

HAP AGAWAM SUMMARY
















Re: 586 Mill Street, Agawam, MA (the "Site")

Background: In early 2016 HAP took interest in the Site based on its listing on the Multiple Listing Service ("MLS"). Vacant parcels of this size in Agawam are rare and the location in a neighborhood that already consists of a mix of multi-family rental developments as well as single family homes made it an attractive location for the development of housing that is affordable. The Site is also close to major roadways, approximately 1 mile from the grocery store and within walking distance of public transportation, the public library, high school and business such as banks and restaurants.

According to the Massachusetts State Department of Housing and Community Development ("DHCD"), as of December 5, 2014 only 3.9% of the housing in Agawam was affordable (*DHCD Subsidized Housing Inventory*). This is well below the 10% threshold that regulates Massachusetts General Laws (M.G.L.) Chapter 40B ("Chapter 40B"), demonstrating a scarcity of affordable housing in Town. Agawam's need for housing that is affordable has since been further supported by the findings of the Housing Needs Assessment prepared for the Town of Agawam, dated May 4, 2016 (the "HNA"). Among other findings, the HNA found "roughly 40% of all households in Agawam are estimated to have low-moderate income (at or below 80 percent of the area median family income)" (*HNA*, page 8). The HNA found that among Agawam's greatest housing needs are the following: development of more multi-unit rental housing; creation of affordable housing options for households including individuals with extremely low incomes; creation of affordable housing options for large families (5 or more person families) with very low income (at or below \$47,250 for a 5-person household); creation of affordable, accessible housing options, including service-enriched housing for physically and mentally disabled and elderly households; and creation of affordable housing options for middle-income small families (2-4 person families) that fall between 80-100% of the area median family income, which indicate need due to the level of housing cost burden (*HNA*, pages 6-7). See Schedule A attached hereto for information on applicable area median income and tax credit rents.

Next Steps: On July 21, 2016, HAP closed on the acquisition of the Site. We have been working with landscape architects on potential site plan designs to help us determine the highest and best possible use for the Site, including the total number of housing units to be created. When an initial site design is selected an architect will be brought in to draw up plans. Once plans are selected HAP will begin the permitting and approval process as set forth under Massachusetts General Laws (M.G.L.) Chapter 40B. This approval process typically takes 6 to 12 months and will include multiple opportunities for public participation. After plans are approved HAP will seek financing for development. Due to the scarcity of funding for affordable housing and the competition for these resources, it can take multiple application rounds to be awarded. These funding rounds are typically offered on an annual or biannual basis depending on the availability of funding. Based on this rough timeline, we don't expect that construction would begin at the Site for several years.

SCHEDULE A

	Charts	60.00%	50.00%	30.00%
1 Person		34,980	29,150	17,490
2 Person		39,960	33,300	19,980
3 Person		44,940	37,450	22,470
4 Person		49,920	41,600	24,960
5 Person		53,940	44,950	26,970
6 Person		57,960	48,300	28,980
7 Person		61,920	51,600	30,960
8 Person		65,940	54,950	32,970
9 Person		69,900	58,250	34,950
10 Person		73,860	61,550	36,930
11 Person		77,880	64,900	38,940
12 Person		81,840	68,200	40,920
Bedrooms (People)	Charts	60.00%	50.00%	30.00%
1 Bedroom (1.5)		936	780	468
2 Bedrooms (3.0)		1,123	936	561
3 Bedrooms (4.5)		1,298	1,081	649

Source: Novogradac & Company LLP Rent & Income Limit Calculator, Massachusetts: Hampden County, Springfield MA MSA



RESUME OF DEVELOPER: HAP, INC.

HAP, Inc. was founded in 1972 and is a private, 501 (c) (3) nonprofit corporation. Also using the tradename **HAPHousing™**, HAP has earned a reputation as the region's leader in facilitating access to housing and homeownership, collaborating with other organizations to create affordable housing and revitalize urban neighborhoods. Originally established to provide innovative forms of assistance to families seeking to rent decent, safe housing, **HAPHousing** now offers a wide range of programs including rental assistance, emergency and transitional shelter and services for homeless families and programs that help families avoid homelessness. **HAPHousing** provides education and financial assistance for first-time homebuyers, post-purchase and foreclosure prevention counseling. As a regional Housing Consumer Education Center, **HAPHousing** provides a variety of housing counseling and information services to tenants, rental property owners, homebuyers, and homeowners. **HAPHousing** assists nearly 20,000 households each year in Hampden and Hampshire Counties and is funded by a wide variety of public and private sources, including individual donors. **HAPHousing** is a NeighborWorks America® chartered member and was rated as an exemplary organization after a fall 2011 review.

MISSION STATEMENT

HAPHousing lights pathways and opens doors to homes and communities where people thrive.

HAPHousing has been actively involved in affordable housing development for more than 30 years and is the largest nonprofit developer based in western Massachusetts. **HAPHousing** has participated in 46 completed projects for a total of more than 1,040 units. **HAPHousing** has experience with rehabilitation, adaptive reuse, and new construction. Projects range from single-family homes to large multi-family buildings. Special populations served include those who have experienced homelessness, the elderly, single individuals, farmworker families, pregnant and parenting teens, and individuals with developmental disabilities, physical handicaps, and/or mental illness. Many projects are undertaken as part of comprehensive neighborhood revitalization efforts to bring foreclosed and abandoned properties back to useful life and/or in partnership with other community-based or service provider organizations. **HAPHousing** manages more than 670 rental units throughout the region.

HAPHousing is experienced in the use of a variety of public, quasi-public, and private financing sources including Federal and State Low Income Housing Tax Credits; Federal and State Historic Rehabilitation Tax Credits; MA Department of Housing and Community Development soft debt funds; State and local HOME and CDBG funds; Federal Home Loan Bank's Affordable Housing Program; HUD 202, HUD 223(f), HOPE 3, USDA Rural Development, Neighborhood Stabilization Loan Program, acquisition and pre-development loan products; and bank/quasi-public entity construction and permanent loans.

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HAP, INC.

HOUSING DEVELOPMENT PROJECTS

A. COMPLETED PROJECTS

1. **Redevelopment and Recapitalization of the Quadrangle and the Kenwyn**
 - 60 total unit
 - Kenwyn: 413-415 Belmont Avenue, 6 Kenwood Park & 433 Belmont Avenue, Springfield
 - 27 rental apartments and 15,958 s.f. of land improved with a 1,879 square foot, one-story commercial building (433 Belmont Avenue), and parking for residential and commercial tenants.
 - The residential building contains 3 one-bedroom and 24 two-bedroom apartments.
 - Quadrangle Court: 114-118 Byers St., 120-130 Byers Street & 103 Pearl Street, Springfield
 - 33 rental apartments, 4 one-bedroom apartments, 17 two-bedrooms, and 12 three-bedroom units.
 - Financing, 4% LIHTCs, State LIHTCs, State and Federal Historic Tax Credits, MHP Permanent Loan, Developer Loan (existing reserves)

2. **Parsons Village, Easthampton**
 - HAP Housing partnered with Valley Community Development Corp
 - New construction of 38 affordable rental units on 4.3 acres
 - Financing Secured includes, Low Income Housing Tax Credits, Affordable Housing Trust, HOME, Housing Stabilization Fund, Private Construction and Permanent Loan and project-based Section 8 from DHCD
 - Construction was completed in September 2015.

3. **Stevens Senior Housing, Ludlow**
 - Conversion of a brick building (most recently used as the Boys and Girls Club) into 28 units of housing for the elderly
 - HAP named preferred developer by the Town of Ludlow
 - HUD 202 and state funding including HOME, Housing Stabilization Fund and Affordable Housing Trust awarded
 - Completed in November 2014

4. **Olympia Oaks, Amherst**
 - In partnership with Valley Community Development Corp., HAP was named preferred developer for a 13 acre site owned by the Town of Amherst in July 2010
 - New construction of 42 units of rental housing for low and moderate-income families
 - Financing secured including CDBG and Community Preservation Act funds from the Town of Amherst, grant from NeighborWorks America & Low Income Housing Tax Credits, Affordable Housing Trust, HOME, Housing Stabilization Fund and project-based Section 8 from DHCD
 - Completed in September 2014

5. **Rehabilitation of Foreclosed Properties, Springfield**
 - HAP Housing utilizes Neighborhood Stabilization Loan Program and other financing to purchase and rehabilitate foreclosed properties in target Springfield neighborhoods, including Old Hill (as a continuation of the Old Hill Initiative listed above) and the adjacent Six Corners neighborhood
 - Eight (8), single-family and three, two-family homes completed and sold in Six Corners 2009-2013

6. **Old Hill Homeownership Initiative, Springfield**
 - A neighborhood revitalization initiative in partnership with Old Hill Neighborhood Council, Springfield College, Springfield Neighborhood Housing Services, Habitat for Humanity and many others
 - HOME/HSF financing
 - 16 homes completed and sold in Old Hill 2007-2012; see above for complementary work

7. **Butternut Farm, Amherst**
 - New construction of 26 units of family rental housing
 - Financing secured from CEDAC, HOME, Affordable Housing Trust, Tax Credit Exchange, NeighborWorks America®, Bank of America grant
 - Completed June 2011

8. **Woodland Walk Apartments, Charlton**
 - Acquisition and rehabilitation of a distressed privately-owned 39 unit family housing project (formerly known as Cady Brook)
 - Assumed existing USDA Rural Development 515 mortgage; other financing includes HOME, Affordable Housing Trust, Low Income Housing Tax Credit (LIHTC), Tax Credit Exchange; construction loan from Bank of America
 - Rehabilitation, including extensive water and sewer work, completed 2010

9. **Six Corners Homeownership Initiative, Springfield**
 - A neighborhood revitalization initiative, bordering Old Hill, new construction on vacant lots and rehabilitation of vacant and abandoned properties to produce homes for first-time homebuyer
 - Sites that had been taken by the City for nonpayment of taxes
 - Eight homes completed and sold 2007-2009

10. **Church Street School Senior Housing, Ware**
 - Conversion of an historic old school to 29 units of elderly housing
 - Financing secured from US Department of Agriculture Rural Development; LIHTC, Federal Historic Tax Credits, HOME
 - Completed, Summer 2008

11. **Paradise Pond Apartments, Northampton**
 - New construction of 12 units of family rental housing, including four units for formerly-homeless
 - Site leased from Northampton Housing Authority
 - State HOME, local CDBG, and project-based Section 8, Affordable Housing Trust, HUD McKinney
 - Completed, Fall 2006

12. **Verano Apartments, Holyoke**
 - Re-financing and rehabilitation of 44 family rental housing units in four Holyoke buildings listed below as 560 South Summer Street and New Hope Housing and originally developed in mid-1980's
 - LIHTC, state and local HOME funds, Affordable Housing Trust, Massachusetts Housing Partnership
 - Completed, 2006

13. **Historic McKnight Homeownership Initiative, Springfield**
 - In-fill new construction on vacant lots and rehabilitation of vacant and abandoned one and two-family homes; three single-family and one two-family
 - All sites in historic neighborhood obtained from City tax title auction
 - Completed and sold to first-time buyers, 2006

14. **New Court Terrace, Springfield**
 - Rehabilitation of 45 rental units in three buildings on the same street as HAP's Quadrangle Court project
 - Low Income Housing Tax Credits, Federal Historic Tax Credits, HOME, Affordable Housing Trust Fund, Mass. Housing Partnership Fund
 - Completed, spring 2005

15. **Cold Spring Common, Belchertown**
 - New construction of 14 affordable condominiums in seven duplex buildings, utilizing a site previously prepared by a private developer for expansion of an existing project
 - HOME, Affordable Housing Trust Fund
 - Completed, September 2004

16. **Millbank, Northampton**
 - Rehabilitation of 14 units and new construction of 10 units of affordable rental housing
 - In partnership with Valley CDC
 - Massachusetts Housing Partnership Fund, HOME, CDBG, Mass Development, Affordable Housing Trust Fund
 - Completed 2004

17. **Mountain View, Hadley**
 - Acquisition and rehabilitation of a 25-unit elderly housing project
 - Housing Stabilization Funds, assumption of original USDA Rural Development mortgages
 - Purchased and rehabilitated in 2003

18. **Orange/Sherman Streets Homeownership Initiative, Springfield**
 - New construction of three two-family homes on sites left vacant by demolition of abandoned multi-family housing; in partnership with Concerned Citizens of Springfield
 - Rehabilitation of two abandoned homes on Sherwin Street; in partnership with the Urban League's Mason Square CDC
 - Massachusetts and City of Springfield HOME funds
 - Completed, 2003

19. **Lower Liberty Heights Homeownership Project, Springfield**
 - Purchase and substantial rehabilitation of four, two-family homes; demolition of two abandoned properties and construction of one single family home
 - Part of a comprehensive neighborhood revitalization strategy in cooperation with Lower Liberty Heights Community Action Team, Pioneer Valley Project, Habitat for Humanity, City of Springfield and YMCA
 - Financing from City and state HOME funds; construction financing from Massachusetts Housing Investment Corp.; financial support from BankBoston
 - Completed, 2003

20. **Palmer/West Springfield HOME Homeownership Project**
 - Two, single-family and three, two-family homes in Palmer and West Springfield rehabilitated for sale to first time homebuyers
 - A partnership with town government
 - HOME funds from Massachusetts Dept. of Housing & Community Development
 - Completed 2003

21. **The Lorraine, Northampton**
 - Rehabilitation and preservation of 28 single person occupancy rooms, 20 receive Section 8 project-based subsidies, 2 are handicapped-accessible, re-creation of commercial space on the first floor of a downtown building
 - Housing Stabilization Fund, City of Northampton CDBG, Federal Home Loan Bank Affordable Housing Program through Florence Savings Bank
 - Completed, March 2001, managed by HAP

22. **Chicopee HOME Homeownership Project**
 - Four, single- and two-family homes rehabilitated and sold to first time homebuyers
 - HOME funds from Massachusetts Dept. of Housing & Community Development & City of Chicopee; initiated as a partnership with City of Chicopee
 - Completed 2001

23. **Ware/West Springfield HOME Homeownership Project**
 - Seven, single family and one, two-family, in Ware and West Springfield, rehabilitated and sold to first time homebuyers
 - HOME funds from Massachusetts Dept. of Housing & Community Development, construction financing from Woronoco Savings Bank, Ware Cooperative Bank, and United Cooperative Bank
 - A partnership with town government
 - Completed 2001

24. **Silver Meadow, Wales**
 - New construction of 20 one-bedroom units including 2 handicapped-accessible, for the elderly
 - Financed with 202 funds from U.S. Dept. of Housing & Urban Development and Housing Innovation Funds from Massachusetts Department of Housing & Community Development
 - Project initiated by the local Council on Aging; a local owner corporation is our partner
 - Managed by HAP
 - Completed August 2000

25. **Maple-Linden Homeownership Project, Chicopee**
 - New construction of three energy-efficient affordable single family homes on vacant land which had contained abandoned multi-family buildings and was cleared by the City as part of a neighborhood revitalization plan
 - Financing from City and state HOME and CDBG funds; interim financing from Massachusetts Housing Investment Corp.
 - Completed and all units sold to first-time homebuyers, spring 2000

26. **Blodgett/Dorset Streets, Springfield**
 - Rehabilitation of properties foreclosed by FDIC created 7 units (2 2-family & 3 single family) sold to low and moderate income first-time homebuyers
 - HOME funds from Massachusetts Dept. of Housing & Community Development and City of Springfield
 - Marketing assistance provided by LaBroad Neighborhood Council
 - Completed and all units sold, 2000

27. **Quadrangle Court, Springfield** (in partnership with Armoury Quadrangle Civic Association)
 - 33 family rental units (4 1-BR, 17 2-BR, 12 3-BR)
 - Rehabilitated with tax credits, state and local HOME funds, Lead Hazard Abatement funds, Fleet Bank construction loan, Massachusetts Housing Partnership permanent financing
 - Completed 1998; managed by HAP

28. **Westfield HOME**
 - Two, 2-family and four, single family homes, purchased and rehabilitated by HAP for sale to first-time homebuyers
 - HOME funds from Massachusetts Dept. of Housing & Community Development, Lead Abatement funds from City of Westfield (through a HUD grant)
 - Completed 1997

29. **HOPE 3** (in partnership with Valley CDC & Valley Opportunity Council)
 - Eleven single-family homes foreclosed and owned by public entities
 - Rehabilitated and re-sold to income-eligible first-time homebuyers
 - HOPE 3 grant from U. S. Department of Housing and Urban Development
 - Completed 1997

30. **South Canal, Holyoke** (in partnership with Nueva Esperanza)
 - 127 family rental units
 - Purchase and rehabilitation of a MHFA-financed HUD 236 project
 - Tax credit financing
 - Completed 1995, sold 2007

31. **Kenwyn Apartments, Springfield** (in partnership with Vietnamese-American Civic Association)
 - 27 family rental units (24-2 BR; 3-1 BR)
 - Rehabilitated with tax credits, MHIC, state and local HOME funds, MHP
 - Managed by HAP
 - Completed 1995

32. **Neighborhood Homes IV:** (partnership with Valley CDC)
- One home for developmentally disabled adults in Amherst
 - Conventional and CDFC financing
 - Managed by HAP, long-term lease with DMR
 - Completed in 1994
 - NOTE: Department of Developmental Services (f/k/a DMR) determined that it no longer needed most of the Neighborhood Homes and HAP is in the process of selling them, mostly to nonprofits. Three homes remain under lease to DDS as of fall 2012.
33. **Kendall Hotel, Chicopee** (in partnership with Valley Opportunity Council)
- 38 SRO units
 - Rehabilitated with tax credits, MHIC, Land Bank, City of Chicopee CDBG & HOME
 - Managed by HAP
 - Completed 1993
34. **Pomeroy Lane Cooperative, Amherst** (in partnership with ABODES)
- 25 units for families and individuals, some with developmental, cognitive, and/or physical disabilities (1-4BR;9-3B;11-2BR;4-1BR)
 - New construction, limited equity cooperative
 - Tax Credits, Amherst-sponsored HDSP, Land Bank financing
 - Completed 1993; sold to tenant cooperative in 2011
35. **Neighborhood Homes III:** (Partnership with Valley CDC & Franklin County CDC)
- Homes for developmentally disabled adults; one in Easthampton (Valley CDC, new construction) and one in Sunderland (Franklin County CDC, rehab)
 - Conventional and CDFC financing
 - Managed by HAP, long-term lease with DMR
 - Completed in 1993
36. **South City Housing, Holyoke** (Partnership with Nueva Esperanza)
- 66 units, family housing (6-1BR;38-2BR;18-3BR;4-4BR)
 - 33 rehab and 33 new construction
 - MHFA financing, SHARP, R-DAL, tax credits
 - Completed 1992
37. **Neighborhood Homes I:**
- Six homes for developmentally disabled adults in Springfield, Ludlow, Palmer, Amherst, and Greenfield
 - CDFC, HIF and conventional financing
 - Managed by HAP, long-term lease with DMR
 - Completed 1991
38. **College Highway Apartments, Easthampton** (sponsored by HAP)
- 40 units of elderly housing
 - New construction, HUD 202
 - Completed 1991

39. **Southampton Meadows, Southampton** (sponsored by HAP)
 - 40 units of elderly housing
 - New construction, HUD 202
 - Completed 1989
 - Refinanced with HUD/FHA financing that provided capital for upgrades and repairs 2012

40. **John L. Sullivan Housing, Easthampton** (sponsored by HAP)
 - 40 units of elderly housing
 - New construction, HUD 202
 - Completed 1988

41. **52 Maple Court, Springfield**
 - Completed 1988, managed by HAP for several years as 6 SRO units for mentally ill adults
 - Rehabilitated with Chapter 707/MRVP subsidies
 - McKinney grant for permanent housing for handicapped homeless
 - Conventional financing, CEDAC, HIF loan, Weatherization
 - Sold in 1996 to Puerto Rican Veterans Association for use as transitional housing

42. **South Holyoke Housing, Holyoke** (Partnership with Nueva Esperanza)
 - 48 units, family housing (12-2BR;26-3BR;8-4BR;1-5BR)
 - Rehab of 6 buildings, MHFA financing, SHARP, R-DAL, tax credits
 - Completed 1988

43. **Carmen Vasquez Apartments, Holyoke** (In partnership with Housing and Economic Resources for Women, Inc.)
 - 19 units family housing, including: 9 transitional units for pregnant & parenting young mothers (5-1BR;4-2BR); 10 permanent family housing (9-2BR;1-3BR)
 - Rehabilitation with Ch. 707/MRVP subsidies for 16 units
 - HUD McKinney transitional housing grant, Weatherization, HOME, McAuley Institute, conventional financing
 - Completed 1988; managed by HAP

44. **560 South Summer St.** (In partnership with Nueva Esperanza)
 - Twelve units (eleven residential, one commercial), family housing
 - Conventional financing and project-based Ch. 707 rental subsidies
 - Completed 1987 *SEE VERANO APARTMENTS

45. **Carlos Vega Townhouse Apartments, formerly Walnut Row Apartments, Holyoke** (In partnership with Valley Housing Development)
 - 18 units, for farmworker families (1-1BR;8-2BR;8-3BR;1-4BR)
 - New construction under Farmers Home Administration 514/516
 - Completed 1987
 - Owned by Valley Housing Development & managed by HAP

- 46. **New Hope Housing, Holyoke (in partnership with Nueva Esperanza)**
 - 32 units, family housing (1-1BR;10-2BR;18-3BR;3-4BR)
 - Rehab of 3 buildings with Chapter 707 subsidies, Land Bank financing, syndication
 - Completed 1987 *SEE VERANO APARTMENTS

- 47. **501 Worthington Street, Springfield**
 - 20 units, single room occupancy
 - Rehab with Chapter 707 subsidies, conventional financing, City of Springfield Rental Rehab and CDBG funds.
 - Completed 1986; sold in 1997 to Friends of the Homeless

- 48. **32 Pendleton Ave., Chicopee**
 - Three units for mentally handicapped adults
 - Rehabilitated with conventional financing
 - Owned by HAP CHS and managed by HAP, long-term lease with DMH provider
 - Completed in 1983; sold in 1995

B. PROJECTS UNDER CONSTRUCTION

Nothing as of this publication

C. PROJECTS IN PROCESS

- 49. **Library Commons, Phase I, Holyoke**
 - **Hap has secured site control of two separate assemblages of property to be developed into a 74 unit single development.**
 - 40 Unit vacant building at 193-204 Chestnut Street, Holyoke
 - An 8,258 s.f. unimproved corner parcel of land adjacent to 193 Chestnut and 117 Essex
 - 9 unit vacant building at 117 Essex Street, Holyoke
 - A 16,000 s.f. vacant building at 210 Elm Street, Holyoke \
 - A 37,810 unimproved parcel of land adjacent to 210 Elm Street
 - A 19 unit occupied residential building located at 1036-1037 Dwight Street, Holyoke
 - Anticipated funding sources will include State and Federal Low Income Housing Tax Credits, Affordable Housing Trust, HOME, Housing Stabilization Fund, State and Federal Historic Tax Credits, MHP or other Permanent Loan

50. Live 155, Northampton, MA

- HAP has acquired this existing 59-unit SRO property, located at 129 Pleasant Street in downtown Northampton.
- HAP is managing the existing building for 2-3 years without filling any new vacancies, while completing design and securing financing commitments.
- Demolish original building and construct a new approx. 73,000 s.f., 78 apartment, 5-story building on site.
- New building will contain both affordable and market rate studio and 1 BR apartments, 3,600 s.f. of commercial space, a property management office, laundry room and maintenance shop.
- Financing model assumes 30 market rate units (38% of total) and 48 affordable units. Units for rent to Extremely Low Income households (@ or <30% of AMI) will be 10% of the total unit count.
- Anticipated funding sources will include City of Northampton CPA, State and Federal Low Income Housing Tax Credits, Affordable Housing Trust, HOME, Housing Stabilization Fund, MHP or other Permanent Loan.

51. 188 Fuller Street in Ludlow

- HAP has acquired this 5.3 parcel of land, and is proposing to build 42 units of affordable rental family housing.
- To plan this development, HAP assembled a development team comprised of Dietz & Company Architects and Allegrone Construction Co., Inc. HAP, Inc. will serve as developer, project sponsor, and initial majority owner of the ownership entity. HAP will manage the Project once completed.

May 2016