

Town of Sudbury

Sudbury Housing Trust

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January 3, 2018

To: Sudbury Board of Selectmen
From: Lydia Pastuszek, Chair Sudbury Housing Trust
RE: Maynard Road project update

I am pleased to provide this update to the Board of Selectmen on the Maynard Road project as it nears completion. The three units have been purchased by eligible buyers and there are discrete remaining items to complete over the next six months.

By way of background, the Sudbury Housing Trust purchased this property in 2008 with CPA funds from the 2008 Annual Town Meeting and Board of Selectmen approval.

The Trust hired NOAH, Neighborhood of Affordable Housing, through an RFP process and received a Comprehensive Permit on 11/8/10 for the construction of three homeownership units, all to be perpetually affordable through deed restrictions and to count on the Town's SHI. NOAH completed the permitting and engineering, including the site plans. The project had originally been proposed as 6 units, and was reduced later to 3 units. With the reduction in units, the project was no longer financially desirable to NOAH and the Trust terminated its contract.



The Trust redesigned the project and then selected Transformations Inc. as the developer. The property was conveyed, with Board of Selectmen approval, to Transformations on 6/25/15, and a Regulatory Agreement was recorded on the property, and building permits were immediately issued.

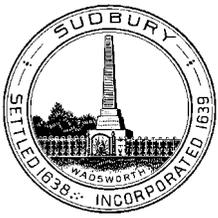
Transformations completed 70% of the construction, and then filed for bankruptcy.

The property was sold at a foreclosure auction in December 2016 to Property Acquisition Group.

Property Acquisition Group created an LLC, the Comp Permit was assigned to them and a new Regulatory Agreement was assigned with MassHousing in January 2017. They completed construction, the buyers were selected via lottery and the Certificates of Occupancy were issued. There are three owners: one is a Sudbury mother with two children (in the same school), the other two are one person families.



The project budget remains at \$875,000, or \$291,000 for each unit of new construction of permanently deed restricted housing. The initial project budget was \$750k from the CPA appropriation awarded at the 2008 spring annual town meeting. The Trust added funds in 2014 to restrict all units to 80% AMI so they would all count on the SHI (versus 2 of the 3). Additionally sheds, window upgrades, upgrades to the heating/cooling systems and microwaves were added as upcharges. The project is



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planned to complete at a cost of \$875k with ~\$80k of additional project administrative costs. The project cost increases were change orders, and construction costs did not significantly escalate despite the significant delay.

The project costs can be summarized as the land purchase/demo (\$320), the engineering and permitting costs done by NOAH (\$240), the construction costs done by Transformations (\$200), and the final grant to Property Acquisition Group (\$115).

The final steps for the project include trailing site work (landscaping, driveway, storm water), and completing the 40B Cost Certification. The Sudbury Housing Trust holds remaining funds for the site completion work of the project, and MassHousing holds funds for the completion of the Cost Certification.

The Sudbury Housing Trust held a dedication of the homes after the Certificate of Occupancy was issued, prior to the closings, on December 20, 2017.

On behalf of the Sudbury Housing Trust,



Lydia Pastuszek, Chair