



City of Cambridge

35

IN CITY COUNCIL

January 8, 1990

COUNCILLOR SULLIVAN
Vice Mayor Reed

- WHEREAS: The need for affordable housing for the people of Cambridge has never been greater, particularly in light of the fact federal and state subsidies have been largely reduced; and
- WHEREAS: This Tuesday, January 9, 1990, the Cambridge Affordable Housing Trust, the Apostolic Pentecostal Church and Homeowner's Rehab, Inc. will celebrate the beginning of the rehabilitation of a three unit affordable housing project with the assistance of the first loan made by the Cambridge Affordable Housing Trust established by the City Council in 1988; and
- WHEREAS: This project, located at 47 Howard Street involves the comprehensive rehabilitation of a vacant building owned by the Church and upon completion will provide housing for three low income Cambridge families and will remain as such for fifteen years; now therefore be it
- RESOLVED: That this City Council go on record extending its appreciation and gratitude to the members of the Affordable Housing Trust, the Apostolic Pentecostal Church, Homeowner's Rehab, Inc. and all of the other participants of this project for a job "well done"; and be it further
- RESOLVED: That the City Clerk be and hereby is requested to prepare for presentation a suitably engrossed copy of this resolution.

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PROJECT SUMMARY

37-41 HOWARD STREET

This project is located at 37-41 Howard Street in Cambridge. It was purchased in 1988 by the Apostolic Pentacostal Church. The Apostolic Pentacostal Church is a religious organization that has been based in Cambridge since 1917, and has been located at 47 Howard Street since that time. The Church is adjacent to 37-41 Howard Street which is a 3 unit building that is in serious need of repair. Two of the units have been vacant for several years and one unit has been vacant for more than 15 years. All three units are uninhabitable due to state health and sanitary code violations. All the systems must be replaced and all surfaces renewed.

The Church's original intention was to purchase the building, rehab the units, and house low/moderate income families thru one of the state subsidy programs available. In the interim, while unoccupied, weekly Church collections would pay for the mortgage, insurance and property taxes. This plan, however, did not consider the substantial level of rehab that would be required to bring the building up to code and the limited sources of funds available to pay for these costs. As a result, the building has been vacant, and the Church continues to pay the operating expenses, thru Church member donations, while seeking assistance from public and private sources.

The Church's current plan is to gut rehab the building and restore it to family housing that will result in 2 3-bedroom units and 1 2-bedroom unit.

Preliminary rehab plans developed by HRI includes updating electrical and plumbing and heating systems, updating the kitchen and bathrooms; installing smoke detectors; replacement of ceilings, walls and floors; interior/exterior painting; and general carpentry.

The financing package includes funds from the City of Cambridge, Housing Trust, Weatherization, Historical Commission, Section 8 Mod Rehab plus a significant equity contributions from the church. Once CNAHS funds are committed there will only be a need for a 1st mortgage commitment. The church has agreed to 15 year affordability commitment. In addition, the City funds will be used to leverage additional affordability.



- Press Release -

RC: 37-41
Howard St.

On January 9, at 2:00 p.m. the Cambridge Affordable Housing Trust, the Apostolic Pentecostal Church and Homeowner's Rehab, Inc. are celebrating the beginning of rehabilitation of a three unit affordable housing project. The celebration will take place at 47 Howard Street, Cambridge. This project marks the first loan made by the Cambridge Affordable Housing Trust. The \$30,000. loan was the crucial piece of financing that allows the project to go forward. The Affordable Housing Trust, established in July, 1988 by the City Council's adoption of the Incentive Zoning Ordinance, has made commitments of over \$340,000 which will support the development of five affordable housing projects.

The Howard St. project involves the comprehensive rehabilitation of a vacant building owned by the Church. At completion, the units will be occupied by three low income Cambridge families and will remain affordable for a minimum of fifteen years. Homeowner's Rehab, the developer for the project, assembled the necessary financing package, will manage the construction process as well as resolve various regulatory issues related to the project. Without this package of public and private funds, it is likely that the building would have either remained uninhabitable or been rehabilitated as market rate housing. In either case, three units of affordable housing would have been lost.

As resources for housing on the Federal and State level continue to shrink, the importance of generating local resources dedicated to support low and moderate income housing grows. The Trust Fund, which will include monies contributed by commercial developers, is an important first step taken by the City to deal with the resource gap left by the withdrawal of the Federal government and, more recently the State, from assisting in the development of affordable housing.

Other important components of financing for the Howard Street project are Community Development Block Grant, Cambridge Neighborhood Apartment Housing Services, Historic Commission, Parishioners funds, and grants from Charlesbank Homes and the City's Weatherization Program. Another key piece of the package is favorable financing from Cambridge Trust. The Cambridge Housing Authority is participating through the commitment of Section 8 certificates to the project.

For More Information Call
Jane Jones: 868-4858

List of Funding Sources

37-41 HOWARD ST. CAMB

1. Cambridge Trust Corp. 180,000.⁰⁰
2. Community Development (CDBG) 45,000.
3. Cambridge Affordable Trust 30,000.
4. Camb. Neighborhood Apartment 60,000.

Housing Services

5. Camb. Weatherization Program 14,000.
6. Camb. Historical Commission 5,000.
7. Charles Bank Homes 20,000.
8. Cambridge Housing Authority - 3 section 8
moderate re-hab rental commitments.



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COUNCILLOR SULLIVAN
VICE-MAYOR REEVES

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- RESOLVED: That this City Council go on record extending its appreciation and gratitude to the members of the Affordable Housing Trust, the Apostolic Pentecostal Church, Homeowner's Rehab, Inc. and all of the other participants of this project for a job "well done"; and be it further
- RESOLVED: That the City Clerk be and hereby is requested to prepare for presentation a suitably engrossed copy of this resolution.

In City Council January 8, 1990.
Adopted by the affirmative vote of nine members.
Attest:- Joseph E. Connarton, City Clerk.

A true copy;

ATTEST:-

A handwritten signature in black ink, reading "Joseph E. Connarton".

Joseph E. Connarton
City Clerk.

Order # 35 S-7

Councillor Sullivan and Vice-Mayor Reeves
re: affordable housing project at 47 Howard
Street.

In City Council,

January 8, 1990

ORDER ADOPTED BY 9 MEMBERS