

COMMUNITY PRESERVATION ACT FUNDING APPLICATION FY 2023

Please use additional sheets and supporting documents where necessary.

Applications are due by January 7, 2022 at noon.

Project Name: River Lofts at Cable Mills

Sponsor Organization: 250 Water LLC c/o Mitchell Properties, 50 Summer Street, Boston, MA 02110

CPA Category: Community Housing *Historic Preservation* Open Space *Recreation*

(circle all that apply)

Total Project Cost: \$ 26,202,763 CPA Funds Requested: \$ 400,000 over several fiscal years 1.5% of the project costs, or approximately \$14,815 per restricted apartment.

1. PROJECT DESCRIPTION – Describe the proposed project in as much detail as possible. In particular, address the following questions:

Please see the attached updated slide deck for an overview of the project with site plans, renderings, and additional detail. Overall, the project involves the construction of a 4-story building at 250 Water Street, Williamstown, to accommodate 54 residential apartments, of which 27 units are to be restricted to incomes between 30-60% of the area median income, and 27 will be market-rate units. The construction scope includes the site and landscaping improvements to the 3-acre parcel to enhance the already constructed Riverwalk.

It is important to note that local funding is necessary for obtaining the additional state funding required to support this project. By allocating \$400,000 in local funds to support affordable housing and open space, the Town will be attracting an additional \$25+ million in investment, a good return on investment in itself. In addition, the property will dramatically increase the property tax revenue and building permit fees otherwise collected, representing an additional return on the investment.

In addition, we are open to accepting the funds over subsequent fiscal years and open to discussing this further with the committee.

a. What are the goals of the proposed project?

The goal of the project is to replace a vacant parcel that is within walking distance of downtown Williamstown with a vibrant, well-designed, mixed-income community consisting of 54 rental apartments, below-grade and surface parking, indoor and outdoor residential amenities such as a community room, and outdoor grilling area with firepit. The project will also help the Town with other important goals such as increasing property tax revenue, diversifying housing (rental, single-level living, and affordability), and placing more customers within walking distance of downtown businesses.

b. Why is this project needed?

In addition to advancing the goals noted above, there is considerable demand for what this project will provide. Based on the waiting list at Cable Mills and the market study commissioned for this project, there is considerable unmet demand in Williamstown and Berkshire County for both the affordable and market-rate units. Since Cable Mills opened, it has been 95%+ full with a waiting list for the market-rate apartments. The demographic is everyone from professionals and staff

working at one of the local institutions, to medical professionals based in Bennington or Pittsfield, to retirees. Many appreciate the low maintenance, low commitment, ideal location, and single-level living that Cable Mills provides in the market.

According to the market study, the affordable units will represent a 122-165% discount from the market apartments, providing a considerable benefit to the individuals and families that will be there. Based on the population data for Berkshire County, there are 7,066 renter households of the appropriate size that would be income eligible for the 27 restricted units.

c. What population groups will this project serve? Please estimate how many residents will benefit.

The project will serve the following population groups:

- Individuals, couples, and families in Berkshire County who earn between \$40-50,000 per year. By way of example, in 2020, the average Town of Williamstown employee (teachers, police, public works) salary was \$31,761.
- young professionals who are seeking to rent rather than buy for a multitude of reasons
- retirees who want the low-maintenance, single-level living and ideal location
- local construction companies that will build the building
- property management and tradespeople who will maintain and manage the building for the long term.
- residents of Williamstown who do not live at the property but will benefit from the additional property tax revenue, building permit fees, and open space enhancements at the Riverwalk.
- downtown Williamstown businesses that will have more customers within walking distance.
- local institutions that will have more housing options for employees to consider.

d. How will this project improve the quality of life for residents?

The project will improve the quality of life for residents in numerous ways:

- providing a high quality, low-maintenance, affordable, ideally located home in a great community
- allowing current Williamstown residents to downsize and remain in the community
- adding to property tax revenue and building permit fees, thereby reducing the budgetary burden on existing Williamstown property owners
- providing improvements to the Riverwalk, which is accessible to the public.

2. PROJECT READINESS/FEASIBILITY – Describe the project’s feasibility and readiness to proceed. Address the following questions in your response:

a. Has a feasibility study been conducted? If so, please attach it to this application. If not, please offer other evidence that the project is feasible.

A third-party market study has been conducted to assess the demand for these units. The demand for these units far exceeds the supply available in Williamstown or Berkshire County. Specifically, 2,340 income-qualified renter households for the projected 27 market-rate units and 9,408 income-qualified renter households qualified for the 27 restricted affordable units. The demand profile meets the threshold requirements of DHCD.

The sources and uses budget, our track record at Cable Mills, and planning, designing, constructing, and operating similar buildings across the Commonwealth speaks to the overall feasibility of building the project.

b. Is the project ready to proceed? If not, what additional steps are necessary before the project can proceed?

The project will be ready to proceed to construction upon CPA funding and funding from the Commonwealth. An application to the Commonwealth for funding noted below is being submitted on January 13, 2022.

3. PROJECT TASKS/IMPLEMENTATION SCHEDULE – Provide a detailed list of required tasks, such as studies, engineering work, architectural design, permitting, financing, and construction. In addition, provide a detailed implementation schedule, including dates for project initiation, key milestones, and project completion.

The following work/studies have been completed to date:

- Local permitting through the planning board and conservation commission
- Preliminary foundation engineering report and subsoil investigations
- 75% architectural and engineering construction documents
- Market study
- Financing letters of interest
- Pre-Application acceptance for DHCD funding
- Preliminary construction pricing/review

The following is the current proposed schedule and key milestones from this point forward. It is subject to change depending upon funding awards/announcements timing.

1 Quarter 2022	<ul style="list-style-type: none"> - Architectural and engineering documents at 75% completion - Town of Williamstown CPA funding application - Commonwealth of Massachusetts Department of Housing and Community Development (DHCD) application submission
2 Quarter 2022	<ul style="list-style-type: none"> - Town Meeting Vote - DHCD awards announcements
3 Quarter 2022	<ul style="list-style-type: none"> - Completion of construction design documents - Final contractor bidding
4 Quarter 2022	<ul style="list-style-type: none"> - Application for building permit to Town of Williamstown
1 Quarter 2023	<ul style="list-style-type: none"> - Start of construction
3 Quarter 2023	<ul style="list-style-type: none"> - Start of marketing for the apartments
2 Quarter 2024	<ul style="list-style-type: none"> - Completion of construction

4. PROJECT TEAM - List the proposed members of the project team and the role of each person or organization. Describe how those team members' experiences will contribute to the success of the project. Attach resumes for key team members.

Bart Mitchell/Mitchell Properties (Managing Member) – Bart founded Mitchell Properties LLC in January 2000 to develop high-quality residential, retail and mixed-use ventures in the Boston area and elsewhere in Massachusetts. Developments completed to date or under construction include The Glenwood & Belmont Lofts in Malden MA, 700 Harrison, 700 Retail & Parking, and The Marais in the South End neighborhood of Boston MA, The Coolidge in Watertown MA, Atlas Lofts in Chelsea MA, 225 Centre and 225 Centre Commercial in the Jamaica Plain neighborhood of Boston MA, Flats at 44 and Flats at 22 in Chelsea, MA, and Cable Mills in Williamstown, MA.

Projects developed by Mitchell Properties are distinctive for their design and construction quality and have created significant value for their communities and for their investors. Bart serves as managing member of all Mitchell Properties development and ownership entities.

Prior to founding Mitchell Properties, he served as Senior Vice President for Development at Beacon Residential Properties, as Director of Equity Finance and Director of Development at The Community Builders, as Deputy Development Advisor to the Mayor of Boston, as a consultant to the NYC Office of Management and Budget, and as a consultant at Lewin & Associates, Washington DC.

He earned his Bachelor of Arts degree from Williams College in 1980 with Highest Honors in Political Economy and his Master of Public Policy degree in 1984 from Harvard University's Kennedy School of Government with a concentration in Finance and Urban Development Policy.

Dave Traggorth/Traggorth Companies (Project Manager) – Dave has worked with Bart since 2008 and has been the project manager for Cable Mills, Modern Mill, and Riverhouses. He is intimately familiar with the site, Williamstown, and the team. In addition, Dave has successfully developed personally, or project managed hundreds of housing units and over \$600,000,000 in project value since 2008. Visit www.traggorthcompanies.com for more information and resumes.

Icon Architecture (Architect) – Icon Architecture, a woman-owned business in Boston, has successfully designed thousands of multi-family buildings across the northeast and brings their perspective, experience, design sensibility, and innovation to the project. The team includes Nancy Ludwig, Kendra Halliwell, and Shalinie Persaud. Visit <https://www.iconarch.com/> for more information and team resumes.

OffShoots (Landscape Architect) – Offshoots has designed and overseen the landscaping installations across the Cable Mills site, selecting plants and creating designs that beautifully integrate the natural surroundings with the built environment. The team includes Kate Kennen and Terry Kinsler. Visit <https://www.offshootsinc.com/> for more information and team resumes.

Guntlow Associates (Civil Engineer and Surveyor) – Dave and Bart have worked with Guntlow, a locally owned Williamstown business, on almost every aspect of Cable Mills since 2008. They have been a key partner for civil engineering, permitting, and surveying. The team includes Vince Guntlow and Charlie Labatt. Visit <http://guntlowassociates.com/> for more information and team resumes.

5. **SOURCES AND USES OF FUNDS** -- Provide a detailed list of the sources and uses of funds for the project:

RiverLofts at Cable Mills	
1/6/2022	
Summary	
Uses	
Acquisition	1,135,000
Hard Costs	17,530,700
Hard Cost Contingency	876,535
Soft Costs	3,685,889
Reserves	508,624
Fee	2,466,062
Total	26,202,810
Stabilized Sources	
Permanent Loan/Mortgage	9,192,992
9% Tax Credit Equity	6,276,872
State Tax Credit Equity	4,000,000
Housing Stabilization Fund (Loan)	2,000,000
Affordable Housing Trust Fund (Loan)	1,000,000
Community Based Housing (Loan)	750,000
HOME (Loan)	700,000
Private Equity	1,586,502
Town CPA Funds	400,000
Developer Deferred Fee	296,445
	26,202,811

6. **ADDITIONAL INFORMATION** – Provide any additional information that you believe is relevant to this application.

Attached you will find the following additional information:

- Updated slides with site plans, general floorplans, and key facts.

7. **CONTACT INFORMATION**

Contact Person: Dave Traggorth

Address 50 Summer Street City Boston State MA Zip 02110

Phone 617-817-2520 E-mail Dave@Traggorthcompanies.com

Please submit completed application in electronic format to:

Community Preservation Committee
 c/o Town Manager's Office Town Hall
cblanchard@williamstownma.gov