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Aside from CED Readings at NHC, the following additional reading were helpful:

Abromovitz, Esq., David M. - "Legal Issues in Community Land Trust Development - A Brief Outline", Excerpt

Lemann, Nicholas - "The Myth of Community Development", Atlantic Monthly

Massachusetts Association of Community Development Corporations, and
Citizens' Housing and Planning Association
"Looking To The Future", A Report on Mechanisms for Preserving the Long Term Affordability of Privately Owned, Publicly Assisted Housing in Massachusetts. September '90

Quatmann, Vicki - "Organizing and Fundraising"

Traynor, Bill - "Organizing Strategies for Community Based Organizations"
APPENDIX 1

NHC-CED Project Contract
FRANK SEPULVEDA
CED - PROJECT:
"Contract"
Chris Clamp
A. Working Group - Background and History

Availing themselves of the technical assistance and resources offered by the CBA, the Acre Improvement Committee has developed from a group of individuals with a variety of backgrounds and viewpoints into an effective and cohesive neighborhood group associated for the express political purpose of advocating for the interests of the Acre community. The membership is made up of some homeowners, renters, mostly low, middle income, with some small business people who participate sporadically.

Ethnic and cultural groups break down into Greek, Puerto Rican, Khmer, French Canadian, Italian forming the most active nucleus of the group. Asian Indian, Vietnamese, Chinese, African American forming a looser less active second strata of members that have provided the AIC it's success to date.

They are structured along typical lines, i.e. a chair, clerk, open membership to residents, with working committees concentrating on specific projects such as voter registration, clean-up, revitalization, and now homeownership and design, they run their meetings loosely around "Robert's Rules of Order". They have struggled for the past two years to get a recalcitrant city administration to recognize and respect and finally accede to community demands for a voice in the planning and development in the Acre. They have been responsible for getting the city on the verge of closing on an RTC portfolio of multi-family properties owned by one landlord that has sucked the Acre dry of resources. In so doing they came up with a community master plan offered for implementation by the CBA as the designated developer using HOME monies to maintain the affordability of the rehabbed dwelling units.

B. Problem Statement: "If no solution is found ....

An affordable housing development program will not be properly structured or customized to both meet community needs as well as succeed and sustain itself as a viable part of the stabilization and revitalization of the Acre community. The derelict properties and abandoned sites will continue to negatively impact the community by attracting illicit, life threatening activities, continue to generally bring down, keep down property values and discourage future reinvestment as well as keep alive the possibility that it will again fall into the hands of a private speculator who will avail himself of private market prerogatives to again do in the Acre what we now see before us.

More general and far reaching Planning and development in the Acre will go on as usual, i.e. with no community input, oversight, little community participation and education regarding what's happening
LOCAL CONDITIONS

As per the Acre Improvement Committee's "Community Master Plan" (CMP), the Coalition For A Better Acre (CBA), in its request for consideration of HOME Funding for the development of all of the Acre's RTC Controlled vacant residential properties seeks to adhere to the spirit of the City of Lowell's Comprehensive Housing Affordability Strategy (CHAS). This document, along with the Program Description was formulated to comply with the basic tenets of the City's Affordable Housing Philosophy & Mission Statement of August, 1989 while responding to the HOME requirements for a Needs Assessment and Comprehensive Strategy for funding consideration.

The aim, as stated (CHAS, pg.3), is "... to remove or ameliorate any negative effects deriving from policies, rules, and regulations which contribute to the concentration of racial/ethnic minorities". It goes on to say, "specifically, strict attention will be paid to environmental concerns raised by any affordable housing development as they affect the resident's health, safety & general welfare. Affordable Housing Developments will be encouraged & promoted on scattered site basis on public & private land in conjunction with responsible developers.

Additionally, projects will be designed to promote free choice in the selection of housing location for all residents. The CHAS further recognizes that the City of Lowell is made up of neighborhoods which have unique characteristics in their social & physical make-up. The Lowell CHAS, therefore, seeks to preserve & enhance the character of the neighborhoods & will implement only initiatives that by virtue of the density of the project & its physical location are consistent with the existing or intended character. Projects that are clearly out of scale or inappropriately sited will not be encouraged or implemented through the Lowell CHAS.

"As the entire CHAS process is predicated upon collaborative effort & partnership, relevant agencies & organizations will work together to devise specific actions which address particular housing initiatives. Such activity may include, but is not limited to the organization of legislative/policy making committees to meet with appropriate municipal & State officials to address areas of particular concern."

AFFORDABLE HOUSING NEEDS PROFILE

Lowell is a city in turmoil with many of it's current problems are not entirely of it's own making. The City's Affordable Housing situation is one such example & cannot be viewed in isolation or divorced from the general economic downturn. The demise of
stalwart employers such as "Wang" (how many thousand jobs lost?), exacerbated by the Federal Government's gradual abandonment of affordable housing development, combined with "short eye" speculation resulted in the grim "corridors" that greet visitors at the Lowell Connector. Derelict and abandoned properties abound, with hundreds of units left to the elements. Aesthetics & tourists aside, the removal of units from the active rental market has contributed to a real affordability gap - despite purported high vacancy & reduced rental rates.

Lowell is a microcosm of what is happening on a national scale, i.e. an Affordable Housing crisis in the midst of what seems to be a glut of vacant and abandoned properties. It's why the HOME legislation, despite all of it's bugs, managed to get through the infamous gridlock in Congress & get signed off on by a President who still "doesn't get it."

It's why the RTC Affordable Housing Disposition Program was developed to complement HOME as well as HOPE II.

As the City's CHAS outlines the problem, the available & affordable stock, fit for human habitation as per prevailing State Health & Sanitary Codes is steadily decreasing. Worsening an already critical situation is the Federal Government's refusal to provide or create any more rental subsidies via Section 8. Indeed, in Lowell, the Sec. 8 subsidies are decreasing; acting as dis-incentives to further development of Affordable Housing Units. The Commonwealth has chimed in by cutting back on the "707" Subsidies, (the state's equivalent to the Fed's Sec. 8) threatening the viability of some projects that counted on these subsidies during cash flow projections to be able to provide affordable HUs.

Here at home, the CHAS highlights the fact that "Expiring Use Restrictions" (p.25) jeopardize the affordability of potentially 801 HUs by the year 1997. Already, an existing Affordability Gap affects the status of 5,538 renting households who pay anywhere between 35%-50% of their gross income and are thus considered to be experiencing "cost burden & severe cost burden."

This comprises approximately 23% of the 24,253 total available rental units in present day Lowell (p.27). "It should also be noted that Community Teamwork, Inc. (regional Sec. 8 and Fuel Assistance administrator) provided fuel assistance to 4,821 families during the winter of 1990-91. More than 300 families were unable to be served as funding for the program was insufficient to meet the needs of Lowell's households that experienced this 'burden'" (CHAS p.28).

Waiting lists at both the LPHA and North Canal further attest to this real need & to the existence of a significant population that is at risk of imminent
homelessness. This in spite of a "High vacancy rate."

ACRE PROFILE

Reminiscent of the South Bronx of past presidential campaign tours, the stretch of Fletcher street from N. Franklin to Brooks Street, can discourage the most gung-ho investors; even one who has not read the astericked "Qualified" census tract data. The desolate physical environment is mostly just driven through by those with no reason to stop except for a breakdown or an illicit negotiation.

In this milieu, the Affordable Housing situation is only symptomatic of a greater malaise afflicting the most distressed community in the City of Lowell. As such it is a targeted, priority area with a rich history of grass roots movements cropping up at various times to deal with varied issues. The CBA is one example that goes back 10 years. The AIC was born to deal with today.

A good indication of what condition the condition is in can be gleamed by a cursory examination of the 1990 Census Tracts. "Astericked" tract data, alluded to above, deem the entire Acre to be a "Qualified Census Tract and Difficult Development Area" (CHAS p.23, from 9/16/91 Fed. Reg.). All four Acre tracts are so designated out of a total nine (9) that are astericked in the surveying of the 24 Census Tracts that make up the City of Lowell. "Difficult development" indicates the lack of any viable space or opportunity in some areas or the complete lack of equity or value in others as conventionally defined by lenders. A more formal definition, hashed out by HUD for purposes of crediting or assigning "Low Income Tax Credits" refers to areas where "50% or more of the households have incomes below 60% of the area median income" and where "high construction, land, & utility costs relative to area median income." (HDR RF 453 6-3-91)

The numbers quoted for Acre tracts indicate rankings of first & second in percentages of Minority Composition (68.5 & 57.8 respectively). As for the concentration of Low & Moderate Income residents in the four tracts, the 78.8 mean is topped only once by a non-Acre tract, ranking 2nd, 3rd, 4th & 5th with an adjacent ("Central City") tract coming in first place by .25% at 88.27%. Interestingly enough, this tract, not being a neighborhood in it's own right, cuts across Acre neighborhood lines to include a significant portion of North Canal.

A quantitative look at the Acre using the dated 1990 Census Tracts looks dismal enough; a qualitative, albeit flawed examination of the City by MCAD (Report On Civil Disorders "It Could Happen Here") seems to point directly at the Acre. Two of ten of the "1968 Kerner Commission Report"'s most relevant factors they claim are indicative of an Urban Area's potential for
civil unrest are the above described high percentages of concentrations of Poor & Minority populations. The City was checked off on all 10 contributing factors which included “White Flight & Minority Pop. Increase, High % of Youth, High Minority Unemployment, High % Below Poverty Line, Low % Of Minority Workforce Participation, Low % Minority Police, High % Minority Students, Low % Of Minority of Elected Officials, High Incidence Of Hate Crimes.

This fleeting look at Lowell’s communities does not cite the positive aspects of the “concentrations” of poor & minority populations in these neighborhoods. The assumption behind the AIC proposal is that residents possess assets which can be seen in a positive light while strategizing for Affordable Housing & Community Development Efforts. There are energies & strengths to be harnessed from these “concentrations” that should be recognized and utilized in the movement toward self determination of these communities.

C. Goals: Mission Statement
The general stabilization and revitalization of the Acre community of Lowell through a holistic strategy of community economic development that includes economic development and housing development directed and focused by a general community organizing and educational thrust.

D. Projected Product: Expected accomplishment at end of project
1.) The structuring of an affordable housing program, with an alternative, collective ownership model custom fit to the vision and needs of the Acre. The bulk of this work will be carried out by the AIC Design and Homeownership Committees.
2.) The construction of 20 to 26 Dwelling Units as part of the Community Master plan decided upon by the AIC. The actual development will be taken on by the CBA as the business agent for the Acre community.
3.) In the process, the training and motivating of community "personnel" in more CED concepts and techniques to take on general community development problems. A particularly high priority or concern is the institution of a Community Development Protocol that needs to be instituted so that any Planning and Development efforts taken on in the Acre, either through the auspices of the municipal government or in any way funded through Public monies (including Historical) be procedurally reviewed by a citizenry properly notified and educated on the project details and impact.
E. Outputs: Critical elements that have to be put in place

- Melding of "Homeownership Model" and "Design Committee" finalized decisions into a feasible financial development package along community master plan requisites.
- Working Committees in place.
- Research and training materials list and gathering.
- Schedule of topics and expert-field speakers.
- Schedule of training meetings on various models and designs.
- Financial analysis of proposed model and design vis-à-vis affordable housing constraints.
- Designing screening process before the actual recruitment of future residents
- Recruitment and qualification of future residents
- Planning around oversight of community development activities.

Flow Chart

* Note: Routes of Programmatic (homeownership and housing design models) decision making from AIC committees who report to General membership and make recommendations to the CBA Development Committee directly or through RTC WG, who in turn make recommendations to full CBA Bd. for business decision making, i.e. whether to implement as a feasible undertaking or to go back to committee for further consideration.

F. Inputs: Raw Materials, resources

People are the basic resource or "input" needed for this project to work. Members and facilitators or trainers.

Space, materials, training, etc. - will be provided by the CBA, the community development corporation with parallel interests as that of the AIC
G. Implementation Plan:

Tasks Assignments

Committee members bear the brunt of responsibility for this effort.

My role will be to provide an environment, along with the Organizing Department, schedule the project's educational component, acquire materials, arrange for the speakers, prepare minutes, agenda items, meeting and activities logistics and comply with requested or mandated research activities to bring before the committees for consideration.

Committee members have been recruited from membership ranks. They include possible beneficiaries (possible homeowners) as well as people looking to improve their immediate surrounding community as a better business environment. Some residents want to have a say in who will live next to them while others are looking to improve the neighborhood in order to prevent further decrease in property values. Different interests, lending themselves to the pursuit of a common interest, the revitalization of the Acre, are bringing people to the table. Some do express altruistic goals in participating in this process, but they are a distinct minority at this time. I'm not looking forward to recruiting people solely on the basis of their motivation; I'm more interested in their honesty and integrity regarding their motivation and hopefully I can work to get people to be upfront about where exactly they're coming from. I cannot, nor would I try to exclude anyone from participating in this process; even if I ever get to have the luxury of picking and choosing. What I need now are warm bodies to commit time, give their input for a more real product to come out of this undertaking - whatever it may mean for the community.

As an agent, working in a community I do not live in, I have to constantly maintain myself in check; though I do insist on having my viewpoint heard.

From the business end, the CBA will take up the recommendations of the AIC, with the board deferring to staff feasibility analysis and push for the most suitable model, most likely to work.

General policy decisions made, recruitment and qualification criteria specified, members will lead the effort at getting a resident population to re-occupy the Acre in the selected homeownership model and begin implementing the oversight procedures to evaluate the actual working model.

As regards the ongoing work to get Acre planning and development protocols instituted the possibility of a home ruled Receivership process as described above is an example. A work plan developed to pursue these goals would be formalized in committee. A
formal presentation then would be made to the CBA and eventually to a more community-wide audience to finally include city councilors. A formal petition for institutionalization to the city’s Planning and Development Department or the City Council is made with passage culminating the process.

**Timetable**

The actual affordable housing component, i.e. the rehab and occupation of 9 units as per the chosen model should be substantially completed by December '94; the construction of 13 new units to begin in September of '94, to be completed in phases going by March of 1995.

Milestones will be figured in a more detailed project management timetable.

Tentatively:

By August, (1.) a homeownership model should be decided upon and integrated into the development plan, (2.) the financing should be in place, (3.) a builder-developer, contractor should have been selected & contracted and (4.) construction should be started along with the marketing of units.

**H. Minimum Objectives: EOPS**

To have in place an Affordable Housing Development program or model that will be:

1.) Replicable - that is, the development of housing should be able to be carried on in a more routine manner with relationships between the key players, i.e. the municipal authorities, the AIC and the CBA at the ready, so that future development efforts, in housing (or community development generally) can be carried out more proficiently via a truly community-wide effort.

Out of this singular effort will come out an educated core of committed community activists who will use many of the same tools and expertises developed in this effort for other community-wide campaigns. The hope is that with a more educated citizenry, issues of planning and development in their community will be taken on and directed by the residents. The scams carried on in the CHAS and CDBG "Open Hearing" processes, mandated by federal legislation, might be made more difficult to carry out in the Acre.

2.) Sustainable - once in place, the housing developed will remain affordable, for as long as possible considering or projecting future affordability criterias and community needs. This will include issues of financing, management, maintenence and general community economic development efforts being carried out at the same time.
3.) As a true means, not just an end, in and of itself the program should be an instrument for the general economic development of the Acre, not an additional burden placed in the community to fail as other such efforts have that have not been integrated into the general development process. The process is to be almost as important as the product; the product as an important feature of the CDC as a business entity will be a priority as such, but the eyes of those involved will be as much on the movement as on the final result.

4.) The production of 22 affordable housing units for homeownership as well as 12 rental units.
APPENDIX 2

Acre Improvement Committee Proposal
Acre Improvement Committee Proposal to the City of Lowell

DISPOSITION OF RTC PROPERTIES IN THE ACRE

December 1992

Outline of Proposal Contents

I. Description of Acre Improvement Committee (AIC)
   Organization
   Purpose
   Housing Agenda
   Community Planning Process

II. Community Proposal for Removing or Renovating Buildings

III. Rationale for Proposal:
   Physical
   Social
   Political
   Economic

IV. Community Need for Public Support: Proposed Role of the City of Lowell

V. Need for Community Development Corporation to Serve as Redevelopment Intermediary: Proposed Role of CBA
I. Acre Improvement Committee Description

The Acre Improvement Committee (AIC) is an active, organized neighborhood association dedicated to the improvement and the revitalization of the Acre community. The AIC is working with area residents, churches, businesses, homeowners and agencies to develop strategies and coordinate improvement projects that address the needs identified by the Acre community.

The AIC is making a concerted effort to empower the residents of the Acre to turn around the negative climate in the entire neighborhood through a variety of community initiatives. We are reaching out to the City and to the state and federal governments to help us reverse the prevailing climate of community disinvestment and neglect.

As part of community development and neighborhood revitalization, the AIC began a voter registration, education and outreach campaign this year as a means of building greater accountability to the community on the part of our elected officials. We realize that in order to make democracy work, individual awareness and community involvement necessitates direct participation in the political process.

The Neighborhood Crime Watch Program continues to provide a support system among neighbors that works with the City of Lowell Police Department in a joint effort to battle the problems stemming from vandalism, drugs, prostitution, gangs and the safety issues caused in part by abandoned buildings.

Our Committee recognizes that the 1993 opening of the Charlotte Murkland School in the North Commons, whose theme is "Home & School: Teams for Learning," can serve as a focal point for expanding community outreach and community involvement. The AIC is working to realize this opportunity.

To direct physical revitalization efforts, the AIC is involved in designing a Community Master Plan centering on the intersection of the Broadway and Fletcher corridors. The initial phase of this planning process is focused on the abandoned multi-family residential properties controlled by the Resolution Trust Corporation (RTC). Our primary objective of this component of the plan is to provide more affordable housing and home ownership opportunities for low and moderate income households requiring more living space both inside and outside.
In emphasizing the creation of more affordable housing opportunities for first-time buyers, the AIC is attempting to set in motion a new dynamic in the Acre:

- turning abandoned buildings into homeownership opportunities will increase reinvestment in the Acre;
- increasing reinvestment will contribute to neighborhood stabilization;
- stabilizing the community will rebuild pride and promote involvement in community improvement activities;
- involving residents in solving community problems will revitalize the Acre: combine the resources of community residents to reclaim the neighborhood and to rebuild community life.

In submitting this proposal, the Acre Improvement Committee has tried to present a plan that represents the interests of those most affected by the abandonment of these properties: the Acre community at large. Since our main focus has been to design a plan based on the broad and diverse objectives of community residents, we have worked to identify and address the various concerns surrounding the disposition of each property. Special attention has been given to the expressed needs of abutters. Since July the AIC Revitalization Sub-Committee has door-knocked, conducted site tours and held regular, advertised meetings to solicit opinions, share information and make decisions.

This proposal is the conclusion of a consensus that has been built the hard way—allowing everyone interested to be heard, to hear others and deciding together. We present it to the City in the same spirit: moving forward together to improve the Acre.
II. Community Proposal for Removing or Renovating Properties

Stage 1 (1992-93):

188 Fletcher St. - DEMOLISH
Use land for parking and side yard for 202 Fletcher St.

202 Fletcher St. - REHAB
Convert 6 family to 4 family, with 4 bedrooms/unit

210 Fletcher St. - DEMOLISH
Use as yard area for 202 Fletcher St., with shrub buffer between 226 Fletcher St.

226 Fletcher St. - REHAB
Convert 6 family to 2 family, with 3 bedrooms/unit (involves demolition of addition to rear of building)

238 Fletcher St. - DEMOLISH
Use land for combined parking and green space

384-388 Fletcher St. - REHAB
Maintain as 6 unit apartment building, with 4 bedrooms/unit

404 Fletcher St. - REHAB
Convert 6 family to 2 family, with 4 bedrooms/unit (involves demolition of addition to rear of building)

176 Cross Street - REHAB
Maintain as 3 family, with 3 bedrooms/unit

Stage 2 (1993-94):

Temporarily “mothball” (for maximum of one year) remaining buildings, pending final decision on removal or renovation - decision to be made as part of ongoing planning process:

199 - 207 Broadway (3 buildings)
295 - 303 Dutton St.
387 - 399 Market St.
20 North Franklin St.
158 Salem St.
205 - 207 School Street
III. Rationale for Proposed Disposition of Properties

A. Buildings designated for DEMOLITION:

The decision to demolish 238 Fletcher St. is primarily based on the physical condition of the property: renovation is neither physically nor financially feasible due to extensive fire damage.

188 Fletcher St. and 210 Fletcher St. are designated for demolition for social reasons: given the insufficient living space on this single property (3 buildings containing 15 apartments) and on this block of Fletcher St., and considering the close proximity of abutting buildings, the decision to demolish 2 buildings is designed to reduce the density of housing and to increase the amount of available space for parking and outside activities in the immediate vicinity of the buildings.

The partial demolition of 2 properties - 226 Fletcher St. and 404 Fletcher St. - is also proposed for social reasons: to reduce the density of the housing in these buildings (which was caused by additions to the original structures) and to create more outside activity space for residents living in these buildings.

B. Buildings designated for RENOVATION:

*Physical rationale* - All buildings selected for renovation are
- structurally sound;
- capable of being reconfigured to meet the objective of providing fewer, but larger units in each building;
- located in close proximity to schools, churches, shopping, hospitals, transportation, and public safety facilities.

*Social rationale* - All the buildings selected for renovation meet the following social objectives of the community:
- provide an opportunity to increase the amount of safe, decent, affordable housing available to residents;
- provide new homeownership opportunities to low and middle income residents;
- provide more 3 & 4 bedroom units to meet the shortage of housing opportunities of larger households;
- maintain the continuity and sustain the vitality of our residential neighborhood;
- contribute to the continuity and vitality of the primary business corridors in the Acre, and the central business district of the city which borders the Acre.
Political rationale - All buildings selected for renovation not only conform to the requirements, they also promote the objectives of current federal, state, and city government affordable housing programs:

Federal Programs:

Affordable Housing Act of 1990

- HOME Program - promotes creation of new affordable housing, primarily through purchase and rehab of existing housing.
- HOPE Program - promotes low-income resident homeownership by providing planning and implementation grants to acquire properties currently held by government agencies.

Resolution Trust Corporation (RTC)

- Affordable Housing Program - promotes low-income resident homeownership by making available properties previously mortgaged by failed savings and loan institutions. Two public agencies in Massachusetts (CEDAC and CHAPA) are working with federal government agencies, cities and community development corporations to facilitate the disposition of these properties using HOME and HOPE funds.

State Programs:

Massachusetts Housing Partnership (MHP)

- Neighborhoods First Program - promotes reinvestment and stabilization in urban neighborhoods by reclaiming distressed properties.

City of Lowell Program:

Lowell Comprehensive Housing Affordability Strategy (CHAS) - The CHAS is the City’s plan to meet identified community affordable housing needs using federally provided housing funds: HOME block grants, CDBG, and “special needs” funds.

Economic rationale - given the proposed redesign of the properties to meet community objectives, it is financially feasible and desirable to renovate selected the buildings if the following conditions are met:

- rehab hard costs are limited to $35,000 per unit;
- units for homeownership are created wherever possible to minimize projected property operating expenses;
- government housing funds (primarily HOME funds) are used to make these units affordable to low-income residents by applying funds directly to the building renovation as deferred loans.
IV. Community Need for Public Support: Partnership with the City of Lowell

In order to accomplish the demolition and renovation of the identified properties, the AIC has identified the following needs for which it is requesting the support of the City:

a. Acquire the identified properties, now in the Resolution Trust Corporation (RTC) Affordable Housing Program inventory, from the RTC through a foreclosure sale for the agreed upon price of $1 per property;

b. Remove the municipal lien for outstanding real estate taxes and utility fees on each property;

c. Demolish identified buildings and redevelop the vacant properties as proposed in the architectural report. Federal and state funds are designated for this purpose;

d. Provide new HOME funds, as deferred loans, for the renovation of identified buildings in accordance with the Lowell Comprehensive Affordable Housing Strategy (CHAS) *

e. Transfer properties identified for renovation to the Acre neighborhood CDC (community development corporation) - Coalition for a Better Acre (CBA) - as interim owner/redeveloper, or directly to new owner/redevelopers under provisions of RTC Affordable Housing Program;

f. Work with AIC to integrate the proposed property demolition and renovation into a master plan for the Acre. This will guide the City and Acre residents in ongoing development efforts to revitalize the Acre;

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* HOME = the name of the newest federal housing block grant funds, provided to states and large cities to promote the objectives of the National Affordable Housing Act of 1990

CHAS = the plan required of each state and large city in order to receive federal housing funds, describing:
- the housing needs of very low-income, low-income, and moderate-income households, and
- the programs the state and city government will use to address these needs over the next five year period.
V. Need for CDC to Serve as Redevelopment Intermediary - Role of CBA

In order to accomplish the demolition and renovation of the identified properties, the AIC has identified the following needs which it is proposing be met by the community development corporation in the Acre - Coalition for a Better Acre (CBA):

a. Receive from City as interim owner properties identified for rehab—as needed;

b. Assemble a financial package, for attracting private and public funds to be used in renovating properties as affordable housing;

c. Serve as non-profit financial intermediary for the “pass through” of federal funds to these properties consistent with funding program guidelines;

d. Provide training and technical assistance to community residents in property ownership and management issues. This will be accomplished by funds provided under a HOPE 2 grant from the U.S. Housing & Urban Development Department (HUD). This will create a pool of new homeowners for these RTC properties;

e. Provide construction management for the physical renovation of properties, as needed, in Stages 1 & 2;

f. Transfer the properties to new owners upon completion of renovation, under terms of RTC & HOME programs

g. Arrange for the property management of larger multi-family buildings as affordable housing

* HOPE 2 = Homeownership and Opportunity for People Everywhere is a program, enacted under the National Affordable Housing Act of 1990, to assist low-income families in becoming homeowners of properties currently owned or controlled by an agency of the federal government. HOPE 2 concentrates on multi-family properties; in this case, properties owned by the Resolution Trust Corporation (RTC).
Project definition

1. Define client's objectives.
   a. What will the MP be used for?
   b. What does the CBA expect to accomplish with the MP?

2. Define the scope of the study.
   a. Study area limits
   b. Aspects to be included in study:
      - Physical
      - Social
      - Economic
      - Traffic
   c. Determine areas of special interest for in-depth study
      - Affordable housing potential?
      - Is grant money available for some specific aspect?
   d. Review/input/approval process
      - City agencies
      - Community organizations
      - Client

3. Data collection
   a. Collect & review existing information
      - reports, plans, maps, photos, etc.
   b. Develop new data as required
      - surveys, maps, photos, etc.

4. Develop project structure
   a. Description of tasks and products
   b. Project schedule
   c. Staffing/consulting requirements
   d. Budget
   e. Contract
# ACTION PLAN, description

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<th>AGENT</th>
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<td>-Federal</td>
<td>Short term</td>
<td>Department, Agency or Authority responsible for action</td>
<td>Estimated cost or appropriation</td>
<td>Capital plan, operating budget, grants, etc.</td>
<td>Zoning change, land acquisition, approvals, contracts etc.</td>
<td>Studies, plans, reports, budgets, etc.</td>
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</tr>
<tr>
<td>-community groups</td>
<td>Short term</td>
<td>Organization responsible for action</td>
<td>Estimated cost or appropriation</td>
<td>Capital plan, operating budget, grants, etc.</td>
<td>Zoning change, land acquisition, approvals, contracts etc.</td>
<td>Studies, plans, reports, budgets, etc.</td>
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<tr>
<td>-institutions</td>
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<td>-business</td>
<td>Long term</td>
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</table>
RTC PROPERTIES
LOWELL, MA

A FEASIBILITY STUDY
FOR THE REHABILITATION OF
RESIDENTIAL PROPERTIES IN
LOWELL, MASSACHUSETTS

PREPARED FOR THE

COALITION FOR A
BETTER ACRE

APRIL, 1992
Project Team

Architects
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Consulting Engineers
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Daedalus Projects
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Boston, MA 02111
(617) 451-2679
INTRODUCTION

Purpose and scope

This Report was produced by Domenech Hicks and Krockmalnic Inc. in association with Erdman Anthony Associates, Charles Chaloff Consulting Engineers and Daedalus Projects, for the Coalition for a Better Acre of Lowell, Massachusetts. The properties are owned by the Resolution Trust Corporation.

Its purpose was to determine the technical feasibility of rehabilitating a number of residential properties in the city of Lowell, Massachusetts, in order to develop them for affordable housing and to establish an estimate of the probable construction cost associated with each property.

The scope of the work included a visual inspection of each property by a team of architects and engineers; an assessment of the existing condition of each property, the development of a scope of work for the rehabilitation effort and the subsequent development of a cost estimate. The disciplines involved in the study were architecture, structural, mechanical and electrical, and cost estimating.

Hazardous materials are not part of the scope of work of this report.

Method

During the week of March 6 through 12, the project team visited each of the properties included in this report and performed a visual inspection. A representative of the owner, the RTC, accompanied the team and opened the buildings which are boarded up.

All levels of the buildings were inspected, including attics and basements, wherever they were accessible. Most of the roofs of the buildings were not accessible and could not be inspected. In each building one or more typical apartments were looked at. Interior and exterior photographs of all properties were made to document the existing conditions.

In addition to the information obtained from the inspections, an appraisal report for each property, prepared in 1991 by Property Consultants of Chelmsford, MA, was made available to the project team.
The results of the inspections and the consultants' technical recommendations for each property were developed and given to the cost estimator. Measured plans were not available for estimating purposes, only sketch plans with some general dimensions which are included in the appraisal reports.

Report Organization

The properties included in the report were placed in three separate groups based on their location within the city. This classification forms the basis for the report's organization which, in accordance with the client's priorities, was similarly subdivided into three parts. Each part will be developed and submitted in consecutive order by priorities, as follows:

First Group One - Triangle Properties
Second Group Two - Acre Properties
Third Group Three - Outside Acre Properties

An Executive Summary covering all three groups will accompany the submittal containing the third group of properties.

For each property within a given group, the Report provides a general overview and recommendations, a detailed assessment by discipline (architecture, structure, mechanical and electrical), photographs and a cost estimate. A summary cost estimate for all the properties in each group is included at the end of each part.

The appendix contains detailed backup information for the individual cost estimates for each property.
List of Properties

<table>
<thead>
<tr>
<th>Property address</th>
<th>Units</th>
<th>Occupancy</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Group One - Triangle properties</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>1. 199-207 Broadway (3 Bldgs.)</td>
<td>14</td>
<td>vacant</td>
</tr>
<tr>
<td>2. 295-303 Dutton</td>
<td>13</td>
<td>8%</td>
</tr>
<tr>
<td>3. 188-210 Fletcher (3 Bldgs.)</td>
<td>15</td>
<td>vacant</td>
</tr>
<tr>
<td>4. 226-230 Fletcher</td>
<td>6</td>
<td>vacant</td>
</tr>
<tr>
<td>5. 238-246 Fletcher</td>
<td>6</td>
<td>vacant</td>
</tr>
<tr>
<td>6. 384-388 Fletcher</td>
<td>6</td>
<td>vacant</td>
</tr>
<tr>
<td>7. 404 Fletcher</td>
<td>6</td>
<td>vacant</td>
</tr>
<tr>
<td>8. 387-399 Market</td>
<td>10</td>
<td>40%</td>
</tr>
<tr>
<td>9. 20 N. Franklin</td>
<td>6</td>
<td>vacant</td>
</tr>
<tr>
<td><strong>Group Two - Acre properties</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>10. 176 Cross</td>
<td>3</td>
<td>vacant</td>
</tr>
<tr>
<td>11. 158 Salem</td>
<td>12</td>
<td>vacant</td>
</tr>
<tr>
<td>12. 205-207 School</td>
<td>3</td>
<td>100%</td>
</tr>
<tr>
<td><strong>Group Three - Outside Acre properties</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>13. 160-162 Agawam</td>
<td>3</td>
<td>33%</td>
</tr>
<tr>
<td>14. 256 Branch</td>
<td>8</td>
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<tr>
<td>15. 27-35 Butler</td>
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</tr>
<tr>
<td>16. 441-445 Gorham</td>
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</tr>
<tr>
<td>17. 8-10 Mill</td>
<td>12</td>
<td>vacant</td>
</tr>
<tr>
<td>18. 27 Newhall</td>
<td>6</td>
<td>vacant</td>
</tr>
<tr>
<td>19. 160-166 Pine</td>
<td>4</td>
<td>vacant</td>
</tr>
<tr>
<td>20. 206-212 Pine</td>
<td>8</td>
<td>vacant</td>
</tr>
</tbody>
</table>
II GROUP ONE: TRIANGLE PROPERTIES

Overview

This group consists of 13 buildings on 9 separate sites with a total of 82 dwelling units. All buildings except 295-303 Dutton Street and 387-399 Market Street are two or three story wood framed buildings located close to downtown Lowell. The structures at 295-303 Dutton Street and 387-399 Market are, respectively, 3 and 4 story building with a brick exterior wall and first floor commercial space. A list of the properties included in Group One is given below.

<table>
<thead>
<tr>
<th>No.</th>
<th>Property address</th>
<th>Number of Units</th>
<th>Occupancy</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>199-207 Broadway (3 buildings.)</td>
<td>14</td>
<td>vacant</td>
</tr>
<tr>
<td>2.</td>
<td>295-303 Dutton</td>
<td>13</td>
<td>8%</td>
</tr>
<tr>
<td>3.</td>
<td>188-210 Fletcher (3 buildings.)</td>
<td>15</td>
<td>vacant</td>
</tr>
<tr>
<td>4.</td>
<td>226-230 Fletcher</td>
<td>6</td>
<td>vacant</td>
</tr>
<tr>
<td>5.</td>
<td>238-246 Fletcher</td>
<td>6</td>
<td>vacant</td>
</tr>
<tr>
<td>6.</td>
<td>384-388 Fletcher</td>
<td>6</td>
<td>vacant</td>
</tr>
<tr>
<td>7.</td>
<td>404 Fletcher</td>
<td>6</td>
<td>vacant</td>
</tr>
<tr>
<td>8.</td>
<td>387-399 Market</td>
<td>10</td>
<td>40%</td>
</tr>
<tr>
<td>9.</td>
<td>20 N. Franklin</td>
<td>6</td>
<td>vacant</td>
</tr>
</tbody>
</table>

With the exception of 226 Fletcher, all of the structures in this group are suitable for rehabilitation. Most of the buildings date from the turn of the century period and reflect standards for function, comfort and design that are very different from what is accepted today. This means that all of the properties will require substantial investment to bring them up to contemporary standards for residential family units.

Plumbing, heating and electrical systems, for example, are outdated and technically substandard. They would have to be entirely replaced even if they had not been extensively vandalized. Site layouts typically do not provide for any on site parking and many of the lots have only a small area available for outdoor activities such as play areas, patios, and gardens. Many of the interior layouts are awkward and poorly zoned.

On the other hand, many these old buildings possess a richness and variety of architectural detail that is not found in more contemporary structures. Handsome cornices, porches or canopies and decorative trim; high ceilings and bay windows and interesting staircases are all features worth preserving.

Although the buildings in Group One vary considerably in size, form, interior layout and exterior detailing, they are in fact similar in several
basic aspects including age, structure, building materials and interior finishes. As a group, they exhibit some positive characteristics that recommend the buildings for rehabilitation. These include:

- A basically sound structure that requires only minor local repairs
- Interesting, well preserved exterior detailing on several buildings
- Interesting architectural features such as high ceilings and bay windows
- Good natural lighting and ventilation with large windows on most buildings

On the other hand, some of the commonly encountered deficiencies that tend to increase the cost of rehabilitation include:

- Need to reconfigure unit layouts to create larger 2 and 3 bedroom family type units
- Unacceptably small bedrooms with inadequate closet space
- Awkward bathroom layout
- Vandalism of interior finishes, plumbing and electrical systems
- Fire protection and egress requirements for code compliance
Summary of Conclusions for Group One Properties

Although the buildings in this group are generally in sound condition from a structural standpoint, with the exception noted, they require a major effort in four areas to turn them into viable affordable housing.

1. **Configuration:** unit layout is awkward; bedrooms are small with very small closets or none at all; bathrooms are typically very small and awkward; stairs are steep and narrow.

2. **Code compliance:** fire separation walls and acceptable second means of egress typically do not exist; energy efficiency of windows and walls is substandard.

3. **Finishes:** Extensive vandalism of walls, ceilings, floors, millwork, bathrooms and kitchens is prevalent.

4. **Building systems:** plumbing, mechanical and electrical systems are typically antiquated, substandard and have been seriously vandalized and must be totally replaced.
Overview

This group consists of 3 buildings on 3 separate sites with a total of 18 dwelling units. All buildings are three story wood framed buildings with walk-up apartment units and all are located close to downtown Lowell. A list of the properties included in Group Two is given below.

<table>
<thead>
<tr>
<th>No.</th>
<th>Property address</th>
<th>Number of Units</th>
<th>Occupancy</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.</td>
<td>176 Cross Street</td>
<td>3</td>
<td>vacant</td>
</tr>
<tr>
<td>11.</td>
<td>158 Salem</td>
<td>12</td>
<td>vacant</td>
</tr>
<tr>
<td>12.</td>
<td>205-207 School</td>
<td>3</td>
<td>100%</td>
</tr>
</tbody>
</table>

All of the structures in this group are suitable for rehabilitation. Most of the buildings date from the turn of the century period and reflect standards for function, comfort and design that are very different from what is accepted today. This means that all of the properties will require substantial investment to bring them up to contemporary standards for residential family units.

Plumbing, heating and electrical systems, for example, are outdated and technically substandard. They would have to be entirely replaced even if they had not been extensively vandalized. Site layouts typically do not provide for any on site parking and one of the lots has no space available for outdoor activities such as play areas, patios, and gardens. Some of the interior layouts are awkward and poorly zoned.

On the other hand, some of these old buildings possess a richness and variety of interior detail that is not found in more contemporary structures. High ceilings and bay windows and interior arched openings are some features worth preserving.

Although the buildings in Group Two differ in size, form, interior layout, they are in fact similar in several basic aspects including age, structure, building materials and interior finishes. As a group, they exhibit some positive characteristics that recommend the buildings for rehabilitation. These include:

- A basically sound structure
- Interesting architectural features such as high ceilings and bay windows
o Good natural lighting and ventilation with large windows on most buildings

o All units are provided with a second means of egress

On the other hand, some of the commonly encountered deficiencies that tend to increase the cost of rehabilitation include:

o Need to partially reconfigure unit layouts to improve circulation and provide privacy for bedrooms

o Unacceptably small bedrooms with inadequate closet space

o Awkward bathroom layout

o Vandalism of interior finishes, plumbing and electrical systems
### Summary

<table>
<thead>
<tr>
<th>BUILDING</th>
<th>TOTAL</th>
<th>$/UNIT</th>
<th>$/SF</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. 199-207 Broadway</td>
<td>$312,033</td>
<td>$39,004</td>
<td>$39</td>
</tr>
<tr>
<td>Building A</td>
<td>$312,033</td>
<td>$39,004</td>
<td>$39</td>
</tr>
<tr>
<td>Building B</td>
<td>$72,462</td>
<td>$36,231</td>
<td>$53</td>
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<tr>
<td>Building C</td>
<td>$138,833</td>
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<td>$43</td>
</tr>
<tr>
<td>2. 295-303 Dutton</td>
<td>$423,242</td>
<td>$32,557</td>
<td>$36</td>
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<td>3. 188-190 Fletcher</td>
<td>$238,276</td>
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<tr>
<td>202-204 Fletcher</td>
<td>$290,676</td>
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<tr>
<td>210 Fletcher</td>
<td>$131,948</td>
<td>$43,983</td>
<td>$36</td>
</tr>
<tr>
<td>4. 266-230 Fletcher</td>
<td>$205,550</td>
<td>$34,258</td>
<td>$46</td>
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<tr>
<td>5. 238-249 Fletcher</td>
<td>$49,190</td>
<td></td>
<td></td>
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<tr>
<td>6. 384-388 Fletcher</td>
<td>$313,895</td>
<td>$52,316</td>
<td>$34</td>
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<tr>
<td>7. 404 Fletcher</td>
<td>$246,552</td>
<td>$41,092</td>
<td>$43</td>
</tr>
<tr>
<td>8. 387-399 Market</td>
<td>$346,291</td>
<td>$57,715</td>
<td>$31</td>
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<tr>
<td>9. 20 N, Franklin</td>
<td>$287,891</td>
<td>$47,982</td>
<td>$35</td>
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## Summary

<table>
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<th>BUILDING</th>
<th>TOTAL</th>
<th>$/UNIT</th>
<th>$/SF</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. 176 Cross Street</td>
<td>$165,254</td>
<td>$55,085</td>
<td>$35</td>
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<td>2. 158 Salem Street</td>
<td>$419,016</td>
<td>$34,918</td>
<td>$40</td>
</tr>
<tr>
<td>3. 205-207 School Street</td>
<td>$166,261</td>
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III GROUP TWO-ACRE PROPERTIES
### Acre Triangle Phase II - RTC Properties

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<th>2BR</th>
<th>3BR</th>
<th>4BR</th>
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<tbody>
<tr>
<td>1) 199-207 Broadway (3 bldgs)</td>
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<td>6</td>
<td>2</td>
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<td>6</td>
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</tr>
<tr>
<td>2) 176 Cross</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>3) 295-303 Dutton</td>
<td>10</td>
<td>10</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>3</td>
</tr>
<tr>
<td>4) 188-210 Fletcher (3 bldgs)</td>
<td>15</td>
<td></td>
<td></td>
<td>15</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>5) 226-230 Fletcher</td>
<td>6</td>
<td></td>
<td>2</td>
<td></td>
<td></td>
<td>4</td>
<td></td>
</tr>
<tr>
<td>6) 238-246 Fletcher</td>
<td>6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>7) 384-388 Fletcher</td>
<td>6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>6</td>
<td></td>
</tr>
<tr>
<td>8) 404 Fletcher</td>
<td>6</td>
<td></td>
<td>2</td>
<td>3</td>
<td></td>
<td>1</td>
<td></td>
</tr>
<tr>
<td>9) 20 N. Franklin</td>
<td>6</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td>5</td>
</tr>
<tr>
<td>10) 387-399 Market</td>
<td>6</td>
<td>6</td>
<td></td>
<td>6</td>
<td></td>
<td></td>
<td>4</td>
</tr>
<tr>
<td>11) 158 Salem</td>
<td>12</td>
<td></td>
<td>9</td>
<td></td>
<td></td>
<td>3</td>
<td></td>
</tr>
<tr>
<td>12) 205-207 School</td>
<td>3</td>
<td></td>
<td></td>
<td></td>
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<td>3</td>
<td></td>
</tr>
<tr>
<td><strong>Totals</strong></td>
<td><strong>93</strong></td>
<td><strong>20</strong></td>
<td><strong>31</strong></td>
<td><strong>24</strong></td>
<td><strong>18</strong></td>
<td><strong>18</strong></td>
<td><strong>+ 7</strong></td>
</tr>
</tbody>
</table>

Triangle properties tour - May 27, 1992 with Acre Improvement Committee

Resident responses to buildings from external inspection (in order of site visit):

8) 404 Fletcher - SAVE, with reduction in number of units & provision for parking

7) 384-388 Fletcher - "

332 Fletcher - DEMO (fire damaged); use space as parking lot for neighboring store

252 Fletcher - ? partially re-occupied (status unclear); major renovation needed

6) 238-246 Fletcher - DEMO (fire-damaged); use as recreation space if possible

5) 226-230 Fletcher - SAVE, with elimination of units (demo addition in rear)

211 Fletcher - SAVE, with exterior improvements (& possible reconfiguration/reduction of units; unable to determine without access); retain storefront if possible

5) 188-210 Fletcher - DEMO?SAVE? uncertain if one building should be demolished; if so, uncertain which one - issues: reduction in number of units (in 3 buildings / on block) provision of parking space proximity of front entrances to busy street compatibility of building styles

185 Fletcher - SAVE, reduce from 4 to 2 units

9) 20 N. Franklin - DEMO, use space as recreation or parking, depending on use of space on Fletcher

NW corner of Adams & Broadway (vacant lot) - use as park for sitting (considering location? or location for in-fill construction (commercial?)

1) 199-207 Broadway - DEMO middle building

SAVE front and rear buildings

issues for remaining buildings: reduction of number of units? possible conversion of front building (1st floor) to commercial?
Project Definition

1. Objectives

The Plan will be used to guide the residential, commercial and open space development efforts of the Acre Improvement Committee and the Coalition for a Better Acre in the Triangle district over the next 3 - 5 years.

As a summary of the community perspective on the physical redevelopment of the vacant, distressed properties in the neighborhood, the Plan will be used to advance the community's position in negotiations with the City of Lowell to prepare an official City redevelopment plan for the Acre, and to attract public and private reinvestment to implement this plan.

2. Scope of Plan

a. Geographic area:

The streets forming the boundaries of the Triangle district for the purposes of this Plan shall be Cross (north), Mt. Vernon and Rock (west), and Suffolk (east), coming to a point at the intersection of Rock, Suffolk and Fletcher; and extending south along the Fletcher Street corridor to include the business district terminating at Dutton Street.

The initial stage of this study will concentrate on the area targeted by the City for immediate action: the Fletcher Street corridor, along with identified sections of Broadway Street.

Subsequent stages will focus on the residential sections west of Fletcher, or east of Fletcher (the prior definition of the Triangle), depending on the concentration of abandoned residential properties in these sections; or on the business corridor along the southern end of Fletcher, to be redeveloped in conjunction with the renovation of the Kitson Building as the Museum of American Textile History.

b. Community concerns to be addressed by Plan:

- physical: assessment of the physical condition of buildings - including structural integrity, status of mechanical systems, extent of vandalism, and code compliance issues
social: comparison of existing v. alternatives for improved living conditions -
* building layout - unit size, room configuration;
* resident concentration - units per building, units per street
* available resident "amenities" - open space (per property and per street/district), parking space, recreational space
* resident safety/security - proximity of primary building access to major traffic corridors (Fletcher and Broadway), presence of space conducive to drug trafficking
* building / streetscape appearance - historic preservation, compatibility of building styles, integration of open space

economic: assessment of renovation cost for reclaiming properties as affordable housing (with market rents of $350 - 500/month) - or as small businesses, where appropriate -, or of conversion cost of property into open space for resident use

An ongoing goal of the community's redevelopment efforts is to promote the ownership of renovated properties by resident owner-occupants, in order to end the control and abuse of these properties by absentee investors/landlords and to increase neighborhood stability. This Plan should incorporate these community concerns in a manner which will make renovated properties marketable to those who already consider the Acre their home.

c. Preparation/review/approval process:
- identification of resident concerns and ideas for redevelopment through meetings / site tours
- preparation and presentation of development options for resident review and decision - making
- preparation and presentation with residents of resident-approved Plan to City officials
- preparation of any subsequent products needed to assist residents in negotiation with City in preparation of official neighborhood Plan

3. Data collection

a. As information - maps, reports and plans - in the possession of the CBA, including that recently received from the City, is sufficiently outdated as to be inaccurate regarding existing property status, it is not clear how much collection and review of existing data will be involved.

b. Since the City will produce new maps and plans at some point, but does not yet have them, the Plan will require the development of some new maps to meet the needs identified above in the preparation process. The initial stage of the Plan should not attempt to re-map the entire Triangle area as defined above, but only those areas targeted in the first stage.
4. **Project structure**

- Tasks and products will be in accordance with the preparation/review/approval process described:

  **May/June** * identification of resident concerns and ideas for incorporation into representations of redevelopment options;

  **June** * presentation of options for review and decision-making

  **June/July** * preparation of resident approved plan for disposing of 8 RTC properties (12 buildings) in (and near) Triangle district, and other identified properties in City target area (4 properties at this time)

  **July** * presentation with residents of first stage of community plan to City

  **July/Aug** * preparation of revised plans or new products necessary to conclude negotiations with City

  **Sept** * upon completion of official City Plan for Acre Target Area B (Fletcher Street corridor), review and define schedule, tasks and products for subsequent stages

- Upon reaching mutual agreement on the definition of the project, including determination of staffing requirements and projected budget (for first phase - with an allowance for subsequent phases?), a contract will be signed.
Disposition of Chamberas properties

Objective: Reclamation of distressed properties = disposition of properties to move them back into affordable housing market

This is not a normal purchase offer to acquire property, but a proposal for disposing of these properties under the RTC's Affordable Housing Program to meet this objective.

Problem Context: We are not in a normal (market) property acquisition situation, because of 2 factors:

1) the physically distressed condition of these properties has created blight in the community

2) the abandonment of the properties has had a negative impact on neighboring properties and contributed to a climate of disinvestment in the entire community.

These factors have created problems whose solutions go beyond real estate issues; they have become neighborhood and City issues.

Action for Resolution: To facilitate a disposition which addresses these problems, CBA has

1) worked with CEDAC, to determine the physical requirements and estimated cost of reclaiming these properties: by obtaining architectural and engineering inspection reports, and renovation cost estimates; and

2) worked with the City of Lowell, to reverse the climate of disinvestment:
   a) by developing a community revitalization plan, to guide decisions about these properties: whether they are demolished or renovated; and
   b) by identifying and attracting the necessary financial resources to carry out demolition and renovation.

Conclusions / Proposal:
Given the problems that have to be resolved -
1) the physical condition of the buildings and the high cost of what is required for their demolition or renovation; and
2) the negative impact of the continuing neglect of these properties -

Our proposal is that the RTC facilitate the reclamation of these properties by conveying them for the minimum price.
APPENDIX 3

Development Data
RTC Properties - HOMEOWNERSHIP PROJECT

ACQUISITION FINANCING ASSUMPTIONS

1) Acquisition cost for homeowner:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sales Price</td>
<td>133,000</td>
</tr>
<tr>
<td>Closing Costs</td>
<td>500</td>
</tr>
<tr>
<td><strong>Total Acquisition Cost</strong></td>
<td><strong>133,500</strong></td>
</tr>
</tbody>
</table>

2) Sources available for payment of acquisition costs:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Debt - Bank Mortgage Loan (less 5% downpayment)</td>
<td>66,149</td>
</tr>
<tr>
<td>Equity - HOME - City of Lowell</td>
<td>43,483</td>
</tr>
<tr>
<td>HOME - Commonwealth of Massachusetts + Historic Preservation Grant</td>
<td>19,896</td>
</tr>
<tr>
<td>Buyer equity (downpayment &amp; closing costs)</td>
<td>3,982</td>
</tr>
<tr>
<td><strong>Total Payment Sources</strong></td>
<td><strong>133,500</strong></td>
</tr>
</tbody>
</table>

3) Cash required from Homeowner at time of acquisition:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Closing Costs</td>
<td>500</td>
</tr>
<tr>
<td>Minimum Downpayment (5% of 1st mortgage)</td>
<td>3,482</td>
</tr>
<tr>
<td><strong>Total cash required at closing</strong></td>
<td><strong>3,982</strong></td>
</tr>
</tbody>
</table>

4) Monthly homeownership expenses:

   a) mortgage payment:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>mortgage principal &amp; interest</td>
<td>475</td>
</tr>
<tr>
<td>home insurance</td>
<td>42</td>
</tr>
<tr>
<td>real estate taxes</td>
<td>79</td>
</tr>
<tr>
<td><strong>total monthly mortgage payment</strong></td>
<td><strong>595</strong></td>
</tr>
</tbody>
</table>

   b) other housing costs:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>water/sewer</td>
<td>15</td>
</tr>
<tr>
<td>gas</td>
<td>71</td>
</tr>
<tr>
<td>electric</td>
<td>33</td>
</tr>
<tr>
<td><strong>total other monthly housing costs</strong></td>
<td><strong>119</strong></td>
</tr>
</tbody>
</table>

   **Total monthly homeownership expenses**: 715

5) Minimum annual household income required to qualify for bank financing, assuming no other outstanding debt: $24,500
### Coalition for a Better Acre
**RTC Properties - HOMEOWNERSHIP PROJECT**
**Lowell, MA**
12 Unit Redevelopment

#### USES OF FUNDS

<table>
<thead>
<tr>
<th>Acquisition</th>
<th>Project</th>
<th>Per Unit</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Construction</strong></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction Contingency</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Permit &amp; Bond</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Design Consultant</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Demolition &amp; Hazardous Material Removal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction Interest</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-total construction contracts</td>
<td>1,221,738</td>
<td>101,812</td>
<td>77%</td>
</tr>
<tr>
<td>Survey</td>
<td>3,450</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security</td>
<td>1,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Assessment</td>
<td>4,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R.E. Taxes</td>
<td>11,976</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Insurance</td>
<td>5,837</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Legal</td>
<td>15,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Financing Fees</td>
<td>20,386</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounting</td>
<td>4,800</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Management</td>
<td>37,847</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Developer Fee</td>
<td>70,677</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marketing / Homeowner training</td>
<td>6,600</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Sub-total developer costs</strong></td>
<td>182,572</td>
<td>15,214</td>
<td>11%</td>
</tr>
<tr>
<td><strong>TOTAL USES</strong></td>
<td>1,596,108</td>
<td>133,009</td>
<td></td>
</tr>
</tbody>
</table>

#### SOURCES OF FUNDS

<table>
<thead>
<tr>
<th>Equity: HUD HOME Funds - City of Lowell</th>
<th>Project</th>
<th>Per Unit</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>- Commonwealth of Mass.</td>
<td>521,798</td>
<td>43,483</td>
<td>33%</td>
</tr>
<tr>
<td>- Historic Preservation Grant - LHPC</td>
<td>163,752</td>
<td>13,646</td>
<td>10%</td>
</tr>
<tr>
<td><strong>Debt: Mortgage Loans</strong></td>
<td>835,558</td>
<td>69,630</td>
<td>52%</td>
</tr>
<tr>
<td><strong>TOTAL SOURCES</strong></td>
<td>1,596,108</td>
<td>133,009</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Rate</th>
<th>Term</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Construction Financing:</strong> 9.50%</td>
<td>0.50</td>
<td>429,170</td>
</tr>
<tr>
<td><strong>Working Capital Financing:</strong> 8.25%</td>
<td>0.67</td>
<td>106,701</td>
</tr>
<tr>
<td><strong>Permanent Financing:</strong> 7.25%</td>
<td>30</td>
<td>835,558</td>
</tr>
<tr>
<td><strong>Monthly payment:</strong></td>
<td>$475</td>
<td></td>
</tr>
</tbody>
</table>

**Acquisition** = payment of overdue taxes (thru FY 1994) & repayment of MHP loan to City ($3600 per property)
### USES OF FUNDS

<table>
<thead>
<tr>
<th>Item</th>
<th>Project</th>
<th>Per Unit</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition</td>
<td>191,798</td>
<td>19,180</td>
<td>14%</td>
</tr>
<tr>
<td>Construction</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction Contingency</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Permit &amp; Bond</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Design Consultant</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Demolition &amp; Hazardous Material Removal</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Construction Interest</td>
<td>1,026,133</td>
<td>102,613</td>
<td>74%</td>
</tr>
<tr>
<td>Survey</td>
<td>3,450</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Security</td>
<td>1,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Environmental Assessment</td>
<td>4,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>R.E. Taxes</td>
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<td></td>
<td></td>
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<td></td>
</tr>
<tr>
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<td>20,386</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Accounting</td>
<td>4,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project Management</td>
<td>37,847</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Developer Fee</td>
<td>66,986</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Marketing / Homeowner training</td>
<td>5,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sub-total developer costs</td>
<td>174,482</td>
<td>17,448</td>
<td>13%</td>
</tr>
</tbody>
</table>

**TOTAL USES**

<table>
<thead>
<tr>
<th>Project</th>
<th>Per Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,392,412</td>
<td>139,241</td>
</tr>
</tbody>
</table>

### SOURCES OF FUNDS

<table>
<thead>
<tr>
<th>Item</th>
<th>Project</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equity: HUD HOME Funds - City of Lowell</td>
<td>434,830</td>
<td>31%</td>
</tr>
<tr>
<td>- Commonwealth of Mass.</td>
<td>136,460</td>
<td>10%</td>
</tr>
<tr>
<td>Historic Preservation Grant - LHPC</td>
<td>75,000</td>
<td>5%</td>
</tr>
<tr>
<td>Debt: Mortgage Loans</td>
<td>746,122</td>
<td>54%</td>
</tr>
</tbody>
</table>

**TOTAL SOURCES**

<table>
<thead>
<tr>
<th>Project</th>
<th>%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1,392,412</td>
<td>139,241</td>
</tr>
</tbody>
</table>

### Rate Term Amount

<table>
<thead>
<tr>
<th>Financing Type</th>
<th>Rate</th>
<th>Term</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction Financing</td>
<td>9.50%</td>
<td>0.50</td>
<td>429,170</td>
</tr>
<tr>
<td>Working Capital Financing</td>
<td>8.25%</td>
<td>0.67</td>
<td>102,301</td>
</tr>
<tr>
<td>Permanent Financing 1st Mortgage Loans</td>
<td>7.25%</td>
<td>30</td>
<td>746,122</td>
</tr>
</tbody>
</table>

**Monthly payment:** $509
If ...  
You’re a Lowell resident  
With a gross family income between $22,000 and $28,000  
Currently paying between $450 to $600 per month in housing related expenses

If ...  
You would like to own your own three or four bedroom unit and  
Can see your housing as the biggest investment you will ever make

If ...  
You’re also looking to invest in an up and coming community that boasts having Lowell’s most diversified population  
And the neighborhood is important to you

If ...  
You want to know your future neighbors before moving in and  
are willing to look at a variety of homeownership options that may include  
Two Single Family, side by side modular units  
Occupant unit with Commercial units for home run business  
Owner Occupied unit with rental unit for added income  
New Construction and Completely Rehabbed units

If ...  
You like the idea of having the support of neighborhood groups such as the "Acre Improvement Committee" and the "Coalition For A Better Acre"

THEN ...  
CONSIDER THE ACRE WHEN LOOKING FOR YOUR NEW HOME
Mr & Mrs, First Timer
Acre, Lowell Surrounding Area
Lowell, MA

Dear First Timer;

The CBA is now in the process of developing some affordable housing in the Acre neighborhood. As part of an ongoing effort the CBA along with the AIC is implementing a strategy of stabilization and revitalization in the Acre community that includes an affordable housing disposition program. Housing opportunities will be offered to those whose rents are in the $450 to $600 per month range.

Existing neighborhood amenities include: proximity to area hospitals and a community health center, the new McGurtland Community School in the North Common; City Hall and the Downtown commercial district, the Lowell High School, the soon to be refurbished canal walkways system and the National Historic Parks with related public transportation. Amenities also include small scale area commercial strips, community advocacy and development agencies (such as the CBA, AIC and CTI) that add to the Acre history and flavor as unceasing efforts continue in community economic development.

The neighborhood itself is rich as a result of it's ethnic and cultural diversity that includes scores of recently arrived residents from Southeast Asia and Latin America as well as established older immigrant residents who came here to take advantage of economic opportunities and affordable housing. Greeks, French Canadians, the Irish, Italians, Columbians, Puerto Ricans, Dominicans, Nicaraguans, Cambodians, Vietnamese, Asian Indians, African Americans are, some of the more numerous of the 20,000 plus residents who make the Acre their home.

Coming soon to the neighborhood will be an Acre Enterprise Center/Small Business Incubator that will be in the general business of developing the economic potential for Acre residents. Business opportunities and jobs for residents will hopefully be available soon.

"Demoulas" is also proposing to move it's main operations to where the city yards are presently located on Broadway and Fletcher. This will bring new activity to the area while his site on Suffolk Street will be used to house a future center for youth activities.

Because of the efforts of business and community groups, a police substation, funded in part by Federal monies and an Acre business group's donations will be housed on the corner of Adams and Fletcher.

Development taking place in the lower Fletcher Street area as well as Broadway and Marion St. will greatly enhance the Acre as housing, open space, parking, circulation all will be improved and accessible for the low and moderate income residents of the area.

So, become part of the movement and ... stay in touch for the latest developments.
Owning a Home in CBA’s Acre Community Land Trust

Why Should I Buy?

What’s different about owning a home in the Acre CLT?

You have the same rights as any other homeowner:
* the right to privacy: to exclude others from the property
* the right sell or give away the property
* the right to leave the property to your heirs

with one difference - the CLT has the right to prohibit actions which would threaten the long-term affordability of the housing:
* severe damage to the property which is not repaired
* sale of the property at a price higher than the agreed-upon maximum limited-equity price

Why should I accept a maximum cap on the amount of profit I can make on the re-sale of the property?

1) You will be making a trade: in exchange for accepting a cap on the profit you can make (in effect, losing a chance at making a "windfall profit"), you are gaining the opportunity for long-term security and ownership of your housing.

It should be remembered that the opportunity to make a "windfall profit" on the re-sale of a home is just that: an opportunity, not a guarantee; indeed, the chance to make an "undeserved" profit also involves the chance to suffer an "undeserved" loss. (Many homeowners in Massachusetts have learned this lesson the hard way over the past several years.)

In making this trade you will be guaranteed the return of your investment (adjusted for deflation of the value of the dollar). You will not have to take the speculative risk involved in the traditional housing market.

2) Through the efforts of the community - CBA and active community residents - you have the opportunity to purchase a home for a price substantially less than its cost. The total cost to develop and build this home is $120,000; the price you are paying is $70,000.

Your mortgage has been reduced by $50,000 through an allocation of government funds to the construction and sale of this property. The intent of this public subsidy is not just to build a new home, but to benefit the whole community: to make the entire Acre a better place to live.

Since the community’s efforts have created this unusual ownership opportunity, and since money has been contributed by others (in this case, taxpayers’ monies) to make possible a low purchase price - it would not be fair for a single household, as the homeowner, to be the sole beneficiary of the additional value created in this property.
The Community Land Trust (CLT) Model of Ownership - Why Use It?

The CLT model features dual ownership of a property:
* the community owns the land (through the CLT)
* individuals (or organizations of individuals) own their homes and other improvements.

WHY separate the ownership of land and buildings?

The CLT model is rooted in a basic fact of the real estate market: property value is created both by individuals through their investments and by the surrounding community through public and commercial investments.

The dual creation of property value is almost always ignored when the benefits derived from the value created are allocated: the ownership of a property’s value is restricted to individuals; the community’s creative role is overlooked. The CLT model acknowledges the dual creation of property value, by structuring ownership which benefits both individuals and the community.

HOW does a CLT balance individual and community rights and needs?

For **individuals and families** -
What does the CLT model offer?
The three essential benefits of traditional homeownership:
* the security of lifetime tenancy
* fair equity based on actual investments and home improvements
* a legacy for their descendents and the future

What does the CLT model not offer?
The speculative nature of traditional homeownership:
* the chance to make a substantial profit through the resale of one’s home
* the chance to suffer a substantial loss through the resale of one’s home (or to be forced to remain as owner of the property to avoid such a loss)

For **communities** -
What does the CLT model offer?
Advantages missing in the traditional model of ownership:
* increased community control over long-term development
* fair and increased access to housing ownership at affordable rates
* shared benefit from property values created by community development and community reinvestment
* protections to ensure affordability for future residents
* preservation and recycling of public subsidy to community revitalization efforts, increasing long-term impact

What does the CLT model not offer?
The disruptive features of the traditional model of ownership:
* speculative investment and absentee ownership
RTC Properties Redevelopment - Homeownership Project
Ownership Structure:
Sole Proprietorship through a Community Land Trust

Community Land Trust (CLT) - What Is It?

Structure:
A CLT is a democratically-structured non-profit corporation, with an open membership and an elected board.

Purpose:
* to acquire & hold land for the benefit of a community - by removing the land from the speculative housing market
* to provide secure affordable access to land and housing for community residents - by making the land available through long-term land leases

Operation:

Real Estate
A CLT makes the land it acquires available to individual families, cooperatives and other organizations through long-term (lifetime) leases. These leases may be transferred to the leaseholders' heirs if they wish to continue to use the land.

While leaseholders do not own the land they use, they own their building or housing units. The CLT retains an option to purchase the building, should the owner decide to sell, for the amount of the owner's investment, adjusted for inflation and depreciation. Homeowners are thus guaranteed a fair equity for their investments and their successors can purchase the homes at a fair price.

A CLT does not leave new homeowners to sink or swim on their own. CLT's can provide a variety of support services - for example, training and assistance in financial management or home repairs. Actual services provided depend on membership priorities and resources available.

Organization
Each CLT develops its own membership criteria and its criteria for selecting new homeowners/leaseholders. Homeowner applicants are normally judged on the basis of need, commitment to the CLT, and ability to make the necessary payments and handle other responsibilities of homeownership.

All leaseholders are members of the CLT and are represented on its board. Committees of the CLT selected by the board do the work of managing the organization. Democratic representation on the CLT board maintains the community's interest in long-term affordability and locally-controlled development. As they grow, most CLT's hire staff to coordinate development and serve the elected board.
### UNAC'S THREE MAIN MORTGAGE OPTIONS

<table>
<thead>
<tr>
<th>Purpose</th>
<th>Loan #1 (Boston Co.)</th>
<th>Loan #2 (Shawmut/Fannie Mae)</th>
<th>Loan #3 (Fleet)</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Purpose:</strong></td>
<td>Purchase Only</td>
<td>Purchase &amp; Rehab</td>
<td>Purchase &amp; Rehab</td>
</tr>
<tr>
<td>Downpayment</td>
<td>5%</td>
<td>2.5%</td>
<td>None</td>
</tr>
<tr>
<td>Closing Costs</td>
<td>$1,200</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Interest Rate (as of 3/23/94)</td>
<td>6.875% -- single</td>
<td>8.25 + .375 = 8.50% single &amp; multi</td>
<td>8.125% single &amp; multi</td>
</tr>
<tr>
<td>Credit History</td>
<td>12 Months Satisfactory</td>
<td>12 Months Satisfactory</td>
<td>12 Months Satisfactory</td>
</tr>
<tr>
<td>Points</td>
<td>None</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Application Fee</td>
<td>$15.00</td>
<td>YES*</td>
<td>NO</td>
</tr>
<tr>
<td>Appraisal Fee</td>
<td>NO</td>
<td>YES*</td>
<td>NO</td>
</tr>
<tr>
<td>Legal Fee</td>
<td>NO</td>
<td>YES*</td>
<td>NO</td>
</tr>
<tr>
<td>Private Mortgage Insurance (PMI)</td>
<td>None</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Housing Ratio</td>
<td>33%</td>
<td>None</td>
<td>None</td>
</tr>
<tr>
<td>Total Debt Ratio</td>
<td>38%</td>
<td>UP TO 43% single 58% multi</td>
<td>UP TO 40% single 68% multi</td>
</tr>
</tbody>
</table>

All three mortgage products are subject to income guidelines and geographical restrictions. Priority is given to mortgage scam victims, purchasers of distressed properties, homebuyers who are unable to qualify for traditional mortgage products, and members of community-based organizations.
GENERAL SPECIFICATIONS

Customized Structures' Homes are of conventional wood platform frame construction and have been designed and fabricated to meet single family housing standards of B.O.C.A., C.A.B.O. 1 and 2 Family Dwelling Code, Federal Housing Administration (F.H.A.), and Farmers Home Administration. Roof loads are carried by the perimeter side walls of each module; in the finished dwelling unit, the marriage wall becomes the load bearing interior partition. Loads are carried to the foundation through the module edge beams. Each unit is supplied with suggested foundation plans.

The module may be considered an assembly of five major structural components:

1. Floors
2. Perimeter Walls
3. Marriage Walls
4. Interior Partitions
5. Roof/Ceilings

These components are prefabricated at the assembly line and introduced to the assembly process as required. The following sections describe these major elements of the module.

1. FLOOR SYSTEMS

A. Marriage Beams - Continuous double 2" x 10" on 12 ft. wide modules (2" x 12" on 13' and 14' wide modules) (Spruce, Pine, Fir), lap spliced, glued and nailed. 2" x 2" ledger for joint support.

B. Floor Joists - (Spruce, Pine, Fir) 2" x 8" on 12' wide modules (2" x 10" on 13' and 14' wide modules) 16" o.c. (steel joist hangers where needed).

C. Headers - Double 2" x 8" or 2" x 10" (Spruce, Pine, Fir) at stairwells and all floor openings.

D. Bridging - Bridging installed one line per 12', 13' or 14' section.

E. Sub-Flooring - Staggered 3/4" tongue and groove 4" x 8" underlayment grade plywood (pine or fir), plugged and touch sanded, grain perpendicular to joists, glued and nailed over joists, perimeter beams and marriage beams.

F. Finish Flooring - (1) 100% nylon or duratron pile - 28 oz., jute or action backed carpet in living, dining rooms and bedrooms over 1/2" rebind pad. (2) Armstrong or equivalent roll vinyl flooring in kitchens and bathrooms in choice of patterns and colors.

G. Insulation - for floor or basement wall to be supplied and installed by field contractor in accordance with local requirement and/or wishes of consumer. 6" R-19 kraft faced insulation for floor available as optional purchase item for installation by field contractor.

2. PERIMETER WALLS

A. Framing - (Spruce, Pine, Fir) or (Eastern Spruce, Balsam, Fir).

B. Bottom Plate - Continuous 2" x 6".

C. Top Plate - Continuous double 2" x 6" (or equal) tied at corners with metal nail plates.

D. Studs - 2" x 6" at 16" o.c.

E. Corner Posts - 2-2" x 6" L connected, spiked together.

F. Jack Studs - 2" x 6" full height to lintels, nailed to studs.

G. Headers - Triple 2" x with 1/2" plywood spacer to provide full wall depth, built up solid header or laminated structural beam for oversize spans.

H. Window Sills - 2" x 6" with cripples 16" o.c. to sole plate.

I. Sheathing - 7/16" x 4' x 8' O.S.B. sheathing or equal glued and nailed or stapled horizontally to all plates, studs, corner posts, and perimeter beams.

J. Siding - Double 5" Georgia Pacific or equal, vinyl clapboard (optional colors) standard. Optional sidings include white cedar shingle (natural 5" x 5-1/2" exposure), rustic red cedar clapboard or clear red cedar clapboard (natural at 4-1/2" to 5" exposure).

K. Insulation - 6" R-19 fiberglass, kraft faced, (Owens Corning or equal).
GENERAL SPECIFICATIONS - Simplicity

L. Interior Wall Finish - 1/2" gypsum drywall glued and nailed (or screwed) perpendicular to studs. Horizontal perimeter drywall joints reinforced with 1/2" blocking glued and screwed between studs. (Joints are then taped and spackled, drywall surfaces are prime coated with one coat of latex paint.)

3. MARRIAGE WALLS

A. Framing - (Spruce, Pine, Fir) or (Eastern Spruce, Balsam, Fir).
B. Bottom Plate - Continuous 2" x 3".
C. Top Plate - Continuous double 2" x 3" tied at corners with metal nail plates.
D. Studs - 2" x 3" at 16" O.C.
E. Jack Studs - 2" x 3" full height to lintels nailed direct to studs.
F. Headers - single 2" x with 2 layers 1/2" plywood laminated and nailed to studs to provide full depth or laminated structural beam for over-srise spans.
G. Sheathing - 7/16" O.S.B. sheathing or equal.
H. Interior wall finish - same as perimeter walls.
I. Fiberglass insulation gasket applied between modules at time of placement on foundation.

NOTE: At time of erection, when the modules are brought together, a 7" centrewall is formed by the marriage of the two modules' 2" x 3" sidewalls.

4. INTERIOR PARTITIONS

A. Framing - (Spruce, Pine, Fir) or (Eastern Spruce, Balsam, Fir).
B. Bottom Plate - Continuous 2" x 4".
C. Top Plate - Continuous 2" x 4".
D. Studs - 2" x 4" at 16" O.C.
E. Corner Posts - Two 2" x 4" studs spiked together.
F. Headers - 2" x 4".
G. Wall Finish - 1/2" gypsum drywall glued and nailed (or screwed) perpendicular to studs. Finish same as interior or perimeter walls.

5. ROOF AND CEILING CONSTRUCTION

A. Trussed Rafters - engineered monopitch trusses premanufactured with B.O.C.A. approved truss plates are placed 24" O.C., standard roof pitch is 5/12 for split style, ranches, two stories and 12/12 roof pitch on cape style homes (optional roof pitches 6/12 and 7/12 are available).
B. Insulation - 9-1/4" (R-30) fiberglass insulation at all roof sections, except first floor ceilings of unfinished capes which are insulated with 6" R-19 and require field supplied and installed insulation in unfinished second floor area per governing code. (Optional 12" R-38 available).
C. Sheathing - 5/8" O.S.B. tongue and groove sheathing staggered and nailed or stapled to framing members.
D. Roofing - Owens Corning Classic (or equal) fiberglass shingles over 15 lb. felt. Nailed or stapled per manufacturers specifications.
E. Ceiling - 1/2" gypsum drywall applied with foamseal adhesive to trusses or ceiling joists. Joints taped and spackled. Drywall surfaces are prime coated with one coat of latex paint or optional textured ceiling spray, medium texture.

WINDOWS - Everclad - vinyl-clad, tilt-out, double hung windows with Low E glazing and full screens installed.

NOTE: On all Simplicity homes a double 32" double hung window will be substituted for picture windows or bow windows shown on any product literature floor plan. Grills are available on Simplicity Series windows as optional extra. Also a 3016 window will be substituted for any casement window shown over kitchen sink area locations.

ENTRANCE DOORS - Thermatru or equivalent insulated 1-3/4" steel clad doors with tempered thermo-glass, adjustable threshold and jamb, compression weather stripping. Main Entrance - 3'-0" wide with wood frame standard jams and colonial trim (optional single and double sidelites). Rear Entrance - 2'-8" wide with wood frame standard jams and colonial trim. Locksets are Schlage F51N brass bell style (or equivalent).

NOTE: Regardless of floor plan representation, all Simplicity homes main entrance is a 3'-0" x 6'-8" door. Sidelites, if required, are an option.

INTERIOR DOORS - Passage Doors - Legacy prefinished hardboard, prehung in standard jams. Closet Doors - Bi-pass configuration on closet openings 4' and over, finish same as passage doors. Passage and privacy sets are Schlage F10 or F40 brass bell style (or equivalent).
CABINETS - Kitchen Kompact Chadwood (or equivalent) prefinished oak front with laminated post form countertops. Kitchen Kompact prefinished bathroom vanities with laminated post form vanity tops and vanity mirror in 24" or 36" length depending on vanity size.

PLUMBING - Hot and cold water distribution and waste vent systems above the floor line (bottom of sill) are factory installed (where permitted). Services to building prior to erection of modules, as well as connections to house distribution systems are completed by builder.

1. Water Supply - Hot and cold water circuits are assembled of copper tubing with lead free solder joints. Hookup to building water supply and achievement of distribution continuity is by the field contractor. Piping is to be fastened to structural members of the house for support (see drawings for detail). All copper tub and shower trees are tested with 125 lbs. of air at the factory.

2. Drain, Waste, Vent - This system is of schedule 40 PVC (see drawings for sizes of drains and vents). All vents run vertically into open air 2-1/2" above roof. Factory installed waste and drain piping is installed with a grade of 1/4" per ft. All DWV lines are tested by filling stack to top of roof vent and with water for 15 minutes or air tested at 10 lbs. pressure held for 15 minutes at the factory.

3. Fixtures
   A. Kitchen sink - Moen stainless steel double bowl with Moen 7841 Chateau single lever faucet (or equivalent).
   B. Vanity Lavatory - Universal, Rundle 18" round or oval china with Moen 40925 chateau single lever faucet (or equivalent).
   C. Water closet - Universal, Rundle Allum 3.5 GPF regular rim china (or equivalent). 1.5 GPF water closet available as option.
   D. Bathtub/Shower - Universal, Rundle 60" or 36" one piece fiberglass tub/shower combination or shower with Moen T189 anti-scald shower valve (or equivalent).

HEATING - Customized Structures offers Slant-Fin hot water baseboard heat standard in all Simplicity models. Electric baseboard heat is available as an optional extra. All systems are designed to provide 70 degrees F in the main living area with 55 degrees F in bedrooms. Installation of UL approved electric baseboard type units is according to recommendations contained in ASHRAE guide and those of the manufacturer, and is in compliance with the National Electrical Code. Baseboard hot water heat elements are installed through floor for field hook-up. Balance of heating and associated electrics supplied and installed by field contractor. Installation of IFR approved units is according to recommendations contained in ASHRAE guide and those of the manufacturer, and is in compliance with state and local plumbing codes. See drawings for size of vents in each model.

VENTILATION - Continuous 2-1/2" vented soffit strip at all eaves and ridge-vent system provided at roof. (Mull vent with matching roof cap on roof pitches in excess of 6/12).

SMOKE DETECTORS - Detectors are ELCA 773 (or equivalent). Replacements are U.S. approved and wired to comply with National Electrical Code, and all state and local codes. In MA and CT, Firex A/C - D/C smoke detectors are provided. (Refer to plans for location or wire for future basement and/or 2nd floor installations). In All homes an additional smoke detector is provided for field installation in basement area.

ELECTRICAL FIXTURES - All fixtures are Ruggill (or equivalent). Refer to electrical plans for location.

SWITCHES AND CONVENIENCE OUTLETS - Leviton or equivalent and wired to comply with National Electrical Code.

ELECTRICAL EQUIPMENT - Kitchen Range Hood - 30" Broan, 160 CFM, 4000 Series (or equivalent) available as optional extra. Bathroom Fan - Nutone - round fan/light combination Model 867 (or equivalent) 85 CFM. Ground fault circuit interrupter, receptacle type installed at all kitchen and bath circuits and on exterior waterproof receptacle. Garbage Disposal -
GENERAL SPECIFICATIONS - Simplicity

Insinkerator Badger V (or equivalent) as optional extra. General Electric appliance available as optional extra.

INTERIOR MILLWORK - Baseboard - 3-1/2" F.J. Wood Colonial, primed and finished with 1 coat semi-gloss antique white. Door and Window Molding - All interior doors cased with 2-1/" F.J. Wood Colonial Trim and windows are framed with 2-1/2" wood colonial trim primed and finished with 1 coat latex semi-gloss antique white. Closets - vinyl coated wire frames, shelving in 12" and 16" widths.

EXTERIOR MILLWORK - Shutters - Alocia Louvered Vinyl or equivalent are available on Simplicity models as optional extra. Freeze board, gables and fascia - pine, painted or upsionised trim board - primed and painted.

STAIRWAYS - Ranch - Stringer stock, treads, and handrail stock is provided on Simplicity homes as optional extra. Installation is by field contractor. Split - Stringer stock, treads, and riser stock furnished for carpet grade stairs with installation by field contractor. Carpet is furnished for all split style stairways and is to be installed by field contractor.

ADDITIONAL SPECIFICATIONS FOR CAPE STYLE HOMES

Cape style homes are provided with a standard 12/12 roof pitch which is erected by Customized Structures field crew. Some work by the field contractor may be necessary in order to make the cape style home weather tight. Capes are provided with an unfinished second floor, but have plumbing and 2 electrical circuit feeds stubbed to the second floor for field completion. Optional items such as shed dormers and "A" dormers are available at extra charge from Customized Structures. No interior wall studding, drywall, fixtures or interior finish are provided for the second floor of Cape style homes.

NOTE: Below listed are only those items which are not covered or are different than the previously listed specifications.

1. FLOORS
   A. Floor joists - second floor joists are 2 x 8 (24 and 26 wide) and 2 x 12 (28 wide) (Spruce, Pine, Fir) at 16" O.C. steel joist hangers where needed.
   B. Sub-flooring - second floor decking on capes is 5/8" O.S.B. - staggered and nailed to floor joists.
   NOTE: A four-foot strip of sub-flooring is left out at the mating point of all modules for installation by field contractor. Material supplied by Customized Structures Inc.
   C. Finish Flooring - not supplied with home for second floor.
   D. Insulation - 6" R-19 is provided in cavity between first and second floor. Second floor insulation is to be supplied and installed by field contractor at completion of second floor or per governing energy code.

2. ROOF CONSTRUCTION
   A. Roof rafters are 12/12 pitch engineered mono-pitch trusses manufactured with B.O.C.A. approved truss plates and are placed 16" on center.
   B. Shed Dormers are constructed with 2 x 6 wall studs, shed roofs on capes are a nominal 5/12 pitch and are designed as a preengineered mono-pitch truss.
   C. "A" Dormers are constructed with 2 x 6 wall studs and include a roof system of a 12/12 pitch truss.

3. PLUMBING
   A. Hot and cold water distribution and waste vent systems are installed in second floor at the factory with access panels for connection by field contractor. Plumbing vents must be continued through roof system by field contractor.

4. ELECTRICAL
   A. Two feed wires are supplied to the second floor of all capes for general lighting circuits. No breakers are supplied for these second floor circuits.

5. STAIRWAYS
   A. Stringers, treads and risers are factory installed from 1st to 2nd floor and are intended to be carpeted. Carpet, pad and tack strip are supplied by Customized Structures for installation by field contractor. Handrails for stairways are not supplied and must be supplied and installed by field contractor.

Specifications subject to change without notice. Whenever a change is required, the substitutes will be equal to or better than these specifications call for.
BD OF APPEAL PLAN

ADDRESS: 250 - 240 Fletcher St.
LOWELL MASS.

ZONE: BI
AREA: 11,966 S.F.
PROPOSED: 4 UNITS A, B, C & D

Fletcher St.

SCALE: 1" = 30'

To the best of my Professional Knowledge, Information, and Belief: I certify that the Dwelling(s) is/are located as shown and comply within the Zoning By-Laws (Dimensional Offsets only) of the Town/City of __________ when constructed. The dwelling(s) is/are not located in a federal flood hazard area according to FIRM Map No. ___________ Date ___________.

Plan for Bank and Mortgage purposes only. Building offsets not for establishing lot lines, fences, walls, shrubs, etc.

Ref. Bk. ___________ Pg. ___________ Signature ______________________

Plan Bk. ___________ Pl. ___________ 6-20-94
To the best of my professional knowledge, information and belief, I certify that the dwelling(s) is/are located as shown and comply within the Zoning By-Laws (Dimensional Offsets only) of the Town/City of ________ when constructed. The dwelling(s) is/are not located in a federal flood plain area according to Flood Map.

Not ________, Date __________

Plan for Bank and Mortgage purposes only. Building offsets not for establishing lot lines, fences, walls, shrubs, etc.

Ret. Bk. ________ Pg. ________ Signature _____________________

Plan Bk. ________ Pl. ________ 6 - 20 - 94’
PROPERTY NUMBER 1
199-207 BROADWAY

This property consists of three separate wood framed buildings on one site. Buildings A (front) and C (rear) are three story structures containing 8 and 4 units respectively. Building B (middle) is a two story wood frame with 2 units. Access to building A is directly from Broadway while access to the other two buildings is off the side street through the central courtyard. The age of the structures is about 90 years. The overall conditions of the buildings is fair to good; vandalism is minimal.

Recommendations

The three buildings on this property are suitable for rehabilitation. Overall, they are in relatively good condition. Their major drawbacks are the thermally inefficient windows, small unit and bedroom sizes, and inadequate mechanical and electrical systems.

1.0 SITE

Three buildings are grouped around a central courtyard on a level site that fronts on two streets. There is no off-street parking. Concrete walks in the courtyard are in poor condition; there are no trees or shrubs and the existing lawn is in poor condition; the perimeter chain link fence is damaged in places.

Required site improvements include replacement of concrete walks; new planting consisting of decorative trees, shrubs and lawn; and fence repairs.

2.0 BUILDING ENVELOPE

The exterior envelope of the buildings is in relatively good condition and can be saved with minor repairs. The roofs were not accessible but are believed to be in fair condition since leaks were not evident inside the buildings. The wood clapboards, wood trim and wood canopies over entrances are in fair condition as are the asbestos shingles and asphalt shingle cladding. Windows and doors, however, are substandard and must be replaced entirely. Brick chimneys are in poor condition.

Work required includes repair of 25% of built-up roof area; minor repairs to exterior wood elements and siding materials; replacement of all doors and windows and 100% new paint finish; demolition and reconstruction of one chimney and repair and repointing of the others.

3.0 INTERIOR LAYOUT

The layout of building A consists of four two-family duplexes in a row for a total of 8 apartments. Building C contains two duplexes for a total of 4 units. Each two-family duplex has a four-bedroom unit on the top two floors and a one bedroom flat on the ground floor, served by an interior stair and hall with a door to the exterior. The stairs also provided access to a common basement for all units each building.

Building B is a side-by-side two family structure. Each apartment has a stair serving bedrooms on the second floor, living spaces at grade and a common basement.

Despite the straight-forward and relatively efficient internal layout of the dwelling units in the three buildings, the room size is very small for today's standards and storage space is minimal; kitchens and bathrooms are poorly laid out.
APPENDIX 4

Affordable Housing Preservation Receivership Initiative
AFFORDABLE HOUSING PRESERVATION RECEIVERSHIP INITIATIVE
A Policy Initiative for City of Lowell, Massachusetts
by Frank Sepulveda, CEL '95

Housing and Land Use Policies
Chuck Collins, Instructor
December Assignment
Once buildings are stabilized or completely upgraded up to prevailing codes, the owner may attempt a redemption process, similar to process and schedule laid out for regaining property being foreclosed upon for tax arrears.

In addition, property owner must satisfactorily complete a "Property Management Training Course" entailing all the necessary skills for properly managing property as a small business, properly maintaining the physical plant as well as properly, legally and ethically dealing with the tenants.

Should the owner opt out, tenants will have first option to buy if a majority are so inclined. Resources will be made available for this outreach as well as for tenant training for homeownership.

If option is declined or tenants choose a likely owner a community group may purchase the property for purposes of managing and maintaining it with all liens transferred to new owner as affordable housing.

These liens will be eased or subordinated via covenants and use restrictions so that new owner(s) may refinance if and when necessary in the future to make repairs or obtain more favorable terms.

All such housing will become part of an affordable housing stock to be owned via some alternative, resident controlled format, i.e. as a Limited Equity Coop, as part of a Land Trust, Mutual Housing Association, etc.

Direct responsibility and liability for this program will rest with the City’s Planning and Development Department who will gradually delegate receivership duties to trained receivers or community receiver agents and finally to new ownership entity.

Benefits

Program calls for a professionalization and coordination of services and resources in a strategic manner never attempted before.

Program logically requires a "Community Master Planning" process that would facilitate and in turn be facilitated by a receivership program.

City would give notice to all property owners that they will be held accountable for their legal responsibilities to properly manage and maintain their properties or ultimately risk losing them.

Program would give impetus for participatory government as more residents or tenants would be involved in programmed process. The process would also take advantage of community resources already at hand and at the ready, catalyzing a lot of organizing work. Expansion of services and resources would be issues likely to be pursued by an expanded base of activists or constituency, so that the process (or means) is as important as the final result (the ends).
AFFORDABLE HOUSING PRESERVATION RECEIVERSHIP INITIATIVE
City of Lowell, Massachusetts

In order to minimize the dwindling Affordable Housing stock while assuring safe and decent housing for residents of Lowell, especially residents of modest means;
In order to stabilize and revitalize communities being negatively impacted by the deterioration of its housing stock please review for consideration -

Proposal
That an Ordinance be enacted for a Receivership Program that would include a coordinated or partnership effort between public and private sectors to prevent the continuing loss of affordable rental and homeownership dwelling units.

How Would It Work?
Residential properties would be identified for possible receivership action by certification by Inspectional Services via a process similar to granting Certificates of Occupancy, in reverse; an occupancy "De"-certification process, if you will.
This De - certification process could be initiated by a tenant, community group, lawyer, inspector or even a landlord recognizing he’s unable to attend to the property’s maintenance.
Ultimately the Court would have to decide on Receivership and the naming of a receiver.
A program for certifying individuals or community groups as potential receivers should be enacted. Models for such a program already exist in New York City & Chicago.

Depending upon the severity of a building’s condition, as ascertained by an official inspection and in consultation with tenants and the owner (if cooperative) the building may be referred for Pre-Receivership Program Assistance or for immediate Receivership as ordered by the housing court. In either case, property itself would become eligible target for financing and technical assistance through a receivership arrangement.

This identification for eventual certification could be undertaken on a case by case basis as the need arises as well as part of a general perfunctionery inventory of the housing stock. This would require a more active, affirmative enforcement by ISD as well as an upgrade in the capacity of ISD to carry this effort off successfully.

Depending upon the the cooperation or non-cooperation of the property owner as well as upon his finances, any monies provided through Public sources for property repairs will be loans, payable with interest, negotiated on a case by case basis. They would become first liens, subordinate only to taxes.

In the case of a non-cooperative property owner or one that cannot be found, a receiver will have the right to negotiate capital improvement loans, either through the available public sources or even through private financing.
Regarding the Infringement on the "Property Rights" of Owners

As with all such actions, this issue surfaces, without regard to the infringement on the rights of the community, immediate and at large, to the right to a safe, secure and decent living environment; in the homeplace as well as the surrounding area. Displacement and homelessness should not be as imminent as it has become.

Citizens of Lowell have a right to expect accountability from those taking advantage of services for which all contribute real estate taxes. Police, sanitation, public works, the private sector - all suffer the consequences when a derelict, abandoned property is left to the whims of chance.

An affirmative program of timely notification and enforcement should mitigate any infringement arguments. Successful precedents elsewhere should also give courage to the City of Lowell that has itself forged precedents in many other areas and fields.
I. WELCOME
   Introducing our new Organizing Director "Lee Winkelman"

II. Old Business
   RTC update

III. New Business
   School open
   New Residents on Lagrange St
   Update on North Franklin St
   West Canal Project

Announcements

Next Meeting: Date, Place & Chair
Agenda propose to be changed if necessary

We will meet at Monorom park at the corner of Marion and Cross St.
If rain or cold, we will meet at 38 Marion St.
IV Development of Resident Councils

1. Recruiting for resident council and identification of potential homeowners.

Up through this reporting period, two resident committees, the Design Committee and the Ownership Committee have worked to design the RTC properties and develop an alternative homeownership structure for the newly developed properties. Seven of these committee members are potential residents of the redeveloped properties; twelve are their future neighbors.

Both Committees were active during this reporting period. All members participated in three training sessions which were conducted by CBA Organizers, Pedro Algulla, Sothea Chiemruom, and Organizing Director, Merri Ansara (who left in August and was replaced by Lee Winkleman). Frank Sepulveda attended each of these meetings to provide technical backup. Trainings included goal setting, conflict resolution, how to conduct a meeting, and how to market the RTC properties.

Four members of the resident councils, two Hispanic and two Cambodian residents, were given additional real estate marketing training so that they could answer more specific questions asked by potential homeowners.

As previously discussed, the Design Committee worked with CBA's Project Manager to decide upon modular construction from among the many construction choices. Once modular construction had been determined, the Design Committee switched gears and began marketing the Fletcher Street properties in English, Spanish, and Khmer to identify potential homeowners as follows:

- Committee members went door to door informing residents about the housing opportunities.
- Press releases and PSAs mailed to 18 local media outlets announcing the future availability of very affordable homes.
- Letters and fliers were sent to over 500 local residents and organizations affiliated with the CBA.
- Committee residents were also made presentations at Project Genesis sessions.
- Committee members designed signs to hang at each of the RTC properties.
- All AIC members began doorknocking in the Acre to inform residents about the future homeownership opportunities.
- Fliers were distributed to the 400 Acre residents who participated in the CBA’s 7th Annual Acre Clean Up Day.
2. Determining an alternative homeownership model.

a) Goal of the ownership subcommittee.

First the Ownership Committee researched alternative and appropriate housing ownership options for the Acre. Models under consideration included the following criteria:

- give ownership priority over rental units;
- provide collaborative forms of ownership;
- guarantee owner occupancy;
- provide collaborative forms of property management;
- utilize public funds to subsidize cost of units;
- design buildings to minimize long-term upkeep and operating expenses.

a) Making the final decision: The CBA Land Trust

In September, the Ownership Committee selected the community land trust model for the RTC homeownership properties. The Institute of Community Economics, a non-profit group which provides technical support to groups and individuals creating alternative ownership structures, was contacted to provide technical assistance as the land trust legal agreements were drawn up in October and November.

V. Security Improvement Plans

A long awaited event occurred during this reporting period, the opening of the new Acre Police Substation on Fletcher Street. As part of a city-wide community policing effort, this substation is the second of five to be established. The existence of a Police Substation within the Acre was brought about through the efforts of a number of community constituencies including CBA-organized resident committees. Residents frightened and frustrated by the dramatic increase in drug trafficking, lobbied for over a year for an increased police presence. Acre-based business owners contributed over $60,000 to remodel the substation building.

Two weeks after the substation opened, the selling of drugs openly on the streets dramatically declined. Residents were overjoyed. CBA organizers Sothea Chiemruom, Pedro Alguila, and Barbara Montalvo pulled together a series of meetings conducted in English, Spanish, and Khmer for members of the community to meet with Police representatives. Residents were instructed on how to initiate emergency and non-emergency calls. Police, heard complaints from residents about the lack of police presence in the neighborhood and the slow response rate by the Police to emergency calls from particular areas of the community.
August 22, 1994

Dear Development Committee Member,

This coming Thursday, August 25 at 6:00 PM at the CBA office, there will be a meeting of the CBA Board of Directors' Development Committee.

Please be on time, as the Agenda will be fully taken up by discussions with members of the Acre Improvement Committee over final recommendations to be made to the full CBA Board regarding the Design and Homeownership Models for the RTC properties. As we are still trying to get construction started this Fall it is incumbent that we have a decision on these two issues for the next Board meeting.

Looking forward to seeing you, I remain ...

Sincerely Yours,

[Signature]

Frank Sepulveda
MEMO

TO: Development Committee
FR: Frank
RE: RTC Construction Cost Estimates
DATE: 8-11-94

For the latest modular designs and as proposed and passed on at the Zoning Board Hearing this past July 26th the following are
the proposed costs for new construction portion of the RTC
development project on a site by site basis:

188-210 Fletcher Street -- Four Plex
4 Dwelling Units (DUs) @ 97.990/ DU = $ 391,960
Includes Dormers, Stairs to Unfinished Attic
for future finishing by owner for extra living
space and extra 2' for larger, more comfortable
bedrooms, living rooms and kitchens.

228 - 242 Fletcher Street --
4 DUs or 2 duplexes @ 96.990/DU = $ 387,960
As per above minus stairs

176 Cross Street -- 1 Duplex
2 DUs @ 96.990/ = $ 193,980

404 Fletcher Street -- 1 Duplex (?)
2 DUs @ Approx. 96.990/DU = $ 193,980
Vs. $122,500/DU or $245,000 rehab cost
as per AIC Design Committee approved
designs)

New Construction Sub-total: $ 1,167,880

205 School Street -- 3 DUs
For Rehab as per AIC Design Committee
@ $74,267/DU $ 222,800
For Rehab - on Spec -
@ $69,428/DU $ 208,285
For Rehab to "Housing Quality Standards"
with reconfiguration of Bathroom/Kitchen
areas.
@ $56,667/DU $ 170,000

N.B.: Structural Engineer's Report indicate
approximately $5,000 extra work to shore up
First Floor and Roofing undercarriage systems

199 - 205 Broadway -- 4 DUs
Architect's currently working up
Construction Documents, Elevations and
Feasibility Analysis for Historic Petition
to Raze two of three buildings to create 4 more
marketable DUs as per Designs Approved by the
AIC Design Committee; Contractor holding price

Rehab plus New Construction (Range): $1,706,050 to $1,758,850
depending on what rehab price we use for 205 School Street.

Call Batch Exhibits: Harris to Smith
Affordable NT @ Business in Survial
(proposal terms)
### Project Management Report

<table>
<thead>
<tr>
<th>Project/Site Issue</th>
<th>Status/Notes</th>
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<tr>
<td>RTC/New Construction Design:</td>
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- Site Visit by some AIC and CBA residents & meeting with Builder-Contractor of 6/21/94 produced a tentative approval for progress of work. Meeting of 7/25/94 with AIC members to discuss ongoing disagreements with proposed design for Zoning hearing mainly produced an agreement to disagree, especially regarding 404 Fletcher street site 3 DUs proposal (which was scaled back down to 2 DUs).

**Homeownership:**

Martin Hahn of the "Institute For Community Economics" is to send in a proposal for instituting a Community Land Trust with the different ramifications.

**RTC/Rehab Market Street:**

- Department of Mental Health site visit indicates some interest in joint venture for the provision of housing through some programmed means. Mailing in information regarding possible configurations and financing sources.

- Meanwhile am getting prices for Shell repairs and researching solution for better use of commercial spaces.

- 384 - 386 Fletcher Street

  - Demolition of garage that was housing illicit activities is complete.

  - Use of our status as a CHDO for developing this rental property in a "joint venture" with abutter who wants to take it over and provide parking and property management.

**Marion/AEINA Properties:**

- Rehab is slated for completion mid August. Marketing is turning up great interest with the services of David Martinez. The "Jean D'Arc Credit Union" is looking to finance the mortgages at very reasonable terms.

- Since last report, neighborhood is 200% improved as a result of Police Sub Station's presence.

---

*Please note: As of today, Fletcher st. Design is frozen. *(Pre-Design Construction)*

As mortgage rates rise, physical joints decay, fluctuations...
MEMO

TO: Development Committee
FR: Frank
RE: RTC Construction Cost Estimates
DATE: 8-11-94

For the latest modular designs and as proposed and passed on at the Zoning Board Hearing this past July 26th the following are the Proposed costs for new construction portion of the RTC development project on a site by site basis:

188-210 Fletcher Street -- Four Plex
4 Dwelling Units (DUs) @ 97.990/ DU = $ 391,960
Includes Dormers, Stairs to Unfinished Attic
for future finishing by owner for extra living
space and extra 2' for larger, more comfortable
bedrooms, living rooms and kitchens.

226 - 242 Fletcher Street --
4 DUs or 2 duplexes @ 96.990/DU = $ 387,960
As per above minus stairs

176 Cross Street -- 1 Duplex
2 DUs @ 96.990/ = $ 193,980

404 Fletcher Street -- 1 Duplex (?)
2 DUs @ Approx. 96.990/DU = $ 193,980
(vs. $122,500/DU or $245,000 rehab cost
as per AIC Design Committee approved
designs)

New Construction Sub-total: $ 1,167,880

205 School Street -- 3 DUs
For Rehab as per AIC Design Committee
@ $74,267/DU = $ 222,800
For Rehab - On Spec -
@ $69,428/DU = $ 208,285
For Rehab to "Housing Quality Standards"
with reconfiguration of Bathroom/Kitchen
areas.
@ $56,667/DU = $ 170,000

N.B.: Structural Engineer's Report indicate
approximately $5,000 extra work to shore up
First Floor and Roofing undercarriage systems

199 - 205 Broadway -- 4 DUs
Architect's currently working up
Construction Documents, Elevations and
Feasibility Analysis for Historic Petition
to Raze two of three buildings to create 4 more
marketable DUs as per Designs Approved by the
AIC Design Committee; Contractor holding price

Rehab plus New Construction (Range): $1,706,050 to $1,758,850
depending on what rehab price we use for 205 School Street.
### Project Management Report

**RTC/New Construction**

**Design:**
- Site Visit by some AIC and CBA residents & meeting with Builder-Contractor of 6/21/94 produced a tentative approval for progress of work. Meeting of 7/25/94 with AIC members to discuss ongoing disagreements with proposed design for Zoning hearing mainly produced an agreement to disagree, especially regarding 404 Fletcher street site 3 DUs proposal (which was scaled back down to 2 DUs)

**Homeownership:**
- Martin Hahn of the "Institute For Community Economics" is to send in a proposal for instituting a Community Land Trust with the differant ramifications.

**RTC/Rehab**

**Market Street:**
- Department of Mental Health site visit indicates some interest in joint venture for the provision of housing through some programmed means. Mailing in information regarding possible configurations and financing sources.
- Meanwhile am getting prices for Shell repairs and researching solution for better use of commercial spaces.

- 384 - 386 Fletcher Street
  - Demolition of garage that was housing illicit activities is complete.
  - Use of our status as a CHDO for developing this rental property in a "joint Venture" with abutter who wants to take it over and provide parking and property management.

**Marion/AETNA Properties:**
- Rehab is slated for completion mid August. Marketing is turning up great interest with the services of David Martinez. The "Jean D'Arc Credit Union" is looking to finance the mortgages at very reasonable terms.
- Since last report, neighborhood is 200% improved as a result of Police Sub Station's presence.
August 9, 1994

Dear Committee Member,

Enclosed are copies of the prospective designs that have been reviewed by both AIC members as well as the Zoning Board of the City of Lowell.

Cost estimates will also be available at this meeting so that we can begin to evaluate the upcoming proposal from the prospective Builder Contractor who we're considering entering into a contractual relationship with for a "turn key" operation, i.e. units ready for immediate occupancy once he's finished.

Enclosed also for your review are the minutes of the last meeting.

Please come prepared to spend at least two hours for this very important meeting to hash out some very difficult items.

Sincerely,

Frank
TO: Development Committee
FR: Frank
RE: June 9, 1994 Development Committee Minutes
DATE: August 9, 1994

Present: Fr. Fee, Jose Rivera, Angel Bermudez, Angel Torres, Vijay Kapila, Arva Clark
CBA Staff: R. Applegate, M. Miley, F. Sepulveda

Work Group Reports

Economic Development

Margaret Miley - reported on the latest Loan Policies that have been instituted for the Community Ventures Fund. She also went through the loan underwriting and qualifying process for existing businesses (attached).

** Margaret asked for cap on loans to be raised from $10,000 to $20,000

- A. Bermudez had concerns regarding the types of security the CBA might get secure loan repayment. Cash Pledges, Equipment, Co-Guarantor were a few he suggested.

- J. Rivera - expressed an interest in having some Employment & Training component somehow worked into economic development;
  Emphasized need for great scrutiny, monitoring outfront and contractual;

- Fr. Fee - expressed a "vote of confidence for the great work done in this area.

- Angel - Risk is always inherent in this type of program; the added danger with the larger cap is a quicker depletion of funds

** Motion made by Angel Rivera and seconded by Angel Bermudez to increase the cap as recommended by Margaret, from $10,000 to $20,000.

Voted by committee to make recommendation to full CBA board.

Re: 95 Rock Street

Ron, Amanda of "Peabody & Arnold" are trying to set up a schedule for the repayment of some $30-35,000.

- Parker Foundation came through with a grant to get the second mortgage paid up.

- "Multi-Point" computer mouse maker is newest tenant to commit to tenancy.
Triangle Workgroup

Marion Street

> Frank: Contractor selected, work to begin within the week after adjusting for a final deduct alternate contract price. Work to proceed for completion date for mid August, early September.

Broadway Townhouses - review of CBA's first Home Opportunity Program and meeting w/ tenants and inspection of units. Legally CBA is not liable for problems they're facing but morally ... Roof leaks are main culprit but generally poor craftsmanship is to blame for existing conditions which in some cases are code violations.

RTC Properties - work ongoing on Design for approvals (AIC, CEA, Zoning), 21E Environmental Assessments, Cost Estimates for all financials. Zoning for New construction is the next big hurdle. Rehab is more complicated with a historical petition and some structural engineering considerations having to be worked into schedule.
MEMO

TO: Development Committee
FR: Frank
RE: RTC Construction Cost Estimates
DATE: 8-11-94

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## Project Management Report

### Project/Site Issue Status/Notes

**RTC/New Construction**

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MEMO

TO: Acre Improvement Committee
CBA Board Development Committee
FR: Frank
RE: RTC Design Review/Site Visit
DATE: June 21, 1994

This past Thursday, June 16, 1994, members of the AIC Homeownership and Design Committees (Joanne Segouras, Evelyn Mejias, Victor Luz, Miguel Santos, Henry HEFCO) along with CBA Board president-Development Committee member Angel Bermudez went down to Boston to meet with the prospective Builder Developer (Eugene Black) for the new construction on four (4) RTC sites. Committee members also met with the architect (Patrick Sharkey) and went on a site visit where they were allowed to ask present day owners of homes Mr. Black has built about their living experiences in this housing.

The purpose of the visit was to review, evaluate & finesse the new construction phase designs for the purposes of filing plans with the city for a Zoning Board Review, for Cost Estimates needed for ordering the modules and for finalizing applications for Financing, as well as Tax Abatement. All of these tasks are critical and time is of the essence.

Generally, the designs were deemed to be acceptable and appropriate for the Acre sites proposed. Committee members seemed to be impressed with not only the designs but also with the individuals responsible for their conception. Both Mr. Sharkey and Mr. Black were well received as being sincere, capable and open to constructive criticisms, suggestions and recommendations.

Specifically, comments included... the following:

Evelyn on the Duplexes (2Ds);
- observed cracked walls & basement concrete floor,
- bedrooms seemed small and looked to be uncomfortable for families with more than one child per bedroom
- @ exterior, clapboard looked too weathered, with paint or stain not even; looked like moisture got behind clapboard
- concerned about resident’s complaint regarding noise from party wall which Mr. Black said is a result of not insulating ..."will be corrected for next time."

on the "Triplex" or Triple Decker (3D) Design;
- Third floor porch needs a roof ... "it looks chippy chappy."

Joanne on the 2Ds (did not go on the site visit after the conference at the architect’s but went on a quick “drive by” before the meeting.)

on the 3D;
- Roof over the porch why don’t ya?!? "Looks cheap."
Victor on the 2Ds;
- though smaller in comparison to what was existing, they will fit in,
- Looked well built

on the 3D;
- concerned on the number of people who will come to live there; could be as many as twelve, counting conservatively; neighbors could oppose development
- roof over the deck preferred, "looks like the contractor ran out of money."

Miguel on the 2Ds;
- small bedrooms could be problematic if their furniture won't fit; well organized or configured otherwise
- would like dormers for 188 Fletcher site
- regarding expansion into third floor attic area for bedroom, not a master bedroom, especially for aging couples
- air conditioning, ideally should be central but, at least the house should be appropriately wired for typical units

on the 3D;
- modern exterior looks plain
- porch would be better off with a roof

Angel on the 2Ds;
- Bedrooms a major concern, should be bigger, possibility of a third master bedroom at attic, making two leftover 2nd flr bedrooms larger
- rec. that this be cost out with dormer
- alternate rec. that "footprint" be bigger, cost out to compare vs. master with dormer alternative.
- quality control, during construction, very important considering the minor flaws noticed by committee members
- clapboard installation showed poor craftsmanship

Henry on the 2Ds;
- code issues regarding placement of vents for bath, kitchen and HVAC on exterior walls; clearance?
- finish carpentry, mitering, jointing, caulking at bays wasn't the best
- ceilings showing signs or shadows of joists; wet lumber might've been used and caused exposure
- cracks in basement concrete pad inexcusable; tamping, mix, quality control as possible factors
MEMO

TO: Development Committee
FR: Frank
RE: Project Management Report
DATE: June 9, 1994

<table>
<thead>
<tr>
<th>Proj/Site</th>
<th>Issue</th>
<th>Status/Notes</th>
<th>Proj.Date</th>
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<tbody>
<tr>
<td>RTC: New Construction</td>
<td>- Design</td>
<td>Preliminary Design Approval to be scheduled for further CBA Bd &amp; AIC endorsement;</td>
<td>6/18/94</td>
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<td>* Site visits could be arranged for convenience of CBA BD/Dev.Com/ and AIC members to view housing already built by contractor. Weekends or weekdays are possible.</td>
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<td>- Zoning; Submission of Documentation for Hearing.</td>
<td>7/22/94</td>
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<td>- Homeownership Model (CLT + LECo-op?) Decision</td>
<td>6/8/94</td>
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<td>* More questions than answers; ICE’s director, Martin Hahn has offered to do an introductory workshop on CLTs &amp; related alternative homeownership models that lend themselves to the community’s vision.</td>
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<td>- CBA/AHB Contract Negotiation</td>
<td>6/6/94</td>
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<td>Owner/Builder-Developer Contract checklist for review by Lawyers up-coming</td>
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<td>- 21E Assessment</td>
<td>6/7/94</td>
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<td>Preliminary Environmental Site Investigation and Remediation of Contaminant Soil is presently stockpiled on site while lab results come in.</td>
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<td>RTC: Rehab</td>
<td>Broadway-Marion</td>
<td>- Historical Design Issues</td>
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<td>- Commercial w/ Owner Occupant as per George vs. &quot;Osmos&quot; residential prio vs. ...</td>
<td>6/7/94</td>
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<td>- Zoning; Parking is problematic for commercial Rec. as per Souza is for staying with residential; prefers 4DUs not 6 but will listen to rationale for 6 if CBA persists</td>
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<td>* Recommends meeting w/ City mngr, LHPC, Souza &amp; CBA as per Souza. This sounds logical before pursuing formal &quot;106 Historical Review&quot; process with the State.</td>
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<td>Location</td>
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<td>School St.</td>
<td>- Design Review by Design Comm of Alternates to approved DHK - incl. HUD min HQS or &quot;On Spec Alt&quot;</td>
<td>6/17/94</td>
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<td>Engineering; Drawings &amp; Specs re: structural integrity due for bid adjustments</td>
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<td>Market Street</td>
<td>- Prop. Management RFP HEFCO doing Needs Assessment &amp; costing out items for review</td>
<td>6/17/94</td>
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<td>- Design Engineering &amp; use feasibility report being prep'd ... due</td>
<td>6/24/94</td>
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<td>- Financing ???</td>
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<td>RTC/General</td>
<td>- Fire Insurance Negotiate reduction of premium due to demolition</td>
<td>6/6/94</td>
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<td>- Tax Abatement Collate research for legal opinion</td>
<td>6/10/94</td>
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<td>Marion Street AETNA Properties</td>
<td>- Bid Process Two bids submitted; Waiting on line items for negotiated contract</td>
<td>6/6/94</td>
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<td>- Rehab Consideration should be given to alternative rehab/development strategies (Angel)</td>
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<td>Research into history to see about recouping expenses to be incurred</td>
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<td>- Marketing Presentation to MVHP Genesis program participants 5/26/94</td>
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<td>Reception was lukewarm</td>
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<td>Rush Properties</td>
<td>In tax foreclosure; owner called, is willing to sign off to us if we pay off approx. $53K of taxes</td>
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<td>or ... we can wait out city's tax foreclosure process &amp; go for &quot;wired&quot; RFP for possession.</td>
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<td>Triangle Broadway Rehab</td>
<td>- Outreach Preliminary intro and inspection; 5/26/94</td>
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<td>- Rehab Strategy To include - Research into warranty history</td>
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<td>- Determination of Severity of Structural Problems</td>
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<td>- Finance strategy for Rehab &amp;</td>
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<td>- Rehab Strategy; Con.Man</td>
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MEMO

TO: AIC
FR: Frank
RE: Development Status Report
DATE: May 11, 1994

To Date, the CBA has researched the following four options for the development of the RTC sites:

1.) The "Phase I" rehab of existing properties, including 199 Broadway/Marion St., 404 Fletcher St., and 205 School Street.
   As per the disposition plan whereby we got site control, 5 buildings were to be considered for rehab. These three sites, with 5 buildings were slated for homeownership while 397 Market St. and 387 Fletcher were designated for rental.
   The "Phase I" Bid Process included Bid Invitations for the rehab of only three of the five buildings on three sites, i.e., 404 Fletcher, (2 units) 205 School St. (3 units) and only the front building at 199-207 Broadway (4 "townhoused" units) with the two rear-of-Broadway buildings, with Marion St. addresses to be demolished for open space and parking. Bids were solicited for the rehab of these units as per the unit reduction and reconfiguration specifications approved by the Design Committee (over three months worth of meetings) with architects from "Dominic, Hicks and Krockmalnic."
   Bid results (attached) averaged $869,623 per bidder or $96,625 per dwelling unit - for "hard" or construction costs.
   For comparison, total development costs for the housing we're looking to produce for sale in the Acre should not get much above $90,000 for a family who will pay no more than $600 per month for mortgage principal, interest, taxes and insurance.
   With the addition of soft "costs", such as legal, insurance, permits, fees, etc., this would knock out the targeted market of low-moderate income residents of the Acre. Acquisition costs or taxes alone account for $13,000 plus per unit. A preliminary Pro Forma or cost estimate for the latest Total Development costs came in a little over $118,000 per unit.

2.) A basic rehab or upgrading to minimal Housing Quality Standards for 205 School St. is still being pursued with two interested contractors still vying for the award. One contractor has even come in with an alternate gut rehab along the lines of the original Design Committee's reconfigurations. As School St., a triple decker, is the only structure maintained almost true to configuration, it was felt that it was worth the try for a basic rehab bid.
   Questions remain regarding some structural deficiencies that an engineer is now evaluating.
   404 Fletcher and the Broadway property were considered too difficult to bid out this way, considering the extensive reconfiguring and demolition necessary.
   It is possible we might be able to get the 404 Fletcher St. building demolished by the City in their next round (estimated at $14K).
   Re: 199 Broadway, a preliminary appeal was made to the Lowell Historic Preservation Commission (LHPCC) in preparation for
a formal so called "106 Hearing before the State's Historic Commission. Indications are that approval for demolition for all of these properties will not succeed. One, maybe two with a case made for feasibility and livibility, with possible financing help from the LHPC.

3.) New Construction was next considered as the rehab costs were so high anyway. Site or Stick built units were first looked at. We looked at some models in Boston. The NDC of Jamaica Plain, the DSNI of Roxbury, and some of the DHK models that were built for other CDCs were considered. All have plus $90k costs for construction. Along with soft costs, total development costs of $125,000 to $145,000 were not uncommon. "Funny Money" from the City's coffers were able to bring these units down to affordable programmatic levels for sale. Monies not presently available in Lowell.

We also inquired of local contractor via an RFP looking to get construction costs of only $70,000 to make the financing work as per the pro forma. There were no takers.

4.) The Modular New Construction was considered. On a couple of occasions, while meeting with State and Boston officials, a builder-developer who can come in with a product that seems to meet the needs of the Acre was referred. We have been discussing what a possible "Turn-key operation" might look like and what the finances might be considering the restraints.

This builder comes with good references, financial backing for his projects as well as a proven track record, working in communities similar to the Acre as well as with the banks and financial institutions we will be seeking financing from for our homeowners.

Specifically, at all cleared sites that the CBA controls, we are looking for a proposal for a possible 20-26 units of new construction with total development costs under $100,000.

With the HOME monies allocated as well as tax abatement we are still pursuing, we are striving to bring an attractive energy efficient product to the Acre, affordable for it's residents.
MINUTES/NOTES
Development Committee Meeting
April 14, 1994

Present: Fr. James Fee, Angel Bermudez, Jose Rivera, Sithra Chan, Arva Clark, Staff; R. Applegate, M. Miley, F. Sepulveda

M. Miley: "Economic Development Work Group" (WG) Report
Re: 95 Rock St.
- In the process of interviewing prospective tenants, some of whom were former "Wang" tenants.
- With Jose Rivera, WG is working on business development strategy.
- City's efforts at getting designation as a HUD "Enterprise Zone is going as predicted, i.e. looking for a quick fix assessment via a so called "community open process", they're probably not going to succeed.

Fr. Fee: re; North Canal Tenants' Council, reported
- Formulation of a "Covenant" amongst tenants and council is ongoing; "Maloney" is involved in process
- "Codification of Tenant's Association" also coming along;

F. Sepulveda: RTC status report
- at this point we are talking to a builder-developer to see about assuming "turn-key" role whereby for a fixed price "affordable" he'll produce the housing we're looking. Very well recommended, he's got a track record in the field.
- Marion Street
- Construction documents and appraisals are ready; construction is to hopefully start in mid May. Meanwhile, marketing strategy is being laid out with help of organizing department.

R. Applegate: Presentation regarding project financials
- Issue of whether projects will pay for themselves when units are finally sold; Generally not the case with the original "Triangle" being case in point. To points made by Fr. Fee and A. Bermudez regarding projected 250k deficit, Ron referred to handout that showed four different financial scenarios or options which included the production of more units with more fees being generated to decrease projected shortfall.

The Market Street property with funding from "Dept of Mental Health" was discussed also as a possible generator of monies that would ease shortfall.

To question of when we will know more about financials, response was that as we keep narrowing options, numbers become more real, but will take more than a month, as all options are being presently evaluated.

1
MEMO

TO: Development Committee
FR: Frank
RE: Project Updates
DATE: April 14, 1994

Project Item/Status Report

Marion St: - Structural Engineer’s final scope due 4/15/94. Preliminary report is that range of structural, mechanical & rehab repairs run from high rough estimate of $40,500 for no. 38 Marion to $18,000 for #52 to $14,400 for #44.
- Appraisals - Due 4/15/94. Discussion w/appraiser concluded with final, pessimistic "guess estimate" that "were units livable, they would not be worth more than abutter’s, @ or about $30K." Crime, Safety issues for one of 2 worst of City’s streets.
- Security and Board Up - Abutters are helping out by calling police in, re-securing panels pried open.
- Insurance - Fire and Liability are in place
- Marketing - Preliminary strategy is to be worked out amongst Organizing Dept. staff & myself. (Ref memo) Option for farming out will be looked into.

RTC Project - Research Ongoing in trying to determine feasible production model for Acre housing. Three bedroom, 1300 to 1400 sf units at $65 to $70/sf or $85 to $98k/unit. Our Pro forma calls $65k/unit or $50/sf w/o "funny" money. No callers yet, but ...
- Possibility of a "turn-key" type arrangement w/Builder-developer whose known for excellant production (combo modular/panelized/stick build customized). He’ll send in some preliminary info early wk of 4/17 and wants to follow up w/more detail on concept for 23-25 units.

Phase I - 404 Fletcher - possible alternative calls for demolition of existing using "surplus" LP&D monies and construction of appropriate three family on site.
- Broadway/Marion - "historic site" w/ some promise for historic grants monies to cull down hard costs for affordability. Managed more support for demo of at least two structures; looking for three if no grants are forthcoming.
- 205 School - Negotiating w/ lowest bidder. Down
from $220k to $175. Looking for $155k
Possible use of LP&D "Construction Trades"
program in June to bring down costs being
DEVELOPMENT COMMITTEE MINUTES
December 9, 1993

Present: Angel Torres, Angel Bermudez, Fr. Fee, Sithra Chau, Vijay Kapila, Arva Clark
Staff: M. Miley, M. Ansara, R. Applegate, F. Sepulveda

Discussions were opened by Ron after welcoming remarks. Review of previous committee undertakings and a preview of the future with introduction of a graphic flow chart that outlining policy areas and tasks that need to be addressed in the coming year (See Attached).

Ron described the main functions of the committee as that of reviewing development issues facing the Acre and the CBA and having recommendations or strategies for the board’s development committee to take up and eventually for the full CBA board to review and vote on in a timely manner. Starting with North Canal,

Vijay interjected that the one exception to this process is the case of North. While describing the North Canal Tenant’s Council (NCTC) and the “Trust” that basically was charged with the management of the 265 dwelling units at North Canal, he clarified that development committee recommendations would go directly to the CBA Board’s Executive Committee for ratification versus the Development committee or the full board.

The main concerns facing the NCTC at this time are (1) the upcoming contract re-negotiations with the management company and (2) the possible centralization of tenant activities at spaces currently being offered by the Archdiocese via a “Request For Proposals” (RFP) process. Apparently CTI is contemplating development plans here.

Margaret charged with the CBA’s Economic Development programs spoke about the activities being carried out or planned. She distributed a summary of activities in 1993. She described ongoing activities of the Advisory Loan Committee, the Community Ventures Fund, as well as the planned Enterprise Development Center to be housed at 95 Rock Street.

Frank updated the committee on the status of the Marion Street/Triangle properties: including those that were transferred to the CBA by the AETNA insurance company.

In addition, there are abutting properties that might become available, including two on the corner of Broadway and Marion that presently contained 13 dwelling units. Other properties were mentioned in the context of the need for a CBA development protocol, or general strategy for dealing with opportunities that present themselves from private sector, (e.g. bank owned, privately held, auctions, etc. Basically, a need for the CBA to have a general or master strategy for development in the Acre, was articulated.

Merri Ansara, the new Organizing Department Director, reported that the City had just recently called the CBA and the AIC into meetings to discuss possible plans for the takeover and development of the “surplus” city properties in the Acre (the City “Barns”) by Demoulas Supermarket chain. Called in after the fact, there was concern that planning and development strategies were being carried on without any anything more than token
community input. A "protocol" seemed to be called for as both the CBA and the AIC and the working committees needed guidance from the board.

Arva Clark expressed concern regarding the existing dichotomy between the CBA and the AIC, mentioning possible future political fallout if the relationships aren't clarified and direct lines of communication aren't developed or maintained.

Angel Bermudez responded that the AIC should be coming to the CBA board. Discussion followed about getting the AIC on the CBA board; getting them on as community institutional members possibly. AIC has had seats on past CBA boards but at present there is no AIC representative. The question was raised about having CBA board members join the AIC.

Ron clarified the present process or mechanism of communication between the AIC and the CBA as being basically through a committee process; the committees now dealing specifically with the RTC development, the Homeownership and Design committees are now meeting to come up with final decisions or recommendations for the CBA board's Development Committee to take up before the full board's vote in February.

Volunteers for the various development sub-committees or working groups included:

- Jose Rivera and Angel Torres for the "Economic Development Group"
- Fr. Fee and Sithra Chau for the "North Canal Housing Trust" group
- Arlene Walterding was penciled into the "Acre Triangle Homeowners" group
- Angel Bermudez and Arva Clark volunteered to work with the AIC's Design and Homeownership groups.

No Votes were taken.
Coalition for a Better Acre
DEVELOPMENT COMMITTEE

Meeting Minutes
June 30, 1993

Present: Board - Angel Bermudez, Arva Clark, Jose Rivera, Thei Sar;
Guest Board Member: Evelyn Mejias;
Staff - Ron Applegate, Margaret Miley, Frank Sepulveda.

Meeting was called to order at 6:10 pm.

Old Business

1) MERRIMACK STREET HOUSING

Update on financial problems: Project is operating within budget
to date in 1993. The projected budget cut in the MRV rent
subsidy program for the coming year will be between 10 - 15%;
the project can absorb a loss of this magnitude through the 1994
budget year. An application for replacing MRV subsidy with
federal Section 8 rental subsidy is being pursued through the
Lowell Housing Authority.

2) 95 ROCK STREET

Acquisition negotiations: The FDIC has responded to the proposal
to acquire the property at a discount by ordering a new appraisal
before countering our offer (last year's appraisal took 5
months!). FDIC also gave the owner a 90 day notice to become
current on his note or risk foreclosure.

3) TRIANGLE HOMEOWNERSHIP PROJECT

Information on abandoned properties on Marion Street: Aetna
(holder of the first mortgages) is back in the picture
- have given approval to board up properties (which Frank did
with residents),
- have requested submission of a proposal for disposition:
  transferring the properties to CBA in exchange for making
  repairs and payment of tax liens (which Frank is doing)
Frank will also be arranging financing scenarios for residents
interested in becoming new homeowners. We hope to have a
proposal for Board review and approval in July.

Discussion focused on pulling together the residents of the
Triangle - Homeowners, Acre Improvement Committee and others; and
the need for an appropriate community institution to make this
happen, e.g. a mutual housing association. Such a mechanism
could both stimulate and support organizing opportunities
presented by the changes on Adams Street and the reclamation of
abandoned properties.
4)  UPPER MERRIMACK STREET

Property Development Activity: CBA staff are monitoring the development activity in this area in order to participate in it:
- Archdiocese preparations to dispose of 6 parcels involved in St. Jean Baptiste properties; Fr. Fee and Neal have been present at meetings to discuss options
- Lowell Housing Authority's construction of a new building: community center for North Common, new offices for LHA and garage; have not yet been able to obtain cope of plans
- St. Joseph's Hospital possible expansion: Development director says no expansion is planned (because of lack of funds), but property owned by the hospital is being torn down and hospital has extensive holdings in its vicinity; staff will investigate extent of holdings at hospital.

Discussion focused on two points: 1) the concern that neighborhood institutions are destroying homeownership and thereby countering what CBA is doing in the community; 2) the need for community planning - a collaborative process among all institutions and residents in the Acre.

New Business

1) COMMUNITY VENTURES FUND - LOAN POLICIES

The CVF "Credit Policy Manual", which had been distributed in advance of the meeting, was reviewed. As members had already submitted suggestions, discussion focused on issue of Board liability. Angel explained that it was standard procedure to have Board approval with the acknowledgement that loan fund staff and review committee must perform the required due diligence. Committee voted (Arva, Thei) to approve the draft of the policies, and to recommend to Board for final approval.

Margaret also announced she is working with 6 businesses from 6 businesses to date interested in financing and technical assistance.

2) CHAMBERAS/RTC PROPERTIES: CITY REDEVELOPMENT PLAN??

While the City has never replied to the AIC Property Disposition Plan submitted in October, they are apparently engaged in making a "response" to it:
- 7 of the Acre properties appeared on the most recent demolition list
- CBA has been notified of a secret deal between the City and a private developer to acquire and rehab the properties
- a financial package is being assembled, involving federal funds, which will use some of the funds to purchase the properties from Chamberas
Discussion of the City’s plan reached the following conclusions:
- block any demolition efforts until community is involved in making decisions
- obtain necessary information to expose the secret plan and to pursue a legal strategy to prevent any misuse of federal funds
- hold an emergency board meeting on July 8 to review information and plan community action.

Meeting was adjourned at 8:05 pm.
Coalition for a Better Acre
DEVELOPMENT COMMITTEE

Meeting Minutes
May 10, 1993

Present: Board - Angel Bermudez, Arva Clark, Jeanne LaFond, Jose Rivera, Arlene Wolterding;
Staff - Ron Applegate, Margaret Miley (Frank Sepulveda unable to attend to AIC meeting at the same time).

Meeting was called to order by Chair, Angel Bermudez, at 6:15 pm.

Old Business

1) HOUSING DEVELOPMENT

Frank's written update (attached) on Acre revitalization was distributed and reviewed.

Discussion focused on Frank's question regarding housing preservation. In view of arson epidemic in the city, Angel suggested researching the ownership of all vacant buildings as the first step in pursuing the possibility of forcing their sale to create housing preservation projects. Arva compared this prospect to the YWCA's previous homesteading project. In view of the City's slowness to respond to the RTC properties, the need for other properties was reviewed.

2) ECONOMIC DEVELOPMENT

a) PEER GROUP LOAN POOL [Margaret]

Staff has been engaged in fine-tuning the training of micro-enterprise groups. Margaret highlighted the issue of structure:
- what structure is appropriate for businesses in program?
- how much can we reasonably demand in the way of business skills / capacity development?
- how to work with people on public assistance?

Discussion addressed the need to highlight this issue as a policy question and press for a solution at this level (possibly through Working Capital?); and suggested talking to the local director of public assistance (Tom Walsh).

b) COMMUNITY VENTURES FUND [Margaret]

Staff is currently refining program operations with Loan Review Committee. Discussion addressed procedures for loan servicing and the need for collateral so that businesses buy into the program. There is a growing demand for an "industrial association" to promote collaboration among small manufacturers.
c) **95 ROCK STREET**  [Ron]

Negotiations are proceeding at an improved pace, since owner has become willing to become more aggressive with FDIC.

Discussion stressed the need to identify alternative properties for EDC program, given the abundance of properties already on the market or experiencing financial difficulties; for example, the "Dye House" adjacent to Wannalancit Mills. (Angel mentioned that there is a state tax exemption for 7 years, even if the property is empty, for non-profits).

**New Business**

1) **107 ADAMS STREET**

The financial loss incurred through the unsuccessful operation and ultimate sale of the property is $65,920.

2) **TRIANGLE HOMEOWNERSHIP PROJECT**

Staff has been researching what can be done concerning the abandoned properties on Marion Street; information will be presented at the June committee meeting.

Meeting adjourned at 7:50 p.m.
Coalition for a Better Acre
DEVELOPMENT COMMITTEE

Meeting Minutes
April 12, 1993

Present: Board - Arva Clark, Jeanne LaFond, Jose Rivera, Thel Sar;
Staff - Ron Applegate, Margaret Miley, Frank Sepulveda.

Meeting was called to order at 7:35 am.

Old Business

1) COMMITTEE MEETING SCHEDULE

Need for a regular monthly meeting date was reviewed. It was decided to meet on the 2nd Monday of every month at 6:30 p.m.
Next meetings are May 10 and June 14. Jeanne requested that the June 14 meeting begin at 6:00 p.m.

2) ECONOMIC DEVELOPMENT

a) COMMUNITY VENTURES FUND (CVF) [Margaret]

CVF will be officially kicked-off on May 5 at press conference to be held at the Oriental Pearl restaurant. Discussion of businesses to be targeted by Fund followed.

b) 95 ROCK STREET [Ron]

Acquisition: a 12 month option to purchase the property was signed with the owner in March; an application was submitted to HHS for an Office of Community Services (OCS) discretionary grant of $310,000 to be applied to the acquisition.

Tenants: Current businesses occupying the building were surveyed concerning their future plans; 3 businesses were recruited to participate in the EDC program, given their potential to provide new jobs for Acre residents.

Discussion focused on the role the community (the CBA) can play in working with Acre businesses: to provide what is currently missing - to coordinate the provision of needed services (financing, technical assistance, affordable space) and the establishment of new networks among businesses (possibly forming new organizations).
3) **ACRE REVITALIZATION update: [Frank]**

- RTC properties: unresolved site control issues with RTC, its asset manager in Dallas, and the City; a meeting was held in Boston today with Steve Allen, the head of the RTC's Affordable Housing Program, to resolve these issues as quickly as possible through a voluntary transfer of the properties by George Chamberas or a foreclosure sale.

- Alternative properties: staff is reviewing other Acre properties which could be packaged into a rehab program; for example, properties controlled by the FDIC (159-61 Fletcher Street).

- HOME funds: HUD is modifying the utilization techniques for these funds, while the features of this program (including CHAS, CHDO) are under review; meanwhile the City is re-organizing its DPD staff (Jim Boenis has been placed in charge of HOME funds), presenting the possibility of competing agendas.

Discussion addressed potential problems presented by these changes, including the possibility of AMNO's revival via funds from these programs and its new presence at City Hall.

**New Business**

**MERRIMACK STREET HOUSING PROJECT [Ron]**

The project's financial problems (underestimated expenses in original forecasts, cuts in state subsidy) and possible options was distributed for review and discussion. Strategies for stabilizing and replacing state rent subsidies were discussed, as well as a timeline and sequence for taking action. It was agreed to write up the committee's recommendations for presentation at the June Board meeting (attached).

Meeting adjourned at 9:05 am.
Acre Improvement Committee  
General Meeting  
Monday March 8, 1993  

Meeting Chair: Maria Lopez  
Start time: 6:45PM  

Attendance:  
Maritza Vazquez  
Maria Oyola  
Diana Quiñones  
Phyllis Robey  
Ed Britinas  
Maria Lopez  
Carl Granier  
Claire Britinas  
Joanne Sgouros  
To Ha Tran & friend  

Staff: Steve Schnapp, Sothea Chimreoum and Liz Gutierrez  

Item #1 - Update from Acre Revitalization Sub-committee  

Joanne Sgouros, chairperson of the subcommittee gave a brief update on the latest developments with the Fletcher Street phase of the revitalization effort. Some of the events so far have been the following:  

* Bob Malavich, Director of the city's planning division finally mailed a letter to the RTC confirming an earlier agreement that the RTC had made with the city regarding the disposition of these abandoned buildings.  
* Approximately 2 weeks later the RTC responded to the city positively saying that they were in fact prepared to donate the properties to the city.  
* Princeton Properties has been hired to begin the negotiating process that will enable the city to take ownership of these RTC properties. The person in charge there will be Andrew Chabin.  
* With encouragement from the CBA, Mike Gondek, director of the Massachusetts Housing Partnership (the organization that gave the city the money to pay for the services of Princeton Properties) met with Bob Malavich to put pressure on the city to move these RTC negotiations along.  
* We are awaiting notice from Bob Malavich about a meeting with the RTC, City Manager, Princeton Properties and others to make sure that this project happens on a timely basis. Members will be alerted to this meeting. We hope to get everyone that can make this meeting to come because this transfer of property procedure will cost money and neither the city nor the RTC want to put up the money.  

Item #2 - Acre Revitalization Slide Show  

Maritza Vazquez presented a slide show which describes the work of the AIC around the rehabilitation of abandoned properties in the Acre as part of our community wide revitalization effort. There are 7 volunteers working on this effort including: Arnaldo Mejias, Joanne Sgouros, Luz Piñero, Diana Quiñones, Maria Oyola, Maritza Vazquez and Mary Beth Jackson.  

This slide show will be presented to over 15 organizations across the city of Lowell over a 3 month period which started in March and will end in May. The hope is to: 1) get more support for our revitalization effort, 2) identify potential AIC members, and 3) Identify potential buyers for these properties after they have been rehabbed.
Item #3 - Acre Pride Clean-Up Day '93

Maria Lopez gave a brief overview of what the clean-up day entailed and asked who of us were interested in getting involved in the organizing of this year's clean-up day. There is a great need for volunteers because there is lots of work to be done. The following people volunteered to be a part of the organizing committee: Diana Quiñones, Carol Dion, Kendra Rocheleau, Keith Rudy, Joanne Sgouros, Ed Britinas, and Maria Oyola. We decided to set the clean-up date for **Saturday May 15th; the rain date would be Saturday May 22nd.**

Item #4 - Lowell Parks and Conservation Trust

Maria Lopez, informed us that she was invited by Stephen Conant, Board member of the Lowell Parks and Conservation Trust to be a member of their committee and represent the AIC. Maria discussed this invitation with us and we agreed that she should go to their next meeting on March 18th and report back to us; at that point we would decide who should continue to represent us in that group, if at all.

Item #5 - Crafts Fair

Liz Gutierrez informed us that the CBA organizing staff was interested in organizing an Acre community crafts fair. The fair, as she described it, would be an opportunity for all Acre residents to exhibit and sell their crafts. Several members came up with other ideas related to a crafts fair including the creation of a community cart which could be taken to different events and places to sell products made by Acre residents. Phyllis Robey suggested that we also look into getting a booth or a table at this year's folk festival to provide an additional opportunity for Acre residents to exhibit their products to a larger audience. Phyllis Robey, Martiza Vazquez and Claire Britinas volunteered to work with the CBA staff to organize this Acre crafts fair as well as follow-up the other ideas that were presented.

Maria Oyola closed the meeting by first identifying the next chairperson; Maria Lopez, and then thanked everyone that come to the meeting. Next meeting will be held on **Monday April 12th at 6:30PM.**

Meeting adjourned: 7:55PM.
Coalition for a Better Acre
DEVELOPMENT COMMITTEE

Meeting Minutes
February 17, 1993

Present: Board - Angel Bermudez, Arva Clark, Jeanne LaFond, Jose Rivera; Staff - Ron Applegate, Margaret Miley, Frank Sepulveda.

Meeting called to order at 11:45 a.m. by Angel.

Discussion: Current Development Programs & Objectives for 1993

Referring to printed descriptions of current housing and economic development programs previously mailed to committee members, staff presented summary of current development activity to facilitate discussion of priorities for 1993:

1) Economic Development

Central issue / problem addressed by program: meeting multiple needs of small businesses.

Current program activities:
- loans: Peer Group Lending Pool
  Small Business Loan Fund
- resources / technical assistance:
  build network of services
  provide individual counseling & group training
- sectoral analysis:
  research growth potential of existing businesses
  by industry sector
- affordable commercial space:
  negotiating to acquire 95 Rock Street

Possible activity:
- CBA initiated business(es)

The combination of activities is designed to create a pool of actual businesses - of contacts, experiences and ideas - to help us to decide
  where best to put CBA resources (financial and human)?
  if CBA should initiate businesses?
  if so, how should they be initiated?

Committee discussion:
* Jose - questions to guide and evaluate our work:
  Are we identifying all the business activity in the Acre?
  What kind of education are we providing to assist existing businesses with the potential to expand?
  (This approach will ultimately allow us to discover what is missing.)
* Arva - interested in exploring the possibility of CBA initiating needed community businesses, especially if this is connected with worker training programs.

* Angel - lesson from personal experience working in small business development:
The biggest danger for small start-up businesses is the transition from an informal to a formal business, since additional operating costs often cause a business to no longer be profitable.

Therefore, the key objective for CBA program must be
to identify businesses with greatest growth potential;
to market our services to them (including cheap space,
space for business incubation); and
to be able to offer capital to them (equity, not debt).

* Group - other points to keep in mind in defining program:
- make decisions in light of impact on community
- be mindful of reality of the high rate of failure in small business development
- understand what needs of businesses really are
- what activities are going to assist CBA to create jobs, while minimizing cost of program.

Angel concluded discussion by identifying what we need to do next to refine the economic development program for 1993 and beyond:
- continue to assemble information to facilitate envisioning what our program should look like,
- make contact with others who are dealing with these issues.

Staff suggested a division of labor within the committee based on the different interests of committee members.

2) Housing Development

Primary focus of housing program, as decided by Board, is the continued revitalization of the Triangle area.

Current activity:

* pre-development phase of "RTC Property" renovation project:
  - acquisition of 12 properties through the City
    (City has been slow in following up on CBA negotiated price of $1/property; Acre Improvement Committee has embarked on pressure campaign)
  - building rehab planning for 1st phase (Fletcher Street corridor): building reconfiguration cost cutting rehab design & cost estimating coordination with City Hall + exploration of new construction option
    (remaining RTC properties to be developed in 2nd phase in 1993-94)
* identification of other Triangle properties for renovation - to add to RTC project, or to substitute for RTC project if City moves too slowly:
  FDIC owned properties
  Bank-owned properties
  Golenbock properties - Adams, Fletcher, and Suffolk Sts.

Angel reminded us that Acre Improvement Committee recommendations for property redevelopment need to come through the Development Committee to the full CBA board for approval and action.

Angel also asked for an update on potential activity on upper Merrimack Street, stressing that CBA can play a catalyst role in getting other institutions involved in stabilizing and revitalizing this area.

Meeting was adjourned at 1:00 p.m.

The next meeting of the Committee is scheduled for Monday, March 8, 8:00 a.m. at the 4 Sisters' Owl Diner, 244 Appleton Street.
Acre Improvement Committee
General Meeting
Summary
December 14, 1992

Members in attendance: Meeting start time: 6:50PM

 Arnaldo Mejia, Chair of meeting replacing Victor Luz due to illness.

Joanne Sgouros
Adam Sgouros
Henry "Hefco"

Joseph Wood
Hiev Vo
Long Tran
To Ho Tran
Pedro Oyola
Vincent Nguyen
Liz, staff
Frank, staff

Item #1 - Assigning of next meeting's chair

The committee did not determine who the next chair person would be. It will have to be determined in the interim.

Item #2 - Committee Reports

A) Acre Revitalization Sub-Committee:

Joanne gave a short overview of the process that the committee has been in to present our proposal to the city and get the city council's support for the same. In addition, Joanne described the events of the meeting which occurred earlier that evening with Arnaldo Mejia, Bob Malavich, Director of Planning and Development, Jim Boenis, city's new Housing Director, Jim Moynihan, city's new Director of Inspectional Services, CBA staff and Merrimack Valley Housing staff Jim Wild.

The meeting was focused on determining the steps that the city is to take to secure the abandoned RTC properties which make up our revitalization plans. At this point city officials and CBA staff expressed that there was a small problem with the lack of progress on the part of the RTC. It seems as though we all, that is the city, CBA and AIC must begin to work again to get the attention of the RTC in an effort to regain the attention of the RTC's top officials.

The strategy on the part of the city will be for Bob Malavich to take leadership of this effort by trying to determine a reliable and consistent contact that the city will be able to negotiate a deal with. The CBA will continue to work on redefining the cost estimates for the rehabilitation of these RTC properties as well as seeking the assistance of our local state representatives and congressmen. Members of the AIC will need to have an aggressive campaign to include and involve more people in this very important effort because if the community doesn't get involved we will run the risk of loosing the opportunity to redevelop these properties for affordable housing opportunities.
B) Report on Fletcher Street Clean-up:

Keith Rudy did not make it to the meeting, therefore this report was tabled to the next General AIC meeting.

C) Voter Registration Campaign:

Liz Gutierrez, CBA staff recommended that folks interested in continuing with the Voter Registration Campaign please contact her by the end of January so that plans get can under way. A special calling to all of those AIC members already deputized to conduct voter registration.

D) Holiday Celebration:

Evelyn Mejias was not able to make it to the meeting, but Liz mentioned that the party plans were underway, and that money was currently being collected to purchase refreshments for this event. Everyone at the meeting was invited to participate and bring a friend.

Item #4 - Outreach and Recruitment

A long discussion following Joanne’s update on the Revitalization effort was held. However, no determinations were made about a specific strategy to continue gathering community support. We will continue this discussion at the next general meeting on Monday January 11, 1993.

Meeting ended: 8:00PM
Acre Improvement Committee
General Meeting
November 9, 1992

Summary of Meeting

Members Present:
Joanne Sgouros
Anibal Fontañez, Jr.
Victor Luz

Carol Dion
Evelyn Mejia
Henry Kucharzyk

Anibal Fontañez
Keith Rudy

CBA Staff:
Ron Applegate
Frank Sepulveda
Liz Gutierrez

Meeting Start Time: 6:45 PM

Meeting was opened by stand-in chair, Joanne Sgouros (Maria Lopez, chair of the AIC, was unable to attend).

1. Maria Lopez requested that she be excused from her duties as Chair of the AIC due to some difficulties with her family’s health and other issues. Members of the AIC were asked to nominate a temporary Chair until that time that Maria could resume her responsibilities or the AIC is structured with an elected slate of officers.

In the meantime, Victor Luz suggested having rotating Chair, so that all members of the AIC get the opportunity to chair a meeting, a different member each month. All members agreed. Victor Luz will be chairing the next general meeting of the committee. Liz will assist each Chair with their responsibilities for the month.

2. Keith Rudy informed the members of the City’s plans to encourage the Department of Defense to re-locate their accounting department in Lowell, which could mean an increase of several thousand jobs. A meeting was held recently at the Smith Baker Center and all Lowell residents were invited to attend to help develop a strategy to clean up Lowell streets neighborhood by neighborhood. Keith recommended that the AIC as a community group sponsor some kind of neighborhood event, like a clean-up day. Members in attendance agreed with the suggestion.
The date of Saturday, November 21 was set as the Clean-Up day. Keith will be in charge of organizing this event. If you are interested in helping with the planning please call Keith at 970-3312. Please make plans to assist with this effort.

3. Members of the committee were asked if we were interested in organizing a neighborhood-wide Holiday celebration. Members agreed that the AIC must do something for the kids. Glory, Carol, Joanne and Evelyn volunteered to help Liz with the planning and outreach for this event. A meeting was scheduled for Monday, November 16 at Evelyn’s house at 3:30 pm. If anyone else is interested you are welcomed to participate.

4. The last item on the agenda was a review of the full revitalization proposal (rough draft). We had a question and answer session after the proposal was reviewed. Several members agreed to contact particular city councilors to lobby on behalf of our plan even before the proposal is presented to the City Manager, Mayor and Director of Planning. Joanne Sgouros, will continue to try to contact the Mayor to come up with a meeting date for the AIC’s proposal presentation. Presenter members of the AIC are: Evelyn Mejia, Joanne Sgouros, Victor Luz, Arnaldo Mejia. Additional persons invited for support include: Father Jaime Fee (CBA Board President), George Duncan (President of Enterprise Bank), Bryan Martinez (abutter), and Phyllis Robey (new AIC member).

Meeting adjourned: 8:45 PM

Next AIC General Meeting will be: Monday December 14th
Improvement Committee (AIC) Revitalization Sub-Committee Meeting

11/11/92

Present: Arnaldo Mejia, Evelyn Mejia, Joanne Sgouros, Victor Luz, Glory Mejia, Elizabeth Gutierrez, Frank Sepulveda, Steve Schnapp

1. Liz gave an update on the AIC General Membership Meeting that was held on Monday, November 9. There were 2 new members who came and they said that they enjoyed the meeting. There was also a request that a chronology of AIC meetings and other activities be written for new members (and others) as a way of documenting the progress of the revitalization effort.

2. A suggestion was made to start keeping minutes of each meeting which would help keep members informed on the AIC's progress. This could be done on a rotating basis. Steve volunteered to take minutes of this meeting.

3. We had a lengthy discussion of the plan for presenting the AIC Revitalization Proposal to the city. We reviewed the outline of the proposal and discussed who would take each part:
   I. Introduction and Description of the AIC - Joanne
   II. Proposal for removal or renovation of buildings - Victor
   III. Rationale for Proposal - Arnaldo
   IV. Request for Partnership with City - Arnaldo
   V. Need for Community Development Corporation (CBA) - Joanne, Fr. Fee

Our plan is for Joanne to contact the Mayor, invite him to meet with us to receive this proposal and hear our presentation. We will also ask that the City Manager be at the presentation since he will be the person from the city in charge of the implementation of the revitalization plan. We will also invite several other individuals who are familiar with the needs of the Acre Triangle and with CBA's track record in developing affordable housing. We hope that the Mayor will agree to meet with us to hear our presentation.

Our next step will be to contact each of the City Councilors, provide them with a copy of the proposal, and request a meeting with them individually to get their feedback. Below is a list of the AIC members who agreed to contact the various councilors.

Bob Kennedy (Henry)  Kathy Kelly (Joanne)
Gerald Durkin (Joanne)  Bud Caulfield (Joanne)
Dick Howe (Victor)  Bernie Lemoine (Carol)
Richard O'Malley (Keith)  Curtis LeMay (Keith)
4. The next item discussed was **how to increase our outreach to the community** to gain support for our proposal. Ideas included a slide presentation, perhaps at the Thanksgiving dinner that will be held at the Smith Baker Center, and to church groups. We also discussed making contact with the Acre Community Patrol to let them know that the AIC is also interested in crime prevention and that we have engaged in several activities including calls to the police in support of residents who reported criminal activity.

5. We also discussed **176 Cross Street**, an abandoned building that is included in the group of buildings we are proposing to renovate, and the possibility that the Greek Church on Cross St. may have other designs for this property.
Two half time Economic Development Specialists were hired to steward specific EDC projects. Bert Quiroga now oversees all micro loan activities as the EDC Loan Specialist. Ruth Rubalcava is building two business associations, one geared to small minority businesses and the other to manufacturers. The goal is to recruit 20 businesses to each of the associations. Members will meet regularly to explore collaborative purchasing, marketing, employee training and benefits packages, and joint contract bidding. By supporting and strengthening local employers, the future stability of the local economy will increase.

III. Affordable Housing Development

RTC Property Development -- Phase I -- Eight Fletcher Street Properties

In February, we began the complex process of juggling construction costs with design and financial considerations to produce affordable units on the 10 RTC properties acquired by the CBA. During this quarter design decisions were finalized after a series of meetings with the Acre Improvement Committee, the architect, the contractor, the lawyers, and the City Zoning Board.

Financing for the first phase was secured from two sources: up to $410,000 from City HOME funds and $606,000 from the Federal Home Bank. An application to the State for HOME funds is pending. Discussions are well underway with three Lowell banks to complete the financing package for our first time home buyers.

Construction is due to begin in October of the modular units. Phase I consists of eight new units located along Fletcher Street which will be completed by the end of November. Please refer to the sketches in the attachments for a preview of these houses. We anticipate that each unit will cost $130,000 to complete. Public subsidies will pay for approximately $60,000 of each unit, and the buyers will pay for the remaining amount -- approximately $70,000 -- with mortgages. We are still lobbying the City for a tax abatement on the properties which will reduce the overall cost of the project by $15,000 per unit.

Members of the Acre Improvement Committee explored alternative ownership models for the RTC properties and they made a series of recommendations to the CBA Board of Directors. Phyllis Robey, a member of the Acre Improvement Committee said, "Since the units are being constructed with a significant amount of public money, they should be protected as a public resource. We want to set up an ownership structure that will ensure the units remain affordable when the original owners move out." Discussions are underway with lawyers and representatives of Institute of Community Economics to set up a Land Trust Agreement where buyers will purchase a limited equity in their housing unit.
Marion Street Rehabilitation — 3 units completed and 2 sold!!

Moderate rehabilitation of three abandoned properties on Marion Street was completed in September. These properties became available late last year when the previous owners were unable to pay their mortgages. The units required extensive structural repair on the roof and internal repair as the houses were broken into and used by drug abusers. Two of the three units were sold in September to low-income families for approximately $65,000 each. The smallest of the three units is still available for $45,000. The mortgages for these properties will be held by the Jeanne D'Arc Credit Union which has entered into a new mortgage program for low-income families.

186 Suffolk Street Apartment Building Purchased

While working on the Marion Street properties, Project Manager Frank Sepulveda, was approached by a Suffolk Street property owner who was considering the sale of a 15 unit apartment building. This building is fully occupied and is in very good shape in comparison to the buildings we've grown accustomed to rehabilitating. In August, the owner decided to sell the building and offered the CBA the first opportunity to make an offer. We have entered into a Purchase and Sale Agreement and are close to finalizing the sale.

Ron Applegate, CBA's Development Director, "The 186 Suffolk Street building is the beginning of a trend which will determine the future of the Triangle neighborhood. We anticipate that many similar multi-family buildings, some of which are currently owned by slum landlords, will come up for sale within the next two or three years. Since the CBA will not be in a position to purchase all of the buildings as they become available, Triangle residents are organizing so that they can prevent sales to exploitative owners. It is going to be a very exciting couple of years."

CBA completed an application to the NDSC Capitalization Fund in July. Approval would grant the CBA $150,000 outright and provide access to $300,000 of credit for acquiring and completing real estate development projects. The Capitalization Fund program is envisioned as an investment of equity into a small number of successful Massachusetts CDCs to enhance their ability to move forward with development plans.

IV. Administrative Items & Wish List

During three days in August, the CBA was audited by the Neighborhood Reinvestment Corporation (NRC) as part of our application to become an NRC affiliate. Linking up with the NRC would enable the CBA to apply for small operating grants and access their excellent training programs. NRC staff also serve as consultants to their affiliate organizations.
A job-skills survey was completed at North Canal Apartments by four Tufts graduate students. Their skills are now entered in a computer data base and we will link Acre residents with job applications as they become available. For example, in 1993, 10 of 15 people referred by the CBA were hired by United Parcel Services (UPS).

III. Affordable Housing Development

1. Triangle Action Plan- Phase II.

Together, the Acre Improvement Committee (AIC) and the CBA Board celebrated the acquisition of 10 RTC properties! With the exception of one property, all of the RTC properties are residential buildings which have been unoccupied for at least three years. The buildings are in horrible condition and suffer from structural as well as exterior damage. One property has commercial units on the first floor (all are Cambodian-owned businesses) and unoccupied apartments on the top two floors.

In February, we began the complex process of juggling construction costs with design and financial considerations to produce affordable units. The AIC Design and Construction Sub-Committee had prepared a list of design criteria which were incorporated into the architect’s plans. Our financial constraint is determined by the value of comparable properties within the Acre. Market rates currently value housing units at no more than $60,000 within the Triangle section of the Acre where the RTC properties are located. Our goal is to spend no more than $65,000 per unit in construction costs and $25,000 per unit for related development costs. We will raise funds from the city so that the final purchasing price of each unit will be no more than $60,000, of 30% of the owners income.

Using the architects plans, a competitive bidding process began for estimates to repair and reconstruct a subset of the buildings. Five contractors returned bids with the lowest reconstruction costs per unit equaling $90,000 -- a price that is significantly higher than we can spend. Frank Sepulveda and Ron Applegate, CBA’s Development Team began considering secondary options which include scaling back on design criteria to make construction less expensive or tearing down the buildings and starting over with new modular construction; plans will be finalized in April.


The CBA in collaboration with the North Canal Tenants Council submitted a competitive bid to the Catholic Archdiocese in March for acquisition of a property on Moody Street. Ever since the apartments were built, residents have
complained that there is not enough space for children to play outside, or ample space for community gatherings. Our proposal is to create more indoor and outdoor recreational space for residents of the North Canal Apartments.

3. Triangle Home ownership Project

Three properties became available late last year as a result of the previous owners walking away from their properties. We now hold the mortgages and have conducted assessments and inspections of the properties this quarter. Two of the units require some repair as the houses have been broken into by drug users. Neighbors are looking after the properties and notify the CBA whenever there are any problems. Frank will oversee repair of the buildings and develop a marketing plan for the properties during this next quarter.

IV. Administration and Other items

In March, Secretary of HUD, Henry Cisneros, visited a city planning meeting in Lowell; the CBA was invited to address the assembled group. Wanting to let Secretary Cisneros know of our RTC acquisition problems without offending the city planners who were in the room, our speech was delivered in Spanish by community activist Lily Otero. Secretary Cisneros, who is bilingual, listened as Lily told him how city planners lied, stalled, and schemed to acquire the RTC properties for a private developer with ties to the Mayor and how the city has no working commitment to improve the conditions of the poorest people in Lowell. Secretary Cisneros commented afterwards, that he heard our message, and was in full support of the CBA’s efforts.

A new Acre Police Sub-Station is due to open in June. Located on Adams and Broadway, the space was donated rent-free by a local business owner. A group of Acre businesses collected $52,000 to prep the office for occupation. This group of businesses holds monthly meetings which have been attended by CBA staff members. The business owners are committed to working with the CBA to improve security and to clean up the appearance of the neighborhood.

CBA’s auditors have completed their work here in the office and are now concluding our audit. Staff participated in a week long planning retreat. We find that this time is invaluable as so many of our programs are integrated.

Neal attended the recent Department of Housing and Urban Development "National Housing and Community Development Conference" in Washington. He also participated in a round table planning session with leaders of the Episcopal City Mission.
The Lowell Landscape

Everyone is waiting for the new City Council to begin work in 1994. The election was a clear indication about the mood among a majority of Lowellians.

Six incumbents went down to defeat. The top three vote-getters were newcomers. Even the Lowell Sun, not known for its progressive editorial policy, endorsed many of the challengers and praised voters in their decision to vote for change, "not more of the same."

CBA has already established good rapture with many of the new Councilors, and we are hopeful about a meaningful and productive partnership with the City, now that Tarsy Polious did not seek another term as Mayor.

The CBA has won the right to acquire 10 Acre properties from the Resolution Trust Corporation and a closing will occur in early 1994. The project will result in about 30-40 units of cooperatively owned housing and important physical and social infrastructure improvements in the area.

We continue to work with Lowell's Planning and Development staff on the financing of the project. It appears insider pressure is the ultimate determinant for the Planning Dept. (DPD), as demonstrated by constantly shifting funding priorities and a lack of any coherent planning process. There is talk about a major reorganization at the DPD, spearheaded by a new City Councilor and the City Manager.

We are awaiting a response from the Federal Deposit Insurance Corporation to our bid to purchase 95 Rock Street as a business incubator and economic anchor for the Triangle neighborhood.

Our plan is to relocate some of our economic development programming to the site and establish the Enterprise Development Center as a full service small business assistance center, in partnership with the University of Massachusetts at Lowell.
will begin to provide group support in the development of business plans for these two enterprises.

CBA's collaboration with the University of Massachusetts at Lowell has opened a new frontier for the EDC: an industrial retention program aimed at employing new, sustainable, environmentally-safe, production technologies and developing relationships among manufacturers to pool limited resources.

Additionally, Margaret continues to work with a select group of local manufacturers who are becoming increasingly interested in forming an industrial association and support network. Margaret meets regularly with seven business owners about the concept and links through the 95 Rock Street incubator facility.

III. Affordable Housing Development

1. North Canal Apartments.

In the second year of post construction operation, projections for low income tax credits have been met and the Tenant Council oversees continuing improvements to the property.

2. Triangle Action Plan- Phase II.

Having completed work on our disposition plan, we are now ready to begin pre-development work on site planning and overall design of the new Fletcher Street area and the other sites. Construction and long term financing for the project will begin to be arranged with the help of leaders from the Acre Improvement Committee and the CBA Board.

Frank Sepulveda, CBA's Project Manager, will continue to take a coordinating role in designing the redevelopment plans with the Acre Improvement Committee. Frank has also been meeting with Lowell's housing community and has been leading our research in Mutual Housing Associations and the use of HOME funds for the entire redevelopment effort. In addition, as the involvement of the City administration changes, Frank has been looking into infill housing options, including energy crafted homes and modular construction.

The CBA's Development Committee and members of the Acre Improvement Committee are working on the entire development plan.

The Archdiocese of Boston has closed the St. Jeanne's parish. While the final plan is unclear we have expressed interest in working with the Archdiocese to determine how this 6-building property can be reclaimed for community use. CBA will be one of a number of groups to submit a proposal to acquire some of the Moody Street properties.

4. Triangle Home ownership Project

Three properties became available in the last reporting period as a result of the previous owners walking away from their properties. Aetna Insurance, the holder of the mortgage, has made an arrangement to put them back into the hands of the CBA. Frank Sepulveda has been coordinating this work by securing the properties and organizing to find qualified buyers from the area.

IV. Administration and Other items

CBA's audit is now underway.

Ron Applegate, CBA's Development Director, has continued to Chair the Massachusetts Association of Community Development Corporations (MACDC) Capitalization Committee, which is looking at innovations in strengthening the long term equity and resource base of a select group of CDC's in Massachusetts.

Both Neal and Ron are working with the All Saints Memorial Hospital to look at neighborhood improvements in the Upper Merrimack Street section of the Acre.

A new Policies and Procedures Manual and Manual of Accounting Policies has been produced by Betsy Martinez, CBA Office Manager and Ana Boyd, Finance Director.

A long term financial analysis and investment portfolio is being coordinated by Ana Boyd in time for the 1994 Board of Directors review in the upcoming year.

Mark Levine, founder of Levine Associates, will coordinate a two-part orientation for new Board members during January and February 1994 Board meetings, as well as a series of mini-training sessions for Board members throughout 1994.
Summary of Current CBA Organizing Issues
November 27, 1994

CBA is currently working on the following issues:

1. **Fletcher Street**

   **Current situation:**
   There is a substantial amount of drug dealing on Fletcher Street between Suffolk and Broadway Streets. This crime is likely to present problems for the new homeowners who will move into the new CBA buildings on Fletcher.

   The dealing comes primarily from two buildings: the big white building at 173 Fletcher and the Wendy Golenbock-owned building at 250-258 Fletcher. 173 Fletcher is owned by the Lowell Housing Authority (LHA). The City hopes to complete negotiations by January 1± to buy 250-258 Fletcher and other buildings from Golenbock (they ask us to keep this quiet because publicity might kill the deal).

   So far, CBA staff has not found any residents of the street who are willing to publicly condemn the drug dealing. Pedro is working to find other residents and to build up the confidence of the residents who first alerted us to the problem to convince them to speak out publicly.

   **Possible Next Steps:**
   Pedro will continue outreach efforts to bring together a Fletcher Street group that will organize against Crime and drugs. Jim Milinazzo, director of the LHA, will be meeting at the CBA on the same night as the issue committee. The Issues Committee should ask him to take action against the problem residents in the LHA building. Lastly, CBA should begin a campaign to get the City to tear down the Golenbock building. Unfortunately, the building is in such bad condition that it is impossible to rehab the building without spending an unreasonable amount of money, so tearing down the building is probably the best option.

2. **Western Canal**

   **Current situation:**
   The Lowell Historic Preservation Commission is planning a $1 million redevelopment of the Western Canal that runs from French Street through the North Canal Apartments across to Market Street and then along Suffolk Street to Dutton Street. Their plan does not include water clean up.

   However, in meetings with the community, the National Historic Park has agreed in principal to work out an agreement with the neighborhood about cleaning the Canal! CBA and the N. Canal Tenants Council have a good deal of leverage because the Preservation Commission needs an easement from North Canal Housing Trust to do their project. Thus, we can make the easement conditional on clean up of the canal.
Next Steps:

Residents need to decide what would be acceptable clean up measures. Once this has been decided, a small group of residents should set up a meeting with the Preservation Commission, the National Park, and the City to negotiate the agreement. The Preservation Commission would like to begin construction this Spring.

Miguel Santos has taken the lead on this issue for the N. Canal Tenants Council.

3. Community Gardens (the AFAR Program)

Current situation:

The Acre Food for Acre Residents (AFAR) program aims to provide opportunities to low income residents to grow their own food. Sothea has organized to bring two community gardens to the Acre: one on Varney Street and the other on North Franklin Court. He has recruited a group of gardeners to work on the project, and currently is trying to get resources donated to turn the lots into thriving gardens. Most of the gardeners are former farmers from Cambodia, so the project not only provides them with food and a little extra income, it also allows them to use here the skills and experience they developed in Cambodia. As part of the AFAR program, some Cambodian residents have been gardening in the Nensenkeag Cooperative Farm in New Hampshire.

Possible Next Steps:

Sothea will continue to work with the AFAR group, building their leadership and sense of group identity. Hopefully, one or two members of the AFAR group will come as representatives to the Issues Committee.

CBA needs to continue to solicit money and material contributions for the gardens, which need soil, railroad ties, fencing, water, and other supplies.

Lastly, CBA does not have permanent control of either of the two garden sites, and the City has told us they do not consider the Varney Street site (which they own) as a good permanent garden site. Before CBA invests substantial resources in a garden site, we need to have control of the property.

4. The Arena

Current situation:

The City is planning to build an Arena across the street from the North Canal Apartments where the post office is now. There is a plan for the Arena, including an Architect's designs, but these plans are not too advanced. The City Planning Department is in the process of hiring a project manager for the Arena. Before they can build, the City will need to go through several different review processes, including zoning variances and the State environmental review process. The CBA has hired David Rodriguez to review the City's current plans and research the likely review processes.

Possible next steps:
The proposed Arena would have a tremendous impact on the Acre and particularly on the North Canal Apartments, in terms of parking, traffic, noise, trash, and drunken behavior. The Issues Committee and the North Canal residents need to review the plans carefully and decide what we want from the City. To stop the Arena? (This may not be possible) To get the City to agree to measures to offset the problems that the Arena will create? To get the City to give a benefit package to the Acre as way of compensation? North Canal Apartments does have some leverage with the City because of the various review processes, but residents need to decide exactly what they want. The Issues Committee should work closely with the North Canal Tenants Council on this issue.

5. Cambodian Triangle Committee

Current Situation:
Vong has been working with a number of Cambodian residents in the Triangle, most notable on LaGrange Street. These residents held a potluck dinner, and circulated a petition to tear down an abandoned building immediately behind their apartment. One of the residents attended the City Council hearing with Vong where the Council decided to tear the building down.

Next Steps:
Vong needs to expand his outreach to more tenants, to continue developing the leaders he has been working with, and to encourage them to form themselves into a group. Hopefully, at some point in the future, one or two of these residents will join the Issue Committee.

6. Environmental Issues

Current situation:
The Acre has been the site of many small industrial enterprises. Invariably, these kind of businesses leave behind toxic by-products. Environmental reviews for some of our development projects have revealed hints of problems, but we do not know how extensive the problems are and how much threat they pose to the health of Acre residents.

Possible next steps:
To solicit an intern from a nearby University to conduct a study of environmental problems in the Acre. Once the study is completed, the Issues Committee can decide if CBA should begin an organizing campaign around environmental issues.
Frank and I met today to brainstorm questions we might ask of organizations that developed housing with Mutual Housing Association (MHA) and/or Limited Equity Coop/Community Land Trust ownership models.

First, we suggest that we review materials about these ownership models prior to the phone calls. Frank has a manual called *Mutual Housing Associations - Profile of the NeighborhoodWorks Network* by the NRC which outlines the MHA models in several states. Frank will also call and ask for materials from the groups we are planning to interview. In addition, Steve has ordered materials from ARCH which should come in a few days.

Below are a bunch of general questions that occurred to us:

- Describe the collective ownership model that you are using?
- Why did you choose this particular model? What are the advantages? Disadvantages?
- What was the decision-making process that you used?
- What was your relationship to the community in planning and then developing the housing project?
- Did you have a community organizing aspect to the development and maintenance of the development project? Please describe?
- What was the extent/scope of the training for participants?
- What aspects of the training worked well? What didn't?
- Did anybody help you with the training? Who?
- How early in the development process were owners/members identified and "signed up?"
- What are the eligibility requirements for participation in the development?
- What kind of lease or other mutual agreements are participants required to sign?
- How did you decide policy issues such as tenant participation in community issues, development expansion, living conditions, etc.?
• How does your financing work?
  - purchase of property and mortgages
  - design and construction costs
  - maintenance and other operating costs
  - expansion
• Is there any use of Section 8 subsidies?
• Were there any special legal issues that you had to deal with in the creation of
  the particular ownership model?
• What has been the most frustrating aspect of this project?
• What has been the most rewarding aspect?
Questions
for Mutual Housing Associations, Limited Equity Cooperatives
and Community Land Trusts

• Describe the collective ownership model that you are using?
• Why did you choose this particular model? What are the advantages? Disadvantages?
• Did you look at other collective ownership models? Which one(s)?
• What was the decision-making process that you used?
• What was your relationship to the community in planning and then developing the housing project?
• Did you have a community organizing aspect to the development and maintenance of the development project? Please describe?
• What was the extent/scope of the training for participants?
• What aspects of the training worked well? What didn’t?
• Did anybody help you with the training? Who?
• How early in the development process were owners/members identified and “signed up?”
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• Were there any special legal issues that you had to deal with in the creation of the particular ownership model?
• What has been the most frustrating aspect of this project?
• What has been the most rewarding aspect?
Mutual Housing Associations

What is a Mutual Housing Association?
A mutual housing association (MHA) is a form of collective housing ownership. It is a private, non-profit, tax-exempt organization that develops, owns, and manages the housing units. The MHA includes all the residents of the housing units and it may include additional representatives of the community, local institutions, government, and businesses. Each representative has one vote. The residents, however, are a majority of the MHA and therefore control it and the housing units. MHAs establish an occupancy agreement that provides for the lifetime opportunity to occupy a unit as well as the opportunity to pass the unit to their successor(s).

How does a Mutual Housing Association work?
The MHA is established by the residents, usually with technical assistance from a non-profit community development organization, such as the CBA. The members of the MHA set up rules and regulations for its governance including decision-making procedures, structure of the Board of Directors, guidelines for cooperative living, etc.

Residents sign an agreement (similar to a lease) that establishes occupancy and sets forth conditions for MHA membership. Residents usually pay a monthly housing charge (set by the MHA) to cover repairs, maintenance, insurance, taxes, management, etc. The MHA also establishes resident selection criteria.

Residents do not actually own their units and cannot sell them. They can, however, nominate a family or household member to succeed them in their unit, subject to the approval of the MHA.

What are the benefits of a Mutual Housing Association?
An MHA provides long-term housing affordability by keeping housing out of the hands of real estate speculators.

An MHA provides housing security by allowing residents to be lifetime members of the MHA and providing for the passage of the unit to a member of the resident’s family.

An MHA provides community control of housing by establishing a membership association in which the residents are in the majority and that includes other representatives of the community.

An MHA supports the development of community spirit by creating a method of housing ownership, management, and control that has residents and other community representatives working together to establish and oversee the policies and procedures that govern their housing.
1. Announcements.

Legislative Clearinghouse: Feb. 23 at 1:00 at the Great Hall of the State House.

The press conference regarding the Cohen/Fitzgerald bill was positive and well attended by child care advocates. Due to the snow there was some press but not the amount desired.

The Child Care Careers Institute has put out a book on training opportunities. It is designed as a calendar with many trainings listed for the year. It is for sale for $5.

Feb. 27th is the 2nd day of the Office For Children's Professional Development Forum.

Boston Child Care Community Speak Out. March 18th at Maddison Park High 6-9PM.

2. Surprise! the Governor's budget came out with an increase in funds for child care. At the same time, however, the education reform bill came out without clarification as to where the money for it will come from.

After harsh criticism from the child care community, language referring to the education of three and four year olds to "not be mere day care" was removed from the Education Reform Bill. Rep. Mark Roosevelt referred to this as an "unintentional slight to the child care community." Language that would have taken out contracts and sliding fee scales was also removed. Compromises have been made and a new Bill (House #1000) has been developed. This bill is not expected to be taken up until the end of the month.

Discussion among members regarding the Ed. Reform Bill centered on three main points:

* we have known for quite some time that the relationship between child care and public education needs to be examined and discussed. This issue, due to the ed. reform bill, is coming at us sooner than we
I. The mission of a Mutual Housing Association is:

To combat community deterioration and preserve Neighborhood stability through Neighborhood-directed revitalization and the provision of affordable, quality homes and security from displacement.

To this end, the Association develops, owns and manages housing in the public and community interest and serves as an on-going producer of affordable housing. The Association has dual goals of healthy economic integration and serving significant number of lower income households.

II. A Mutual Housing Association is a democratically run non-profit organization whose membership is comprised of residents and pre-residents members, government and business representatives and professionals in real estate development and housing management.

III. Resident and pre-resident members comprise a numerical majority of voting members, the Board of Directors and committees.

IV. The Association is committed to using all resources in excess of its operating and maintenance costs for the continued production of additional units through new construction or rehabilitation.

V. The Association owns and maintains all dwelling units. Members democratically control their Association but residents do not own dwelling units. The Association annually sets the monthly occupancy feed to cover all costs of maintenance and operation, repairs, mortgages, and return on public capital to the Association and will, of course, be required to increase fees from time to time to reflect increased costs.
VI. Because the Association seeks to avoid displacing persons from the community, preference for resident membership will be afforded to qualified current community residents.

VII. The Association employs full-time professional staff and may utilize consultants; Association members expand capacity through volunteer service.

VIII. By design, the Association seeks to make its housing affordable to a range of persons clustered below and around the PMSA median household income. Although the housing is designed primarily to serve households of modest to medium means, residents are not required to leave because of an increase in the household income.

Resident members:

IX. may retain their residency in Association housing as long as they abide by the occupancy agreement.

X. have a privilege to nominate an adult family/household member for expedited consideration for membership and occupancy when the member relinquishes a unit.

XI. have the right to participate in the governance of the mutual housing community and the affairs of the Association through elections for and service on the Board of Directors and residents councils.

XII. are responsible for the interior maintenance of their units and participate in periodic self-help projects to improve the quality of life while minimizing cost to the Association.

XIII. pay a one-time membership fee which earns nominal interest and is refunded when members vacate their unit.
Comparing Forms of Housing Ownership

This chart highlights the major characteristics of five types of housing ownership or control: rental, cooperative, Mutual Housing Association, condominium and single-family. Differences can exist from one locality to another, primarily due to state and local laws.

<table>
<thead>
<tr>
<th>Unit &amp; Structure Ownership</th>
<th>Monthly Fees</th>
<th>Tax Benefits to Residents</th>
<th>Responsibility for Operating the Housing</th>
<th>Rules and Regulations</th>
<th>Equity</th>
<th>Occupancy Rights</th>
<th>Eligibility</th>
<th>Voting Rights</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Rental Unit</strong></td>
<td>Tenant pays rent to owner/landlord.</td>
<td>None to tenants.</td>
<td>Owner/landlord governs the operation of the housing.</td>
<td>Rules and regulations established by owner/landlord and local ordinances.</td>
<td>None.</td>
<td>Tenants have lease for specific term or &quot;tenant-at-will.&quot;</td>
<td>Tenant must meet selection criteria of owner.</td>
<td>None.</td>
</tr>
<tr>
<td><strong>Cooperative</strong></td>
<td>Co-op member/shareholder pays monthly fee based on unit size to cover unit's share of mortgage, building insurance, upkeep of common areas, water bills, property taxes, management and legal fees, and a designated amount to the capital reserve fund.</td>
<td>None to resident.</td>
<td>Each member/shareholder belongs to co-op corporation which elects board of directors, responsible for managing and maintaining the co-op.</td>
<td>Rules and regulations established by co-op corporation and local ordinances.</td>
<td>Value of equity may appreciate or depreciate depending on market. Limited equity co-ops may restrict and/or guarantee equity appreciation.</td>
<td>Co-op member/shareholder has proprietary lease generally legally inseparable from the co-op share. This insures that party owning the share resides in unit.</td>
<td>By purchasing shares co-op member/shareholder automatically becomes member of co-op corporation. Purchases must be approved by co-op corporation.</td>
<td>Co-op members/shareholders vote based on their shares (sometimes only one vote per unit) at the annual meeting to select the board of directors.</td>
</tr>
<tr>
<td><strong>Mutual Housing Association</strong></td>
<td>Resident pays monthly housing charge set by MHA. In most cases, it is a percentage of resident's income or flat fee based on unit size. Housing charge covers repairs, maintenance, insurance, taxes, management, long-term reserves and contributions toward a future development fund. May include contribution toward program services budget of MHA.</td>
<td>None to resident. (Association is a 501(c)(3) tax-exempt corporation that develops, owns and manages housing units. Association membership includes representatives of business, government and the community. Resident representatives constitute a majority; each member has one vote. Governed by an elected volunteer board of directors representative of the membership.)</td>
<td>Residents are members of the MHA, a private, nonprofit, 501(c)(3) tax-exempt corporation which develops, owns and manages housing units. Association membership includes representatives of business, government and the community. Resident representatives constitute a majority; each member has one vote. Governed by an elected volunteer board of directors representative of the membership.</td>
<td>Rules and regulations established by the Association, with resident input and direction. Each housing development has a resident council that may create additional guidelines to foster cooperative living in that development. Decision-making by resident council is encouraged to the maximum extent possible. Also subject to local ordinances.</td>
<td>No equity interest. However, residents pay a one-time membership fee ranging from several hundred to several thousand dollars; fee is used for development costs of housing and is refundable with nominal interest when resident moves.</td>
<td>Residents have occupancy agreement similar to a lease. May also have a Mutual Agreement which requires participation in building a community and maintaining the housing. If resident complies with occupancy agreement, resident membership provides for lifetime opportunity to occupy a unit and &quot;successor-in-interest&quot; privileges.</td>
<td>Residents must be members of the Association, pay the membership fee and meet resident selection criteria established by Association and resident councils.</td>
<td>One vote in all corporation business at the annual meeting and other meetings organized by the Association; residents hold the majority of the membership and board of directors.</td>
</tr>
<tr>
<td><strong>Condominium</strong></td>
<td>Unit owner pays monthly fee based on unit size to management for upkeep of common areas, building insurance and management fees. Owner also pays property taxes and mortgage principal and interest on individual unit.</td>
<td>Owner deduces mortgage interest and property taxes on the unit.</td>
<td>Each owner belongs to the condo association, which elects a governing board. The board is responsible for managing and maintaining the condo.</td>
<td>Rules and regulations established by the condo association for the common areas. Also subject to local ordinances.</td>
<td>Value of equity in unit may appreciate or depreciate based on market conditions and mortgage terms.</td>
<td>Owner has a deed to the unit subject to mortgage terms and condo documents' provisions.</td>
<td>Financial ability to own is only eligibility requirement, with few special exceptions.</td>
<td>Each unit has one vote in selecting the governing board.</td>
</tr>
<tr>
<td><strong>Single-family Home</strong></td>
<td>Owner pays property taxes, insurance, mortgage payments and all maintenance costs.</td>
<td>Owner deduces mortgage interest and property taxes on the property.</td>
<td>Owner governs operations.</td>
<td>Rules and regulations imposed only by local ordinances.</td>
<td>Value of equity in unit may appreciate or depreciate based on market conditions and mortgage terms.</td>
<td>Owner has deed to the property subject to mortgage terms.</td>
<td>Financial ability to own is only eligibility requirement.</td>
<td>Not applicable.</td>
</tr>
</tbody>
</table>

Sources: Syracuse Neighborhood Housing Services and the Neighborhood Reinvestment Corporation.
<table>
<thead>
<tr>
<th>Incorporation</th>
<th>Insurance on Contents</th>
<th>Subletting</th>
<th>Sales of Unit</th>
<th>Rights of First Refusal</th>
<th>Responsibility for Maintenance</th>
<th>Financing</th>
<th>Resident Selection</th>
<th>Affordable Housing Assistance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Not applicable</td>
<td>Available</td>
<td>May sublet in some situations.</td>
<td>May be sold by owner, forcing relocation of residents.</td>
<td>None, unless by local ordinance.</td>
<td>Owner/landlord.</td>
<td>Debt financing accounts for significant part of cost of operation/rent.</td>
<td>Owner/landlord.</td>
<td>Applicable</td>
</tr>
<tr>
<td>Must be a co-op corporation under state law.</td>
<td>Available at lower rates than renter's insurance because of stock ownership.</td>
<td>May sublet if stated in by-laws.</td>
<td>Prospective purchaser must be approved by board of directors.</td>
<td>Depending on by-laws, co-op corporation may have right of first refusal.</td>
<td>Co-op.</td>
<td>Individual mortgage not necessary since a blanket mortgage is obtained by the co-op. Financing of co-op shares sometimes available from conventional sources.</td>
<td>By governing board.</td>
<td>Applicable</td>
</tr>
<tr>
<td>Incorporated under state law.</td>
<td>Available</td>
<td>Subletting not permitted.</td>
<td>Residents do not own unit and cannot sell. Association makes all decisions on resident selection. Residents may nominate a family or household member to succeed them in their unit, subject to the Association's resident selection procedures.</td>
<td>Not applicable.</td>
<td>Association responsible for maintenance, with residents responsible for general upkeep.</td>
<td>Housing capitalized by loans/grants from variety of public and private sources.</td>
<td>By Association with involvement of resident councils.</td>
<td>Applicable</td>
</tr>
<tr>
<td>Not required.</td>
<td>Available at lower rates than renter's insurance because of unit ownership.</td>
<td>Owner may sublet.</td>
<td>Subject to market conditions.</td>
<td>Depending on condo association rules, association may have right of first refusal.</td>
<td>Exterior and common area responsibility of condo association. Unit owner responsible for non-common areas, as required in mortgage document.</td>
<td>Conventional mortgage financing available.</td>
<td>No restrictions.</td>
<td>Not applicable.</td>
</tr>
<tr>
<td>Not applicable.</td>
<td>Included in home owner's insurance policy.</td>
<td>Owner may rent.</td>
<td>Subject to market conditions.</td>
<td>Unrestricted.</td>
<td>Owner is responsible for maintenance required in mortgage document.</td>
<td>Conventional mortgage financing available.</td>
<td>No restrictions.</td>
<td>Not applicable.</td>
</tr>
</tbody>
</table>
Key Questions for Choosing a Homeownership Model

1. Do you want long term affordability, or potential for personal profits and losses?

2. If long-term affordability, how long? 50 years? Forever?

3. Do you want the development to be able to receive foundation grants to fund services? Or is it more important for the residents to be able to take a tax deduction on Schedule A of their federal taxes?

4. How much control should residents have over their individual unit?

5. How much control should residents have over the development as a whole? Should residents be able to choose who future residents will be?
Examples of Various Ownership Models

**Limited Equity Co-op** - About 65 in Massachusetts, such as St. Joseph's and Marksdale in Boston, Common Place and West Arms in Cambridge, Woodridge in North Andover, First Whiting in Holyoke.

**Syndicated Limited Equity Co-op** - About 10 in Massachusetts including Brooks School in Boston and Salem Point in Salem.

**Leasing Co-op** - One in Mass.: Pomeroy Lane in Amherst.

**Standard Co-ops** - 19 in Mass.; mostly in Boston, such as JamaicaWay Towers and Kenmore Tower.

**Resident-controlled Rental** - One standard (Clarendon Hill in Somerville) and two hybrids with community partnerships: Castle Square in Boston and North Canal in Lowell.

**Mutual Housing** - None in Massachusetts; a few in Connecticut.

**Limited Equity Condominiums** - 11 known in Boston including Jacob's Place and Habitat for Humanity; there may be others in Mass.

**Land Trusts** - Several in Mass including Boston Citywide Land Trust.

**CoHousing** - Two under construction in Mass; one in Acton and one in Amherst.

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# Models of Resident Ownership and Control

<table>
<thead>
<tr>
<th>type of resident-controlled housing</th>
<th>perpetual affordability</th>
<th>major prf/loss for ind resident</th>
<th>able to receive foundation grants</th>
<th>Sched A tax deduction</th>
<th>resident control of unit</th>
<th>need mortgage</th>
<th>control of develop by residents</th>
<th>devel liable for taxes</th>
<th>current residents select new res.</th>
<th>Other</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Co-ops</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Limited Equity Co-op</td>
<td>usually</td>
<td>rarely</td>
<td>no</td>
<td>yes</td>
<td>substantial</td>
<td>no</td>
<td>complete</td>
<td>yes</td>
<td>yes</td>
<td></td>
</tr>
<tr>
<td>Syndicated Limited Equity Co-op</td>
<td>yes</td>
<td>no</td>
<td>no</td>
<td>no</td>
<td>substantial</td>
<td>no</td>
<td>substantial</td>
<td>yes</td>
<td>yes</td>
<td>Co-op in partnership w/investors who have some control.</td>
</tr>
<tr>
<td>Leasehold Co-op</td>
<td>yes</td>
<td>no</td>
<td>no</td>
<td>no</td>
<td>partial</td>
<td>no</td>
<td>partial</td>
<td>yes</td>
<td>yes</td>
<td>Co-op corp leases development from owners.</td>
</tr>
<tr>
<td><strong>Non-Profits</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Resident-controlled Non-profit Rental</td>
<td>yes</td>
<td>no</td>
<td>yes</td>
<td>no</td>
<td>substantial</td>
<td>no</td>
<td>varies</td>
<td>no</td>
<td>yes</td>
<td>New model; may be difficult to get non-profit tax status.</td>
</tr>
<tr>
<td>Mutual Housing Association</td>
<td>yes</td>
<td>no</td>
<td>yes</td>
<td>no</td>
<td>substantial</td>
<td>no</td>
<td>partial</td>
<td>no</td>
<td>partial</td>
<td>Run by residents and others; maybe funds from N.R.</td>
</tr>
<tr>
<td><strong>Condominiums</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Limited Equity Condominiums</td>
<td>yes</td>
<td>no</td>
<td>no</td>
<td>yes</td>
<td>complete</td>
<td>no</td>
<td>complete</td>
<td>yes</td>
<td>no</td>
<td>Sales price of condo limited by deed restriction.</td>
</tr>
<tr>
<td><strong>Standard Condominiums</strong></td>
<td>no</td>
<td>yes</td>
<td>no</td>
<td>yes</td>
<td>complete</td>
<td>yes</td>
<td>complete</td>
<td>yes</td>
<td>no</td>
<td></td>
</tr>
<tr>
<td><strong>Variations</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Land Trust</td>
<td>yes</td>
<td>no</td>
<td>yes</td>
<td>varies</td>
<td>partial</td>
<td>no</td>
<td>partial</td>
<td>varies</td>
<td>partial</td>
<td>Non-profit owns land on which development sits.</td>
</tr>
<tr>
<td>CoHousing</td>
<td>varies</td>
<td>varies</td>
<td>varies</td>
<td>varies</td>
<td>varies</td>
<td>usually</td>
<td>usually</td>
<td>varies</td>
<td>varies</td>
<td>Main purpose to build community thru shared meals, etc.</td>
</tr>
<tr>
<td><strong>Standard Models</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Homeownership</td>
<td>no</td>
<td>yes</td>
<td>no</td>
<td>yes</td>
<td>complete</td>
<td>yes</td>
<td>n/a</td>
<td>yes</td>
<td>no</td>
<td></td>
</tr>
<tr>
<td>Apartment Rental</td>
<td>no</td>
<td>no</td>
<td>no</td>
<td>none</td>
<td>none</td>
<td>none</td>
<td>none</td>
<td>yes</td>
<td>no</td>
<td></td>
</tr>
</tbody>
</table>

Italics indicate non-affordable models.

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Attachments #2

Development Rationales

- Pro-Formas
- MHP Finance Grid for AHPs,
- Correspondence with City Officials
## D/O10BA - Housing Redevelopment Projects in the Triangle

### USES OF FUNDS

<table>
<thead>
<tr>
<th>Description</th>
<th>Project</th>
<th>Per Unit</th>
<th>Project</th>
<th>Per Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Acquisition</td>
<td>235,000</td>
<td>6,351</td>
<td>257,270</td>
<td>11,186</td>
</tr>
<tr>
<td>Construction / Rehab</td>
<td>1,817,074</td>
<td>49,110</td>
<td>1,586,430</td>
<td>68,975</td>
</tr>
<tr>
<td>Architect &amp; Engineer</td>
<td>78,717</td>
<td>2,127</td>
<td>82,863</td>
<td>3,603</td>
</tr>
<tr>
<td>Construction Period Costs:</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>R.E. Taxes</td>
<td>5,553</td>
<td>150</td>
<td>4,450</td>
<td>193</td>
</tr>
<tr>
<td>Insurance</td>
<td>62,415</td>
<td>1,687</td>
<td>47,632</td>
<td>2,071</td>
</tr>
<tr>
<td>Loan Interest</td>
<td>63,123</td>
<td>1,706</td>
<td>176,977</td>
<td>7,695</td>
</tr>
<tr>
<td>Loan Fees</td>
<td>7,629</td>
<td>206</td>
<td>23,007</td>
<td>1,000</td>
</tr>
<tr>
<td>Professional Fees</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Appraisal</td>
<td>1,581</td>
<td>43</td>
<td>9,200</td>
<td>400</td>
</tr>
<tr>
<td>Environmental Assessment</td>
<td>41,508</td>
<td>1,122</td>
<td>31,925</td>
<td>1,375</td>
</tr>
<tr>
<td>Legal</td>
<td>10,261</td>
<td>277</td>
<td>5,750</td>
<td>250</td>
</tr>
<tr>
<td>Accounting</td>
<td>112,638</td>
<td>3,044</td>
<td>169,658</td>
<td>7,376</td>
</tr>
<tr>
<td>Project Management</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL USES</td>
<td>2,435,500</td>
<td>65,824</td>
<td>2,406,862</td>
<td>104,646</td>
</tr>
</tbody>
</table>

### SOURCES OF FUNDS

#### Permanent Financing:

- **Aetna** - loan 1,327,600 35,881 1,332,171 57,920
- **City of Lowell - HUD UDAG** - grant 435,000 11,757 1,074,691 46,726
- **City of Lowell - CDBG** - grant 271,900 7,349
- **LHPC** - grant 272,500 7,365
- **ATCDC** - grant 15,000 405
- **Owner equity**

Total Permanent Financing 2,435,500 2,406,862

#### Construction Period:

- **Mass LandBank** - loan 235,000 2,300,699
- **First Bank** - loan 1,525,850
- **Episcopal City Mission** - loan 30,000
- **Inner City Ventures Fund** - loan 50,000
- **City of Lowell - CDBG** - grant 200,000
- **Mass - EOCD** - grant 35,000
- **Insurance claim** 80,000
- **Rent** 6,000

Total Construction Financing 2,161,850 2,300,699
MEMO:

TO:       Board of Directors  
FR:       Development Department  
SUBJ.:    Overview  
DATE:     December 8, 1994  

CBA Development Program

Goal
To have the community control the development agenda for the Acre.

Activities
To facilitate the conditions under which residents can participate in providing and maintaining the affordable housing and small business and job opportunities which Acre residents need.

- To decide what to do: PLANNING / DESIGN
- To prepare to do it: RESOURCE IDENTIFICATION / ASSEMBLY
- To do it: PLAN IMPLEMENTATION
- To keep it going: OWNERSHIP / MAINTENANCE

Work Organization

The Development Committee is responsible for shaping and implementing CBA's development program - its general direction and specific initiatives - for review, revision and approval by the full Board.

CBA staff is responsible for assisting the Development Committee and the Board in undertaking this work.

The Development Committee forms committee work groups, as needed, to focus on the activities for which it is responsible:

- Real Estate Development
  - affordable housing: home ownership and rental
  - community space
  - commercial and industrial space

- Economic Development
  - loans and technical assistance for self-employment and small businesses

- Asset Management
  - property management of CBA assets
- assistance for home owners
- community land trust

**CBA Real Estate Development 1982-1993**

**Affordable Housing**

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Triangle Neighborhood Revitalization I</td>
<td></td>
</tr>
<tr>
<td>Home Ownership Project, 1983-87</td>
<td>38</td>
</tr>
<tr>
<td>107 Adams Street</td>
<td>3</td>
</tr>
<tr>
<td>North Canal</td>
<td>267</td>
</tr>
<tr>
<td>442-466 Merrimack Street</td>
<td>12</td>
</tr>
<tr>
<td>Triangle Neighborhood Revitalization II</td>
<td>13 Buildings</td>
</tr>
</tbody>
</table>

**Community Space**

- Olga Nieves Park, Monorum Park, North Canal Playground, North Canal Community Center (proposed)

**Commercial Space**

<table>
<thead>
<tr>
<th>Project Description</th>
<th>Spaces</th>
</tr>
</thead>
<tbody>
<tr>
<td>442-466 Merrimack Street Restoration, 1988-90</td>
<td>6 spaces</td>
</tr>
<tr>
<td>95 Rock Street</td>
<td>10 spaces</td>
</tr>
<tr>
<td>387-99 Market Street</td>
<td>4 spaces</td>
</tr>
</tbody>
</table>

**CBA Real Estate Development 1994-1995**

- Marion Street Home Ownership Project
  Three home ownership units and one rental were completed and are occupied by prospective buyers.

- RTC Properties, Phase I
  8 home ownership units on Fletcher Street. New construction will be ready for occupancy by February 15Th.

- RTC Properties, Phase II, Home Ownership
  6 units on Cross and School Streets. To begin construction in the spring.

- 186 Suffolk Street
  Will be purchased and emergency repairs in the winter.

**CBA Real Estate Development 1996 and Beyond**

- Triangle Rental
  This proposed project would combine the remaining RTC properties, 186 Suffolk Street and potential acquisitions such as 73 Fletcher Street, 30-36 Marion Street and 174-176 Broadway Street. The project would total 59 units at an approximate development cost of $5M.

- Golenbock Properties
The city is pursuing negotiations to assume control of the properties. Should their efforts be successful an redevelopment effort will have to be taken.

- North Canal and Merrimack Street
  Both properties have structural financial deficits that will have to be addressed.

- Other Acquisitions
  Significant numbers of properties will continue to enter the market for the foreseeable future. CBA will have to develop a more comprehensive acquisition strategy to meet the challenge and assure they are developed appropriately.
RTC / Chamberas Properties - Proposed Ownership Structure:

Sole Proprietorship through a Community Land Trust

Community Land Trusts

Purpose:
* to acquire & hold land for the benefit of a community
* to provide secure affordable access to land and housing for community residents

Experience:
* have met the needs of residents least served by the prevailing market
* have prohibited speculation and absentee ownership of land and housing
* have preserved the long-term affordability of housing

Distinctive Features:

* increase local control over land and housing ownership - as a membership organization of land-trust leaseholders and the wider community
* protect long-term affordability of housing - controls the sale of buildings and other improvements made on the land owned (through 1st option to repurchase at a "limited appreciation" price)
* dual ownership - continue to own the land while conveying the long-term use of the land to individuals, cooperatives or other entities
* an ongoing development program - extend beyond any single project through commitment to active acquisition and development agenda
* flexibility - accommodate a range of specific housing programs (ownership models), while providing a single focus for community organizing to provide additional affordable housing
RTC / Chamberas Properties - Proposed Redevelopment by CBA
Homeownership Project

Redevelopment Plan

Objectives (established by community through negotiated disposition plan with City)

* restore or replace dilapidated buildings
* where buildings are replaced, design new units to conform with
  and to enhance appearance of surrounding properties
* reduce building and unit density
  - from 71 existing housing units on 8 parcels
* provide yards & parking for all units
* provide units with adequate room size
* give priority to creating homeownership opportunities

Redevelopment Design - Feasibility / Cost determination

1) Rehabilitation of existing buildings: 199 Broadway, 404 Fletcher & 205 School
(in accordance with disposition plan, 5 buildings were to be
saved: these 3 were targeted for homeownership; 384 Fletcher
and 397 Market were designated for rental)

A) Building redesign:
   Plans for these redesigned & reconfigured units were put out
   for bid: 12 contractors inspected the properties, with 4
   submitting bids. These plans were also given to an independent cost
   estimator (Daedalus) to assist in determining the reasonableness of
   bid prices. The results of this process indicated that the planned
   was not financially feasible. (Bid results attached.)

B) Basic rehabilitation:
   Subsequent investigations - with architects, engineers, cost
   estimators and selected contractors - of a more minimal rehab plan
   for each property, provided a feasible rehab option for the School
   Street property only (for the other 2 properties, the only rehab
   possible was rehab that went beyond "gut").

2) Replacement of existing buildings

A) "Stick-built" construction:
   This option was initially pursued with the architects used in
   our rehab designing process, based on already-built units in the
   Greater Boston area. The cost estimates for their designs proved
   to be as expensive as the rehab option ($90,000 in hard costs).
   This option was then pursued with the contractors who
   participated in the rehab bid process, along with opening the
   process to all interested design-build contractors ("opening the
   process" involved active recruitment, as well as advertisement, in
   the Greater Lowell area).
Our request for proposals indicated that estimates above $70,000 - 75,000 would not likely prove feasible for available financing or for the affordable housing we are trying to provide. This information had the unintended effect of eliminating proposals; the only response that we have received (polite, that is) is that we are asking for the impossible.

B) Modular / panelized new construction:
This option was pursued on the advice of the state financing and community development agencies who are providing technical assistance to us. This option was recommended was because of
1) the distressed condition of the properties to be reclaimed;
2) the knowledge possessed by these agencies concerning the high cost of rehab and new construction around the state; and
3) the positive experiences these agencies have had using this option to provide affordable housing.
The recommendations made were for proven design-build contractors and the housing products they have already developed for the City of Boston ("Buildable Lots" Program) and CDC's throughout Mass.

In pursuing these recommendations, we have continued to find higher than expected costs (even though they have proven to be lower than the cost of other options). We have finally been able to secure a financially feasible proposal, with the experience behind it to guarantee its implementation, which meets the objectives of this project:
* housing design which is compatible with the Acre and promotes the improvement of the community;
* housing design which provides liveable space, indoors and outdoors, at the same time the quality of its construction makes it affordable for its owners to operate and maintain.

Project Implementation
CBA is prepared to complete the process begun over two years ago with the City to halt the symbolic and actual economic decline these abandoned properties are causing the neighborhood and the city. We would certainly prefer to be able to bring to the City a $50,000 housing product for their replacement. However, through researching the industry, we have been forced to acknowledge that these are the realities with which we are faced.

Rather than despair over the difficulties these properties pose, CBA remains determined to work with the City to reverse the decline at one of its most visible points. We continue to see the RTC properties as an unusual opportunity to make a dramatic change for the better for our community. But, it is more than an opportunity, it is a necessity. It is not the cost of this redevelopment which is excessive; the only cost which is excessive is that being paid every day by residents - as their property values decline; and businesses - as their customer base declines. Reinvestment in the most distressed sites is the key to revitalizing the larger community.
RTC / Chamberas Properties - Proposed Redevelopment by CBA

Scope of Redevelopment

Homeownership Project: 22 units

- 199 - 207 Broadway 3 units new
- 176 Cross 3 units new
- 188-210 Fletcher 4 units new
- 226-246 Fletcher 6 units new
- 404 Fletcher 3 units new
- 205 School 3 units rehab

Rental Project: 12 units

- 384 Fletcher 6 units rehab
- 387 - 399 Market 6 units rehab
  + 4 commercial

Redevelopment Design - Feasibility / Planning Process

Phase 1: Rehab Feasibility Analysis - for RTC negotiation

purpose: to establish high cost of rehab required, in order to obtain minimum acquisition price for entire RTC multi-family inventory

period: Jan - Apr 1992

Phase 2: Property Disposition Plan - for transfer of properties

purpose: to provide City with community-approved plan designating the ultimate disposition of each property, in order to facilitate City participation in transfer process

period: July - Oct 1992

Phase 3: Property Re-design Plan - for properties to be rehabbed for homeownership *

purpose: to incorporate community and City housing objectives in acquiring these properties into building re-design and reconfiguration; & to determine cost of proposed renovation

period: Oct 1993 - Jan 1994

* In accordance with the City-CBA disposition plan, 5 properties (6 buildings) were to be saved for rehabilitation:
  199 Broadway, 404 Fletcher and 205 School were targeted for redevelopment as homeownership units
  384 Fletcher and 397 Market were designated for redevelopment as rental units
Redevelopment Plan

Objectives (established through negotiated RTC Disposition Plan between community and City)

* restore or replace dilapidated buildings
* where buildings are replaced, design new units to conform with and to enhance appearance of surrounding properties
* reduce building and unit density
  - from 71 existing housing units on 8 parcels
* provide yards & parking for all units
* provide units with adequate room size
* give priority to creating homeownership opportunities

Homeownership Redevelopment Design – Feasibility Analysis

1) Rehabilitation of existing buildings: 199 Broadway (includes 13 & 14 Marion), 404 Fletcher & 205 School

A) Building re-design:
   Plans for these redesigned & reconfigured units were put out for bid: 12 contractors inspected the properties, with 4 submitting bids. These plans were also given to an independent cost estimator to assist in determining the reasonableness of bid prices. The results of this process indicated that the planned rehab was not financially feasible. (Bid results attached.)

B) Basic rehabilitation:
   Subsequent investigations - with architects, engineers, cost estimators and selected contractors - of a more minimal rehab plan for each property, provided a feasible rehab option for the School Street property only (for the other 2 properties, the only rehab possible was rehab that went beyond "gut").

2) Replacement of existing buildings: 199 Broadway, 176 Cross & all Fletcher properties

A) "Stick-built" construction:
   This option was initially pursued with the architects used in the rehab designing process, based on already-built units in the Greater Boston area. The cost estimates for their designs proved to be as expensive as the rehab option ($90,000 in hard costs).
   This option was then pursued with the contractors who participated in the rehab bid process, along with opening the process to all interested design-build contractors (this involved active recruitment, as well as advertisement, in the Greater Lowell area).
   Our request for proposals indicated that estimates above $70,000 - 75,000 would not likely prove feasible for available financing or for the affordable housing we are providing. This information had the unintended effect of eliminating proposals; the only response that we have received (polite, that is) is that we are asking for the impossible.
B) Modular / panelized new construction:
This option was pursued on the advice of the state financing and community development agencies who are providing technical assistance to us. This option was recommended was because of  
1) the distressed condition of the properties we are attempting to reclaim; 
2) the knowledge possessed by these agencies concerning the high cost of rehab and new construction around the state; and 
3) the positive experiences these agencies have had using this option to provide affordable housing. 
The recommendations made were for proven design-build contractors and the housing products they have already developed for the City of Boston ("Buildable Lots" Program) and CDC's throughout the state.

In pursuing these recommendations, we have continued to find higher than expected costs (even though they have proven to be lower than the cost of other options). We have finally been able to secure a financially feasible proposal, with the experience behind it to guarantee its implementation, which meets the objectives of this project:  
* housing design which is compatible with the Acre and promotes the improvement of the community; 
* housing design which provides liveable space, indoors and outdoors, while the quality of its construction makes it affordable for its owners to operate and maintain.

Redevelopment Implementation

CBA is prepared to complete the process begun over two years ago with the City to halt the symbolic and actual decline these abandoned properties are causing the neighborhood and the city. CBA is not pleased with the prospect of tearing down buildings that have formed the fabric of this community. And, were it possible, we would certainly prefer to have a $50,000 solution for their replacement. However, we have had to acknowledge that these are the hard realities we are facing.

Rather than despair over the problem these properties represent, we are determined to contribute to reversing the decline at one of its most visible points. We are asking you to support our efforts by approving our request to demolish buildings designated as historic:

4 - 12 Marion (J. Morris Building) Code #369
13 - 14 Marion (James Morris House) Code #370
199-207 Broadway (J. Morris Building, Code# 48)

In doing so, we are emphasizing that history is not just what we inherit; it is also what we make of our inheritance. What we have inherited, in this case, is a property that can no longer be sustained. What we are proposing to do with the property is to reclaim it for the sustenance of residents actively engaged in re-making their community.
MEMO

TO: CBA Development Committee
FR: Frank
RE: Development Status Report
DATE: May 10, 1994

To Date, the CBA has researched the following four options for the development of the RTC sites:

1. The "Phase I" rehab of existing properties, including 199 Broadway/Marion St., 404 Fletcher St., and 205 School Street. As per the disposition plan whereby we got site control, 5 buildings were to be considered for rehab. These three sites, with 5 buildings were slated for homeownership while 397 Market St. and 387 Fletcher were designated for rental.

   The "Phase I" Bid Process included Bid Invitations for the rehab of only three of the five buildings on three sites, i.e. 404 Fletcher, (2 units) 205 School St. (3 units) and only the front building at 199-207 Broadway (4 "townhouse" units) with the two rear-of-Broadway buildings, with Marion St. addresses to be demolished for open space and parking. Bids were solicited for the rehab of these units as per the unit reduction and reconfiguration specifications approved by the Design Committee (over three months' worth of meetings) with architects from "Dominic, Hicks and Krockmalnic."

   Bid results (attached) averaged $869,623 per bidder or $96,625 per dwelling unit - for "hard" or construction costs.

   For comparison, total development costs for the housing we're looking to produce for sale in the Acre should not get much above $90,000 for a family who will pay no more than $600 per month for mortgage principal, interest, taxes and insurance.

   With the addition of soft "costs", such as legal, insurance, permits, fees, etc., this would knock out the targeted market of low-moderate income residents of the Acre. Acquisition costs or taxes alone account for $13,000 plus per unit. A preliminary Pro Forma or cost estimate for the latest Total Development costs came in a little over $118,000 per unit.

2. A basic rehab or upgrading to minimal Housing Quality Standards for 205 School St. is still being pursued with two interested contractors still vying for the award. One contractor has even come in with an alternate gut rehab along the lines of the original Design Committee's reconfigurations. As School St., a triple decker, is the only structure maintained almost true to configuration, it was felt that it was worth the try for a basic rehab bid.

   Questions remain regarding some structural deficiencies that an engineer is now evaluating.

   404 Fletcher and the Broadway property were considered too difficult to bid out this way, considering the extensive reconfiguring and demolition necessary.

   It is possible we might be able to get the 404 Fletcher St. building demolished by the City in their next round (estimated at $14K).
Re: 199 Broadway, a preliminary appeal was made to the Lowell Historic Preservation Commission (LHPC) in preparation for a formal so called "106 Hearing before the State’s Historic Commission. Indications are that approval for demolition for all of these properties will not succeed. One, maybe two with a case made for feasibility and livability, with possible financing help form the LHPC.

3.) New Construction was next considered as the rehab costs were so high anyway. Site or Stick built units were first looked at. We looked at some models in Boston. The NDC of Jamaica Plain, the DSNI of Roxbury, and some of the DHK models that were built for other CDCs were considered. All have plus $90k costs for construction. Along with soft costs, total development costs of $125,000 to $145,000 were not uncommon. "Funny Money" from the City’s coffers were able to bring these units down to affordable programmatic levels for sale. Monies not presently available in Lowell.

We also inquired of local contractor via an RFP looking to get construction costs of only $70,000 to make the financing work as per the pro forma. There were no takers.

4.) The Modular New Construction was considered. On a couple of occasions, while meeting with State and Boston officials, a builder-developer who can come in with a product that seems to meet the needs of the Acre was referred. We have been discussing what a possible "Turn-key operation" might look like and what the finances might be considering the restraints.

This builder comes with good references, financial backing for his projects as well as a proven track record, working in communities similar to the Acre as well as with the banks and financial institutions we will be seeking financing from for our homeowners.

Specifically, at all cleared sites that the CBA controls, we are looking for a proposal for a possible 20-26 units of new construction with total development costs under $100,000.

With the HOME monies allocated as well as tax abatement we are still pursuing, we are striving to bring an attractive energy efficient product to the Acre, affordable for it’s residents.
RTC / Chamberas Properties - Proposed Redevelopment by CBA

Scope of Redevelopment

Homeownership Project: 23 units

199 – 207 Broadway 4 units rehab
176 Cross 3 units new
188 – 210 Fletcher 4 units new
226 – 246 Fletcher 6 units new
404 Fletcher 3 units new
205 School 3 units rehab

Rental Project: 12 units

384 Fletcher 6 units rehab
387 – 399 Market 6 units rehab
+ 4 commercial

Redevelopment Design - Feasibility / Cost determination

Homeownership Project

1) Rehabilitation of existing buildings: 199 Broadway, 404 Fletcher & 205 School
   (In accordance with disposition plan, 5 buildings were to be saved: these 3 were targeted for homeownership; 384 Fletcher and 397 Market were designated for rental.)

A) Building redesign:

   Plans - prepared by architects with AIC Design Committee and CBA staff
   Bid process - 12 contractors inspected the properties, with 4 submitting bids
   Bid results - bids were substantially higher than anticipated (bid results attached)

B) Basic rehabilitation:

   Plans - investigation into more minimal rehab with less re-design and re-configuration
   Cost estimation -
   404 Fletcher: discussions with architects eliminated this building from this option (because of need to rebuild the rear of building)
   205 School: this option appears to be feasible for this property (there are still some structural issues to be resolved)
   199 Broadway: in reviewing the historic issues involved with local officials, this option appears to be feasible for the front building - with the assistance of a historic preservation grant - and the demolition of the other 2 buildings for parking and open space.
2) **Replacement** of existing buildings - 176 Cross, 188-210 Fletcher, 226 Fletcher, 238-246 Fletcher and 404 Fletcher

A) "Stick-built" construction:

- Plans - used already-built units in the Greater Boston area designed by our architects
- Cost estimation - the cost of these designs proved to be as expensive as the rehab option ($90,000 in hard costs).
- Plans - recruited design-build contractors to submit designs for our consideration
- Cost estimation - our request for proposals indicated that estimates above $70,000 - 75,000 would not likely prove feasible; this information had the unintended effect of eliminating proposals; the only response that we have received (polite, that is) is that we are asking for the impossible.

B) Modular / panelized new construction:

- Note: This option was pursued on the advice of state agencies providing technical assistance to us; this option was recommended was because of:
  1) the distressed condition of the properties;
  2) the awareness of these agencies concerning the high cost of rehab and new construction currently in existence around the state; and
  3) the positive experiences these agencies have had using this option to provide affordable housing.
- Plans - interviewed proven design-build contractors and the housing products they have already developed for the City of Boston ("Buildable Lots" Program) and CDC’s throughout Mass.
- Cost estimation - this option has also proven to be higher than expected, but lower than the cost of other options

We have finally been able to secure a financially feasible proposal for newly constructed modular housing - with the experience behind it to guarantee its implementation - which meets the objectives of this project:

* housing design which is compatible with the Acre and promotes the improvement of the community;
* housing design which provides liveable space, indoors and outdoors, at the same time the quality of its construction makes it affordable for its owners to operate and maintain.
### Examples of Recent Affordable Housing: Substantial Rehab

<table>
<thead>
<tr>
<th>Project Name:</th>
<th>Beaver Apartments</th>
<th>Eagle Hill Apartments</th>
<th>Dale Street Apartments</th>
<th>Fairfield Properties</th>
<th>Average</th>
</tr>
</thead>
<tbody>
<tr>
<td>Location:</td>
<td>Worcester</td>
<td>East Boston</td>
<td>Worcester</td>
<td>Boston</td>
<td></td>
</tr>
<tr>
<td>Number of Units:</td>
<td>26</td>
<td>17</td>
<td>18</td>
<td>30</td>
<td>22.75</td>
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<tr>
<td>Average Bedrooms/Unit:</td>
<td>1.6</td>
<td>3</td>
<td>3</td>
<td>2.4</td>
<td>2.5</td>
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#### Development Budget (per unit)

<table>
<thead>
<tr>
<th>Sources (per unit)</th>
<th>Total</th>
</tr>
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<tbody>
<tr>
<td>Federal-funded Equity</td>
<td>$7,692</td>
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<tr>
<td>Tax Credit Equity</td>
<td>$22,107</td>
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<tr>
<td>State-funded Equity</td>
<td>$0</td>
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<tr>
<td>City-funded Equity</td>
<td>$0</td>
</tr>
<tr>
<td>Developer Net Equity</td>
<td>$962</td>
</tr>
<tr>
<td>Permanent Debt</td>
<td>$30,769</td>
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#### Development Budget (per unit) Total

<table>
<thead>
<tr>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>$61,531</td>
</tr>
<tr>
<td>$60,878</td>
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<tr>
<td>$85,510</td>
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<td>$100,586</td>
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<td>$77,126</td>
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#### Uses (per unit)

<table>
<thead>
<tr>
<th>Uses (per unit)</th>
<th>Acquisition</th>
<th>Construction</th>
<th>Soft Costs</th>
<th>Developer Profit/Fee</th>
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<tr>
<td>Acquisition</td>
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<td>$27,500</td>
<td>$10,954</td>
<td>$5,769</td>
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<tr>
<td>Construction</td>
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<td>$47,025</td>
<td>$8,003</td>
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<tr>
<td>Soft Costs</td>
<td>$12,500</td>
<td>$49,500</td>
<td>$14,898</td>
<td>$8,650</td>
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<tr>
<td>Developer Profit/Fee</td>
<td>$0</td>
<td>$60,293</td>
<td>$21,210</td>
<td>$7,083</td>
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#### Operating Budget (per unit)

<table>
<thead>
<tr>
<th>Operating Budget (per unit)</th>
<th>Proj. Based Rent, if any (average)</th>
<th>Low/Mod Income Rent (average)</th>
<th>Market Rent, if any (average)</th>
<th>Operating Cost (per year)</th>
<th>Net Operating Income</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$423</td>
<td>$575</td>
<td>$550</td>
<td>$2,995</td>
<td>$729</td>
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<tr>
<td></td>
<td>$4,583</td>
<td>$3,198</td>
<td>$8,611</td>
<td>$3,654</td>
<td>$1,528</td>
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</table>

#### Notes:

Development Budget does not include capitalized reserves, and may not exactly equal uses.

Federal-funded Equity = HOME, CDBG, FHLB

State-funded Equity = HIF

City-funded Equity = Linkage, LEND, etc.

"Equity" includes subordinate debt

"Rent" is gross rent paid by residents and does not include vacancy allowance or commercial uses
### RTC / Chamberas Properties - Proposed Redevelopment

**DESIGN & CONSTRUCTION COST**

<table>
<thead>
<tr>
<th>HOMEOWNERSHIP - Stage 1</th>
<th>redesign</th>
<th>cost per unit</th>
<th>issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) 199 - 207 Broadway</td>
<td>4 townhouses</td>
<td>$95,983</td>
<td>requires approval to demolish 2 historic buildings</td>
</tr>
<tr>
<td>2) 188 - 210 Fletcher</td>
<td>4 - plex</td>
<td>$98,115</td>
<td>adequate open space</td>
</tr>
<tr>
<td></td>
<td>188 Fletcher</td>
<td>$98,115</td>
<td>corner site improvements</td>
</tr>
<tr>
<td></td>
<td>190</td>
<td>$99,115</td>
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</tr>
<tr>
<td></td>
<td>192</td>
<td>$99,115</td>
<td></td>
</tr>
<tr>
<td></td>
<td>194</td>
<td>$98,115</td>
<td></td>
</tr>
<tr>
<td>3) 226 - 238 Fletcher</td>
<td>2 duplexes</td>
<td>$96,490</td>
<td>adequate open space</td>
</tr>
<tr>
<td></td>
<td>226 Fletcher</td>
<td>$96,490</td>
<td></td>
</tr>
<tr>
<td></td>
<td>228</td>
<td>$96,490</td>
<td></td>
</tr>
<tr>
<td></td>
<td>230</td>
<td>$97,490</td>
<td></td>
</tr>
<tr>
<td></td>
<td>232</td>
<td>$97,490</td>
<td></td>
</tr>
</tbody>
</table>

### HOMEOWNERSHIP - Stage 2

<table>
<thead>
<tr>
<th>HOMEOWNERSHIP - Stage 2</th>
<th>redesign</th>
<th>cost per unit</th>
<th>issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) 176 Cross</td>
<td>1 duplex</td>
<td>$97,490</td>
<td></td>
</tr>
<tr>
<td>2) 404 Fletcher</td>
<td>1 duplex</td>
<td>$97,490 ?</td>
<td>design not finalized</td>
</tr>
<tr>
<td>3) 205 School</td>
<td>3 townhouses</td>
<td>$97,490 ?</td>
<td>new design not finalized</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td>+ possible rehab option</td>
</tr>
</tbody>
</table>

### RENTAL

<table>
<thead>
<tr>
<th>RENTAL</th>
<th>redesign</th>
<th>cost per unit</th>
<th>issues</th>
</tr>
</thead>
<tbody>
<tr>
<td>1) 384 Fletcher</td>
<td>6 apartments</td>
<td>$50,000 ?</td>
<td>plans not finalized - pending resolution of subsidy to property</td>
</tr>
<tr>
<td>2) 387 - 399 Market</td>
<td>6 apartments + 4 commercial</td>
<td>?</td>
<td>plans not finalized - pending resolution of subsidy to property</td>
</tr>
</tbody>
</table>
May 6, 1994

Richard Johnson
City Manager
City of Lowell
Lowell, MA 01852

RE: Commitment of HUD Funds to RTC Property Redevelopment by CBA

Dear City Manager:

This is to summarize the agreements we reached in yesterday’s meeting concerning the City’s commitment of HUD funds to CBA’s redevelopment of 7 RTC properties as 22 homeownership units.

The City is agreeing to commit its remaining available HUD funds - consisting of $946,000 - to the project as deferred loans (serving as the "equity" portion of the financing, as these loans are forgiven upon the homeowners abiding by restrictions attached to the use of HOME funds).

The City will provide written confirmation of this commitment to enable CBA to obtain the additional financing commitments needed to undertake the project in a timely manner.

In return, CBA will make application (by June 9, 1994) to the Commonwealth for an assignment of state-controlled HOME funds to the project. If secured, these state funds will be used to reduce the City’s commitment to an amount of $620,000.

In the event CBA is unable to secure funding to reduce the City’s commitment to the $620,000 level by the time the development phase is completed, CBA has agreed to secure gap financing to cover the period between the sale of the properties to new homeowners and the time that the balance of HUD funds ($326,000) becomes available (after July 1, 1995). (As the interest expense of any such gap financing will add to the cost of the homes produced, these costs will either have to be absorbed by the buyers or covered by additional funds).

Finally, the City indicated it could not make a commitment to provide HUD funds as a deferred loan to a private developer for the rehab of 384 Fletcher. CBA will work with the proposed developer to determine alternative financing and development scenarios for this property. As 384 Fletcher, along with 397 Market Street, was designated for redevelopment as rental property in the RTC disposition plan CBA developed with the City, we will now be developing both of these properties as a separate project.
Please let me know if you have a different understanding of our agreements. If your understanding is the same, please provide us with written confirmation of the City’s commitment at your earliest convenience so that we can proceed to obtain additional financing commitments.

Thank you for your continued collaboration in working to reclaim these abandoned properties as new homeownership opportunities. We look forward to bringing this lengthy, complicated process to a successful conclusion for the neighborhood and the City.

Sincerely,

Neal Newman,
Executive Director
Scope of Redevelopment

19 units of new construction
3 units of rehab
22 new homeownership units

Project Costs

<table>
<thead>
<tr>
<th></th>
<th>Project</th>
<th>Per unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Redevelopment costs</td>
<td>$2,313,075</td>
<td>105,140</td>
</tr>
<tr>
<td>Acquisition (back taxes)</td>
<td>286,715</td>
<td>13,035</td>
</tr>
<tr>
<td>Total project cost</td>
<td>2,599,790</td>
<td>118,175</td>
</tr>
</tbody>
</table>

Project Funds

<p>| | | |</p>
<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>HUD Funds - City of Lowell</td>
<td>946,000</td>
<td>43,000</td>
</tr>
<tr>
<td>- Commonwealth of Mass</td>
<td>165,745</td>
<td>7,535</td>
</tr>
<tr>
<td>Lenders - Mortgage Loans</td>
<td>1,488,045</td>
<td>67,640</td>
</tr>
<tr>
<td>Total project funds</td>
<td>2,599,790</td>
<td>118,175</td>
</tr>
</tbody>
</table>

Cost / Benefit of City investment

Cost:
Commitment of HUD funds for construction 946,000

Financial benefit - immediate:
Receipt of overdue taxes 261,515
Receipt of funds to repay MHP Loan 25,200
Immediate net cost 613,285

Financial benefit - long term:
Receipt of new taxes c. 33,000 per year
+ Increase in neighborhood property values & tax base
+ Reclamation of Fletcher Street corridor for businesses & university

Long-term net cost 0
Long-term cost of not reclaiming properties ?
RTC / Chamberas Properties - Proposed Redevelopment by CBA
Homeownership Project

Redevelopment Plan

Objectives (established by community through negotiated disposition plan with City)

* restore or replace dilapidated buildings
* where buildings are replaced, design new units to conform with and to enhance appearance of surrounding properties
* reduce building and unit density
  - from 71 existing housing units on 8 parcels
* provide yards & parking for all units
* provide units with adequate room size
* give priority to creating homeownership opportunities

Redevelopment Design - Feasibility / Cost determination

1) Rehabilitation of existing buildings: 199 Broadway, 404 Fletcher & 205 School
   (in accordance with disposition plan, 5 buildings were to be saved: these 3 were targeted for homeownership; 384 Fletcher and 397 Market were designated for rental)

A) Building redesign:
   Plans for these redesigned & reconfigured units were put out for submitting bids: 12 contractors inspected the properties, with 4 submitting bids. These plan were also given to an independent cost estimator (Daedalus) to assist in determining the reasonableness of bid prices. The results of this process indicated that the planned was not financially feasible. (Bid results attached.)

B) Basic rehabilitation:
   Subsequent investigations - with architects, engineers, cost estimators and selected contractors - of a more minimal rehab plan for each property, provided a feasible rehab option for the School Street property only (for the other 2 properties, the only rehab possible was rehab that went beyond "gut").

2) Replacement of existing buildings

A) "Stick-built" construction:
   This option was initially pursued with the architects used in our rehab designing process, based on already-built units in the Greater Boston area. The cost estimates for their designs proved to be as expensive as the rehab option ($90,000 in hard costs).
   This option was then pursued with the contractors who participated in the rehab bid process, along with opening the process to all interested design-build contractors ("opening the process" involved active recruitment, as well as advertisement, in the Greater Lowell area).
Our request for proposals indicated that estimates above $70,000 - 75,000 would not likely prove feasible for available financing or for the affordable housing we are trying to provide. This information had the unintended effect of eliminating proposals; the only response that we have received (polite, that is) is that we are asking for the impossible.

B) Modular / panelized new construction:
This option was pursued on the advice of the state financing and community development agencies who are providing technical assistance to us. This option was recommended was because of
1) the distressed condition of the properties to be reclaimed;
2) the knowledge possessed by these agencies concerning the high cost of rehab and new construction around the state; and
3) the positive experiences these agencies have had using this option to provide affordable housing.
The recommendations made were for proven design-build contractors and the housing products they have already developed for the City of Boston ("Buildable Lots" Program) and CDC's throughout Mass.

In pursuing these recommendations, we have continued to find higher than expected costs (even though they have proven to be lower than the cost of other options). We have finally been able to secure a financially feasible proposal, with the experience behind it to guarantee its implementation, which meets the objectives of this project:
* housing design which is compatible with the Acre and promotes the improvement of the community;
* housing design which provides liveable space, indoors and outdoors, at the same time the quality of its construction makes it affordable for its owners to operate and maintain.

**Project Implementation**

CBA is prepared to complete the process begun over two years ago with the City to halt the symbolic and actual economic decline these abandoned properties are causing the neighborhood and the city. We would certainly prefer to be able to bring to the City a $50,000 housing product for their replacement. However, through researching the industry, we have been forced to acknowledge that these are the realities with which we are faced.

Rather than despair over the difficulties these properties pose, CBA remains determined to work with the City to reverse the decline at one of its most visible points. We continue to see the RTC properties as an unusual opportunity to make a dramatic change for the better for our community. But, it is more than an opportunity, it is a necessity. It is not the cost of this redevelopment which is excessive; the only cost which is excessive is that being paid every day by residents - as their property values decline; and businesses - as their customer base declines. Reinvestment in the most distressed sites is the key to revitalizing the larger community.
### USES OF FUNDS

<table>
<thead>
<tr>
<th>Description</th>
<th>Project</th>
<th>Per Unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>Acquisition</td>
<td>286,713</td>
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<tr>
<td>Construction</td>
<td>1,698,510</td>
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<td>Construction Contingency</td>
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<tr>
<td>Permit &amp; Bond</td>
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<tr>
<td>Design Consultant</td>
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<td>Hazardous Material Removal</td>
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<tr>
<td>Survey</td>
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<td>Construction Interest</td>
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<td>Loan Fee - Construction</td>
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<tr>
<td>Sub-total construction contract</td>
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<td>R.E. Taxes</td>
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<td>Marketing / Homeowner training</td>
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<td>Sub-total developer cost</td>
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**TOTAL USES**

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<tr>
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<td><strong>2,599,788</strong></td>
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<td><strong>118,172</strong></td>
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### SOURCES OF FUNDS

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<td>City - Deferred Loan (HUD Funds)</td>
<td>946,000</td>
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<td>165,743</td>
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<tr>
<td>Lenders - 1st Mortgage Loans</td>
<td>1,488,045</td>
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**TOTAL SOURCES**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
<th>Rate</th>
<th>Term</th>
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<tbody>
<tr>
<td><strong>2,599,788</strong></td>
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USES OF FUNDS

<table>
<thead>
<tr>
<th>Description</th>
<th>Project</th>
<th>Per Unit</th>
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<td>Construction</td>
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<td>Construction Contingency</td>
<td>84,926</td>
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<tr>
<td>Permit &amp; Bond</td>
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<td>Design Consultant</td>
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<td>Hazardous Material Removal</td>
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<td>Survey</td>
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<td>Construction Interest</td>
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<tr>
<td>Loan Fee - Construction</td>
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<tr>
<td>Sub-total construction contract</td>
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<td>94,991</td>
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<td>R.E. Taxes</td>
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<tr>
<td>Insurance</td>
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<td>Legal</td>
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<td>Developer Fee</td>
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<tr>
<td>Marketing / Homeowner training</td>
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<tr>
<td>Sub-total developer cost</td>
<td>223,262</td>
<td>10,148</td>
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TOTAL USES

| Project | 2,599,788 | 118,172 |

SOURCES OF FUNDS

| Description                               | Amount | |
| City - Deferred Loan (HUD Funds)         | 620,000 | 28,182 |
| Commonwealth - Deferred Loan (HUD Funds) | 491,743 | 22,352 |
| Lenders - 1st Mortgage Loans             | 1,488,045 | 87,638 |

TOTAL SOURCES

| Project | 2,599,788 | 118,172 |

Construction Costs:

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<tr>
<td>176 Cross</td>
<td>3 units</td>
<td>210,000</td>
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<tr>
<td>198-210 Fletcher</td>
<td>4 units</td>
<td>280,000</td>
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<tr>
<td>226-246 Fletcher</td>
<td>6 units</td>
<td>420,000</td>
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<tr>
<td>404 Fletcher</td>
<td>3 units</td>
<td>223,600</td>
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<tr>
<td>206-207 School</td>
<td>3 units</td>
<td>172,500</td>
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Overdue Back Taxes:

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<td>206-207 School</td>
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<td>233,693.59</td>
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<th>Amount</th>
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<tr>
<td>1st Mortgage Loans</td>
<td>10.0%</td>
<td>0.75</td>
<td>2,089,813</td>
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</table>

Permanent Financing:

| 1st Mortgage Loans | 7.0% | 30 | 1,488,045 | 9,900 |
January 4, 1994

Richard Johnson
City Manager
City of Lowell
Lowell, MA 01852

Re: Memorandum of Understanding - concerning payment of outstanding taxes on Chamberas properties

Dear Mr. Johnson,

In order to facilitate the transfer of 9 properties in the RTC/Chamberas portfolio to Acre Triangle Community Development Corporation (a wholly owned subsidiary of Coalition for a Better Acre), CBA needs to summarize for the City's written agreement the mutual understanding of how the City and CBA have verbally agreed to deal with the outstanding taxes on the properties CBA is acquiring for redevelopment.

The initial acquisition plan for these properties was prepared with the understanding of Resolution Trust Corporation, the City and CBA that, in consideration of the abatement by the City of the taxes due on these properties, RTC would make these properties available for $1 (letters attached). Subsequent to this agreement, a complicating issue has arisen: the City may not possess a sufficient overlay capacity to give an abatement.

On August 20, when this complication was raised in our negotiations, the City and CBA agreed in principle that CBA would assume responsibility for payment of all outstanding taxes; providing, that public housing funds controlled by the City would be made available to replace the portion of the private funds assembled for redeveloping these properties diverted to the payment of these taxes. The resulting plan of action is as follows:

First, CBA will pay the current taxes (due since July 1, 1993) on these properties at the transfer closing.

Second, CBA will pay the remaining outstanding taxes, along with the other outstanding fees included in the municipal liens, at the closing of the renovation financing for these properties. It is our mutual assumption and intention that this closing will occur before the end of the City's fiscal year (June 30, 1994).
Third, CBA will coordinate with the City the preparation of a request for an abatement of these taxes to the Massachusetts Department of Revenue, using the services of agencies involved in providing gap financing to this redevelopment project (NHP and CEDAC) to assist in making this request.

If this summary meets with your understanding, please sign below. If it does not, please inform me as to where your understanding differs, so we can resolve these matters as quickly as possible.

Sincerely yours,

Neal Newman
Executive Director

For the City of Lowell:

______________________________
Richard Johnson
City Manager

cc: James Duggan, Assistant Planning Director, City of Lowell
    Ronald Applegate, Director of Development, CBA
Ms. Cheryl Walker, Affordable Housing Disposition Specialist  
Resolution Trust Corporation  
Northeast Consolidated Office  
P.O. Box 1500  
Valley Forge, PA 19482-1500

SUBJECT: CHAMBERAS PORTFOLIO

Dear Ms. Walker:

Please be advised that the City of Lowell remains interested in acquiring title to the subject portfolio for affordable housing purposes.

As we have indicated to you in the past, the City has targeted the portfolio for our HOME Program activities and is eager to obtain ownership of the properties as soon as possible.

Therefore, on behalf of the City of Lowell I would like to submit this letter of intent to acquire the twenty (20) properties in the subject portfolio for a nominal fee.

Subject to Lowell City Council approval, the City is prepared to accept title to the twenty (20) properties, as is, with the more than $350,000 in municipal liens remaining on them, in return for the RTC forgiving the mortgage lien and convincing the current title holder to turn over the deeds to the City or the RTC as part of the deal.

Since the City and the Coalition for a Better Acre (CBA) have been working for over a year on the acquisition of this portfolio as part of our neighborhood revitalization program, it is critical that the future of the portfolio be determined as soon as possible.
Thank you for your past assistance in this matter, and we appreciate anything you can do to expedite this matter.

Please contact Mr. Robert Malavich, Director of Planning and Development at (508) 970-4256 or Mr. Andrew Chaban, Vice President - Princeton Properties Management Co. at (508) 458-4524 if you have any questions.

Sincerely,

Richard Johnson
City Manager

RJ/ns

cc:  R. Applegate, CBA
     A. Chaban, PFM
     M. Galbally, RTC
     R. Malavich, DPD
     Congressman M. Meehan
Ms. Cheryl Walker, Affordable Housing Disposition Specialist  
Resolution Trust Corporation  
Northeast Consolidated Office  
P.O. Box 1500  
Valley Forge, PA 19482-1500

REFERENCE: CHAMBERS PROPERTIES/LOWELL, MA

Dear Ms. Walker:

As you know the City has been working with the Coalition for a Better Acre (CBA) and the Merrimack Valley Housing Partnership (MVHP) on a comprehensive plan to reuse some of the more than 228 vacant, abandoned, and foreclosed residential structures located throughout the City as affordable housing opportunities.

More specifically, the City and the CBA have been developing a plan for the so-called Chambers portfolio conditioned upon the City's ability to acquire the 20 property portfolio for one dollar ($1.00) per property through an RTC foreclosure sale.

Therefore the City is formally proposing to the Resolution Trust Corporation (RTC) that the City be allowed to acquire the twenty (20) properties under the following conditions:

1. That the City be allowed to acquire the 20 properties for the agreed upon price of $1.00 per property, through a foreclosure sale.
2. That the City agrees to remove the outstanding municipal liens attached to each property.
3. That the City will ultimately convey the properties to owners meeting the requirements of the RTC Affordable Housing Program.
4. That the conveyance be subject to the completion of a disposition plan for all of the properties currently being prepared jointly by the City, the CBA, and the MVHP.

"Home of the Urban National Park"
It is anticipated that the disposition plan will be completed and agreed upon by all parties with sixty (60) days of the date of this letter, and that the City will be able to coordinate the scheduling of the foreclosure sale with the RTC during that time period.

If the RTC is in agreement with the proposed conveyance as negotiated with Mr. Thomas Henderson, Assets Management Department, ComFed, in May 1992, the City is prepared to move forward with this conveyance within the time frame noted above.

If you have any questions concerning this matter, please contact Robert Malavich, Director, Division of Planning and Development at (508) 970-4256.

Sincerely,

Richard Johnson
City Manager

RJ/rc
cc: Robert P. Malavich, DPD Director
    R. Applegate, CBA
    C. Ponty, MVHP
December 13, 1993

James Boenis
Redevelopment Director
Department of Planning & Development
City of Lowell
Lowell, MA 01852

RE: CBA housing projects in the 1993 Lowell CHAS

Dear Jim,

This letter is to summarize the concluding points in our discussion of November 29 with you and Diane Stevens concerning CBA’s preliminary requests for HUD (HOME and/or Special Purpose) funds as reflected in the 1993 Lowell CHAS Investment Plan:

1) the projected HUD funds needed in 1994 for the rehab phase (16 units) of the RTC/Chamberas properties redevelopment;
2) the projected HUD funds needed for the new construction phase (10 units) of the Chamberas properties redevelopment, and CBA’s desire to initiate construction in the summer of 1994;
3) CBA’s concerns regarding the amounts (totalling nearly $1 million) allocated to two projects in the draft of the one-year investment plan.

1) Combining CBA’s request for funds with the request of Tony Barbarino, the total preliminary request for redeveloping RTC properties is for $537,668: $150,000 for Barbarino’s project (6 units) and $387,668 (16 units) for CBA’s. This amount is slightly higher (by $1968) than the amount specified in the draft of the CHAS. As we indicated, we are currently preparing new plans, specifications and cost estimates for the properties which will enable us to refine our numbers and present a formal request to you for funding by January 1994.

2) While the plans for the construction of new units on the Fletcher Street block and Cross Street will only be developed over the winter months, CBA is concerned about delaying construction until 1995 - given the long neglect and high visibility of the properties. We are therefore urging your recommendation for using available housing funds to initiate this work in 1994. CBA’s preliminary estimate of HUD funds needed for this stage is in the amount of $442,592.
3) We also raised questions concerning the amount of HUD funds allocated to two projects in the one-year investment plan:

   a) $530,000 to acquire a property for the Vietnam Veterans' Housing Center. As this purchase price is quite high in Lowell's current market for commercial property, it appears that the price should be negotiated down to a reasonable amount to justify the use of federal funds for this purpose.

   b) $450,000 to acquire and rehab 2 units in the TTC program is an amount so high as to require explanation for even appearing in the affordable housing plan for the City. If it is a mistake, as suggested, it needs to be rectified so that further public discussion of fund allocation in the investment plan can proceed.

As you work to complete the preparation of the CHAS, please contact us to clarify the questions aroused by these allocated amounts.

We look forward to working with you and other DPD staff to bring both phases of the RTC/Chamberas property redevelopment to a successful conclusion. In view of the affordable housing need which will be met, the community revitalization which will be promoted, and the additional private funds which will be leveraged by the City's investment - this project makes a significant contribution to advancing the City's housing and development agenda.

Thank you for the productive meeting and your attention to this letter.

Sincerely yours,

[Signatures]

Ron Applegate
Development Director

Frank Sepulveda
Project Manager

cc: Robert Malavich
    Neal Newman
Attachments # 3

Project Management Protocols
- Committee Structuring
- Committee Organizational Chart
- HOPE II Organizational Materials, Reports
- "PERT" Chart Samples
CBA DEVELOPMENT COMMITTEE

Purpose:
Take leadership in formulating CBA’s development agenda for
* housing
* commercial space and community program space
* small business and employment development

Responsibilities:
* Initiate, and receive requests from residents to undertake, development initiatives in accordance with CBA’s mission
* Determine feasibility of proposed initiatives
  - resident commitment
  - organizational capacity
  - available funding
* Prepare plans for feasible development projects and programs
* Direct the implementation of projects and programs
* Oversee the management of completed projects

Current Activities:
* Triangle Redevelopment – Phase II
  RTC properties & adjacent properties: with Acre Improvement Committee (AIC)
* North Canal Community Center: with North Canal Tenant Council
* Enterprise Development Center
  - small business promotion programs
  - 95 Rock Street (industrial property)

Committee Structure:
* Meetings – frequency
* Meeting agenda – information needed presentation format
* Decision-making process
* Communication – among committee members, with full Board, with staff
* Participation in related organizations on development issues: Acre Improvement Committee
  North Canal Housing Trust
  Enterprise Development Center committees
PROPOSED BOARD COMMITTEE
STRUCTURE and INFORMATION
(1993-4)

EXECUTIVE COMMITTEE
(meets on the first Thursday evening of the month at 6:30 pm)

Angel Bermudez, President
Fr. Jaime Fee, Vice President for Development
Arlene Dias, Treasurer
Maritza Vazquez, Secretary
Jeanne Lafond, Chair, Program/ Nominations Committee

Development Committee:
Reviews all housing and economic development policies and program initiatives.

Fr. Jaime Fee, Chair
Arlene Wolterding
Rev. Jose Rivera
Arva Clark
Vijay Kapila
new CMAA rep.

Finance Committee:
(meets before the Board meeting at 5:30 pm, for about 1 hour)
Reviews all finance related issues, specifically monitoring spending and implementing local fundraising strategies.

Arlene Dias, Chair
Thel Sar
Ed Bitinas

Program / Nominations Committee:
(meets before the Board meeting at 5:30 pm, for about 1 hour)

A new committee to coordinate all Board member recruitment and orientation, and help coordinate Board-sponsored activities, such as the Annual Meeting and retreats.

Jeanne Lafond, Chair
Janet Blondete
Roger Sarango
1994 TASKS:

- Expand business loans & technical assistance program
- Acquire affordable commercial space
- Plan strategy for long-term job creation in Acre

- Re-organize NCHT to manage North Canal
- Negotiate contract with management agent
- Provide space for tenant activities

- Plan disposition of 3 reclaimed homes
- Plan for ongoing revitalization of neighboring property
- Connect with AIC ownership planning

- Design redevelopment of RTC properties
- Plan ownership structure for RTC properties
1/4/94

Dear José, Arva, Arlene, Angel B., Jim, Vijay, Sithra, and Angel T.,

   Happy New Year! ¡Feliz Año Nuevo!

A reminder that we have Board Meeting the Development Committee meeting to

    Thursday, January 13, 1994

As planned, we will have a Development Committee meeting at 5:30, to be followed by the Board meeting at 6:45.

We expect to have some exciting news about the abandoned building project as well as the Marion Street properties. We will have a lot to do, so please try to make it on time.

See you then!

Thank you,

Ron, Frank, & Margaret

P.S. Please see minutes of last meeting enclosed.
Ownership Committee:

Major duties:

- Develop committee of 12 members, 40% potential owners/60% neighbors
- Develop meeting schedule
- Develop meeting plans
- Develop decision making processes
- Create Ownership manual
- Develop written proposal
- Recruit new members through public info, letters to organizations and door-to-door outreach

Accomplishments thus far:

- Committee membership is 11, 4 potential members, 7 neighbors
- Press releases & PSA’s have been mailed out to 18 area media outlets
- Recruitment letter to be sent to over 200 local residents and local organizations has been written, currently being reviewed by Merri, and will be mailed out by 12/8 pm
- Calls were made to all slide show participants with spanish surnames, 1 person from the list is now recruited into the ownership committee
- Recruited 2 people into design committee
- Held 2nd Ownership committee - re: CLT (very successful)
Proposed Meeting Schedule
November 18, 1993

<table>
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<tr>
<th>Date</th>
<th>Time</th>
<th>Purpose</th>
<th>Presenter</th>
</tr>
</thead>
<tbody>
<tr>
<td>Thursday Dec. 2</td>
<td>5:30PM</td>
<td>Learn about CLT</td>
<td>Michael Lehman</td>
</tr>
<tr>
<td>Thursday Dec. 16</td>
<td>6:00PM</td>
<td>Learn about Coop</td>
<td>Eric Siegal</td>
</tr>
<tr>
<td>Monday Jan. 10</td>
<td>6:00PM</td>
<td>Learn about MHP</td>
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<tr>
<td>Monday Jan. 24</td>
<td>6:00PM</td>
<td>Develop Ownership Proposal</td>
<td></td>
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<tr>
<td>February</td>
<td></td>
<td>?</td>
<td>Present proposal to CBA Board</td>
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Please call me ASAP to confirm these dates because I will need to confirm with our presenters:

* Institute for Community Economics, ICE
* Association for Resident Control of Housing, ARCH
* Neighborhood Reinvestment Corporation, NRC
1. Determination of project development costs - property acquisition and renovations:

a.) Pre-development, Feasibility Research Activities (50% of Time)

Site inspections of proposed Phase I properties to guage their condition as they progressively deteriorated through the pre-development phase and take necessary action to prevent a total loss. Strategy to board up, shore up or otherwise secure these properties was carried out to this end.

Requested proposals and/or scope of services from architectural firms for costing out these fees as well as insurance agents for required liability and builder's risk.

The coordination with Organizing Department of efforts to get a development plan reviewed and tentatively approved via a community process to enumerate number of units to be produced or demolished as well as decide open space-parking issues.

From these efforts, Architects were directed in their design process for further review and approval and eventual cost estimating.

Research, advocacy regarding acquisition as related to property’s outstanding tax debts to City and the abatement process necessary to be able acquire properties at price within affordability thresholds.

b.) Design & Buildings Renovations Evaluation (40% of time)

Coordination, along with Organizing, of Design Committee activities, including all scheduling, facilitating meetings, site visits, gathering materials and drawings, liaison with architects, CBA and the City as directed, and other miscellaneous tasks as required to get committee to properly review, evaluate and approve project design process as well as final designs.

Research, outreach to state funding agencies for feasibility study grants or short term, low interest loans as per MHP’s "First Look Program".

Ongoing research into "Energy Crafted Home Program" and certification under their builder program for qualification for MHFA’s low interest mortgages se-asides, with expanded underwriting debt to income ratio ranges.

2. Evaluation of financial feasibility of Alternative Homeownership options (5% of Time)

Participated with Organizing in the education and evaluation process of a homeownership committee that is presently researching various alternative models for a February decision on the preferred choice.

Models being considered are Limited Equity Coops, Mutual Housing Associations and Community Land Trusts.
3.) **Identification of potential funding sources for determination of:**

(5% of Time)

**Amount of Equity available for project - via negotiations with City officials and staff handling the CHAS planning process and the HOME monies as well as possible CDBG funding.**

**Amount of Debt to be carried by resident owners - via ongoing research into the availability of different Federal (mostly HUD sponsored) as well as State (MHFA, MHP, MHIC, DMR) sources.**
HOPE II Planning Grant - "Feasibility Studies" Activity
Activity Period: October - November 1993

Reporting: Frank Sepulveda

1. Determination of project development costs - property acquisition and renovations:
   a.) Pre-development, Feasibility Research Activities (50% of Time)

   Site inspections of proposed Phase I properties to gauge their condition as they progressively deteriorated through the pre-development phase and take necessary action to prevent a total loss. Strategy to board up, shore up or otherwise secure these properties was carried out to this end.

   Requested proposals and/or scope of services from architectural firms for costing out these fees as well as Insurance agents for required liability and builder’s risk.

   The coordination with Organizing Department of efforts to get a development plan reviewed and tentatively approved via a community process to enumerate number of units to be produced or demolished as well as decide open space-parking issues.

   From these efforts, Architects were directed in their design process for further review and approval and eventual cost estimating.

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Amount of Debt to be carried by resident owners - via ongoing research into the availability of different Federal (mostly HUD sponsored) as well as State (MHFA, MHP, MHIC, DMR) sources.
Hope II
Staff Meeting Summary
Monday October 18, 1993 at 2:30pm

Present were:
Neal Newman            Frank Sepulveda
Liz Gutierrez          Merri Ansara
                       Sothea Chiemruom

1. **Ownership Committee Development**
   (committee composition 60% neighbors & 40% owners)

   A) Build and expand membership by 11/19/93

   Tasks:
   - Mailing to slide show participants
   - Mailing to North Canal potential buyer list
   - Contact MVHP
   - Contact local churches
   - Contact school i.e., Adult Education
   - Contact CBA network organizations

   B) Research and identify ownership proposal for final CBA board approval 1/31/94

   Issues to address:
   1) Ground rules for committee selection
   2) Criteria for resident-owners
   3) Education and training
   4) Outreach strategy
   5) How to evaluate ownership options

   Tasks:
   - Site visits
   - Readings (prepare manual)
   - Order written materials
   - Set up educational sessions/workshops

Staff: Liz and Frank in charge of Ownership Committee development, training, scheduling, etc.

AIC: Joanne S., Andy M., Claire B., Phyllis R., Evelyn M.,
2. **Design Committee**  
(composition 60% neighbors and 40% potential owners)

A) Prepare final proposal on design of properties in phase 1 and open space by 2/94

Tasks:

- Review design preliminaries and come to options
- Prepare cost estimate for review
- Schedule site visits
- Attend meetings with Arch
- Develop plans for open space
- Connect with and contact Rosalie Johnson
- Incorporate AFAR work with Rosalie Johnson (landscape)
- Help plan press event

Staff: Sothea and Frank


Timeline:

- **Closing** By November 19, 1993
- **Outreach** By November 19, 1993
- **Press Event** By X-mas
- **Final proposal due** By January 31, 1993
- **Home Money** Bet. November - March, 94
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<th>Contract Management</th>
<th>Develop Construction Documents &amp; Specifications</th>
<th>Review Underwriters' Requirements</th>
<th>Preparation of Construction Documents &amp; Specifications</th>
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<td>Estimate &amp; Review</td>
<td>Closing Agreement (REU)</td>
<td>Contractor's Proposal Review</td>
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Implement Con. Man Systems  
Establish Construction Monitoring
  
Construction
  
Pre-Construction Conference
  
Ref. Agenda
  
Schedules:
  Draw Downs
  Cert. of Substantial Completion
  Certificate of Occupancy
  Award Contract(s): Notice To Proceed

Management
  
- Coordinate Construction Schedule
- Establish Schedule of Values
- Notice To Proceed
- Rept of GR, Mec. Permits
- Conduct Job Meetings
- Morg. Draw Sched w/ GC
- Coordinate w/ Lenders to Approve
  Draws
- Inspect Work; Approve Draw Requests
  as pfr schedule
- Evaluate Progress; Update Schedules
- Management of Contingency Fund
  and Change Orders
- Monitor Work In Progress
- Interpret Plans and Specs
- Implement Damage Control Systems
- Progress Meetings
- Inspections
- Lines of Responsibility

Construction Close Out
  
- Final Punch List
- Certify Substantial Completion
- Coordinate Occupancy
- Close Out Inspection Certificates
- GC's Affidavit for Receipt of
  Payment & Payment to Subs
- Lien Waivers & Guarantees
  or Warranties from all Subs
- Certificate of Occupancy: Temp
- C.O. Final
- Construction Expense Reconciliation
  vs. Authorized Work

Property/Tenant Management
  
Management Plan
  
- Leases
- Policies
- Procedures
- Management Agreement w/ "Partner"
  Sponsor or In House Co.
<table>
<thead>
<tr>
<th>Maintenance Plan</th>
<th>Residents Orientation</th>
<th>Lease, Agreements Execution</th>
<th>Accounting Systems In Place</th>
</tr>
</thead>
<tbody>
<tr>
<td>o Routine</td>
<td>o Preventative</td>
<td>o Contract</td>
<td>o Replacement Policy</td>
</tr>
<tr>
<td>as per Program Requirements</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Status</th>
<th>Sched/ Delay</th>
<th>Responsibility</th>
<th>Completion Date</th>
</tr>
</thead>
</table>
Attachments # 4

Campaign Preparation Materials
(vs. City Secret Dealing)
<table>
<thead>
<tr>
<th>Property</th>
<th>AIC / CBA Proposal 11/92</th>
<th>Proposed Action Plan cooperatively developed by City &amp; AIC/CBA - 8/20/93</th>
<th>City's Written Proposal 8/25/93 **</th>
<th>AIC / CBA Response 9/03/93 ***</th>
</tr>
</thead>
<tbody>
<tr>
<td>199-207 Broadway (3 buildings)</td>
<td>demo middle building; rehab front &amp; rear buildings (12 units)</td>
<td>demo rear building; rehab middle as single family, front as 3-family with option for commercial on 1st floor</td>
<td>CBA or designee acquire property; CBA/AIC &amp; City develop rehab plan</td>
<td>CBA acquire &amp; redevelop per proposed action plan of 8/20</td>
</tr>
<tr>
<td>176 Cross</td>
<td>rehab as 3-family</td>
<td>redesign as 2-family; demo for new construction if rehab is not feasible</td>
<td>a) CBA or designee acquire property; CBA/AIC &amp; City develop rehab plan</td>
<td>CBA acquire &amp; redevelop per proposed action plan of 8/20</td>
</tr>
<tr>
<td>295-303 Dutton</td>
<td>rehab as mixed-use</td>
<td>rehab as mixed use by Lowell Devel Realty Trust</td>
<td>b) demo &amp; all 3 bldgs; City acquire property; City &amp; CBA/AIC develop block revitalization plan</td>
<td>CBA acquire &amp; redevelop per proposed action plan of 8/20</td>
</tr>
<tr>
<td>168-210 Fletcher (3 buildings)</td>
<td>demo 2 buildings; rehab middle building with yard &amp; parking</td>
<td>1st year: demo 2 buildings; AIC/CBA agree to pursue block redesign &amp; reconstruction, pending City acquisition of 252 &amp; construction financing if entire block redesign is not possible, develop in 2nd stage per AIC/CBA proposal</td>
<td>a) CBA or designee acquire property; CBA/AIC &amp; City develop rehab plan</td>
<td>CBA acquire &amp; redevelop per proposed action plan of 8/20</td>
</tr>
<tr>
<td>226-230 Fletcher</td>
<td>convert 6-unit into 2-family</td>
<td>same as above</td>
<td>CBA or designee acquire property; CBA/AIC &amp; City develop rehab plan</td>
<td>CBA acquire &amp; redevelop per proposed action plan of 8/20</td>
</tr>
<tr>
<td>238-246 Fletcher</td>
<td>demo; redevelop as yard &amp; parking</td>
<td>same as above (bldg already razed)</td>
<td>CBA or designee acquire property; CBA/AIC &amp; City develop rehab plan</td>
<td>CBA acquire &amp; redevelop per proposed action plan of 8/20</td>
</tr>
<tr>
<td>384-388 Fletcher</td>
<td>rehab as 6 unit by Tony Barbarino</td>
<td>rehab as proposed, with reduced bedroom &amp; s</td>
<td>CBA or designee acquire property; CBA/AIC &amp; City develop rehab plan</td>
<td>CBA acquire &amp; redevelop per proposed action plan of 8/20</td>
</tr>
<tr>
<td>404 Fletcher</td>
<td>convert 6-unit into 2-family</td>
<td>rehab as proposed</td>
<td>CBA or designee acquire property; CBA/AIC &amp; City develop rehab plan</td>
<td>CBA acquire &amp; redevelop per proposed action plan of 8/20</td>
</tr>
<tr>
<td>387-399 Market</td>
<td>rehab as mixed use</td>
<td>disagreement - AIC/CBA: rehab as proposed City: City acquire for municipal purposes</td>
<td>CBA or designee acquire property; CBA/AIC &amp; City develop rehab plan</td>
<td>CBA acquire &amp; redevelop as mixed use, with existing commercial &amp; special needs housing agreed</td>
</tr>
<tr>
<td>20 North Franklin</td>
<td>demo; redevelop as green space</td>
<td>demo &amp; redevelop as proposed</td>
<td>deed to City for demolition purposes</td>
<td>CBA acquire &amp; redevelop per proposed action plan of 8/20 or in conjunction with plan for entire area</td>
</tr>
<tr>
<td>158 Salem</td>
<td>rehab as residential (12 units)</td>
<td>rehab as 6-unit residential for ownership or special needs housing</td>
<td>a) CBA or designee acquire property; CBA/AIC &amp; City develop rehab plan</td>
<td>CBA acquire &amp; redevelop per proposed action plan of 8/20</td>
</tr>
<tr>
<td>205-207 School</td>
<td>rehab as 3-family</td>
<td>rehab as proposed</td>
<td>b) convey to abutting Church for demo &amp; reuse as part of campus</td>
<td>CBA acquire &amp; redevelop per proposed action plan of 8/20</td>
</tr>
</tbody>
</table>

* rehab is by CBA, unless otherwise indicated

** "a)" & "b)" = 2 alternative proposals

*** CBA redevelopment is for homeownership, unless otherwise indicated
MEMO

TO: Ron and Frank
FROM: Anita
RE: HOPE II Project
DATE: Oct. 5, 1993

As you know, as part of the Hope II project, I am responsible for studying the feasibility of developing child care sites in the abandoned buildings in the Acre with which you are involved. In order to do this I feel that the following are some things that I will need from you:

a) a list of the buildings involved so that I can visit each one (a guided tour would be great!)
b) an update as to where in the planning/development process you are with these buildings,
c) at some point I would like to meet with the AIC to get a feeling for their interest in developing some type of child care in one or some of these buildings.
d) your impressions on the likelihood that some of the space at 95 Rock St. could be used for child care.

I would also like some time to share with you the state regulations concerning child care as relates to indoor/outdoor space, required exits, etc. so that if child care is to be included in the planning process, all involved will be aware of the requirements that must be met in order to provide it.

I will be getting in touch with each of you soon to discuss the above and find a time when we can meet.

Thanks a bunch!

cc: to Neal
What's happening in our neighborhood

For the past several months, the Coalition for a Better Acre (CBA) and the Acre Improvement Committee (AIC) have been trying to work with the City of Lowell on the acquisition of 20 abandoned properties, owned by George Chamberas, a personal friend of Mayor Tarsy Poulios. Years ago Chamberas gave up on these properties and stopped paying his mortgage and taxes. The Lowell bank that held his mortgage failed and the mortgage is now held by a government agency called the Resolution Trust Corporation (RTC). We believe that several of these multi-family properties are suitable for renovation for affordable housing; others should be torn down to create small parks, community gardens and/or parking. The AIC and the CBA put together a plan, at the request of the City, that describes our ideas for what to do with the properties in the Acre (16 out of 20) and is part of a long-term plan to revitalize our neighborhood.

After negotiations with the City and the CBA, the RTC agreed to place these properties in their Affordable Housing Program and forgive the amount remaining to be paid on the mortgage if the City would forgive the tax liens and allow the buildings to be turned over to the CBA for the development of affordable housing. The City also agreed to earmark federal HOME funds for renovation of some of the buildings.

For months, however, nothing happened when the RTC and the City argued over who would pay the foreclosure costs. With prostitution, drug dealing, and the possibility of arson increasing daily, community residents felt that they could wait no longer for the City or the RTC to act.

Neighborhood residents, with the CBA’s help, launched a letter-writing campaign to get the RTC moving. More than 300 letters were sent to Stephen Allen, the RTC’s Director of Affordable Housing! We got their attention; they promised to sell us the mortgage note for $1 if the City continued to drag its heels.

At the same time, we stepped up our pressure with the City. At the end of June, about 25 members of the AIC, the CBA, and a few friends staged a protest. We carried signs and posted them on several of the abandoned buildings. Then we went to City Hall and requested a meeting with City Manager Johnson and his staff (see Lowell Sun article on page 3). As a result of this protest, Mr. Johnson met with us the next day.

The Secret Deal

At this meeting, Mr. Johnson revealed that a deal was in the works for the Chamberas properties. An unnamed, private real estate developer (perhaps another friend of the Mayor) was interested in buying some of the Chamberas buildings and the City was prepared to make a deal. Mr. Johnson and his staff would not tell us the specifics of this deal except to say that the developer would get a few properties (and more than $600,000 in federal funds for his construction costs), the CBA would get a few properties to develop into affordable housing, and the rest would be torn down.

AIC members and CBA Board members were outraged. The deal that the City was proposing ignored the original neighborhood plan, forked over hundreds of thousands of dollars to another. We responded by mobilizing the community and protesting our disapproval to the City Manager on July 23. Thirty five people jammed into a meeting room next to the Manager’s office and demanded an end to the secret deal and an agreement by the City to meet with residents to plan what to do with the Chamberas properties in the Acre. Mr. Johnson told us that the secret deal was off, the Chamberas properties on the City’s demolition list would be removed, and the City would hold regular planning meetings with us. Pleased at the success of our protest, we accepted the City Manager’s offer to continue meeting.

continued on page 4
Push is on to revive Lowell's Acre

City, group form plan to restore old buildings

By Andy Dabulis
GLADE STAFF

LOWELL - A plan to turn nearly two dozen abandoned buildings into occupied homes in The Acre's vicinity has been home to generations of immigrants who worked out between city officials and an advocacy group that has years to improve the area.

City Manager Richard Johnson said he would not pursue the proposal by a private developer whom he would work with the City of Lowell. More than a year, the group came to him with a plan to save an area, once a neighborhood of about 20 buildings now owned by George Johnson, who owns the city's -"I didn't want to deal with the developer, we're still dealing with the buildings and the area. We want to work with the coalition on the details."

The coalition's director, Tarry Fudala, said he was pleased at the decision because he wants to rejuvenate The Acre. "I nave seen a lot of housing projects, single-family dwellings, and small businesses and empty storefronts. The center of Westport, Easton's North Common, home to the Acre."

One remaining problem, he said, is that some of the buildings in the neighborhood are being knocked down and is still under construction. "It's a shame," he said.

The financial assistance plan involves the Federal Housing Authority's mortgage program, the city's affordable housing program, and the state's historic preservation program. The coalition would be responsible for the development and ownership of the properties.

Newman said the coalition must now find developers willing to work with the city to turn the abandoned buildings into affordable housing.

The coalition would be responsible for the development and ownership of the properties, according to Newman.

Newman said the coalition must now find developers willing to work with the city to turn the abandoned buildings into affordable housing.

City and coalition devise plan to revitalize Lowell's Acre
City asked to buy 20 Acre buildings for rehabilitation

By CHRISTOPHER SCOTT
and DAVID ARNOLD
Sun Staff

LOWELL — Using an abandoned, boarded-up Fletcher Street triple-decker as a backdrop, two neighborhood groups staged a low-key protest yesterday afternoon that they hope will persuadethe city in helping them rehabilitate 20 abandoned buildings, all in the Acre.

The protest was staged in front of 388 Fletcher St. by the Acre Improvement Committee (AIC) and the Coalition for a Better Acre (CBA).

Reached after the protest, City Manager Richard Johnson said he will meet with both groups. But he also cautioned them that transferring ownership of vacant buildings is a convoluted and time-consuming process.

According to Steve Schnapp, the CBA's director of organizing, all the properties are owned by George Chambers. Chambers has an unlisted telephone number and The Sun could not reach him for comment.

The buildings' mortgages, however, are held by the federal Resolution Trust Corp.

Schnapp said the CBA and AIC have been trying to convince city leaders to acquire the properties from the Resolution Trust Corp. for $1 each, and then deed them over to the CBA and the Merrimack Valley Housing Partnership.

"The CBA and AIC hoped that the city would have negotiated with the RTC and/or Chambers to acquire the properties and then transfer ownership to the CBA for development this summer," said Schnapp. "The city, however, did not vigorously pursue obtaining these buildings and the result has been that their deterioration continues while vandalism, drug traffic, and prostitution go on in and around them unabated."

The frustrations of Acre residents are at the boiling point, organizers said.

"People are fed up with the crime, the abandoned buildings and drug dealing," said AIC member Edna Martinez. "We want to make a statement to City Hall that something should be done."

Johnson said he wants the situation resolved as quickly as the AIC and CBA. "But it's not simple. Whenever we have to deal with the Resolution Trust Corp., it's difficult because they go by laws only God can understand," he said.

Johnson said the city is trying to take over ownership of the properties, but stressed it takes time. "This can't be done overnight," he said.

Robert Malavich, the city's planning and development director, said yesterday he shares "the frustrations about how long it has taken" to resolve the situation.

He said the city has agreed to forgive more than $500,000 in municipal tax liens owed on the properties if Chambers would agree to deed the properties over to the city for $1 apiece.

Malavich said Chambers turned down the offer, but Malavich was "not sure" why, nor could he specify what kind of an arrangement would satisfy Chambers.

If you are upset with absentee landlords ripping you off, check out our plan
On Friday, July 29, we met again with Mr. Johnson and his staff. This time we were told that the City still wanted to pursue the deal with the unnamed developer because foreclosure is expensive and the City doesn’t have the money and the legal wrangling would take a year or more. Moreover, the City wants our written support for this deal. We demanded to know the details. Here are the specifics of the deal as they told them to us:

There are 20 properties (24 buildings) in this group, all of which are on one note (mortgage) held by the RTC. Twelve properties are in the Acre, one of which (238-246 Fletcher St.) has already been demolished by the City. The Merrimack Valley Housing Partnership (MVHP) has expressed an interest in two of the properties outside the Acre.

**Elements of the Latest Secret Deal**

- Chamberas transfers title to the 20 properties to the “unnamed developer.” The City removes $440,000 of the tax liens against Chamberas, a personal friend of the Mayor.
- Simultaneously, this developer signs over title of 16 of these properties to the City. The developer has ownership of three properties outside of the Acre and one in the Acre (295-303 Dutton St.). Two of the non-Acre properties are ones in which the MVHP indicated interest.
- The third party pays $150,000 in back taxes to the City for the properties he has acquired. The City agrees to put up $600,000 of HOME funds for construction financing for the three non-Acre properties. All residential units will be affordable under the HOME guidelines. The City will be reimbursed by the Mass. Housing Partnership for 40% of the HOME money thus allocated.
- The developer will receive a $75,000 grant from the Lowell Historical Commission to renovate the exterior of the Dutton St. property. He intends to move his business into the ground floor (currently occupied by local businesses). Within eight to 14 months the developer will apply for more HOME funds to renovate the residential units in this building.
- The City agrees to turn some but not all of the Acre properties over to the CBA for development.

**What We Want**

Before the AIC and the CBA agree to the City’s plan, the following conditions must be met:

1. We want a face to face meeting with the “unnamed” private developer.
2. We want control of all the remaining Acre properties, if 295-303 Dutton St. is to be given to an outsider.
3. We want the same or better deal with regard to the use of HOME and other housing funds.

The neighborhood plan put together by the AIC and the CBA is better for residents of the Acre in particular and Lowell in general because:

- It provides new ownership opportunities to low and middle income residents; with priority for Acre residents thereby contributing to the long-term stability of the neighborhood;
- Renovated buildings will provide fewer, but larger units in each building; 3 & 4 bedroom units will help meet the shortage of housing opportunities for larger households;
- Our plan returns more units to the city’s tax base and will give the City more bang for its federal buck by being more efficient in per unit rehab costs (the CBA is a non-profit developer);
- The buildings intended for renovation are located close to schools, churches, shopping, hospitals, transportation, and public safety facilities;
- Our plan contributes to the continuity and vitality of the primary business corridors in the Acre, and the central business district of the city which borders the Acre.
- Our plan conforms to the requirements and objectives of current federal, state, and city government affordable housing programs.

For more information contact the Acre Improvement Committee or the CBA at 452-7523. Ask for Liz.
Issue: Secret deal with a private developer to acquire and rehab properties

1) At 6/29 meeting with AIC, City stated they were working with a private developer to make the transfer happen, and were approaching George Duncan that day for financing in support of this transfer. Duncan confirmed that the meeting took place, and that the City was seeking a loan to complete a financial package to acquire the properties. Duncan also informed us that the private developer was Dave McDonald, and that he had requested financial information from McDonald to support the loan request (due by 7/7 or 7/21).

Johnson stated to Steve on 6/30 that the private developer has a deal with Chambers to acquire the properties. Malavich previously stated that 2 other developers had a deal with Chambers, but the City decided not to support them. Malavich also stated in previous phone conversations and meetings that the City was working on a deal with Chambers, and needed 10 days to complete it.

In response to Duncan's statement of not wanting to interfere with CBA redevelopment plans, the City indicated 12 (of the 20) properties designated for rehab would be divided among the private developer (5), CBA (5) and MVHP (2).

2) a) Role of the City in making this deal:
- is this deal part of the negotiations with Chambers which began at the request of RTC in April? is the City controlling who is involved and the terms of the transfer?
- is this deal a response by Chambers to being approached by the City? is Chambers controlling who is involved and the financial terms of the deal?

b) Relationship of City to AIC & CBA in deal-making process:
- why is the City keeping the process a secret from AIC and CBA?
- why is the City now arguing to AIC that there can be no plan until there is site control, when they previously requested a community disposition plan before pursuing site control?
- why is the City substituting a private developer for CBA & MVHP, as the lead (or designated) developer in this process, as negotiated in the deal with the RTC? is CBA still the lead developer in the Acre?
c) Specific contents of the City’s secret disposition plan (what are the City’s intentions for Acre properties?):
- which buildings are to be saved? who decides (what is the City’s official response to the AIC disposition plan?)?
- what are the City’s intentions for the Fletcher Street corridor: demolish all residential properties between Franklin and Broadway?
- who will redevelop the buildings designated for rehab?
- who determines the division of properties: the community, the City or the private developer?
- will HOME funds be made available for rehab in an amount sufficient to make new housing affordable to Acre residents?

3) a) Obtain all possible information about Dave McDonald (why has McDonald been able to negotiate a deal with Chamberas and receive backing from the City, when he is not a housing developer?):
- his lead abatement business, his partners and his previous dealings with the City
- any possible connection to Chamberas: through his partners or his possibly serving as a front for developers working with Chamberas
- the terms of his deal with Chamberas

b) Determine the City’s role and intent in making a deal with Chamberas:
- is the City soliciting private developers? should we solicit a developer to approach City and/or Chamberas?
- why does City prefer making a deal with Chamberas through a private developer to foreclosing on his properties, since foreclosure would give the City complete control over the disposition process?

c) Demand the inclusion of the community in deciding what happens to Acre properties, and community control over the redevelopment of all buildings and vacant land.

d) Use decision-making meetings with City:
- to uncover City’s secret plans
- to negotiate which buildings will be saved
- to designate who will do the rehab
- to secure HOME funds and other federal funds for rehab.

4) a) 

b) 

c) 

d)
**Issue: Use of federal housing (HUD) funds to "buy-out" Chamberas**

1) According to George Duncan, the City is assembling a financial package for the private developer consisting of:
   - $300,000 from private developer
   - $200,000 - 300,000 from bank loans
   - $750,000 from City (from a special pot of funds).

2) While the specific uses of these funds is not known for certain*, it appears that some portion be used to purchase the properties from Chamberas, in addition to the City's removal of the tax liens (over $500,000) on the properties.

   * Possible uses: Acquisition $200,000  
     Municipal Lien payment 100,000  
     Rehab of 5 buildings 950,000 - 1,050,000

3) a) Obtain information concerning both the sources and the uses of all funds in this package.
   b) Determine if federal funds would be misused in this deal.
   c) In the event of suspected misuse of public funds, involve all affected federal officials and agencies - Congressional delegation, HUD and RTC - of the terms of this deal in order to expose and prevent the completion of deal.

4) a)

b)

c)

**Issue: Proposed demolition of Chamberas properties**

1) 9 Chamberas properties (6 in Acre, involving 10 buildings) are included on the City's Phase 3 Demolition list.

2) At 6/29 meeting with AIC, City said we should not go by this list (suggesting it was one of the ways they were trying to put pressure on Chamberas).

3) a) Monitor the progress of this list through the City approval process, to determine when to intervene.
   b) Mobilize community pressure to prevent unilateral action by the City to demolish buildings.

4) a)

b)
City's Secret Property Disposition Plan: Possible Contents

Piecing together information from the meeting with the City on 6/29, the Phase 3 Demolition list and the City's presentation to George Duncan on 6/29, our best estimate of the City's plans for the 20 Chamberas properties is as follows:

Assumptions:
- 12 properties are to be saved, 8 are to be demolished.
- The 12 properties are to be developed as follows:
  - Private developer - 5
  - Merrimack Valley Housing Partnership - 2
  - CBA - 5
- CBA will be the sole developer of Acre properties
- As there are 8 properties outside the Acre, 7 would be saved and 1 would be demolished.
- Of the 12 properties in the Acre, 5 would be saved and 7 demolished. (6 Acre properties appear on the City's Phase 3 demolition list; 1 has already been demolished).

Presumed Disposition:

Properties outside Acre

Rehab by McDonald - 160-162 Agawam 3 units
  27-35 Butler 5
  441-445 Gorham 6
  8-10 Mill 12
  27 Newhall 6

Rehab by MVHP - 160-166 Pine 4 units
  206-212 Pine 8

Demolish - 256 Branch Street

Acre properties

Rehab by CBA - 295-303 Dutton 10 units + 3 comm
  384-388 Fletcher 6
  404 Fletcher 2
  387-399 Market 10 + 4
  205-207 School 3

Demolish - 199-207 Broadway (3 buildings)
  176 Cross
  188-210 Fletcher (3 buildings)
  226-230 Fletcher
  238-240 Fletcher
  20 North Franklin
  158 Salem
June 30, 1993

Mr. Richard Johnson  
City Manager  
City Hall  
Lowell, MA 01852  

Dear Mr. Johnson:

On behalf of the Acre Improvement Committee, we would like to thank you for taking the time to meet with us and discuss the issue of the disposition of the Chamberas properties and the role we want to play in planning for the revitalization of the Acre. We appreciated your openness and willingness to work together.

The discussion we began on Tuesday, June 29, was extremely informative. We greatly appreciate your “open door” policy and would like to continue this discussion with you and Mr. Malavich about the revitalization of the Acre in general and the Chamberas properties in particular. We would like to meet as soon as possible when you return during the week of July 19, 1993. Please let us know the date and time that is convenient for you and Mr. Malavich.

We also appreciate your offer to include the Acre Improvement Committee (AIC) and the Coalition for a Better Acre (CBA) in the “Neighborhoods Now” planning process. Please keep us informed about the meetings so that we may attend.

In addition, we appreciate Mr. Duggan’s commitment to keep the AIC informed about all meetings, hearings, and other opportunities for public input and comment about the disposition of abandoned buildings and vacant lots in the Acre and related matters. We look forward to hearing from him.

Our position on the disposition of the Chamberas properties remains firm. We believe that the Acre Triangle Revitalization Master Plan which the CBA has been helping us develop and which we shared with you last October, conveys our belief that the salvageable Chamberas properties in the Acre should be renovated for affordable home ownership. The remaining Chamberas properties and vacant land should be converted to suitable uses such as play areas, passive green space, community gardens, and parking.
We believe that the CBA, as Lowell's only community development agency with a track record in the Acre, should be officially designated as the primary developer of all Acre properties.

Once again, we firmly believe that neighborhood residents should be involved in the meetings, hearings, and other opportunities to discuss affairs that concern our lives. Informing and involving the public in the decisions that affect us is a basic principle of democracy. We appreciate your commitment to this process.

Sincerely,

 Arnaldo Mejias     Joanne Sgouras     Maria Oyolla

 Ed Bitinas        Charlie Garguilo, Jr.     Phyllis Robey

 Evelyn Mejias      Jeanette Blondet      Edna Martinez

 Joe Osuna

cc: Bob Malavich
    Jim Duggan
    Jim Boenis
    Neal Newman
What We Want

• We want to be included in all revitalization planning for the Acre.

• We want a thorough, well-conceived, written plan for the revitalization of the Acre that includes the disposition of the abandoned buildings.

• We want a date for our next meeting to continue these discussions.
Chamberas / RIC Properties
Acre Disposition Strategy

1) Proposed Action Plan with City (Acquire via Private Developer)

2) City Acquire through Tax Title Process
   - Negotiate with City for Acre properties after seizure through Court and for housing funds

3) CBA Purchase of Loan Note & Foreclosure on Loan
   - Negotiate with City and/or State for funds to finance payment of tax liens and rehab liability for CBA:
   a) while holding loan note - none
   b) during foreclosure - have to demonstrate "not chilling the sale", by: appraisals, foreclosure strategy presented to Land Court, marketing (advertising) of sale properties, in order to protect against action by owner. Should expect owner to make "a great deal of noise" - owner is likely to file bankruptcy?!
   c) after the sale - none (only legal action previous owner can take is to redeem everything = pay off entire loan)
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<th>Proposed Action Plan</th>
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<td>CBA acquire property; demo rear building, rehab middle as single family &amp; front as 4-family with option for commercial on 1st floor</td>
</tr>
<tr>
<td>(3 buildings)</td>
<td>CBA acquire property; demo 3 story &amp; construct new 2 family</td>
</tr>
<tr>
<td>176 Cross</td>
<td>Lowell Development Realty Trust acquire &amp; redevelop property; work w/ CBA to develop rehab plan for residential units</td>
</tr>
<tr>
<td>295-303 Dutton</td>
<td>CBA acquire property; demo 3 buildings, AIC/CBA work with City to prepare block redesign plan for new construction</td>
</tr>
<tr>
<td>188-210 Fletcher</td>
<td>CBA acquire property; in accordance with block redesign plan, convert 6-unit into 2-family or demo for new construction</td>
</tr>
<tr>
<td>(3 buildings)</td>
<td>CBA acquire property; construct new housing per block redesign plan (demo is complete)</td>
</tr>
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<td>226-230 Fletcher</td>
<td>Tony Barbarino acquire &amp; rehab as 6-unit with reduced number of bedrooms per unit</td>
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<tr>
<td>404 Fletcher</td>
<td>City acquire property; demo building &amp; redevelop as neighborhood green space</td>
</tr>
<tr>
<td>387-399 Market</td>
<td>Transfiguration Church acquire property; demo building &amp; add land to campus</td>
</tr>
<tr>
<td>20 North Franklin</td>
<td>CBA acquire property; rehab as 3-family</td>
</tr>
</tbody>
</table>
1) Implement "Action Plan" with City:
   - Acquire properties through transfer from Chamberas to private
developer, with RTC transferring loan to City for forgiveness
in exchange for using properties for affordable housing
   - City committed to assign federal housing funds to properties for rehab

2) City take possession of properties through court process (Tax title):
   - Negotiate with City to acquire properties
   - Apply for federal housing funds for rehab from City or State

3) CBA purchase Chamberas loan note from RTC:
   - Acquire properties through loan foreclosure sale
   - Apply for federal housing funds for rehab from City or State

**PROS**

1) - is least time-consuming (& least expensive) way to acquire from
Chamberas
   - provides quickest way to reclaim properties for community benefit
   - establishes new working relationship with City for promoting community-
   - places us in strongest position (among these three options) for obtaining
   federal housing funds from City: force them to live up to commitment,
   as compared to getting commitment

2) - Chamberas is replaced by City as the title-holder of the properties
   - removes the private developer from development process & the possibility
   that Chamberas is secretly involved

**CONS**

- Chamberas may secretly benefit from deal, or even continue to own property
  (as participant in private development trust)

- by not getting complete agreement from City with AIC/CBA proposal, could
  be setting bad precedent for future negotiations on Acre revitalization

- less control over acquisition process: City could transfer or demo with limited public
  participation (7 properties are currently on demo list)
to obtain federal housing funds for rehab, would have to re-start City negotiations or apply to State

as federal HOME funds for 1992-93 must be spent by 8/94, City could assign to projects outside the Acre

Chamberas could reclaim properties within 1 year by payment of City liens only (City seizure through courts would wipe out the mortgage loan)

3) - gives AIC/CBA veto power over undesirable disposition plans (until City seizes properties through court)

- exercising right to foreclose on loan would guarantee acquisition of all properties

- to be successful, foreclosure must be completed before City takes possession via court

- in an expected race with City to acquire properties (and to prevent their demolition), CBA could be slowed by Chamberas' legal delays

- while not prohibitive, there are liabilities, and therefore costs, involved in foreclosure

- through foreclosure, CBA would acquire all 20 properties & their tax liens

- to obtain federal housing funds for rehab, would have to re-start City negotiations or apply to State
Attachments # 5

Propaganda

- CBA/AIC Generated
- Newspaper Write-ups
Lowell's Little Acre
For centuries, one neighborhood has served as the gateway for immigrants

CROSS FROM A SMALL, grassy park dedicated to Greek and Irish immigrants, Joe Cogliano, whose grandparents were Italian, sells mangoes to Hispanic customers from the back of his truck. Children play tag while chattering in Spanish on O'Brien Terrace, part of a housing project built in 1939 for Irish laborers. The pungent odor of Vietnamese fish sauce fills a Southeast Asian restaurant where Giavis' Greek grocery once thrived for more than 70 years.

In Lowell they call it the Acre. Less than one-seventh of the current 105,000 citizens of this Massachusetts mill town call it home. But tens of thousands of working-class immigrants going back a century and a half before have left marks as vivid as the archaeological artifacts uncovered in successive layers of limestone. In few places are the textures and tensions of ethnic urban history as legible as they are here.

Francis Cabot Lowell built the country's first water-powered cotton mill on farmland near Pawtucket Falls in northeastern Massachusetts in 1814. Within two decades the area had become one of the foremost industrial centers in America. As more mills were built, their owners recruited young, single New England farm girls as laborers. When the "mill girls," as they were called, rebelled against the long hours and low wages, they were replaced by Irishmen fleecing the potato famine of the 1840s. In a scheme to rid downtown Lowell of the unwanted Irish workers, the Yankee mill owners donated an acre of land southwest of the city's center. The neighborhood became a gateway for generations of immigrants who went to Lowell in search of work and a better life. On wages of 75¢ a day, the early laborers crowded into a shantytown of mud huts and shacks. "I learned to speak French just hanging out on my street," says Nicholas Georgoulis, 76, who grew up in the Acre with Greek Orthodox parents and

Canadian neighbors. The Irish were followed by Greeks, Poles, Scots, Portuguese, French Canadians and Italians, all escaping economic and political chaos in their native land. Today Hispanics, mostly from Puerto Rico, make up 35% of the Acre's 15,000 population. Vietnamese and Cambodians who fled their war-torn countries and moved to Lowell in the mid-1980s constitute another 30%. While Lowell's overall unemployment stands at 8%, in the Acre it is close to 50%.

Although chronically plagued by crime and violence, the gateway still beckons. Family by family, block by block, each ethnic group adds its own restaurants, markets and schools to the Acre's evolving mosaic. St. Patrick's Catholic Church, built for Irish immigrants in 1831, and the Holy Trinity Greek Orthodox Church, circa 1906, remain firm spiritual landmarks for each generation of new workers. "At midnight Mass on Christmas Eve, Silent Night is now sung in Vietnamese," says David McKeen, 40, a third-generation Acreite of Scottish and Irish descent. "For some it's a sign of unity. For others it hurts."

Age-old tensions between old-timers and new arrivals remain. George Karafilidis, a tailor whose Greek family has owned a business in Lowell for 35 years, complains that newcomers are ruin his neighborhood. When a reporter reminds him that his relatives were immigrants, Karafilidis flies into a rage and bellows, "Don't come in here and talk to me about immigrants!"

Tarsy Poulios, 67, grew up on the third floor of a crowded cold-water tenement around the corner from 29 Bowers Street, where he lives today. When Poulios was a child, his neighbors were predominantly Irish and French Canadian. Now a Cambodian family lives on one side of his turquoise-shingled house, a Lebanese family on the other. His father, who spoke only a few words of English, worked for three decades as a spinner in the Merrimack textile mill. Poulios, a city mailman for 34 years, has served six years on the city council.

Today he is Lowell's mayor. "The Acre is the bottom of the social ladder," he says. "The last group that comes in is always on the bottom rung. But you can climb that ladder. You just have to prove your worth to the group ahead of you to be accepted."

As Irish, Greek and French-Canadian merchants have proved their worth and moved to better neighborhoods, energetic Southeast Asians have opened their doors for business. Dien Tran, 43, and his wife Bui Ma came to Lowell in 1980 speaking little English. Six years later, both graduated from the local branch of the University of Massachusetts. Now they own an apartment building in the Acre as well as two Vietnamese restaurants. Each works more than 80 hours a week. "We're not successful yet," says Tran. "Success will be a big income and paying off my debt."

Gradually, each ethnic group has found that hard work pays. Poulios is Lowell's third Greek mayor. The superintendent of schools is Greek American. The city fire chief is of French-Canadian ancestry. The police chief's grandparents were Irish. And Lowell native Paul Tsongas, whose parents were Greek, served as Massachusetts' Congressman and Senator for 10 years before running for President. History suggests that a Vietnamese-American boy or girl may someday run Lowell—and who knows what else after that?

34

TIME. FALL 1983
1st MARION ST CLEAN-UP
1st MARION ST OPEN HOUSE
1ra LIMPIEZA DE LA MARION ST
demostracion de nueva vivienda

SATURDAY, JULY 16th, 1994
9:30 to 2:00pm
LET'S KEEP OUR STREET CLEAN
YEAR AROUND
LET'S KEEP OUR NEIGHBORHOOD LIVABLE

WHAT WE CAN'T DO ALONE WE CAN DO TOGETHER
Lo que no podemos solos, juntos si podemos

COME JOIN US FOR A FUN DAY
VENGA A DIVERTIRSE
visit the new apartment at # 52
visite el nuevo apartamento
What’s happening in our neighborhood

For the past several months, the Coalition for a Better Acre (CBA) and the Acre Improvement Committee (AIC) have been trying to work with the City of Lowell on the acquisition of 20 abandoned properties, owned by George Chamberas, a personal friend of Mayor Tarsy Poulios. Years ago Chamberas gave up on these properties and stopped paying his mortgage and taxes. The Lowell bank that held his mortgage failed and the mortgage is now held by a government agency called the Resolution Trust Corporation (RTC). We believe that several of these multi-family properties are suitable for renovation for affordable housing; others should be torn down to create small parks, community gardens and/or parking. The AIC and the CBA put together a plan, at the request of the City, that describes our ideas for what to do with the properties in the Acre (16 out of 20) and is part of a long-term plan to revitalize our neighborhood.

After negotiations with the City and the CBA, the RTC agreed to place these properties in their Affordable Housing Program and forgive the amount remaining to be paid on the mortgage if the City would forgive the tax liens and allow the buildings to be turned over to the CBA for the development of affordable housing. The City also agreed to earmark federal HOME funds for renovation of some of the buildings.

For months, however, nothing happened when the RTC and the City argued over who would pay the foreclosure costs. With prostitution, drug dealing, and the possibility of arson increasing daily, community residents felt that they could wait no longer for the City or the RTC to act.

Neighborhood residents, with the CBA’s help, launched a letter-writing campaign to get the RTC moving. More than 300 letters were sent to Stephen Allen, the RTC’s Director of Affordable Housing! We got their attention; they promised to sell us the mortgage note for $1 if the City continued to drag its heels.

At the same time, we stepped up our pressure with the City. At the end of June, about 25 members of the AIC, the CBA, and a few friends staged a protest. We carried signs and posted them on several of the abandoned buildings. Then we went to City Hall and requested a meeting with City Manager Johnson and his staff (see Lowell Sun article on page 3). As a result of this protest, Mr. Johnson met with us the next day.

The Secret Deal

At this meeting, Mr. Johnson revealed that a deal was in the works for the Chamberas properties. An unnamed, private real estate developer (perhaps another friend of the Mayor) was interested in buying some of the Chamberas buildings and the City was prepared to make a deal. Mr. Johnson and his staff would not tell us the specifics of this deal except to say that the developer would get a few properties (and more than $600,000 in federal funds for his construction costs), the CBA would get a few properties to develop into affordable housing, and the rest would be torn down.

AIC members and CBA Board members were outraged. The deal that the City was proposing ignored the original neighborhood plan, forked over hundreds of thousands of dollars to another. We responded by mobilizing the community and protesting our disapproval to the City Manager on July 23. Thirty five people jammed into a meeting room next to the Manager’s office and demanded an end to the secret deal and an agreement by the City to meet with residents to plan what to do with the Chamberas properties in the Acre. Mr. Johnson told us that the secret deal was off, the Chamberas properties on the City’s demolition list would be removed, and the City would hold regular planning meetings with us. Pleased at the success of our protest, we accepted the City Manager’s offer to continue meeting.

continued on page 4
Push is on to revive Lowell's Acre

City, group form plan to restore old buildings

BY ANDY DABOS

LOWELL - A plan to turn nearly two dozen abandoned buildings into occupied homes in the decaying neighborhood has been home for generations of immigrants, but it worked better between city officials and an advocacy group that has spent years to improve the area.

City Manager Richard John said he would not pursue the proposal by a private developer and would work with the Center for a Better Acre. More than a year ago, the group had come to the city with a plan to save about 20 of the buildings, now owned by George Johnson, who owns the city.

"I didn't want to deal with an outside group," he said.

"We're still dealing with the buildings and the budget, and we want to work with the coalition," he said.

The coalition's director, Tim Newman, said he had agreed to the city's plans, which want to rejuvenate The Acre neighborhood, The coalition is made up of housing providers, multiple-family dwellings, and social services agencies.

The center is located at the north end of the Acre area.

By Andy Dabis

City and coalition devise plan to revitalize Lowell’s Acre

"We can do that, and we can do that," he said.

Newman said the group is ready to work with local banks, philanthropists and the town Community Loan Fund for a $3 million plan that would convert some of the abandoned buildings into housing for low- and moderate-income families.

"We're going to have new houses with owners who feel like they have a stake in the neighborhood and want to see the changes we've been working for a couple of years happen. Nothing like this is going to happen again," Newman said.
City asked to buy 20 Acre buildings for rehabilitation

By CHRISTOPHER SCOTT and DAVID ARNOLD
Sun Staff

LOWELL — Using an abandoned, boarded-up Fletcher Street triple-decker as a backdrop, two neighborhood groups staged a low-key protest yesterday afternoon they hope will persuade the city in helping them rehabilitate 20 abandoned buildings, all in the Acre.

The protest was staged in front of 388 Fletcher St. by the Acre Improvement Committee (AIC) and the Coalition for a Better Acre (CBA).

Reached after the protest, City Manager Richard Johnson said he will meet with both groups. But he also cautioned them that transferring ownership of vacant buildings is a convoluted and time-consuming process.

According to Steve Schnapp, the CBA's director of organizing, all the properties are owned by George Chambers. Chambers has an unlisted telephone number and The Sun could not reach him for comment.

The buildings' mortgages, however, are held by the federal Resolution Trust Corp.

Schnapp said the CBA and AIC has been trying to convince city leaders to acquire the properties from the Resolution Trust Corp. for $1 each, and then deed them over to the CBA and the Merrimack Valley Housing Partnership.

"The CBA and AIC hoped that the city would have negotiated with the RTC and/or Chambers to acquire the properties and then transfer ownership to the CBA for development this summer," said Schnapp. "The city, however, did not vigorously pursue obtaining these buildings and the result has been that their deterioration continues while vandalism, drug traffic, and prostitution go on in and around them unabated."

The frustrations of Acre residents are at the boiling point, organizers said.

"People are fed up with the crime, the abandoned buildings and drug dealing," said AIC member Edna Martinez. "We want to make a statement to City Hall that something should be done."

Johnson said he wants the situation resolved as quickly as the AIC and CBA. "But it's not simple. Whenever we have to deal with the Resolution Trust Corp., it is difficult because they go by laws only God can understand," he said.

Johnson said the city is trying to take over ownership of the properties, but stressed it takes time. "This can't be done overnight," he said.

Robert Malavich, the city's planning and development director, said yesterday he shares "the frustrations about how long it has taken" to resolve the situation.

He said the city has agreed to forgive more than $500,000 in municipal tax liens owed on the properties if Chambers would agree to deed the properties over to the city for $1 apiece. Malavich said Chambers turned down the offer, but Malavich was "not sure" why, nor could he specify what kind of an arrangement would satisfy Chambers.

If you are upset with absentee landlords ripping you off, check out our plan
On Friday, July 29, we met again with Mr. Johnson and his staff. This time we were told that the City still wanted to pursue the deal with the unnamed developer because foreclosure is expensive and the City doesn't have the money and the legal wrangling would take a year or more. Moreover, the City wants our written support for this deal. We demanded to know the details. Here are the specifics of the deal as they told them to us:

There are 20 properties (24 buildings) in this group, all of which are on one note (mortgage) held by the RTC. Twelve properties are in the Acre, one of which (238-246 Fletcher St.) has already been demolished by the City. The Merrimack Valley Housing Partnership (MVHP) has expressed an interest in two of the properties outside the Acre.

Elements of the Latest Secret Deal

- Chambersas transfers title to the 20 properties to the “unnamed developer.” The City removes $440,000 of the tax liens against Chambersas, a personal friend of the Mayor.

- Simultaneously, this developer signs over title of 16 of these properties to the City. The developer has ownership of three properties outside of the Acre and one in the Acre (295-303 Dutton St.). Two of the non-Acre properties are ones in which the MVHP indicated interest.

- The third party pays $150,000 in back taxes to the City for the properties he has acquired. The City agrees to put up $600,000 of HOME funds for construction financing for the three non-Acre properties. All residential units will be affordable under the HOME guidelines. The City will be reimbursed by the Mass. Housing Partnership for 40% of the HOME money thus allocated.

- The developer will receive a $75,000 grant from the Lowell Historical Commission to renovate the exterior of the Dutton St. property. He intends to move his business into the ground floor (currently occupied by local businesses). Within eight to 14 months the developer will apply for more HOME funds to renovate the residential units in this building.

- The City agrees to turn some but not all of the Acre properties over to the CBA for development.

Before the AIC and the CBA agree to the City's plan, the following conditions must be met:

1. We want a face to face meeting with the “unnamed” private developer.

2. We want control of all the remaining Acre properties, if 295-303: Dutton St. is to be given to an outsider.

3. We want the same or better deal with regard to the use of HOME and other housing funds.

The neighborhood plan put together by the AIC and the CBA is better for residents of the Acre in particular and Lowell in general because:

- it provides new ownership opportunities to low and middle income residents; with priority for Acre residents thereby contributing to the long-term stability of the neighborhood;

- renovated buildings will provide fewer, but larger units in each building; 3 & 4 bedroom units will help meet the shortage of housing opportunities for larger households;

- our plan returns more units to the city’s tax base and will give the City more bang for its federal buck by being more efficient in per unit rehab costs (the CBA is a non-profit developer);

- the buildings intended for renovation are located close to schools, churches, shopping, hospitals, transportation, and public safety facilities;

- our plan contributes to the continuity and vitality of the primary business corridors in the Acre, and the central business district of the city which borders the Acre.

- our plan conforms to the requirements and objectives of current federal, state, and city government affordable housing programs.

For more information contact the Acre Improvement Committee or the CBA at 452-7523.

Ask for Liz.
PROPERTY RECLAIMED
THROUGH EFFORTS OF
ACRE IMPROVEMENT COMMITTEE (AIC) &
COALITION FOR A BETTER ACRE (CBA)
For MORE INFORMATION on
HOUSING OPPORTUNITIES
or to REPORT
ILLEGAL ENTRY and/or ACTIVITIES
Call CBA 452-7523
Don't fall for it

Thus,

Now units we'd like to see

Circles open open and this

\[
\frac{3478}{4921} = \frac{47}{59},
\]

\[
\frac{869.693}{99} = 8.805.
\]
What’s happening in our neighborhood

Are you tired of looking at burned out buildings? Are you fed up with lots full of weeds and garbage? Are you sick of seeing our neighborhood used as a place for drug dealing?

Would you like to see this area revitalized? Would you like our community to be safe and clean? Would you like the opportunity to become a owner in a newly renovated building?

If you said yes to any of these questions then check out the information in the rest of this flyer.

The Acre Improvement Committee (AIC), a neighborhood group, is putting together a plan for what to do with the abandoned buildings along Fletcher and nearby streets. When completed, this plan will be presented to the City for their approval.

Please look on the next page for details about the AIC’s revitalization proposal.

What is the AIC?

The Acre Improvement Committee (AIC) is an active, organized neighborhood association dedicated to the improvement and revitalization of the Acre community. The AIC is working with area residents, churches, businesses, homeowners, and agencies to develop strategies and coordinate improvement projects that address the needs identified by Acre residents.

The AIC is working to empower the residents of the Acre to turn around the negative climate in the neighborhood through a variety of community initiatives. We are reaching out to the City and to the state and federal governments to help us reverse the prevailing climate of community disinvestment and neglect.

As part of community development and neighborhood revitalization, the AIC is designing a Community Master Plan centering on the intersection of the Broadway and Fletcher St. corridors. The initial stage of this planning process is focused on the abandoned multi-family residential properties controlled by the Resolution Trust Corporation (RTC). A primary objective is to provide more affordable housing and ownership opportunities for low and moderate income households.

The AIC also works on voter registration, neighborhood clean-up, and crime watch projects.
Goals of the AIC's Revitalization Plan

- Turn abandoned buildings into ownership opportunities to increase reinvestment in the Acre;
- Increase reinvestment that will contribute to neighborhood stabilization;
- Stabilize the community in order to rebuild pride and promote involvement in community improvement activities.
- Involve residents in solving community problems thereby combining the resources of community residents to reclaim the neighborhood and rebuild community life.
Why Demolition? Why Renovation?

The decision to demolish 238 Fletcher St. is primarily based on the physical condition of the property: renovation is neither physically nor financially feasible due to extensive fire damage.

The decision to demolish 188 Fletcher St. and 210 Fletcher St. is designed to reduce the density of housing and to increase the amount of available space for parking and outside activities in the immediate vicinity of the buildings.

The partial demolition of 226 Fletcher St. and 404 Fletcher St. will reduce the density of the housing in these buildings (which was caused by additions to the original structures) and to create more outside activity space for residents living in these buildings.

All buildings selected for renovation:
- are structurally sound;
- can provide new ownership opportunities to low and middle income residents; with priority for owner-occupants;
- are capable of being renovated to provide fewer, but larger units in each building; 3 & 4 bedroom units will help meet the shortage of housing opportunities for larger households;
- are located in close proximity to schools, churches, shopping, hospitals, transportation, and public safety facilities.
- contribute to the continuity and vitality of the primary business corridors in the Acre, and the central business district of the city which borders the Acre.
- conform to the requirements and objectives of current federal, state, and city government affordable housing programs.

For more information:
contact the
Acre Improvement Committee
452-7523
ask for Liz
How the AIC Revitalization Plan Works

There are 16 abandoned buildings in the Acre, formerly owned by one landlord with a mortgage held by a bank that folded. The Resolution Trust Corporation (RTC), a government bank, took over control of the buildings. The RTC has placed these properties in its Affordable Housing Program. It is willing to sell the properties to the City of Lowell for $1 provided that the properties be made available for low- and moderate-income ownership and rental use.

A federal program called HOME will provide funds for the reconstruction of the buildings that are economically feasible to renovate, again, provided that the properties are affordable for low- and moderate-income families.

The Coalition for a Better Acre (CBA), the organization in the Acre with a track record of success in developing affordable housing with the participation of neighborhood residents, is ready to undertake the task of renovating these buildings.

### Proposal for the Buildings - Stage 1 (1993)

<table>
<thead>
<tr>
<th>Property</th>
<th>Recommendation</th>
</tr>
</thead>
<tbody>
<tr>
<td>188 Fletcher St.</td>
<td>DEMOLISH - Use land for parking and side yard for 202 Fletcher St.</td>
</tr>
<tr>
<td>202 Fletcher St.</td>
<td>REHAB - Convert 6 family to 4 family, with 4 bedrooms/unit</td>
</tr>
<tr>
<td>210 Fletcher St.</td>
<td>DEMOLISH - Use as yard area for 202 Fletcher St., with shrub buffer between 220 Fletcher St.</td>
</tr>
<tr>
<td>226 Fletcher St.</td>
<td>REHAB - Convert 6 family to 2 family, with 3 bedrooms/unit (involves demolition of addition to rear of building)</td>
</tr>
<tr>
<td>238 Fletcher St.</td>
<td>DEMOLISH - Use land for combined parking and green space</td>
</tr>
<tr>
<td>384-388 Fletcher St.</td>
<td>REHAB - Maintain as 6 unit apartment building, with 4 bedrooms/unit</td>
</tr>
<tr>
<td>404 Fletcher St.</td>
<td>REHAB - Convert 6 family to 2 family, with 4 bedrooms/unit (involves demolition of addition to rear of building)</td>
</tr>
<tr>
<td>176 Cross Street</td>
<td>REHAB - Maintain as 3 family, with 3 bedrooms/unit</td>
</tr>
</tbody>
</table>
Metas del plan de Revitalización del AIC

- Convertir propiedades que están abandonadas en oportunidades para nuevos dueños y aumentar inversiones en el Acre;
- Aumentar inversiones que contribuyan a la estabilización de la vecindad;
- Estabilizar la comunidad para desarrollar de nuevo orgullo y promover el envolucramiento de residentes en actividades para el mejoramiento de la comunidad.
- Envolucrar residentes en el proceso de resolver asuntos de la comunidad y combinar los recursos de la comunidad para reclamar la vecindad y desarrollar una vida comunitaria.
¿Que está sucediendo en nuestra vecindad?

¿Estas cansado/a de ver los edificios quemados? ¿Estas harto de la basura y las matas resecas? ¿Estas cansado/a de ver que tu vecindario sea usado como un lugar para la venta de drogas?

¿Te gustaría ver que esta area sea renovada? ¿Te gustaría que nuestra vecindad sea mas limpia y mas segura? ¿Te gustaría ser dueño de uno de estos edificios renovados?

Si has dicho que Sí a cualquiera de estas preguntas mira la informacion en el resto de este panfleto.

El Acre Improvement Committee (AIC), un grupo comunitario, está desarrollando un plan para decidir que hacer con estos edificios abandonados ubicados en la calle Fletcher y otras calles cercanas.

Favor de mirar en la proximas paginas para los detalles de la propuesta de revitalizacion del AIC.

¿Que es el AIC?

El Acre Improvement Committee (AIC) es un asociacion organizada y activa dedicada al mejoramiento y revitalizacion de la comunidad del Acre. El AIC esta trabajando con residentes del area, iglesias, negociantes, propietarios y diversas agencias para desarrollar estrategias y coordinar proyectos que se dirigen a necesidades identificadas por los residentes.

El AIC esta trabajando para envolver a los residentes del Acre en el cambio del clima negativo que existe en la vecindad a través de una variedad de actividades comunitarias.

Como parte del desarrollo comunitario y revitalización de la vecindad, el AIC esta diseñando un Plan Maestro Comunitario centrado en la intersección de las calles Broadway y Fletcher. La etapa inicial de este proceso de planificación esta enfocado en las propiedades multi-familiares que estan abandonadas y que estan bajo el control de la Resolution Trust Corporation, (RTC). El objective mayor es proveer mas viviendas que sean disponibles para familias de bajo ingreso.

El AIC trabaja tambien en proyectos de registracion de votantes, limpiezas del vecindario y seguridad.
Como Trabaja el Plan de Revitalizacion del AIC

Hay 16 propiedades abandonadas en el Acre, que antes eran la propiedad de un dueño con una hipoteca sostenida por un banco que quebró. El Resolution Trust Corporation (RTC), es un banco federal que tomo control de estas propiedades. El RTC ha puesto estas propiedades como parte de su programa para crear viviendas para personas de bajo ingreso. Ellos están dispuesto a venderle estos edificios a la ciudad de Lowell por $1, con el requisito de que estas propiedades sean usadas para proveer viviendas para personas de bajo ingreso. Un programa federal llamado HOME proveera los fondos para los gastos de reconstrucción de esos edificios que economicamente tengan sentido arreglar, otra vez con la condición de que estas propiedades sean para el beneficio de personas de bajo ingreso.

La Coalition for a Better Acre (CBA), la única organización en el Acre que tiene experiencia en la reparación de viviendas con la participación de los residentes; está dispuesto a tomar la responsabilidad de la reparación de estos edificios.

### Propuesta para los edificios Estapa -1 (1992-93)

<table>
<thead>
<tr>
<th>Propiedad</th>
<th>Recomendación</th>
</tr>
</thead>
<tbody>
<tr>
<td>188 Calle Fletcher.</td>
<td>DEMOLER - Usar la propiedad para estacionamiento y patio para el 202 de la Calle Fletcher.</td>
</tr>
<tr>
<td>202 Calle Fletcher</td>
<td>REHABILITAR - Convertir de 6 familias a 4, con 4 dormitorios por apartamento.</td>
</tr>
<tr>
<td>210 Calle Fletcher</td>
<td>DEMOLER - Usar como patio para el 202 de la Calle Fletcher con arboles entremedio del 220 de la Calle Fletcher.</td>
</tr>
<tr>
<td>226 Calle Fletcher</td>
<td>REHAB - Convertir 6 familias en 2, con 3 dormitorios por apartamento. (Requiere demoler la adición al posterior del edificio).</td>
</tr>
<tr>
<td>238 Calle Fletcher</td>
<td>DEMOLER - Usar para estacionamiento y área verde.</td>
</tr>
<tr>
<td>384-388 Calle Fletcher</td>
<td>REHAB - Mantener los 6 apartamentos con 4 dormitorios.</td>
</tr>
<tr>
<td>404 Fletcher St.</td>
<td>REHAB - Convertir 6 familia a 2, con 4 dormitoris por apartamento. (Requiere demoler parte posterior de edificio).</td>
</tr>
<tr>
<td>176 Calle Cross</td>
<td>REHAB - Mantener como 3 familias, con 3 dormitorios.</td>
</tr>
</tbody>
</table>
Metas del plan de Revitalización del AIC

- Convertir propiedades que están abandonadas en oportunidades para nuevos dueños y aumentar inversiones en el Acre;
- Aumentar inversiones que contribuyan a la estabilización de la vecindad;
- Estabilizar la comunidad para desarrollar de nuevo orgullo y promover el envolucramiento de residentes en actividades para el mejoramiento de la comunidad.
- Envolucrar residentes en el proceso de resolver asuntos de la comunidad y combinar los recursos de la comunidad para reclamar la vecindad y desarrollar una vida comunitaria.
¿Porque Demoler? ¿Porque Renovar?

La decisión a demoler el 238 de la calle Fletcher es basada mayormente en la condición física de la propiedad: renovación no es posible en términos físicos o económicos, por causa del daño extensivo de fuego que este edificio a sufrido.

La decisión para demoler el 188 de la Calle Fletcher y el 210 de la Fletcher fue diseñado para reducir la densidad y aumentar espacio para estacionamiento y actividades de afuera al immediato del edificio.

La demolición del 226 de la Calle Fletcher y el 404 de la Fletcher reducirá la densidad de estas viviendas (el cual fue causada por edificaciones adicionales a las estructuras existentes) y para crear más espacios para actividades afuera para los residentes de estos edificios.

Todos los edificios seleccionados para renovación:
- están estructuralmente sólido;
- pueden proveer oportunidades para nuevo dueños de casa para personas de bajo ingreso; con la prioridad de dueños residentes.
- son capaces de ser renovados para proveer menos unidades de viviendas pero aumentar el tamaño de aquellas que permanecen; unidades de viviendas de 3 y 4 dormitorios ayudara a reducir la necesidad de viviendas para familias grandes
- están ubicadas cerca de escuelas, iglesias, centros de compra, hospitales, transporteación y servicios de seguridad publica.
- contribuira a la continuación y vitalidad de los negocios mayores que se encuentran en las calles centrales del Acre, y el distrito de negocios central que estan al margen del Acre.
- están conforme a los estatutos y requisitos del gobierno federal, estatal, y gobierno local en sus programas para proveer viviendas para personas de bajo ingreso.

Propuesta para la Calle Fletcher entre las calles Brook y Franklin
From Abandoned Buildings to Acre Pride

Are you tired of looking at abandoned buildings? Are you fed up with vacant lots full of weeds and garbage? Are you sick of seeing our neighborhood used as a place for drug dealing?

Have you been wondering why our neighborhood got to be the way it is today? One reason is because the people who originally owned these properties only cared about making money. They took our money, they didn’t fix the problems and they walked away. Now, we have to figure out how to rebuild and how to never let that happen again. We have a plan and we need your involvement, now.

If you said yes to any of these questions then read on.

The Acre Improvement Committee (AIC), is a neighborhood association dedicated to the improvement and revitalization of the Acre. The AIC works with area residents, churches, businesses, homeowners, and agencies, such as the Coalition for a Better Acre (CBA), to develop improvement projects that address the needs identified by Acre residents. We are reaching out to the City and to the state and federal governments to help us reverse the prevailing climate of community disinvestment and neglect.

Community Master Plan

As part of community development and neighborhood revitalization, the AIC is designing a Community Master Plan centering on the intersection of Broadway and Fletcher St. and including nearby streets. The initial stage of this planning process is focused on the abandoned multi-family residential properties controlled by the Resolution Trust Corporation (RTC).

There are 16 abandoned buildings in the Acre, formerly owned by one landlord with a mortgage held by a bank that failed. The Resolution Trust Corporation (RTC), a government bank, took control of the buildings. The RTC has placed these properties in its Affordable Housing Program. If the AIC keeps the pressure on, the RTC will sell the properties to the City for $1, provided that the properties be made available for low- and moderate-income ownership and rental use.

The Coalition for a Better Acre, (CBA) with a track record of success in developing affordable housing with the participation of neighborhood residents, is ready to undertake the task of renovating these buildings.

Resident-Controlled Housing

The CBA and the AIC are studying various forms of resident-controlled housing that will help us achieve our primary goals:

- long-term housing affordability:
- neighborhood stabilization: and
- the encouragement of Acre pride and community spirit.

The following pages briefly summarize three types of housing ownership that we are studying: Mutual Housing Associations, Limited Equity Cooperatives, and Community Land Trusts.
What is a Mutual Housing Association?

A mutual housing association (MHA) is a form of collective housing ownership. It is a private, non-profit, tax-exempt organization that develops, owns, and manages the housing units. The MHA includes all the residents of the housing units and it may include additional representatives of the community, local institutions, government, and businesses. Each representative has one vote. The residents, however, are a majority of the MHA and therefore control it and the housing units. MHAs establish an occupancy agreement that provides for the lifetime opportunity to occupy a unit as well as the opportunity to pass the unit to their successor(s).

How does a Mutual Housing Association work?

The MHA is established by the residents, usually with technical assistance from a non-profit community development organization, such as the CBA. The members of the MHA set up rules and regulations for its governance including decision-making procedures, structure of the Board of Directors, guidelines for cooperative living, etc.

Residents sign an agreement (similar to a lease) that establishes occupancy and sets forth conditions for MHA membership. Residents usually pay a monthly housing charge (set by the MHA) to cover repairs, maintenance, insurance, taxes, management, etc. The MHA also establishes resident selection criteria.

Residents do not actually own their units and cannot sell them. They can, however, nominate a family or household member to succeed them in their unit, subject to the approval of the MHA.

What are the benefits of a Mutual Housing Association?

- An MHA provides long-term housing affordability by keeping housing out of the hands of real estate speculators.
- An MHA provides housing security by allowing residents to be lifetime members of the MHA and providing for the passage of the unit to a member of the resident’s family.
- An MHA provides community control of housing by establishing a membership association in which the residents are in the majority and that includes other representatives of the community.
- An MHA supports the development of community spirit by creating a method of housing ownership, management, and control that has residents and other community representatives working together to establish and oversee the policies and procedures that govern their housing.
- Overall shelter costs are reduced thereby leaving more disposable income for other family uses.
- Families receiving rental subsidies and/or public assistance are eligible for this housing program.
Limited Equity Cooperatives

What is a Limited Equity Cooperative?
A Limited Equity Cooperative (co-op) is shared ownership of housing. A co-op is a corporation made up of the people who live in the housing. Individual residents own a share of stock in the corporation which is typically made up of all the residents. They do not own their unit. Instead, ownership of a share of stock entitles the individual to a long-term lease on an apartment unit and a vote in the governance of the corporation. The individual is both a tenant (because of the lease with the co-op corporation) and an owner (because of their ownership of stock in the corporation.)

How do Limited Equity Co-ops Work?
Co-op members elect a Board of Directors of the corporation who assume primary responsibility for co-op governance, management, and operations. The Board may delegate specific decision-making powers to appointed committees (resident selection, grievance, etc.). Typically, co-op members pay a monthly fee that covers their portion of the project mortgage and the operating costs.

In a co-op, when residents leave, they sell their share of stock and not their unit. In a limited equity co-op, the value that can be obtained for the stock in the sale is restricted by a specific formula. This limited equity formula sets the maximum value that a seller can receive. The purpose of limiting the equity is to make the housing affordable for current and future residents.

What are the Advantages to a Limited Equity Co-op?
- Co-ops provide residents with direct control over their housing.
- Co-ops promote permanent affordability. Overall shelter costs are reduced thereby leaving more disposable income for other family uses. Downpayments are typically less than with more traditional forms of home-ownership, as well.
- Co-op members have less individual financial risk because of the corporate ownership structure.
- Co-op members have a better chance of getting bank credit than condominium or single family home buyers because co-op financing is typically arranged by the corporation (“blanket” financing).
- Families receiving rental subsidies and/or public assistance are eligible for this type of housing program.

For more information:
contact the Acre Improvement Committee or the CBA at 452-7523
Ask for Liz
What is a Community Land Trust?

A Community Land Trust (CLT) is a private, non-profit corporation created to acquire and hold land for the benefit of a community and provide secure, affordable access to land and housing for community residents. The land is made available to individual families, cooperatives, or other organizations through long-term (99 year) leases. Leases may be transferred to the leaseholders' heirs if they wish to continue use of the land. CLTs prohibit speculation and absentee ownership of land and housing and preserve long-term affordability of housing.

While leaseholders do not own the land they use, they may own their housing units.

How do Community Land Trusts work?

The CLT is a democratically-run membership organization with members coming from the landtrust leaseholders and the wider community. The CLT develops its own membership criteria. CLT members elect a governing board that includes leaseholders, non-resident members and others who represent the broader community interest. Committees of the CLT are selected by the Board to do the work of managing the organization, securing financing, creating lease agreements, selecting tenants, coordinating renovation and maintenance, etc.

What are the advantages of Community Land Trusts?

- CLTs provide residents with greater local control over land and housing ownership.
- CLTs provide long-term affordability by controlling the price owners receive if they sell their homes. Overall shelter costs are reduced leaving families more income for other uses.
- CLTs allow the community as a whole—rather than speculators or absentee owners—to benefit from grassroots development and increases in land value.
- Families receiving rental subsidies and/or public assistance are eligible for this type of housing program.
Planning agency makes public its reorganization

By JOHN NOVACK
Sun Staff

LOWELL — David Trietach, director of the city Division of Planning and Development, has unveiled his newly reorganized agency with high expectations that it will lead the city's economic revitalization.

"I think it's a very exciting time," Trietach said yesterday. "I think there will be a new energy here. I think there will be a clear direction, (with) procedures and standards."

Eleven DPD employees were retained, about half being rehired into new positions, while seven were laid off. Two had resigned during the seven-month reorganization process, and two others have been reassigned to other departments.

Most of the retained employees will receive pay raises in their new slots, but a few are taking pay cuts. Trietach said the overall department personnel budget will decrease.

City Manager Richard Johnson announced in January he was giving layoff notices to the entire department, in response to widespread criticism that the DPD was ineffective. The employees were allowed to reapply for jobs in a restructured department.

Trietach said the employees who were rehired now have an opportunity "to be re-energized and have another shot at it, and to be part of a successful team."

Trietach acknowledged disappointment that the two jobs of economic development specialists are unfilled. A woman who Trietach offered the senior economic development specialist's job to changed her mind at the last minute because she said the post, with a pay range of $38,000 to $42,000, did not pay enough.

"You go after the top people you can get," Trietach said, adding that he may re-advertise for the position. Please see PLAN 6

New staff, layoffs

Here is the staff of the newly reorganized Lowell Division of Planning and Development (* indicates a new appointment):

- Robert Mazzoni, assistant director, $45,000
- Diana Prideaux-Brune, chief planner, $45,000
- Robert Malavich, financial director of all federal, state and other grants programs, $42,000
- Stephen Conant, community development specialist, $38,000
- Anne Barton, traffic engineer, $35,000
- Michael Cassidy, administrator of Community Development Block Grant and HOME grant programs, $34,000
- James Duggan, senior housing technician, $33,000
- Jim Smith, neighborhood planner, $31,000
- Gerald Cook, housing rehabilitation technician, $25,000

Please see STAFF/6

City DPD reorganizes

PLAN/From Page 5

the post. Considering the focus on boosting economic development, "the key is to get highly qualified people. It's not a pick where I can compromise," he said.

Two other DPD jobs, a bookkeeper and a housing technician, are also unfilled.

Trietach went outside Lowell for his $45,000-a-year top assistant, Robert Mazzoni of Pittsburg, a former director of that city's public housing authority.

Trietach called Mazzoni a "megas-manager," someone who "is extremely solid in getting things done."

Jim Smith of Boston, who did an internship in Lowell recently when he was completing his Northeastern University master's degree program in public administration, was hired as the neighborhood planner. In Lowell, Smith worked on the federal grant application for the city's designation as an "enterprise community," Trietach said.

Robert Malavich, the past DPD director, will oversee the department's grants program including the Community Development Block Grant (CDBG) federal program. Michael Cassidy, who had led the CDBG program, will administer the CDBG and HOME programs, the assistant to Malavich.

Diana Prideaux-Brune, the current administrator of the Lowell Historic Board, will become chief planner, a $45,000-year job. Stephen Conant, the past planning director of the department who had vied for the director's and assistant director's jobs, instead was hired as the community development specialist.

Among other higher-paying DPD posts, Anne Barton is returning her job as traffic engineer. James Duggan will shift from assistant planner to a new job as senior housing technician.

New staff, layoffs at city DPD detailed

STAFF/From Page 5

- Nancy Spenard, executive secretary, $25,000
- Amy Solomon, housing secretary, $20,000
- Margaret White, design planner (part-time), $20,000
- Raquel Cruz, secretary-receptionist, $19,000
- Sandra Swainle, design planner (part-time), $18,600

Four positions in the reorganized department remain unfilled.

The following were laid off from the Division of Planning and Development:

- James Boenis, development director
- Michael Demaras, information officer
- David Gannon, assistant rehabilitation director
- John Harvey, assistant planning technician
- Laurie Looney, office manager
- Raymond Pare, senior rehabilitation specialist
- Charles Petroules, rehabilitation director

Also, DPD housing technicians Steven McMenamin and Edward Boyle left the department before the reorganization was complete.

Sources: Division of Planning and Development, fiscal 1994 city budget.
Luncheon for unity tomorrow

LOWELL — Two ethnic organizations will hold a first of its kind Unity Luncheon with the City Council tomorrow.

The Acre Improvement Committee and the Cambodian-American Voter League are sponsoring the event, aimed at improving ties between the Hispanic and Asian communities and City Hall.

The luncheon will be held from 11 a.m. to 1 p.m. Saturday at the Oblate Center, 517 Moody St. The Coalition for a Better Acre is sponsoring the event.

Acre group offers job training, loans

LOWELL — The Coalition for a Better Acre, 450 Merrimack St., is offering a self-employment training and loan program, in English and Spanish.

The program offers loans starting at $500 and self-employment training. Lowell residents and businesses are eligible.

For information, call Amalda at 452-7523.

16 abandoned properties bought by Lowell housing group

Lowell's Acre Improvement Committee successfully negotiated with the federal Resolution Trust Corporation to acquire 16 abandoned properties. Neal Newman of the affiliated Coalition For A Better Acre said they are working with local banks to get money to fix up to 35 units for low-income families.

He said a coalition of groups, including the state's housing partnership, local corporations and businesses and religious philanthropies are helping raise the more than $2 million needed for the work.

The buildings will then be owned by the occupants as cooperative housing, he said. "It's a significant breakthrough," Newman said. "It took a lot of energy and it was an exhausting process and exposed a number of roadblocks and inefficiencies in City Hall." Others who worked to put together the deal under which the properties were transferred to the committee were Evelyn Mejias, Joanne Sgouros and Elizabeth Gutierrez.
Groups ON deal on blighted properties

ACRE/From Page 1

tate market collapsed in the late 1980s.

The agreement involves the city; the Coalition for a Better Acre affordable housing organization; the RTC, a trust formed by the federal government to sell off properties from failed savings and loan institutions; and the Lowell Development Nominee Trust (LDNT), a private Lowell-based trust made up of local landlords David MacDonald and Robert Conway.

There are about 24 individual buildings on 20 parcels once owned by Chamberas.

Under the agreement, the LDNT will buy all of the properties from the RTC for $1 each, releasing Chamberas from his tax obligation. The LDNT will turn over nine properties to the Coalition for a Better Acre, five to the city, and keep six for itself, for either rehabilitation or demolition.

The city will write off the unpaid taxes on its properties, but the Coalition for a Better Acre and the LDNT will pay off the taxes on their properties, Johnson said. He said the Coalition for a Better Acre will get some of its money from funds the city receives through the federal HOME program.

The Coalition for a Better Acre hopes to rehabilitate its properties into 30 to 40 owner-occupied dwellings, according to Neal Newman, director of the CBA community development organization.

"It's been a long time coming. It was a very long, arduous, tedious process to take to this point today where we're finally closed on this," Malavich said at an impromptu news conference in a meeting room at the JFK Civic Center, where the parties finalized the agreement.

The paperwork is expected to be filed at the Registry of Deeds this week.

Newman said the CBA is preparing to begin renovation or demolition as soon as the federally backed funding plan is finalized. Some of the renovated units could be habitable by next fall, he said.

Pointing down at his footwear, Newman said, "I'm wearing construction boots for the rest of the year."

Malavich said that if the city followed the usual course to foreclose on the properties, it almost certainly would not have received the $450,000 in tax liens that had been placed on the properties, and the process could have dragged on in the courts for many more months.

Johnson said negotiations were slowed by the complexities of dealing with tax delinquent properties, the initial reluctance of various parties to proposed resolutions and the sheer number of parties involved.

The city plans to commit at least $550,000 in a HOME grant to various aspects of the RTC portfolio, according to Malavich. The Acre group and the LDNT will tap the funds for renovation, housing rental or purchase assistance programs, or demolition. The city will draw about $75,000 from the HOME program to knock down the five buildings it will acquire, Malavich said.

The federal HOME program provides money to state and local governments to assist low-income people seeking housing.

The U.S. Department of Housing and Urban Development recently told city officials that it was concerned that Lowell had not committed any of its nearly $1 million grant.

The city could lose the funds if they are not earmarked by August, but Malavich said yesterday's agreement all but guarantees that the city will use the grant.

The city's abandoned buildings program, using local, state and federal funds, has resulted in the demolition of more than two dozen properties so far. Under the current phase, 15 properties are expected to be taken down, and in phase four, at least 16 more will be razed.

The Massachusetts Affordable Housing Alliance, an advocacy group, estimated in a recent study that Lowell has 200 abandoned or "distressed" buildings citywide.

HUD chief plans to visit Lowell


Meehan said that Cisneros' agenda has not been determined, but the secretary will arrive from Washington in the morning and spend the morning meeting with community groups and touring Lowell's neighborhoods.

Meehan said he especially wants to talk to Cisneros about establishing business enterprise zones in Lowell and also increasing funding for the development of low-income housing in the city.

Meehan said he asked Cisneros to make the trip several months ago. Meehan announced the visit today during conversations with city officials he held this morning prior to taking a walking tour of the Acre neighborhood.

— GLEN JOHNSON
LOWELL — Nearly two dozen blighted and boarded-up properties, mostly in the city's Acre neighborhood, will be renovated or razed under a multiple-party agreement reached yesterday after nearly two years of negotiations.

"This is one of the most complex — but fruitful — real estate deals in the country," City Manager Richard Johnson said this morning.

Through the resolution, the city will receive about $450,000 of an estimated $600,000 in unpaid taxes and utility bills on the 20 abandoned parcels.

In addition, dozens of low- and moderate-income dwellings will be created and several of the most dilapidated apartment buildings will be torn down, according to Robert Malavich, director of the Division of Planning and Development.

The settlement of the so-called Resolution Trust Corp. (RTC) loan portfolio, also known as the Chambers property, is largely identical to the agreement in principle reached by the parties in late September.

The properties were owned by George Chambers of Chelmsford, a landlord who ended up losing vast amounts of properties in Massachusetts and Florida when the real es-

Please see ACRE/4

Dispo8sion of Chambers property

Coalition for a Better Acre, the city of Lowell and Lowell Development Nominee Trust will acquire 20 properties once owned by George Chambers:

COALITION FOR A BETTER ACRE
- 199-207 Broadway*
- 180-190, 202-204, 210 Fletcher St.*
- 226-230 Fletcher St.
- 238-246 Fletcher St.
- 404 Fletcher St.
- 387-399 Market St.
- 176 Cross St.
- 158 Salem St.
- 205-207 School St.

CITY OF LOWELL
- 384-388 Fletcher St.
- 256 Branch St.
- 441-445 Gorham St.
- 27 Newhall St.
- 8-10 Mill St.

LOWELL DEVELOPMENT NOMINEE TRUST
- 295-303 Dutton St.
- 20 North Franklin Court
- 16-162 Agawam St.
- 27-35 Butler Ave.
- 160-166 Pine St.
- 206-212 Pine St.

* These parcels have three buildings on them, but are considered a single piece of land.

The city of Lowell will acquire 384-388 Fletcher St.

Coalition for a Better Acre will acquire 404 Fletcher St.
Cooperation seen as key to revitalizing the Acre

By SCOTT WALLASK
Sun Staff

LOWELL — Cooperation among neighborhood groups and local government will help revitalize the Acre, said those who attended a lunch-time meeting yesterday afternoon.

The Unity Luncheon, at the Munkland School, brought civic leaders and members of several neighborhood organizations together to talk about problems in the Acre. About 55 people attended.

"There have been major divisions (in the Acre) ... and we need a sense of partnership and cooperation," said Angel Bermudez, president of the board of directors for the Coalition for a Better Acre. "We're putting out a challenge to city leaders and the new City Council" to help the neighborhood.

Several councilors were in attendance and pledged their support toward improving the neighborhood. Ethnic understanding was also encouraged.

"We have to be willing to bring people together from different ethnic groups," said Steve Gendron. "It doesn't cost a penny to bridge the division. It's something I want to do as a new city official."

Community leaders said the Acre's problems include housing deterioration, crime, the loss of small businesses and generational and cultural conflicts between Southeast Asian youths and their parents.

"Parents and children distrust each other ... The next generation is integrating a new culture," said Chiem Huon, chairman of the Cambodian American Voter League.

Neal Newman, executive director of the CBA.

City Councilor Grady Mulligan talks with Arlene Dias of Coalition for a Better Acre at Unity Luncheon.
“There are people over there who, (if) they know their job and that they are doing their job, and they’re qualified, then they have absolutely nothing to worry about.”

Richard Johnson
City Manager

Howe focused his recent inaugural address on economic development, saying the council must conduct its own investigation into the DPD “to get to the crux of the problem” and solve it. Howe said he hopes the reorganization will lead to “greater involvement” by the Lowell Plan, the quasi-governmental business development agency.

“This department is key to any future success that this City Council can expect to accomplish,” said Howe, who will chair the council’s special panel. Donahue and an unnamed third member will complete the special subcommittee.

Initial reaction by councilors during and after their regular meeting last night was surprisingly mild. They showed no visible anger, or enthusiastic endorsement, toward the manager’s decision.

Donahue, who filed the motion calling for the management audit of the DPD, said wholesale layoffs “have to be done if you’re properly going to recreate that department.”

“The council hired Dick Johnson to manage, and that’s his main purpose, to manage the city and to manage it the best way he knows how,” Councilor Edward “Bud” Caulfield said. “I know many dedicated people who work at DPD who do an outstanding job, and there are those who have been hired, throughout the years, through politics. We want to get the city back on track... The manager and this council will have to bite the bullet. In industry, it’s done all the time.”

Councilor Grady Mulligan, referring to another council vote last night to create a subcommittee to review Johnson’s

- flowering the manager to manage the way that he wants to manage, and in six months we’ll have an evaluation of whether we feel he has been going down the right path.”

During the meeting, Donahue brandished a DPD organizational chart, which he said showed that the department is full of employees overseeing tasks for which they were not trained, overqualified employees handling menial tasks.

“He obviously showed some enthusiasm for the motion,” Donahue said of Johnson. “I guess the one message you could say he sent to the council is that, as he said tonight, this was something he’s been thinking of doing. That just opens the question was he kept from doing it in the past?”

Today, Johnson said, “I would have done this a long time ago if I wouldn’t have gotten fired for doing it.”

Johnson said his decision to lay off the entire department reflects several discussions with the six freshmen councilors, many of whom accused the DPD of not doing enough to attract new businesses and maintain existing ones. The manager said he also consulted former directors of the DPD.

Newman said the criticisms that the DPD has become a political dumping ground have merit. Asked what a newly formed DPD must have, Newman replied, “Increased professionalism... They’ve got to stop using DPD as a place to hire friends of friends.”
City manager, council review major shakeup; 22 workers face layoffs

By JOHN NOVACK and GLEN JOHNSON
Sun Staff

LOWELL — The City Council and the city manager plan separate evaluations of the city’s Division of Planning and Development, vowing to restructure the department that is charged with improving Lowell’s neighborhoods, businesses and housing stock.

The reviews were announced yesterday, the same day all 22 employees in the department were told they would be laid off on July 1, the start of the city’s next fiscal year.

Layoff targets dismayed

Johnson told Robert Malavich, the DPD’s director, of his decision during a private meeting between the men Monday afternoon. Malavich relayed it to his staff during a hastily arranged meeting yesterday morning.

Johnson said the employees will be allowed to re-apply for jobs in a reconstituted department.

In the interim five months, Johnson and the City Council will undertake separate studies of how the department, which has a $759,000 annual budget, should operate. Johnson said the lag time also will allow the employees to prove their value to the department or to find other jobs.

Johnson denied that the wholesale sacking was designed to avoid criticism of his stewardship of the department by Lowell’s new city councilors. Many of them criticized the planning department’s effectiveness in their recent election campaigns.

Please see RESTRUCTURE/4

RESTRUCTURE/From Page 1

The City Council decision to conduct its own review came last night at the first full session of the new council.

The council subcommittee will include Mayor Richard Howe, Councilor Matthew Donahue and one other councilor.

Department is defended

Malavich defended his department in a lengthy interview yesterday. He said the department has been effective, but hampered by the loss of experienced personnel, and excessive work heaped on those who remain.

“I have to say that with the staff we have, I’m surprised we’re getting as much done as we are,” Malavich said. “What we’re not doing are the innovative things because we have less capability to deal with them.”

Howe said the planning department’s reorganization is “probably the most important issue we’ll face” in the councilors’ two-year term, because changes in the DPD can directly affect the city’s ability to maintain and attract businesses.

During the 1980s the department was hailed for assisting the city’s economic boom. In recent years, the DPD has been criticized for its lack of involvement in economic development, and for allegedly providing patronage jobs for the politically connected.

Johnson said he will announce the layoffs formally on Friday, when he will meet individually with employees.

Johnson said Malavich would be among those receiving layoff notices, but Malavich said this morning that he has some sort of job tenure because he was working for the City Development Authority in the mid-1970s when it was transformed into the Division of Planning and Development.

“I never really paid much attention to (the tenure) because I was never concerned with it,” Malavich said. “I’ll be checking what kind of job security I have.”

The department has a formal staff of 22 employees. Nine additional employees will not be laid off, because their jobs are funded exclusively by the state and federal governments.

Four work under a construction trade grant, and five others work under an anti-smoking grant from the state.

LIFE GOES ON: John Harvey, left, and Jim Duggan of the Planning Dept. at work today.

“I think the depth that we have to go in this reorganization pertains to every single person within that department, and we’re looking at major organizational changes,” Johnson said. “There are people over there who, if they know their job and that they are doing their job, and they’re qualified, then they have absolutely nothing to worry about. If they don’t meet that criteria, then they’ve got something to worry about.”

Blue-ribbon panel planned

Johnson plans to empanel a five-member blue ribbon commission to recommend a reorganization. He said the commission’s membership will include a representative from the U.S. Department of Housing and Urban Development, the state Executive Office of Communities and Development and the management department of the University of Massachusetts at Lowell.

Johnson said he does not yet know who the other two members will be, nor has it been determined how the manager will select the agency representatives.

Criticism of the DPD in recent months has come from a variety of sources, including former U.S. Sen. Paul Tsongas, neighborhood housing activist Neal Newman, and most of the freshmen councilors.

Tsongas, who played a key role in Lowell’s economic redevelopment during his tenure as senator, said recently that the city was poised to begin several new significant projects, including the planned downtown sports and convention arena.

“The question is whether the city planning department is going to be capable of handling this, and whether these projects can go forward.” Tsongas said recently. “Right now, all the work is being done by Jim Cook and the Lowell Plan. That’s all right while these things are in the discussion stage, but when things start to plug in, you could have problems.”

Newman, executive director of the Coalition for a Better Acre, a community improvement organization that deals frequently with the DPD, was not dismayed at Johnson’s move.

“There seems to be no coordinated response from the DPD when it comes to economic development,” particularly small neighborhood businesses, Newman said yesterday.

He cited a CBA survey of 125 Acre-based businesses last year that showed more than 80 percent of respondents received no support from City Hall in either loans, grants or technical assis-
Panelists were, from left, David Martinez and Joanne Sgouras of the Acre Improvement Committee and Nick Mann and Sithra Chan of the Cambodian-American Voter League.

**City Council Candidates Forum**

Hopefuls focus on neighborhood issues/15

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**CBA gives mayor backhanded compliment**

Mayor Tarsy Poullos wasn't on hand Monday night when the Coalition for a Better Acre held its annual meeting. It's just as well, because the kudos doled out to Poullos were anything but sincere.

CBA Executive Director Neil Newman, after thanking several people who helped the neighborhood organization, started to thank Poullos for his efforts. That prompted some puzzled comments from the crowd, but Newman quickly explained himself.

"The more he tries to put us out of business, the more he makes us stronger," Newman said. The mayor's opposition, according to Newman, just makes CBA supporters fight all the harder.

Poullos, an Acre resident, has acknowledged he has disagreements with the CBA, but maintains that he is trying to make the organization accountable.

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**Council candidates forum tonight**

A reminder: City Council candidates will discuss neighborhood issues at a public forum at 7 tonight at Middlesex Community College's downtown campus. The event is sponsored by the Cambodian-American Voter League and the Acre Improvement Committee.
If this minority coalition start of a political force?

By PAUL SULLIVAN
Sun Staff

Last night, a group of activists hosted a pean or whatever I am called, this had the expectation of a basic "minority group" forum on government access.
Questions would involve traditional squawking:

COMMENTARY

Complaints about not being part of the government process.
Buzzwords like "inclusion" and "partnership."
Pat candidate answers like the "best person should be hired."
Candidates avoiding politically incorrect terms like "quotas" and "affirmative action."
Then there was the panel of 17 council candidates. They made you think you were looking at an NHL team picture — just a sea of white faces.
But then you looked at the racially mixed audience.
The organizers of this event, members of the Cambodian-American Voter League and the Acre Improvement Committee, had flowers in their lapels and family members in the audience. It was prom night for these folks, a really big deal.
This was the first step in cementing a partnership of the Cambodian and the Hispanic communities.
The advent of this partnership was the real news that occurred last night.
The Acre Improvement Committee and the Cambodian American Voter League are both Acre neighborhood groups that are associated with the Coalition of a Better Acre (CBA).
On the surface they would seem to have the same basic agenda. The CBA has long been seen as one of the real champions of Hispanic issues in the city of Lowell.
With the influx of Southeast Asians, who like so many minority groups before them, moved into the Acre section of the city, this would seem to be a natural union.
The fact is, said Elizabeth Gutierrez, a community organizer, the two groups have had many cultural barriers to overcome before they could even meet last night's event.
"Our issues are as different as those within the different sections of the city," Gutierrez went on.
"Our issues are as different as those within the different sections of the city," Gutierrez went on.
"Our issues are as different as those within the different sections of the city," Gutierrez went on.
"Our issues are as different as those within the different sections of the city," Gutierrez went on.
Really? I always figured that minority groups had the same beefs. And then I thought about Lowell's history: waves of immigrants — the Irish, the Franco-Americans, the Greeks, the Portuguese. All these groups had their individual languages and cultural barriers. And they each learned to work together to become a political force in the city.
Neal Newman, executive director of the CBA, sees my fleeting impression that all minorities are the same as part of the problem that the Coalition for a Better Acre fights all the time.
"These people have as many differences between them as any other culture," says Newman.
"We are just starting to bring this group together. This is the first step to making them a political force. Together the groups represent thousands of votes."
"But until we get to the polls we wouldn't be heard."
You have to wonder, if this coalition of Acre residents stays together, what their impact on the elections in the city will be. You can rest assured that next time there is a candidates' night the mayor of the city will not dare to blow it off.
Oh, did I forget to mention that the only candidate who didn't show up was Mayor Taray Poulios?
You have to wonder what this new group of activists thought, when Poulios, who lives in the Acre, couldn't find the time.
It was probably not a problem because Mayor Poulios told the coalition that he couldn't go because he had to attend a School Committee meeting.
I sure hope the folks didn't see school committeeman Ken Powers there for most the forum, because he had attended the same meeting that seemed to keep Poulios away.
It probably showed them that they'd best stay together if they are going to be heard.
Acre group hears pros, cons of cooperative housing

By RICHARD THOMPSON
Sun Correspondent

LOWELL — A housing expert told a citizens group from the Acre last night that building a feeling of community is one of the benefits of cooperative housing.

The Ownership Subcommittee of the Acre Improvement Committee met with Eric Siegal, executive director of the Boston-based Association for Resident Control of Housing (ARCH), as part of its review of housing ownership options. The committee is working on a plan to provide affordable housing units for low- and moderate-income families in the Acre section of the city.

Siegal explained that in a cooperative, commonly known as a co-op, a group of people form and purchase shares in a corporation. He added that the corporation then purchases a building and each shareholder has a right to live in one apartment in the building. Siegal said that the cost of a share is normally the same as a security deposit for an apartment.

Siegal said that co-ops build a feeling of community because the residents must meet to elect the board of directors and to solve problems and set rules for the co-op. However, Siegal cautioned, since the 16 properties are scattered throughout the Acre, they may have a problem with organizing just one co-op for the entire project. He added that involvement by all of the residents in the co-op is important, but it becomes difficult to get people to attend meetings when the units are scattered.

Liz Gutierrez, a staff member with the Coalition for a Better Acre explained that the Ownership Subcommittee was formed to look at the housing ownership options and see what works best for the community. The coalition, through a community land trust, is in the process of purchasing 16 vacant, multifamily properties in the Acre from the Resolution Trust Corporation.
Neighborhood issues dominate forum

Council candidates quizzed on concerns dear to minorities

By JOHN NOVACK
Sun Staff

LOWELL — Less than a week before the general election, City Council candidates gathered last night to discuss core neighborhood issues of crime, city services and accessibility to local government.

All candidates agreed that the city should offer more recreational and cultural programs for the city's youth as one way to reduce street crime and improve conditions in poorer neighborhoods.

Most hailed the community policing concept.

A majority of the hopefuls oppose the non-binding referendum regarding term limitations for elected municipal officials and most endorse the Plan E form of government.

The only one of the 18 candidates not at the forum was Mayor Tasry T. Poulin.

Many questions posed to the candidates who attended the forum dealt with improving conditions for minority residents.

That was expected because the forum at Middlesex Community College was sponsored by two community groups comprised largely of people with Southeast Asian and Hispanic backgrounds.

The Cambodian-American Voter League and the Acre Improvement Committee, with support from Lowell Cablevision and Middlesex Community College, organized the televised forum, which was attended by about 600 people. "I think it went well because they answered a lot of questions that needed to be addressed," said Acre Committee member Angela Dennis, co-chairwoman of the group's VOTE '93 campaign.

Dennis said the controlled format made for a forum devoid of verbal warfare between candidates at the two-hour event.

Even the challengers, who had a chance to highlight the poor showing of most incumbent councilors in the October preliminary election, agreed that the most general pronouncements advocating change at City Hall.
Vacant Lowell buildings to be razed, renovated

LOWELL SUN 9.28.93

By JOHN NOVACK
Sun Staff

LOWELL — Nearly two dozen vacant tax-delinquent buildings, mostly in the Acre neighborhood, will be rehabilitated or torn down under a multiparty agreement announced today.

City and neighborhood officials hailed the settlement of the so-called Resolution Trust Corp. (RTC) loan portfolio, or the Chamberas properties. For about two years, the city has been engaged in negotiations with the property owner, federal housing authorities and the Coalition for a Better Acre (CBA), an affordable housing development group, to redevelop or demolish the buildings, in part through the city's abandoned buildings project.

The agreement is the "least costly and most expeditious" method for settling the lengthy legal battle over the properties, on which about $600,000 in back taxes is owed, according to Robert Malavich, director of the Lowell Department of Planning and Development. The agreement hinges on homeownership of dwellings that will be rehabilitated, Malavich added.

Government and public safety officials and community activists say the vacant buildings are potential fire traps, are unsightly and attract criminal activity, such as drug dealers and prostitutes.

Under the proposed agreement, the city would acquire site control of most of the properties through buying the mortgage from RTC, and would work with the CBA, Lowell Development Realty Trust and the RTC to develop affordable units for rental and purchase for low- and moderate-income Acre residents. The entities that acquire the properties are responsible for paying back the total of about $600,000 owed on the properties.

According to James A. Dugan, the city's assistant planning director, the abandoned buildings project, using local, state and federal funds, has resulted in the demolition of 27 properties so far. Under the current phase, 15 properties are expected to be taken down, and in phase four, at least 16 more will be razed.

Please see VACANT/10

Pact reached on vacant buildings

VACANT/From Page 9

U.S. Rep. Martin Meehan, speaking at the press conference from Washington by speaker phone, said he was optimistic that the city will receive $1 million in additional federal funds to demolish or renovate abandoned or condemned properties.

The RTC portfolio and the proposed actions are: 199-207 Broadway St., renovation with partial demolition; 205-303 Dutton St., renovation; 180-190 Fletcher St., 202-204 Fletcher St. and 210 Fletcher St., demolition and new construction; 219-230 Fletcher St., renovation; 236-246 Fletcher St., vacant parcel to be used as yard or parking lot.

Also, 384-388 Fletcher St., 404 Fletcher St., 205-207 School St., 160-162 Agawam St., 27-35 Butler Ave., 160-166 Pine St. and 208-212 Pine St. will all be renovated, with reductions in dwelling unit density in most cases. Buildings at 20 No. Franklin Court, 8-10 Mill St., 27 Newhall St., 441-445 Gorham St., 176 Cross St., 158 Salem St. and 256 Branch St. will be demolished, with some new construction on the sites.

Clark Ziegler, director of the Massachusetts Housing Partnership, a public agency, said the agreement speeds the acquisition of the tax-delinquent properties. Neal Newman, director of the CBA community development organization, predicted that some demolition and renovation work could begin within several months...
City asked to buy 20 Acre buildings for rehabilitation

By CHRISTOPHER SCOTT and DAVID ARNOLD
Sun Staff

LOWELL — Using an abandoned, boarded-up Fletcher Street triple-decker as a backdrop, two neighborhood groups staged a low-key protest yesterday afternoon they hope will persuade the city in helping them rehabilitate 20 abandoned buildings, all in the Acre.

The protest was staged in front of 388 Fletcher St. by the Acre Improvement Committee (AIC) and the Coalition for a Better Acre (CBA).

Reached after the protest, City Manager Richard Johnson said he will meet with both groups. But he also cautioned them that transferring ownership of vacant buildings is a convoluted and time-consuming process.

According to Steve Schnapp, the CBA’s director of organizing, all the properties are owned by George Chambers. Chambers has an unlisted telephone number and The Sun could not reach him for comment.

The buildings’ mortgages, however, are held by the federal Resolution Trust Corp.

Schnapp said the CBA and AIC have been trying to convince city leaders to acquire the properties from the Resolution Trust Corp. for $1 each, and then deed them over to the CBA and the Merrimack Valley Housing Partnership.

“The CBA and AIC hoped that the city would have negotiated with the RTC and/or Chambers to acquire the properties and then transfer ownership to the CBA for development this summer,” said Schnapp. “The city, however, did not vigorously pursue obtaining these buildings and the result has been that their deterioration continues while vandalism, drug traffic, and prostitution go on in and around them unabated.”

The frustrations of Acre residents are at the boiling point, organizers said.

“People are fed up with the crime, the abandoned buildings and drug dealing,” said AIC member Edna Martiner. “We want to make a statement to City Hall that something should be done.”

Johnson said he wants the situation resolved as quickly as the AIC and CBA. “But it’s not simple. Whenever we have to deal with the Resolution Trust Corp., it is difficult because they go by laws only God can understand,” he said.

Johnson said the city is trying to take over ownership of the properties, but stressed it takes time. “This can’t be done overnight,” he said.

Robert Malavich, the city’s planning and development director, said yesterday he shares “the frustrations about how long it has taken” to resolve the situation.

He said the city has agreed to forgive more than $500,000 in municipal tax liens owed on the properties if Chambers would agree to deed the properties over to the city for $1 apiece. Malavich said Chambers turned down the offer, but Malavich was “not sure” why, nor could he specify what kind of an arrangement would satisfy Chambers.
City OKs plan to buy 10 vacant properties

By DAVID ARNOLD
Sun Staff

LOWELL – The city has agreed to purchase 10 abandoned buildings at bargain prices, with plans to rehabilitate most of the properties as affordable housing.

Following negotiations with the Federal Deposit Insurance Corp., the city has agreed to purchase seven of the properties with a total of 25 housing units for $150,000, U.S. Rep. Martin Meehan (D-5th District) announced at a press conference today. The city has also reached an agreement with Recoll Management Corp. to acquire three more properties for an additional $34,000, Meehan said.

The 10 properties have a combined assessed value of more than $1 million, Meehan said.

The City Council approved the acquisitions last night and forwarded the negotiated agreements to the city Law Department.

Calling the acquisitions "an important first step in stabilizing our neighborhoods," Meehan said the city will attempt to rehabilitate eight of the properties under the city's HOME Investment Partnership Program before selling units to low and moderate income families.

The properties targeted for rehabilitation include 571 Broadway St., 12 Corson St., 5 Dalton St., 69 W. Fourth St., 62 Nichols St., 21 Rockdale Ave. and 775 Bridge St., all acquired from FDIC, and 774 Livingston Ave., acquired from Recoll. The other two Recoll properties acquired – 752 Merrimack St. and 61 W. Third St. – will be demolished, Meehan said.

Recoll is a servicer of FDIC properties owned by the failed Bank of New England. Since Jan. 1, Recoll has sold 96 affordable housing assets and has 59 others under agreement to be sold, said Robert Moynahan, Recoll sectional team leader.

Meehan said the city has an obligation to create home ownership as a way to rebuild its neighborhoods.
LOCAL NEWS

City seeks funds for police, condemned property

By JOHN NOVACK
Sun Staff

LOWELL — Two separate but related issues — abandoned properties and police protection — intertwined during a series of City Council discussions last night.

A common ground for the debate was money, specifically how the city can pay for more police and for the rehabilitation or demolition of condemned buildings, which are known public safety hazards and magnets for drug users and prostitutes.

City Manager Richard Johnson said last night that the city is applying for a series of federal and state grants for increased police personnel. A new state grant funds so-called community policing, which involves officers assigned to neighborhoods and acting in a quasi-social service capacity in addition to patrolling the streets.

A previously funded community policing program is expected to begin next month in Centralville.

Johnson said the city will apply for $1 million from the state grant pool and will seek even more funds from separate federal grants for crime-stricken communities. In response to public complaints about an increase in crime, the manager has floated a proposal to override tax-limiting Proposition 2 1/2 to pay for more police. Johnson has noted that he will drop the proposal if the city finds alternate funding sources.

In a related issue, Councilor Bernard Lemoine, a former police official, announced last night that his Anti-Crime Task Force will invite state and federal elected officials to a meeting early next month to discuss ways of combatting crime.

Lemoine and other councilors bemoaned an increase in crime, and the budget restraints which have pared the Police Department. Councilors are inviting Police Superintendent John Sheehan to their Sept. 14 meeting to discuss general staffing levels and crime statistics.

Councilors earlier voted to take steps to raze an abandoned building at 15 Richmond St., which was damaged in a fire in July. Several neighborhood residents pleaded with councilors to demolish the building, because it has attracted drug users and prostitutes.

Several councilors grilled Johnson over the slow progress in implementing federally funded housing rehabilitation grants. Johnson, responding to a letter from a regional office with the U.S. Department of Housing and Urban Development, said the city is preparing to utilize the $1.6 million in so-called HOME funds.

Johnson also rebutted suggestions that he has stonewalled the Coalition for a Better Acre, an affordable housing group, in its plans to utilize some of the federal funds. Mayor Tarsey T. Poulos, chairman of the Neighborhood Subcommittee, noted that the Acre group and any other community organizations should air plans for affordable housing developments through the subcommittee.
Contributors and partners with the CBA have included:

FOUNDATIONS AND RELIGIOUS INSTITUTIONS
Adrian Dominican Sisters • Agnes M. Lindsay Trust
Amelia Peabody Charitable Fund • Baldwin Foundation
Ben and Jerry’s Foundation • Boston Safe Deposit & Trust Co.
Campaign for Human Development • Cardinal’s Appeal Fund
Charles S. Mott Foundation • Claretian Fathers Fund
Episcopal Bishops Fund • Episcopal City Mission
Evangelical Lutheran Church of America • Jewish Fund for Justice
Marianist Sharing Fund • Partnership for Democracy
Stevens Foundations • SUN Microsystems Inc.
The MS. Foundation • Theodore Edson Parker Foundation

PUBLIC SECTOR
Senator Edward Kennedy • Senator John Kerry
Commonwealth of Massachusetts
Executive Offices of Communities and Development (EOCD)
Dept. of Public Health (DPH) • Dept. of Industrial Accidents (DIA)
City Manager’s Office, Lowell
Dept. of Housing and Urban Development (HUD)
Resolution Trust Corporation (RTC)
Lowell Development and Finance Corporation and
Member Banks of the First Mortgage Loan Pool
Lowell Historic Preservation Commission (LHPC)
Middlesex Community College • University of MA at Lowell
Community Development Finance Corp. (CDFC)
Community Economic Development and Assist. Corp. (CEDAC)
Massachusetts Government Land Bank
Governor’s Alliance Against Drugs

PRIVATE SECTOR
Aetna’s Neighborhood Development Initiatives Program
Analog Devices • Colonial Gas Company
Commercial Bank and Trust Company • Enterprise Bank and Trust
Fleet Bank • IBM • Raytheon Corporation
Shawmut Bank and Foundation • Weber Charities Corporation
CBA helps people in our community get together to determine how to rebuild our own neighborhoods. Our organizing focus is to encourage leadership from the Acre and build strong democratically-led neighborhood associations and city-wide alliances. From the North Canal Tenants Council to the Acre Improvement Committee, CBA supports Acre residents who seek safe and healthy living spaces. We support Acre youth who want to reduce substance abuse and gang violence and are working to create a neighborhood-based youth center. We support Latinos and Southeast Asians who are working to improve our local economy and we encourage local campaigns for economic justice and the improvement of neighborhood life.

CBA has successfully developed hundreds of permanently affordable housing units in partnership with lower and moderate income people. Our 44-unit Triangle Homeownership Project in 1985 helped stop the decline of the Triangle neighborhood. Our nationally acclaimed redevelopment of the 267-unit North Canal Apartments, the first community takeover of a HUD-controlled 221 (d)3 development, succeeded at renewing a vital housing complex once considered beyond hope. CBA’s most recent Merrimack Street project resulted in new apartments for families and storefronts for community businesses to grow. During the 1990’s, CBA continues to actively lead revitalization efforts in the Triangle neighborhood and throughout the region. Further advancements, as part of the Triangle Action Plan-Phase II, will include new uses for scores of abandoned buildings that blight the neighborhood. CBA is helping Acre residents determine which buildings can be saved, how open space can become part of future improvements and how local people can assert control over our own housing stock and commercial properties.

CBA’s goal is to increase the power local residents have to determine the way in which our community is run. The Enterprise Development Center (EDC) examines how our community can benefit from supporting existing neighborhood businesses and stimulating new retail and manufacturing enterprises. The Community Ventures Fund (CVF) provides various forms of working capital for local business-people. The Acre Family Day Care Corporation (AFDCC) prepares local women for careers in day care and human services who have previously depended upon the social welfare system. The Acre Food for Acre Residents (AFAR) project explores how neighborhood residents can collectively assert greater control over their food budgets.
In 1982, a group of neighborhood residents, local clergy, businesspeople and nonprofit leaders came together to fight against a City-sponsored plan to raze the Triangle section of the Acre and displace hundreds of lower and moderate income people of Latin American, Asian and European descent. By late spring, the Coalition for a Better Acre (CBA) was formed to implement resident-inspired visions for the renewal of the Triangle neighborhood and the Acre community.

CBA is Lowell’s only community-based development organization and is regarded as one of Massachusetts’ most successful and unique development groups. Since 1982, CBA has developed hundreds of permanently affordable housing opportunities including the Triangle Homeownership Project and the nationally recognized redevelopment of the North Canal Apartments. Currently, CBA continues to rejuvenate the Acre by stimulating new neighborhood-based businesses and rehabilitating scores of abandoned properties.
Community Vision

In 1993, playgrounds of your new building one volunteers and residents and North Canal CBA
Attachments # 6

Organizational Information

- Chart
- Financials
Acre Family Day Care Corp.
CBA provides Fiscal Management services

Coalition for a Better Acre
Organizing, Real Estate, Economic Development & Administration

Acre Triangle CDC
CBA's Wholly owned subsidiary

Limited Partners
(Investors) Capital Contributions

General Partner
No. Canal Housing Trust, Inc.

Limited Partners
(Investors) Capital Contributions

General Partner
Acre Merrimack, Inc.

* North Canal Tenants Council = 40% Ownership
** North Canal Tenants Council = 30% Ownership
REVISED
CBA BOARD OF DIRECTORS MEETING
AGENDA
12. 9. 93

Board Committee meetings  5:30 - 6:30 pm

Welcome, Fr. Jaime  6:45 pm
   Introductions of Board members and staff

Committee Report  6:55
   Executive Committee, Fr. Jaime
       Update on Executive Director's evaluation

New Board members elected: Fr. Jaime  7:25
   Thel Sar replacing Carol Dion as at-large rep.
   Angel Torres, Acre resident.
   Sithra Chan, CMAA rep.

Bylaws changes: Discussion and vote.  7:30
Ratification of November endorsements.
Ratification of 1994 Budget.

Board Orientation, part 1  7:55 - 9:15 pm
   Conducted by Mark Levine

Close CBA Meeting
Coalition for a Better Acre  
Statement of Revenue and Expenses  
For 11 months ended November 30, 1993  

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<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Operations</strong></td>
<td>103,150</td>
<td>79,925</td>
<td>1,324</td>
<td>15,111</td>
<td>3,345</td>
<td>991</td>
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</tbody>
</table>

Subtotal Expenses  
Admin Allocation  
Total Expenses  

<table>
<thead>
<tr>
<th>Surplus (Deficit)</th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(12,077)</td>
<td>2,965</td>
<td>(17,233)</td>
<td>0</td>
<td>0</td>
<td>2,192</td>
</tr>
</tbody>
</table>

12/9/93
Coalition for a Better Acre  
Statement of Revenue and Expenses  
For 11 months ended November 30, 1993

<table>
<thead>
<tr>
<th></th>
<th>Year to Date Amount</th>
<th>Year to Date Budget</th>
<th>Variance</th>
<th>Annual Budget</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>REVENUE</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Service Contracts</td>
<td>32,580</td>
<td>$126,500</td>
<td>(93,920)</td>
<td>$138,000</td>
</tr>
<tr>
<td>Grants</td>
<td>191,094</td>
<td>242,458</td>
<td>(51,364)</td>
<td>264,500</td>
</tr>
<tr>
<td>Contributions</td>
<td>13,579</td>
<td>11,458</td>
<td>2,120</td>
<td>12,500</td>
</tr>
<tr>
<td>Project Fees</td>
<td>257,353</td>
<td>186,888</td>
<td>70,465</td>
<td>203,878</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>140</td>
<td>140</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Interest Income</td>
<td>3,315</td>
<td>3,315</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>498,060</strong></td>
<td><strong>$567,305</strong></td>
<td><strong>($69,245)</strong></td>
<td><strong>$618,878</strong></td>
</tr>
</tbody>
</table>

| **EXPENSES:**        |                     |                     |          |               |
| Salaries & Fringe Benefits | 394,059          | 437,963             | 43,904   | 477,778       |
| **Occupancy:**       |                     |                     |          |               |
| Rent                 | 10,400              | 10,308              | (92)     | 11,300        |
| Utilities            | 1,849               | 2,750               | 1,101    | 3,000         |
| Cleaning & Maintenance | 879               | 1,833               | 955      | 2,000         |
| **Total Occupancy**  | **12,927**          | **14,891**          | **1,964** | **16,300**    |
| **Operations**       |                     |                     |          |               |
| Audit                | 12,100              | 12,100              | 0        | 13,200        |
| Contracted Services  | 35,710              | 45,833              | 10,124   | 50,000        |
| Advertising          | 3,754               | 1,650               | (2,104)  | 1,800         |
| Travel               | 3,276               | 5,042               | 1,766    | 5,500         |
| Meeting Expense      | 6,291               | 3,867               | (2,624)  | 4,000         |
| Board Annual Meeting Exp. | 3,590             | 1,375               | (2,215)  | 1,500         |
| Telephone            | 3,026               | 7,333               | 4,307    | 8,000         |
| Office Supplies      | 6,583               | 6,875               | 192      | 7,500         |
| Printing & Copying   | 2,558               | 5,042               | 2,484    | 5,500         |
| Postage              | 4,365               | 3,667               | (698)    | 4,000         |
| Dues Subscriptions & Publicatio | 1,776             | 3,867               | 1,991    | 4,000         |
| Data Processing      | 1,328               | 1,650               | 322      | 1,800         |
| Program Expense      | 4,607               | 4,583               | (24)     | 5,000         |
| Insurance            | 5,720               | 5,042               | (678)    | 5,500         |
| Equipment Rental & Maintenance | 1,969           | 1,833               | (136)    | 2,000         |
| Bank Service Fees    | 15                  | (15)                |          |               |
| Miscellaneous        | 548                 | 4,125               | 3,577    | 4,500         |
| Interest Expense     | 38                  |                     | (38)     |               |
| Depreciation         | 5,698               |                     | (5,698)  |               |
| **Total Operations** | **103,150**         | **113,483**         | **10,333** | **123,800**  |
| **Subtotal Expenses** | 510,137          | 566,338             | 56,201   | 617,878       |
| Admin Allocation     | 0                   |                     |          |               |
| **Total Expenses**   | **510,137**         | **566,338**         | **56,201** | **617,878**  |
| **Surplus (Deficit)** | (12,077)         | 967                 | (13,044) | 1,000         |

12/9/93
## Proposed Budget-1994

### REVENUE

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Service Contracts</td>
<td>$138,000</td>
<td>32,580</td>
<td>$15,550</td>
<td>48,130</td>
<td>173,875</td>
</tr>
<tr>
<td>Grants</td>
<td>264,500</td>
<td>191,094</td>
<td>25,000</td>
<td>216,094</td>
<td>296,000</td>
</tr>
<tr>
<td>Contributions</td>
<td>12,500</td>
<td>13,579</td>
<td>1,000</td>
<td>14,579</td>
<td>23,630</td>
</tr>
<tr>
<td>Project Fees</td>
<td>203,878</td>
<td>257,353</td>
<td>1,800</td>
<td>259,153</td>
<td>220,500</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>140</td>
<td>140</td>
<td></td>
<td>140</td>
<td></td>
</tr>
<tr>
<td>Interest Income</td>
<td>3,315</td>
<td>250</td>
<td>3,565</td>
<td>1,500</td>
<td></td>
</tr>
<tr>
<td><strong>Total Revenue</strong></td>
<td><strong>$618,878</strong></td>
<td><strong>498,060</strong></td>
<td><strong>$43,600</strong></td>
<td><strong>$541,660</strong></td>
<td><strong>$715,506</strong></td>
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</table>

### EXPENSES:

<table>
<thead>
<tr>
<th>Category</th>
<th>1993</th>
<th>1994</th>
</tr>
</thead>
<tbody>
<tr>
<td>Salaries &amp; Fringe Benefits</td>
<td>477,778</td>
<td>536,455</td>
</tr>
<tr>
<td><strong>Occupancy</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rent</td>
<td>11,300</td>
<td>13,800</td>
</tr>
<tr>
<td>Utilities</td>
<td>3,000</td>
<td>2,500</td>
</tr>
<tr>
<td>Cleaning &amp; Maintenance</td>
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<td>2,200</td>
</tr>
<tr>
<td><strong>Total Occupancy</strong></td>
<td>16,300</td>
<td>18,500</td>
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<tr>
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<tr>
<td>Audit</td>
<td>13,200</td>
<td>13,500</td>
</tr>
<tr>
<td>Contracted Services</td>
<td>50,000</td>
<td>80,500</td>
</tr>
<tr>
<td>Advertising</td>
<td>1,800</td>
<td>3,000</td>
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<tr>
<td>Travel</td>
<td>5,500</td>
<td>4,500</td>
</tr>
<tr>
<td>Meeting Expense</td>
<td>4,000</td>
<td>3,000</td>
</tr>
<tr>
<td>Board Annual Meeting Exp.</td>
<td>1,500</td>
<td>2,000</td>
</tr>
<tr>
<td>Telephone</td>
<td>8,000</td>
<td>7,800</td>
</tr>
<tr>
<td>Office Supplies</td>
<td>7,500</td>
<td>7,000</td>
</tr>
<tr>
<td>Printing &amp; Copying</td>
<td>5,500</td>
<td>3,000</td>
</tr>
<tr>
<td>Postage</td>
<td>4,000</td>
<td>5,000</td>
</tr>
<tr>
<td>Dues Subscriptions &amp; Publicatio</td>
<td>4,000</td>
<td>3,000</td>
</tr>
<tr>
<td>Data Processing</td>
<td>1,800</td>
<td>1,500</td>
</tr>
<tr>
<td>Program Expense</td>
<td>5,000</td>
<td>6,000</td>
</tr>
<tr>
<td>Insurance</td>
<td>5,500</td>
<td>6,500</td>
</tr>
<tr>
<td>Equipment Rental &amp; Maintenanc</td>
<td>2,000</td>
<td>2,250</td>
</tr>
<tr>
<td>Bank Service Fees</td>
<td>15</td>
<td>0</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>4,500</td>
<td>4,500</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>38</td>
<td>78</td>
</tr>
<tr>
<td>Depreciation</td>
<td>5,698</td>
<td>7,500</td>
</tr>
<tr>
<td><strong>Total Operations</strong></td>
<td>123,800</td>
<td>160,550</td>
</tr>
<tr>
<td><strong>Total Expenses</strong></td>
<td>617,878</td>
<td>715,505</td>
</tr>
<tr>
<td><strong>Surplus (Deficit)</strong></td>
<td>1,000</td>
<td>0</td>
</tr>
</tbody>
</table>

---

**Equipment Purchases**

7,500
1994 Revenue

<table>
<thead>
<tr>
<th>SOURCES</th>
<th>TOTAL</th>
<th>SECURED</th>
<th>RENEWAL</th>
<th>NEW</th>
</tr>
</thead>
<tbody>
<tr>
<td>PUBLIC SECTOR</td>
<td>$180,875</td>
<td>$180,875</td>
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<td></td>
</tr>
<tr>
<td>FOUNDATIONS</td>
<td>$252,000</td>
<td>$35,000</td>
<td>$167,000</td>
<td>$50,000</td>
</tr>
<tr>
<td>CORPORATIONS</td>
<td>$42,500</td>
<td>$42,500</td>
<td></td>
<td></td>
</tr>
<tr>
<td>PROJECTS / OTHER SOURCES</td>
<td>$240,130</td>
<td>$216,500</td>
<td>$23,630</td>
<td></td>
</tr>
<tr>
<td><strong>EXPECTED 1994 REVENUE</strong></td>
<td><strong>$715,505</strong></td>
<td><strong>$432,375</strong></td>
<td><strong>$209,500</strong></td>
<td><strong>$73,630</strong></td>
</tr>
</tbody>
</table>

**PERSONNEL**
- Salaries: $440,000
- Payroll Taxes: $43,288
- Fringe: $46,167

**Personnel sub-total**: $529,455

<table>
<thead>
<tr>
<th>OPERATIONS</th>
<th>Amount</th>
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</thead>
<tbody>
<tr>
<td>Workers Compensation</td>
<td>$2,000</td>
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<tr>
<td>Staff Training</td>
<td>$5,000</td>
</tr>
<tr>
<td>Audit and ADP fees</td>
<td>$15,000</td>
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<tr>
<td>Contracted services</td>
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<tr>
<td>Utilities</td>
<td>$2,500</td>
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<tr>
<td>Occupancy- Rent- Maintenance</td>
<td>$16,000</td>
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<tr>
<td>Travel</td>
<td>$4,500</td>
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<tr>
<td>Special events</td>
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<tr>
<td>Meeting expenses</td>
<td>$3,000</td>
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<tr>
<td>Program expenses</td>
<td>$6,000</td>
</tr>
<tr>
<td>Equipment Rental &amp; Maintenance</td>
<td>$2,250</td>
</tr>
<tr>
<td>Telephone</td>
<td>$7,800</td>
</tr>
<tr>
<td>Postage</td>
<td>$5,000</td>
</tr>
<tr>
<td>Advertising</td>
<td>$3,000</td>
</tr>
<tr>
<td>Printing and reproduction</td>
<td>$3,000</td>
</tr>
<tr>
<td>Office supplies</td>
<td>$7,000</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>$4,500</td>
</tr>
<tr>
<td>Insurances</td>
<td>$6,500</td>
</tr>
<tr>
<td>Subscriptions/Publications/Dues</td>
<td>$3,000</td>
</tr>
<tr>
<td>Depreciation expense</td>
<td>$7,500</td>
</tr>
</tbody>
</table>

**Operations sub-total**: $186,050

**TOTAL EXPENSES**: $715,505
1991-1994 Income Breakdown

<table>
<thead>
<tr>
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<th></th>
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<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>CBA Income</strong></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>GOVERNMENT</strong></td>
<td>$180,875</td>
<td>$158,000</td>
<td>$118,580</td>
<td>$100,930</td>
<td>$157,000</td>
<td>$140,380</td>
</tr>
<tr>
<td><strong>FOUNDATIONS</strong></td>
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<td>$121,000</td>
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<td>$63,000</td>
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<td>$5,000</td>
<td>$5,000</td>
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<td><strong>PROJECTS</strong></td>
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<td>$120,123</td>
<td>$124,000</td>
<td>$73,000</td>
</tr>
<tr>
<td><strong>TOTALS</strong></td>
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<td>$618,878</td>
<td>$513,674</td>
<td>$344,253</td>
<td>$337,500</td>
<td>$281,380</td>
</tr>
</tbody>
</table>
1994 Revenue / Secured, etc.

- 10.29% New
- 29.28% Renewals
- 60.43% Secured
1994 Revenue / Category

- 25.28% Government
- 35.22% Foundation
- 33.56% Projects
- 5.94% Corporate