

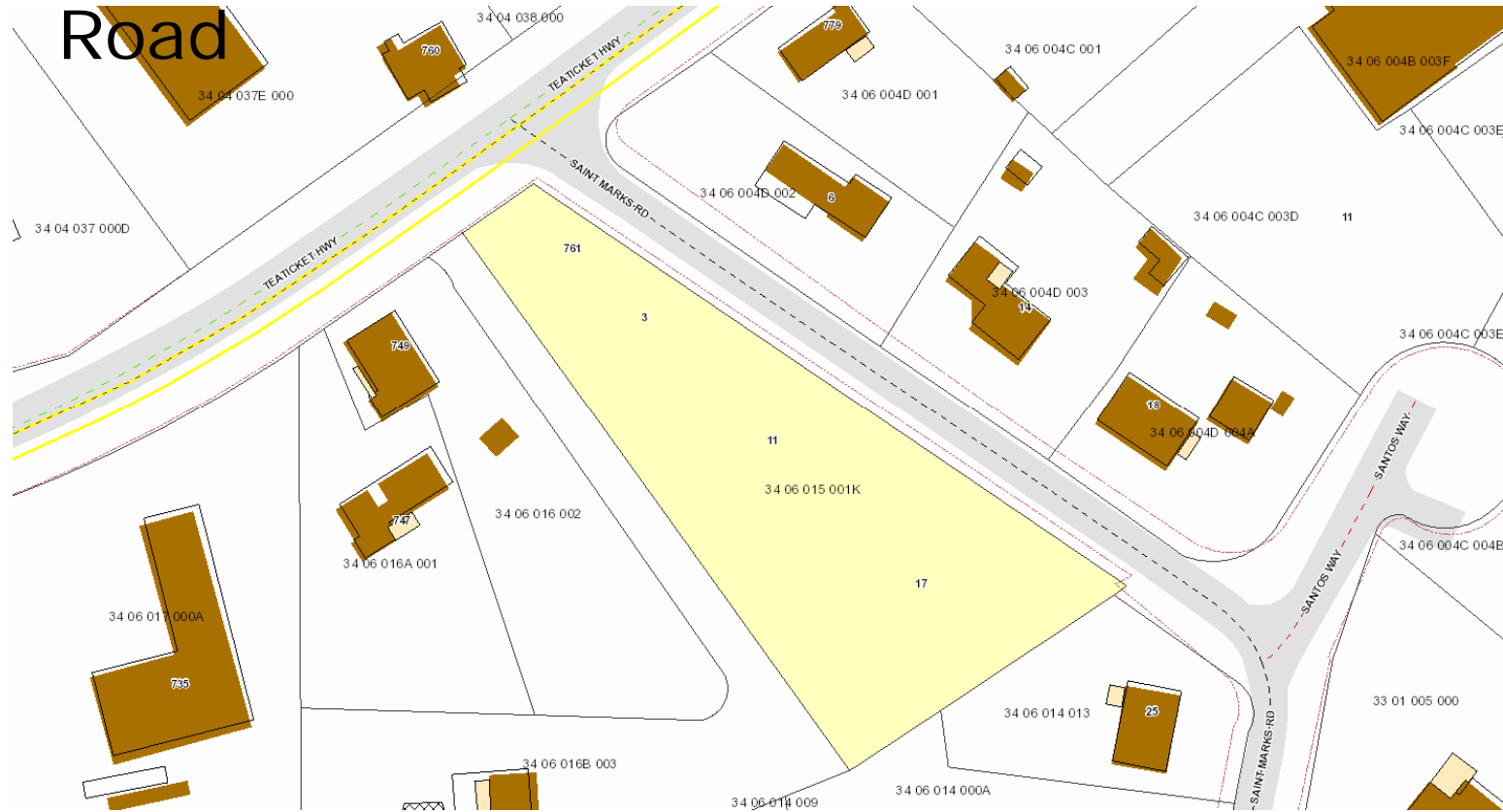
# St. Marks Road Project Affordable Home-Ownership

St. Marks Road & 761 Teaticket Highway

East Falmouth, MA 02536



# 761 Teaticket Highway & St. Marks Road



Assessor's Map 34 Section 06 Parcel 015 Lot 001K

# Why this parcel?

- Zoned as Residential-C, located in an existing residential neighborhood
- Acquired by the Town of Falmouth through a tax-taking in the 1980s
- 1.0 acre total buildable flat land with public utilities and roads available
- Area is densely settled, on a public transportation route with commerce close by
- Recommended Land Use Report from Town Planner in 2009 included the site and endorsed its disposition with a restricted use for housing

# Process of Disposition

February 2010:

Warrant Article drafted & presented by Board of Selectmen, Planning Board, and the Affordable Housing Committee

April 2010:

Town Meeting Warrant Article 3 passed:

To see if the Town of Falmouth will vote to authorize the Board of Selectmen to issue a Request for Proposals or otherwise convey one (1) parcel of land at 761 Teaticket Highway in East Falmouth, being land shown on the Assessors Map as Map 34 Section 06 Parcel 015 Lot 001K, subject to an appropriate restriction that the land be used for affordable housing and upon such further terms and conditions as the Board of Selectmen deems appropriate, or do or take any other action on this matter.

On request of the Board of Selectmen.

# Request for Proposal Process

March 2012: Community Meeting

Planning Board & Affordable Housing Committee

Solicit neighborhood's input for Request for Proposals

July 2012: Request for Proposals is released:

Restricts use to three affordable family home-ownership units, one curb cut off St. Marks Rd., a bus shelter, similar architecture not to exceed 1 ½ stories tall, and must anticipate future sewer tie-in with least amount of disruption.  
BONUS: energy efficient & visitable architecture.

## October 2012: FHT Awarded Project by BOS

- Executed Purchase & Sale Agreement with Town of Falmouth,
- Start pre-development work and permitting applications,
- Permits to be applied for under Chapter 40B: Zoning Relief for density of lot, 1/3 of an acre in 1-acre zoning,
- Funding applications drafted for Falmouth Affordable Housing grant funds and Construction Loan from Cape Cod 5 Cents Savings Bank



# Permitting Process and Time-line

## 40B Comprehensive Permit

### Local Initiative Program

- Application submitted to the state: Department of Housing & Community Development
- Town of Falmouth is co-applicant
- Must be friendly 40B and meet development guidelines set by DHCD, units count on SHI
- 6 weeks for authorization to proceed, site visit, etc.

### Zoning Board of Appeals

- Application submitted to Town of Falmouth, FHT is only applicant
- Conditioned to include exterior lights
- Troubled by single-curb cut of St. Marks Road
- Site plan review and ample evidence that project provided public benefit
- 3 ½ month process for permitting

# Construction & Closing Timeline

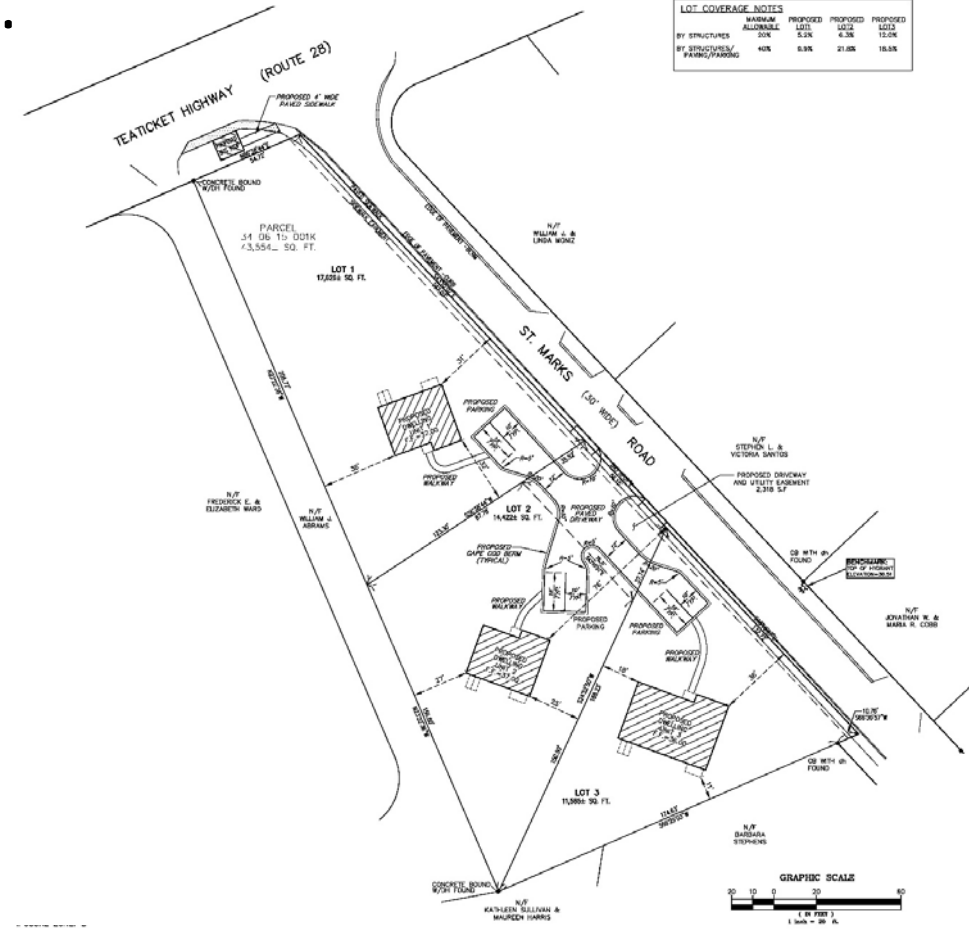
- August 2014: close on property with Town of Falmouth
- October 2014: Building Permits issued by Town & lot is cleared
- November 2014: Construction loan closed on with Cape Cod 5
- November 2014 – June 2015: Construction
- March 2015 – May 2015: Affirmative Marketing Period
- May 2015: Lottery drawing
- June 27, 2015: Open House & Dedication
- July 2, 2015: Certificates of Occupancy
- July 24 -27, 2015: Closing on all three properties
- August 6, 2015: Falmouth Affordable Housing Fund grant received





# St. Marks Road Project:

- Three homes, on 1-acre lot subdivided into 1/3 acre lots,
- One curb cut off St. Marks Road, septics along road,
- 2 Cape-style homes & 1 visitable ranch-style home,
- Tier 1 Certified Energy Star
- 3-bedrooms, 2 bathrooms, open floor-plan, hardwood floors,
- Cape Cod RTA Bus Stop



# Who Qualified To Buy These Homes?

## 2015 Maximum Area Median Income Figures

<b>Household Size</b>	<b>1 person</b>	<b>2 persons</b>	<b>3 persons</b>	<b>4 persons</b>	<b>5 persons</b>	<b>6 persons</b>
<b>80% of AMI</b>	<b>\$46,100</b>	<b>\$52,650</b>	<b>\$59,250</b>	<b>\$65,800</b>	<b>\$71,100</b>	<b>\$76,350</b>

*Area Median Income determined annually for Barnstable County  
by the U.S. Department of Housing and Urban Development*

# Affordable Home-Ownership

- Have jobs and can qualify for their own mortgage from a local lender
- Pass scrutiny of four agencies ensuring debt to income ratio supports loan
- Successfully completes First Time Home Buyer's Course
- Save modest down payment, typically 5%
- Lottery Institutes Local Preference; 70% of units designated for Falmouth residents and those working in Falmouth
- All homes are deed-restricted, FHT monitors annually to ensure affordability restrictions remain with properties for resale of unit
- Housing costs do not exceed 30% of annualized income

# St. Marks Road Project Proforma *In Flows*



## Grants and Donations

Anonymous donations \$ 700.00

Cape Cod 5 Savings Bank  
Charitable Foundation \$ 2,700.00

Behren's Fund of St. Barnabas \$ 5,500.00

Woods Hole Foundation \$ 4,040.00

Falmouth Affordable Housing  
Fund grant \$ 120,000.00

**FHT Advanced Funds** \$ 50,000.00

**Construction Loan** \$ 545,709.64

**End Sales** \$ 555,000.00

**TOTAL \$ 1,283,649.64**

# St. Marks Road Project Proforma *Expenses*



## Pre-Development / Soft Costs Expenses

Application Fees	\$	(2,070.00)
Architectural Design	\$	(5,000.00)
Engineering	\$	(11,736.75)
Legal: closing on loan & property	\$	(2,557.50)
Printing & Copies	\$	(259.10)
Postage & Recording Fees	\$	(85.75)
Utility Design & Set-up	\$	(10,490.00)
Water Taps	\$	(5,025.00)
<b>Total</b>	<b>\$</b>	<b>(37,224.10)</b>

## Construction / Hard Costs

Closing Costs - end sales	\$	(3,671.60)
Construction Costs	\$	(545,163.00)
Developers Overhead	\$	(20,000.00)
HERS Rater	\$	(2,325.00)
Insurance	\$	(2,067.80)
Construction Interest	\$	(13,213.94)
Landscaping	\$	(25,396.70)
Lottery Agent	\$	(16,550.00)
Legal (FAHF grant)	\$	(3,110.00)
Marketing	\$	(673.10)
Utilities	\$	(650.12)
<b>Total</b>	<b>\$</b>	<b>(632,821.26)</b>

**TOTAL Project Costs**

**\$ 669,995.36**

# St. Marks Road Project Proforma

## *Final Numbers*

Receipts & In Flows	\$1,283,649.64
Total Development Costs	(\$669,995.36)
Construction Loan Repayment	(\$545,709.64)
Repayment of FHT Advance	(\$50,000.00)
<b>TOTAL INCOME, (2.68%)</b>	<b>\$17,944.64</b>

*Final Cost Certification a requirement to close out comprehensive permit with DHCD and Town of Falmouth. Calls for the engagement of a Certified Public Accountant to review project accounts and confirm developer's profit does not exceed 20% per Chapter 40B. Cost of CPA comes out of developer's profit and takes 6 months – 2 years time depending upon the complexity of the project.*

# St. Marks Road Project Committee

- General Contractor: The Valle Group
- Engineering: Holmes & McGrath
- Architect: William Roslansky
- Clerk of the Works: M. Duffany Builders, Inc.
- Landscape Architect: Horiuchi & Solien
- Landscaping Contractor: Clover Landscaping
- Developer: Falmouth Housing Trust, Inc.
- Lottery Agent: Housing Assistance of Cape Cod

# Things to Note:

St. Marks Road per unit cost of \$223,332

- Barnstable County cost per unit ranges from \$265,000 - \$366,000
- Average per unit cost is \$305,500

Per Square Foot Price: \$164.30

Houses sold for \$185,000

Three houses deed-restricted as affordable, on SHI

Developer's Profit: \$17,994.64 or 2.68%

*(less cost certification estimated \$3,500 - \$5,000)*



# Cost Savings Measures Embraced by FHT!

- Recycled architectural plans with code required updates
- Worked with local vendors and businesses
- Local Foundation and Grant Support
- Utilized in-kind donations from Michael Duffany and Joseph Martinho
- Adhered to a strict construction schedule once permits in place





# Special THANKS:

Cape Cod 5 Cents Savings Bank Charitable Foundation

Woods Hole Foundation

Behren's Fund of St. Barnabas

Falmouth Affordable Housing Fund

Town Meeting, Community Preservation Committee,  
Planning Board, Affordable Housing Committee,  
Board of Selectmen



# WHAT'S NEXT?





# Thank You!

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