MIFA

Massachusetts Industrial Finance Agency

400 Atlantic Avenue
Boston, Massachusetts 02110
617-451-2477

RECEIVED BY
OFFICE OF CITY CLERK
1989 OCT 16 AM 10:37
CAMBRIDGE MA.

CERTIFIED

October 11, 1989

Councillors
City of Cambridge
795 Massachusetts Avenue
Cambridge, MA 02139

Gentlemen:

On October 3, 1989, the Massachusetts Industrial Finance Agency (the "Agency") gave preliminary approval to a tax-exempt 501 (c)(3) project expected to be undertaken by James F. Farr Academy, Inc. d/b/a Farr Academy to be located at 71 Pearl Street in Cambridge. The Agency may finance all or a portion of the project from the proceeds of the Agency's private activity bonds issued pursuant to Chapters 23A and 40D of the Massachusetts General Laws. A summary of the project is attached for your information.

The purpose of this letter is to notify you of such project as provided in paragraph (a) of Section 35 of Chapter 23A. Please do not hesitate to contact me directly should you have any questions regarding this project.

Sincerely,

Jeffrey Varsa
Associate

JV/la

Enclosure: Summary

cc: Robert Griffin, Esq.
Krokidas & Bluestein
One Milk Street
Boston, MA 02109

Meeting Date: 10/03/89

PROGRAM:	501(c)(3) Tax-Exempt
BOARD VOTE:	Official Action
CLASSIFICATION:	Institution
PUBLIC HEARING DATE:	To Be Scheduled
STAFF PERSON:	J. Varsa
STAFF RECOMMENDATION:	Approval

JAMES F. FARR ACADEMY, INC. d/b/a FARR ACADEMY

NATURE OF REQUEST:

To assist the applicant in financing a non-profit project, approval of the proposed project for a MIFA 501(c)(3) Tax-Exempt Bond issue is requested.

Borrower:	User(s):
James F. Farr Academy, Inc. d/b/a Farr Academy 71 Pearl Street Cambridge, MA 02139	Same

PROJECT LOCATION:

71 Pearl Street
Cambridge, MA 02139

PROJECT:

The proposed project includes a complete gut of the existing basement and level 1 of the James F. Farr Academy in Cambridge; only the exterior walls and window openings will be retained. A new level 2, and a mechanical floor on level 3 will be constructed as well as a new structural system and an elevator. The addition will result in the existing usable space of 7,300 sq. ft. increasing by 6,700 sq. ft. to a total of 14,000 sq. ft.

The construction of the addition will allow the Farr Academy to optimize the existing school space as well as provide facilities for additional programs and functions. Moreover, the school will be able to increase enrollment by 6-12 students. In addition, bond proceeds will be used for refinancing existing debt as well as the acquisition of school equipment.

GUIDELINES ISSUES:

None.

PROJECT COST:	Addition (6,700 sq. ft.)	$2,550,000
	Equipment	90,000
	Refinancing of existing debt	475,000
	Debt Service reserve and fees	385,000
	Total Project Cost:	$3,500,000

BOND AMOUNT: $3,500,000

EMPLOYMENT:	Current employment at project site:	35
	Projected new employment:	2

INSTITUTION:

The James F. Farr Academy is a Chapter 766 Approved Special Education School for aggressive adolescents between the ages of 11 and 19. The Academy was founded in 1972 and has approximately 35 students who enter the program between the ages of 11 and 16. Typically, Farr Academy students have average or above-average intelligence and may have learning disabilities or emotional/behavior problems.

The goals of the Farr Academy are to provide the education and social training necessary for aggressive adolescents to develop into positive and constructive members of the community. In so doing, the faculty tries to encourage positive attitudes about school and society, foster self-confidence, and redirect energy and aggression from negative behavior to positive energy and personal growth.

Farr Academy's academic program has a student/teacher ratio of 2:1. In addition, there is a "hands on" component whereby students pursue classes in cooking, music, shop, etc. Farr Academy has a professional clinical staff consisting of psychiatrists, social workers, and a counselor who, together with teachers, formulate programs to achieve a successful combination of therapy and education.

Students either graduate from Farr Academy with a high school diploma or are able to return to their community's school system. Farr Academy has a 50% success rate in meeting either of these goals.

SIC CODE: None.

PRINCIPALS:

Thomas Culhane, President & Treasurer
Thomas F. McKenna, Clerk

PROJECT CONTACT:

Thomas Culhane
Executive Director
James F. Farr Academy, Inc.
71 Pearl Street
Cambridge, MA 02139
617-492-4922

BORROWER'S COUNSEL: Krokidas & Bluestein
One Milk Street
Boston, MA 02109
Attn: Robert Griffin, Esq.
617-482-7211

MIFA INSURANCE: No.

MIFA ACTION: Make the statutory findings and approve the resolution authorizing Official Action for a MIFA 501(c)(3) Tax-Exempt Bond.

2. S-715

Comm. from Jeffrey Varsa, Associate, MIFA, transmitting notification of a project grant to Farr Academy located at 71 Pearl Street for work to be done at said location.

In City Council,

October 23, 1989

Placed on file