000	10	8
69 15-25 Hemenway Street	Fenway	9/10/1998	\$100,000	24	13
70 Howard Woodward Dean Home Again	Roxbury	10/8/1998	\$780,000.00	12	12
71 Mission Hill Home Again	Mission Hill	7/1/1999	\$1,220,267.00	22	22
72 Davenport Commons	Lower Roxbury	7/1/1999	\$97,669.30	60	37
		7/1/1999	\$98,330.70		
73 Wellington Hill Home Again	Mattapan	9/23/1999	\$1,046,600.00	24	14
74 Savin Maywood Home Again	Roxbury	9/23/1999	\$360,197.00	5	5
75 Franklin Field South Home Again	Dorchester	5/25/2000	\$1,549,106.00	22	22
76 St. Botolph-Susan Bailis ALF	Fenway	7/13/2000	\$3,142,700.00	82	54
77 St. Francis House Shelter	Central	10/12/2000	\$720,000.00	139	139
78 Rollins Square	South End	1/30/2001	\$2,569,252	184	62
79 Audubon Apts./"Harvard Hills"	Mattapan	5/9/2001	\$300,000	37	37
80 131 Morton Street	Jamaica Plain	5/9/2001	\$597,500	62	61
81 30 Washington St.	Allston-Brighton	5/9/2001	\$750,000	42	42
82 Talbot Bernard	Dorchester	5/9/2001	\$750,000	31	31

83 Boston Hosp.	Dorchester	5/9/2001	\$750,000	116	92
84 Harvard Commons	Mattapan	5/9/2001	\$750,000	30	9
85 Geneva Ave.	Dorchester	5/9/2001	\$500,000	11	10
86 Homes Ave	Dorchester	5/9/2001	\$375,000	15	8
87 Family House Shelter	Roxbury	5/9/2001	\$750,000	24	24
88 Parcel C	Chinatown	7/12/2001	\$820,629	251	81
		6/20/2001	\$990,530		
91 Mission Hill Phase II	Mission Hill	3/28/2002	\$574,000	34	34
92 St. John of God	Brighton	3/28/2002	\$625,000	102	69
93 Trinity Terrace	Dorchester	3/28/2002	\$600,000	63	63
94 Dartmouth Hotel	Roxbury	3/28/2002	\$500,000	65	58
95 Brookview House II	Dorchester	3/28/2002	\$180,000	12	12
96 33 Everett Street/Legal Seafoods	Brighton	3/28/2002	\$500,000	50	50
97 Costello Homes	South Boston	3/28/2002	\$492,375	15	8
98 Nazing Ct., Seaver St.	Roxbury	6/20/2002	\$1,000,000	151	144
99 Mission Hill Phase III	Mission Hill	6/20/2002	\$359,332	34	34
100 Egleston Crossing	Rox & JP	2/12/2003	\$750,000	64	63
101 Trinity Mattapan Heights II-A	Mattapan	2/12/2003	\$750,000	94	71
102 Brookside Artists Live Work Space	Jamaica Plain	2/12/2003	\$474,355	23	18
103 Columbia West Apartments	Roxbury	2/12/2003	\$250,000	46	46
104 Roslindale Field	Roslindale	2/12/2003	\$750,000	27	15
105 Crittenton Hastings House	Brighton	2/12/2003	\$750,000	28	28
106 Misahwum Apts	Charlestown	4/16/2003	\$795,322.97	66	33
107 Maverick Gardens Hope VI (Phases I & II)	East Boston	5/28/2003	\$3,900,000	230	177
108 West Broadway	South Boston	9/9/2003	\$1,750,000	133	133
109 Amory Apts	Jamaica Plain	1/7/2004	\$1,259,691	64	64
110 Clarendon Street YWCA	Back Bay	1/22/2004	\$500,000	184	79
111 25 School Street	JP/Roxbury	1/22/2004	\$750,000	46	46
112 Border Falcon	East Boston	1/22/2004	\$700,000	14	14
113 Nu Life Development	Roxbury	1/22/2004	\$300,000	16	6
114 242-244 West Broadway	South Boston	1/22/2004	\$222,000	3	3
115 Ruggles/Shawmut	Roxbury	2/8/2005	\$750,000	43	43
Total			\$81,458,485	7,647	6,159

Selected NHT Developments



Brookview



Costello



Davenport



Foley



Longfellow



Metropolitan



Mishawum Asst



Mishawum Park



Mission Hill I



Mission Hill II



Rollins



Susan Bailis



Talbot Bernard



Walnut

Brookview House II

The Brookview House II project involves the new construction of four family transitional units and youth development space for an after school program, a computer center, and an art center. In addition, the project involves the moderate rehabilitation of eight existing family transitional units, and program space for workshops, job training and counseling areas. When completed, Brookview House will have capacity to serve twelve homeless families referred by the Department of Transitional Assistance, as well as provide educational and after school program for up to 60 children.



Location:	2 Brookview St, Dorchester
Developer:	Brookview House, Inc.
Total Development Cost:	\$1,636,711
Linkage Award Amount:	\$180,000
Other Funding:	DND CDBG, DHCD HIF, CEDAC MOST Grant, FHLB, Wainwright Bank, Developer Equity
Units:	12, 4 newly constructed, 8 rehabilitated
Affordable Units:	12

Costello Homes

Costello Homes is a prominently situated project on the corner of West Second and F Sts. in South Boston. The design of the building is traditional to the neighborhood and meant to reflect the architecture of its surroundings. It consists of 15 newly constructed 2 bedroom condo units, 8 of which will be affordable to households at 80% of the average median income, and 7 of which will be market rate. The project is being constructed on land purchased by the South Boston Neighborhood Development Corporation. The construction will be completed in late spring/early summer of 2004.



Location:	West Second and F Street, South Boston
Developer:	South Boston NDC and Keen Development
Total Development Cost:	\$4,730,755
Linkage Award Amount:	\$492,375
Other Funding:	DND Leading the Way, Developer Equity
Units:	15
Affordable Units:	8

Davenport Commons

The Davenport Commons complex involved the new construction of 125 student units for approximately 595 Northeastern University students, 60 homeownership units, and approximately 4,000 square feet of retail space on 4 BRA-owned parcels in Lower Roxbury. This project is part of a physical redevelopment program, which focused on replacing many of the units that had been eliminated as a result of the City's Urban Renewal efforts and the Commonwealth's proposed expansion of Interstate 95.



The homeowner component of Davenport commons consists of 7 one-bedroom units, 44 two-bedroom units, and 9 three-bedroom units. This is a direct result of an extensive community process with the South End/Lower Roxbury community, and their desire for additional homeownership rather than rental opportunities.

Location:	Columbus Ave, Benton and Davenport Sts, Roxbury
Developer:	Madison Park CDC & Trinity Financial
Total Development Cost:	\$13,735,000 (homeownership component)
Linkage Award Amount:	\$196,000
Other Funding:	DND HOME, DND CDBG, BRA Grant, DHCD HOME, Mass Housing, FHLB
Units:	60
Affordable Units:	48

The Foley

The Foley project involved the rehabilitation of 116 units of new housing. Ninety-eight (98) units were for elderly assisted and independent living rental housing, while eighteen (18) units of single room occupancy housing were for Latina women in recovery, and their children. The project was developed on the former campus of the Boston Specialty and Rehabilitation Hospital on River Street in Mattapan. The main building, an imposing landmark in the area, and an adjacent building comprised this first phase of development.



Location:	249 River Street, Mattapan
Developer:	Trinity Financial
Total Development Cost:	\$19,664,662
Linkage Award Amount:	\$750,000
Other Funding:	DND HOME, DND Leading the Way, DHCD HIF, Boston Health Comm, FHLB, Aegon
Units:	116
Affordable Units:	92

Longfellow House

Longfellow House involved the conversion of a former elementary school into forty-five units of housing, forty-four of which were available to low-income elders. Rehabilitation to the historic structure included masonry and roof repairs, new windows and doors, landscaping and site work, and replacement of all building systems.

Rogerson Communities, the project sponsor, owns, manages, and provides supportive services to the residents of Longfellow House, and has the support of the Longfellow Area Neighborhood Association.



Location:	885 South Street, Roslindale
Developer:	Rogerson Communities
Total Development Cost:	\$5,642,900
Linkage Award Amount:	\$325,000
Other Funding:	DND CDBG, DHCD HSF, FHLB, HUD 202
Units:	45
Affordable Units:	44

The Metropolitan

This project is a multi-use development including new construction of rental and ownership housing in a 23-story structure, including underground parking, community space, commercial and retail space, as well as a public garden on an underdeveloped parcel bounded by Harrison Avenue, Oak, Ash and Nassau Streets ("Parcel C") in Boston's Chinatown neighborhood.

The development includes 251 residential units, of which 133 are rental and 118 are ownership units. A total of 115 units will be affordable to low and moderate income households, including 81 rental and 34 homeownership units. The 81 affordable rental units will be for households earning no more than 60% of the median income. Eleven of those units will be further restricted to households earning no more than 30% of median income, targeting homeless individuals. The 34 affordable homeownership units will be reserved and priced for households earning no more than 80% (9 units), 100% (16 units), and 120% (9 units) of median income.



The components of this project: rental, elderly community gathering room, community non-profit space, was all negotiated through a protracted community process.

The Metropolitan (continued)

Location:	Oak, Ash, Nassau Sts, and Harrison Avenue, Chinatown
Developer:	Asian Community Development Corp & E. A. Fish Associates
Total Development Cost:	\$89,366,694
Linkage Award Amount:	\$1,881,159
Other Funding:	DND HOME, DND NDF, DHCD HOME, BRA, Mass Housing, Affordable Housing Trust, Developer Equity
Units:	251
Affordable Units:	115

Mishawum Assisted Living

The Mishawum Assisted Living Facility is designed for seniors who require some level of assistance, but desire to maintain their independence. Supportive services that will enable this goal include: three meals per day in a dining room, housekeeping and laundry service, assistance with personal care, medication management, 24-hour emergency response, wellness programs, social activities, and transportation. Half of the total 66 units will be affordable, with 7 of the 33 affordable units set-aside for formerly homeless elders. The project has enjoyed broad based support from Charlestown's community groups and state officials due to its high levels of affordability and the need for this type of housing in Charlestown. The revitalization of this vacant parcel as a mixed-income assisted living facility represents the City of Boston's continued commitment to provide facilities that foster an environment where elder's aging-in-place, means aging-in-Boston. Construction is underway and is expected to complete in the summer of 2005.



Location:	Phipps Street, Charlestown
Developer:	E. A. Fish and Life Focus Center, Inc.
Total Development Cost:	\$12,000,870
Linkage Award Amount:	\$795,323
Other Funding:	DND HOME, DHDC HOME, DHCD Affordable Housing Trust, MHFA
Units:	66
Affordable Units:	33

Mishawum Park Apartments

Mishawum Park Apartments is a 337 unit, 20 building expiring use development constructed in 1993. In 1993, tenants of Mishawum Park organized to address long-standing deferred maintenance by the owner. In 1997 the Mishawum Park Tenants Association, Inc. acquired the property from the original owner and became one of the only tenant organizations of any expiring use project in the country to do so without the benefit of a non-profit sponsor.



Location:	95 Dunstable St, Charlestown
Developer:	Mishawum Park Tenants Association, Inc.
Total Development Cost:	\$31,306,128
Linkage Award Amount:	\$500,000
Other Funding:	Debt Assumption, HUD Preservation Grant, HUD ITAG Grant, DND HOME, DHCD HOME, DHCD HIF, FHLB, Construction Escrow, Safe Neighborhoods, Boston Gas Rebate
Units:	337
Affordable Units:	337

Mission Hill New Housing Initiative, Phase 1

This project was the first of three planned phases of development on city-owned vacant land in the Mission Hill neighborhood. Phase 1, which was completed in 2001, consists of 22 newly built units, all of which were affordable. The project combines homeownership and rental units in both single and two family homes. These formerly vacant parcels had long been a burden on the Back of the Hill section of Mission Hill. The project continues to have strategic importance in the area, acting as a catalyst for continued community planning and development on the Back of the Hill, complementing other housing development activities in the Jamaica Plain and Mission Hill neighborhoods.



Location:	Wensley and Bickford Sts, Fisher Ave, Mission Hill
Developer:	JPND/Back of the Hill CDC
Total Development Cost:	\$4,203,089
Linkage Award Amount:	\$1,220,267
Other Funding:	DND HOME, DND CDBG, BankBoston
Units:	22
Affordable Units:	22

Mission Hill New Housing Initiative, Phase II

Mission Hill Phase II is a project consisting of 34 units of newly constructed cooperative housing on vacant parcels of private and publicly-owned land on the back of Mission Hill. These previously vacant parcels were long a burden on the Back of the Hill section of Mission Hill. This project is a critical part of a larger grassroots, community-led planning and development effort, which targeted all city and privately owned vacant parcels.



Mission Hill Phases I, II, and III will produce an impressive 80 units of newly constructed affordable housing.

Location:	Heath St, Mission Hill
Developer:	BOTH/NDC Community Initiative LLC
Total Development Cost:	\$7,747,061
Linkage Award Amount:	\$574,000
Other Funding:	DND HOME, DHCD HOME, DHCD HIF, DHCD Tax Credits, LISC, Brownfields
Units:	34
Affordable Units:	34

Rollins Square

Rollins Square is a newly constructed 184 unit building in Boston's South End. Included in the unit array are 37 rental units affordable to households with income at or below 60% of median. In addition the project created 147 units of homeownership condos, of which 25 were affordable for households at or below 80% and 58 were affordable to households in the 81-120% range. The remaining 64 units have been sold at market rate. In addition to the housing units, Rollins Square consists of 5,087 net square feet of commercial space along Washington Street, and 275 underground parking spaces.



This BRA-owned parcel was designated to the Archdiocese's Planning Office of Urban Affairs. It had been vacant for more than 30 years. This development has re-knit Washington Street as well as brought much needed housing opportunities to various income levels in the South End.

Location:	1300 Washington Street, South End
Developer:	Planning Office of Urban Affairs
Total Development Cost:	\$63,151,252
Linkage Award Amount:	\$2,569,252
Other Funding:	DND Leading the Way, DHCD HOME, DHCD State Tax

Rollins Square (continued)

Credits, Brownfields, Fleet Boston, Mass Affordable Housing Trust

Units: 184
Affordable Units: 120

Susan S. Bailis Assisted Living Facility

The Susan S. Bailis Assisted Living Community is a newly constructed development of 82 units of elderly assisted living housing built on vacant Boston Redevelopment Authority land. Of the 82 units, 54 are affordable. This high number of affordable assisted living units marked a significant increase to the number of similarly priced units of this type in Boston.



Situated at the corner of Massachusetts Avenue and St. Botolph Street, this magnificent red brick building is virtually in the shadow of Symphony Hall, the Huntington Theatre, and the Massachusetts Horticultural Society.

Location: St. Botolph St. and Massachusetts Avenue
Developer: Fenway CDC, Affirmative Investments, and SBV Consulting
Total Development Cost: \$18,337,603
Linkage Award Amount: \$3,142,700
Other Funding: DND HOME, DND Leading the Way, DHCD HIF, DHCD HOME, DHCD Affordable Housing Trust, MHIC Tax Credits, Mass Housing, Developer Equity, Foundation and Utility Grants, Fleet Bank
Units: 82
Affordable Units: 54

Talbot Bernard Elderly Housing

Talbot Bernard Elderly Housing is a 31 unit, newly constructed project developed on a predominately vacant site. The project provides 30 affordable, very low-income units for elderly residents, plus 1 unit for an on-site manager. In conjunction with the Talbot Bernard Homes, a newly constructed 44 unit low-income rental development, the project has transformed a formerly industrial and commercial site into a campus-style, low-density, multi-use housing development. The overall development site plan is well conceived with extensive open space, a well designed internal walkway system, numerous sitting areas and landscape amenities, and ample parking.



Location: 193 Talbot Avenue, Dorchester
Developer: Codman Square NDC

Total Development Cost: \$5,697,897
 Linkage Award Amount: \$750,000
 Other Funding: DND HOME, HUD 202, DHCD HOME, DHCD HIF
 Units: 31
 Affordable Units: 31

**Walnut Community
 Housing**

Walnut Community Housing provided 37 units of affordable “enhanced” congregate housing for very low to moderate income elders. The property, a former nursing home, was completely renovated. Supportive services for this innovative congregate living alternative are being provided by Greater Boston Family Services.

Location: 237-241 Walnut Avenue, Roxbury
 Developer: 1810 Realty, Inc.
 Total Development Cost: \$2,365,000
 Linkage Award Amount: \$350,000
 Other Funding: DND CDBG, DHCD HOME, FHLB, BankBoston
 Units: 37
 Affordable Units: 34



BEFORE



AFTER

GOVERNANCE

The Neighborhood Housing Trust was established to receive linkage fees as well as to decide how the funds are distributed. As stated in its “Declaration of Trust”: “This Trust is established to promote the public health, safety, convenience and welfare by mitigating the extent to which Boston’s low or moderate income households are unable to afford decent, safe and sanitary housing within the City of Boston.”

The NHT consists of seven trustees: the president of the City Council (ex officio) or his or her designee, the City of Boston’s collector-treasurer (ex officio), and five mayoral appointees. The collector-treasurer serves as managing trustee and is responsible for maintaining the financial records and administering the trust.

Clayton Turnbull, Chair

Clayton Turnbull, the CEO and owner of The Waldwin Group, has lived in Boston for over thirty-five years, and continues to be involved in shaping its future. He is involved in and serves on many business and non-profit boards including Citizens Bank of Massachusetts, Vice President of the Democratic National Convention Host Committee and Black and White Boston.



Mr. Turnbull’s proudest accomplishment is the 14 years served on the Board of the Dudley Street Neighborhood Initiative. A unique organization that continues to influence the way communities are redeveloped physically and humanely.

Vivian M. Leo, Managing Trustee

Vivian M. Leo has served for the past twenty-nine years in the City’s Treasury department, the past nine years as First Assistant Collector-Treasurer. She is responsible for managing the City’s Treasury Department; the collection of revenues due to both the City and Suffolk County, and payment of all amounts due from the City. Ms. Leo is also responsible for the managing over 300 City trust funds. She is a member of both the Neighborhood Housing Trust and the Neighborhood Jobs Trust.



Councilor Rob Consalvo, City Council Designee

Boston City Councilor Rob Consalvo, a life-long Hyde Park resident, resides in his hometown with his wife Michelle and two children Amanda Mary and Anthony Robert. Rob joined the City Council in 2002, and was re-elected to his second term on November 4, 2003.



As the Vice-President of the Boston City Council, Councilor Consalvo serves as the Council’s Chairman of the City & Neighborhood Services Committee and Chairman of the Public Utilities & Cable Communications. Councilor Consalvo is the Vice-Chair of the Ways and Means Committee, Public Safety Committee and the Intergovernmental Rela-

tions. Councilor Consalvo also serves as a member of numerous other committees including, Education, Employment & Workforce Development, Post Audit & Oversight, Rules and Administration, New Bostonians, Economic Development & Planning and Youth Affairs.

Catherine Hardaway, Trustee

Catherine Hardaway is currently the Executive Director of Central Boston Elder Services, Inc. (CBES), a private non-profit Home Care Corporation that serves the needs of frail, low-income, home-bound elders and disabled individuals in the City of Boston. Founded 30 years ago, CBES has an operating budget of \$17.5 million.

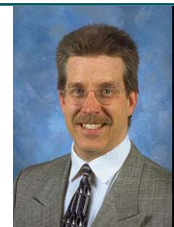


Prior to joining the staff of CBES, Ms. Hardaway worked with Family Service of Greater Boston where she was the Developer and Director of the Teen Living Program

Ms. Hardaway has a strong background in governmental affairs and relationships through her long-term employment at the Executive Office of Elder Affairs, the Department of Public Welfare, and the Division of Medical Assistance.

Reverend Craig W. McMullen, D.Min., Trustee

Dr. McMullen is the founding director of Gordon College's Boston Urban Semester Program, a residential program located in Dorchester for students studying about complex urban issues while serving in various internships throughout Boston. Its mission is "to develop the next generation of urban leaders."



Beginning in 1981, Dr. McMullen served for twelve years on the Ministerial Staff of the Historic Twelfth Baptist Church in Roxbury and was the Co-Pastor of the Dorchester Temple Baptist Church in Codman Square from 1993-2000. It was in these positions that "Pastor Craig" became known as a "minister of reconciliation".

A dynamic preacher and educator, Dr. McMullen continues to be sought out among Boston's church community as an expert on matters concerning its youth and racial reconciliation.

Mary Soo Hoo, Trustee

For over 35 years, Mary Soo Hoo has been a tireless advocate for Boston's Chinatown community. Ms. Soo Hoo has been responsible for a number of groundbreaking initiatives, including the creation of the Asian American Civic Association (AACA). Established in 1967, AACA has grown to become the major cultural and social advocacy agency in Chinatown. In addition, Ms. Soo Hoo chairs the Chinatown Safety Committee and is a board member of the Asian Community Development Corporation, which seeks to revitalize the Chinatown neighborhood by creating affordable housing and recreational space for its residents.



Ricardo Quiroga

Ricardo Quiroga is the founder and director of Casa Esperanza, Inc. In 1984 he developed a 25-bed, bilingual, bicultural home for Latino substance abusers. Through work with the community, local agencies and city officials, Rick spearheaded an effort to provide culturally appropriate treatment to Latinos in Massachusetts. Since incorporation, Rick has overseen the growth and development of the agency. Casa Esperanza has strived to provide comprehensive services while adapting to the changing needs of the Latino population in Massachusetts. Currently the agency operates four programs: The treatment program for men; Latinas Y Niños Center, a bilingual treatment program for 20 Latina women and 10 children; Nueva Vida, an eight unit supportive housing program for men; Dunmore Place, a six unit supportive housing facility for women with children.



Rick holds a Master's in Education from Cambridge College, and lectures and trains regularly on issues relating to culturally relevant treatment approaches for Latinos, Native Americans and their families. Rick has received many awards for his work with the community and his dedication to helping those inflicted with the disease of substance abuse.

NEIGHBORHOOD HOUSING TRUST FUND

Financial Statements and
Independent Auditors' Reports

Year Ended June 30, 2011

NEIGHBORHOOD HOUSING TRUST FUND

Financial Statements and Independent Auditors' Reports

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INDEPENDENT AUDITORS' REPORT

Board of Trustees
Neighborhood Housing Trust Fund
City of Boston, Massachusetts

We have audited the accompanying statement of fiduciary net assets of the Neighborhood Housing Trust Fund (the Fund), a component unit of the City of Boston, as of June 30, 2011, and the related statement of changes in fiduciary net assets for the year then ended. These financial statements are the responsibility of the Trustees of the Fund and of the City of Boston, Massachusetts' management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Neighborhood Housing Trust Fund as of June 30, 2011, and the changes in its fiduciary net assets for the year then ended in conformity with accounting principles generally accepted in the United States of America.

Board of Trustees
Neighborhood Housing Trust Fund
City of Boston, Massachusetts

In accordance with *Government Auditing Standards*, we have also issued our report dated October 19, 2011, on our consideration of the Neighborhood Housing Trust Fund's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

A handwritten signature in cursive script that reads "P.L. Jones & Associates, P.C." The signature is written in black ink and is positioned above the printed name of the firm.

P.L. Jones & Associates, P.C.

October 19, 2011

NEIGHBORHOOD HOUSING TRUST FUND

Statement of Fiduciary Net Assets

June 30, 2011

Assets

Assets:

Investment in City of Boston Trust Investment Pool 7	\$ 24,306,717
Pending deposits	249,149
Accrued investment income	<u>4,466</u>

Total Assets \$ 24,560,332

Liabilities and Net Assets

Liabilities:

Accounts payable	\$ 21,872
Due to City of Boston	94,054
Accrued expenses	6,830
Deferred revenue	<u>2,073</u>

Total Liabilities 124,829

Contingencies -

Net Assets 24,435,503

Total Liabilities and Net Assets \$ 24,560,332

The accompanying notes are an integral part of these financial statements.

NEIGHBORHOOD HOUSING TRUST FUND

Statement of Changes in Fiduciary Net Assets

Year Ended June 30, 2011

Income:	
Housing contributions	<u>\$ 7,497,900</u>
Investment Income	73,022
Less investment expense:	
Investment advisory and custodial fees	<u>2,084</u>
Net Investment Income	<u>70,938</u>
Total Income	<u>7,568,838</u>
Expenditures:	
Program expenses	5,829,281
General administration	<u>94,396</u>
Total Expenditures	<u>5,923,677</u>
Changes in Net Assets	1,645,161
Net Assets, beginning of year	<u>22,790,342</u>
Net Assets, end of year	<u><u>\$ 24,435,503</u></u>

The accompanying notes are an integral part of these financial statements.

NEIGHBORHOOD HOUSING TRUST FUND

Notes to Financial Statements

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of Activities - The Neighborhood Housing Trust Fund (the Fund) was established on November 19, 1985, and is a component unit of the City of Boston. The Fund was authorized by a Boston City Council Ordinance to support the creation and preservation of affordable housing for low and moderate income residents of Boston's neighborhoods. As mandated by the Boston Zoning Code (as amended), developers of certain large-scale commercial real estate projects requiring zoning relief in the City of Boston, known as Development Impact Projects (DIP), must make linkage contributions in the form of payments to the Fund (Housing Contribution Grants) over a specified period of time.

Article 26A of the Boston Zoning Code (as amended), which became effective February 27, 1986, and still applies to some agreements is the housing linkage program. Under this program, the housing contribution for downtown commercial buildings is \$5 per square foot for each square foot of floor area over 100,000 square feet, payable over seven years, beginning with the issuance of a building permit.

The housing contribution for commercial buildings outside of the downtown area is at the same rate as above except that contributions are payable over twelve years, beginning with the certificate of occupancy.

Article 80 of the Boston Zoning Code (as amended), was adopted to make the Zoning Code's review regulation easier to understand and use. Article 80 further adjusted the housing contribution for downtown commercial buildings to \$7.87 per square foot in excess of 100,000 square feet.

Ten percent (10%) of the housing contributions made for downtown projects and twenty percent (20%) for neighborhood projects are targeted to the impacted neighborhood.

A developer may choose the "housing creation option", whereby the contribution is made up front, based on the net present value of the housing contribution which would have been made under the housing payment option. These contributions are earmarked for specific low and moderate income housing developments. Other restrictions and requirements cover the operations of the Fund and investment policies, which are under the direction of the Board of Trustees. Qualified expenditures from the Fund may be in the form of gifts, grants, secured loans or other means as determined by the Board of Trustees.

NEIGHBORHOOD HOUSING TRUST FUND

Notes to Financial Statements (continued)

1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

Nature of Activities (continued) - The Fund has made loans of varying amounts to projects for the creation, development or rehabilitation of affordable housing to low and moderate income households in the City of Boston. The terms of the loans vary but they are all long-term and secured by the properties financed to assure compliance with the restrictions in the agreement. Some of the notes have direct forgiveness terms and others have forgiveness terms at maturity and there is little or no expectation of collection.

Basis of Accounting - The accompanying financial statement have been prepared on the accrual basis of accounting in accordance with accounting principles generally accepted in the United States of America.

Financial Statement Presentation - The accounting policies of the Fund conform with accounting principles generally accepted in the United States of America ("GAAP") applicable to private-purpose trust funds of a government entity.

Pending Deposits - Additions to the Fund are received and held until the first day of the month following a deposit, pending valuation.

Deferred Revenue - Deferred revenue is comprised of advanced linkage payments from developers.

Federal Income Taxes - The Fund is a component unit of a municipality, the City of Boston, and therefore has made no provision for federal income taxes in the accompanying financial statements. Under Internal Revenue Service and state regulations, the Fund is not required to file income tax returns in any federal or state jurisdiction.

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

NEIGHBORHOOD HOUSING TRUST FUND

Notes to Financial Statements (continued)

2. INVESTMENTS

General - The City of Boston has combined its trust funds in internal pooled investment accounts which are independently audited. The investments in Pool 7 are carried at their unitized fair market value. The calculation of realized gains or losses is independent of the calculation of the net increase (decrease) in the fair value of investments. Net realized gains or losses on sales of investments are determined on the basis of average cost and were zero for the year ended June 30, 2011. There is no unrealized gain or loss on investments held at year end.

Custodial Credit Risk - Custodial credit risk is the risk that, in the event of the failure of the counterparty, the City will not be able to recover the value of the investment or collateral securities that are in the possession of an outside party.

As of June 30, 2011, the Fund's investment in Pool 7 was exposed to custodial credit risk as follows:

Collateralized with securities held by the custodial bank's securities service division, but not in the Fund's name	\$ 23,964,971
Uninsured, uncollateralized and held by the custodial bank's securities service division, but not in the Fund's name	<u>341,746</u>
	<u>\$ 24,306,717</u>

Custodial credit risk is shared on a pro-rata basis among the trust funds that comprise Trust Investment Pool 7. Trust Investment Pool 7 is managed under the investment policy statement of the City of Boston Trust Funds.

3. PROGRAM EXPENDITURES

Program expenditures represent amounts distributed to individuals and private or public, profit or not-for-profit development entities to assist them in the creation and preservation of affordable housing for low and moderate income residents of Boston's neighborhoods.

The Trustees of the Neighborhood Housing Trust Fund have given conditional approval to commit \$23,052,024 in the future for affordable housing projects.

NEIGHBORHOOD HOUSING TRUST FUND

Notes to Financial Statements (continued)

4. RELATED PARTY TRANSACTIONS

The City of Boston administers of the Neighborhood Housing Trust Fund. As a result, the City charges and allocates to the Fund certain personnel and general administrative costs. The total administrative fees charged to the Fund by the City for the year ended June 30, 2011, was \$87,924. In addition, the City is reimbursed for certain costs as provided in the trust agreement. At June 30, 2011, the amount due to the City was \$94,054.

5. CONTINGENCIES

In the normal course of operations, the Fund may be subject to certain claims and litigations. In the opinion of management and in-house legal counsel, the outcome of any such matters will not have a material effect on the financial position of the Fund.

6. SUBSEQUENT EVENTS

The Fund's management has evaluated the financial statement impact of subsequent events occurring through October 19, 2011, the date the financial statements were available to be issued.

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH GOVERNMENT AUDITING STANDARDS

Board of Trustees
Neighborhood Housing Trust Fund
City of Boston, Massachusetts

We have audited the financial statements of the Neighborhood Housing Trust Fund, a component unit of the City of Boston, as of and for the year ended June 30, 2011 and have issued our report thereon dated October 19, 2011. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Internal Control over Financial Reporting

In planning and performing our audit, we considered the Neighborhood Housing Trust Fund's internal control over financial reporting as a basis for designing our auditing procedures for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of the Neighborhood Housing Trust Fund's internal control over financial reporting. Accordingly, we do not express an opinion on the effectiveness of the Neighborhood Housing Trust Fund's internal control over financial reporting.

A deficiency in internal control exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis.

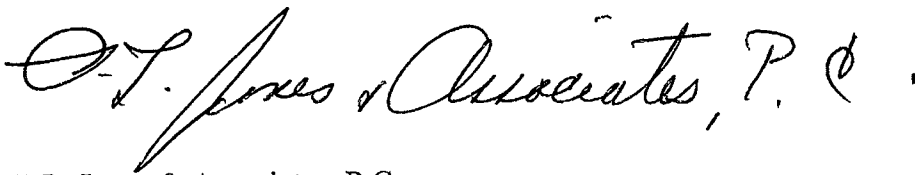
Board of Trustees
Neighborhood Housing Trust Fund
City of Boston, Massachusetts

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over financial reporting that might be deficiencies, significant deficiencies, or material weaknesses. We did not identify any deficiencies in internal control over financial reporting that we consider to be material weaknesses, as defined above.

Compliance and Other Matters

As part of obtaining reasonable assurance about whether the Neighborhood Housing Trust Fund's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of the management of the City of Boston and the Board of Trustees, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script that reads "P.L. Jones & Associates, P.C." followed by a small circular mark.

P.L. Jones & Associates, P.C.

October 19, 2011