

RENEGOTIATING CHAPTER 121A AGREEMENTS:  
LEGAL AND FINANCIAL CONSIDERATIONS

by

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PATRICK C. KENNEDY

Submitted to the Department of Urban Studies  
and Planning in September, 1986 in partial  
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ABSTRACT

In an effort to encourage real estate development in blighted urban areas, the Massachusetts Legislature passed what became known as Chapter 121A, a statute that provided special tax incentives to developers undertaking projects such designated areas.

The legislation spurred the development of more than 100 projects in the Boston area, but its effectiveness was greatly undermined by the passage of Proposition 2½, the property tax limitation. In fact, the tax rates established under Proposition 2½ were actually lower than the special rates set under Chapter 121A.

Developers of 121A projects, which most often were low income housing projects, have approached the City of Boston about renegotiating the 121A agreements, making their tax obligations more in line with those set under Proposition 2½.

This thesis investigate the legal and financial implications of renegotiating such agreements, and analyzes the various ways in which the tax liabilities may be assessed.

Thesis Supervisor: Prof. James McKellar

Title: Professor of Architecture and Planning

**RENEGOTIATING CHAPTER 121A AGREEMENTS:  
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**Cumulative Research**

1. Thesis: Amending Chapter 121A Agreements:  
Legal and Financial Considerations.
2. Exhibit: Comparison of Estimated Tax Liabilities  
of MHFA 121A Projects Under Alternative Taxing  
Plans. (Grouped according to subsidy type, i.e.  
Section 236, Section 13A, and Section 8.)
3. Exhibit: Estimated Tax Liability of MHFA 121A  
Projects Tax at 6%, 8%, 10% and 12% of Gross  
Income.
4. Exhibit: Financial Analysis of 18 MHFA  
Projects.
5. Memorandum: Summary of M.G.L.A. Chapter 121A.

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**Table of Contents**

Introduction .....	1
A. Background .....	1
B. The New Scenario: Obsolescence of Chapter 121A .....	3
C. Pressure for Amending 121A .....	5
D. Outline of Study .....	6
I. Key Provisions of the Statute .....	7
A. Purpose of 121A .....	7
B. Key Incentives .....	10
1. Amendments to Secs. 6A & 10 .....	12
C. Additional Payments .....	13
D. Sale or Transfer of Project .....	15
E. Releasing Project from 121A Agreement .....	17
II. Role of the BRA .....	21
A. General Authority .....	21
B. Specific Powers in Administering Chapter 121A .....	22
1. Approvals .....	22
2. Amendments .....	24
III. Agency Powers and Statutory Interpretation .....	26
A. Rulemaking Powers of Agencies .....	26
B. Massachusetts Case Law .....	27
C. Statutory Interpretation .....	30
IV. Challenges to BRA Action.....	32
A. Claims of Other 121A Owners .....	32
B. Challenges by Tenants or Organizations .....	35
C. Standing of Parties Challenging BRA Action .....	36
1. General Requirements .....	37

V.	Alternative Taxing Plans .....	41
	A. Reasons for Request .....	41
	B. Alternative Plans .....	45
	1. Existing Arrangement .....	45
	2. Alternative Proposals .....	47
	a. Alternative 1: ATB Evaluation ..	47
	b. Alternative 2: Chap. 59 .....	51
	c. Alternative 3: Percentage of Gross Income Evaluation .....	53
VI.	Financial Analysis .....	55
	A. Goals of Analysis; Design of Lotus 1-2-3 Template .....	55
VII.	Conclusions ... ..	61
VIII.	Exhibits.....	64

## INTRODUCTION

### A. Background

In an effort to encourage real estate development in the decaying parts of its cities, the Massachusetts Legislature passed the urban renewal statute Chapter 121A. Mass. Gen. Laws Ann. ("M.G.L.A.") ch. 121A (1945). Essentially, the statute authorizes cities and towns to grant favorable tax treatment to "urban redevelopment corporations" who build in "blighted open, decadent, or sub-standard areas." Id. sec. 2. It also allows a city to streamline the procedural process and, where appropriate, to waive customary regulations governing zoning, construction, and other areas. Id. sec. 4.

Originally, the statute applied to only residential developments, but later amendments -- chiefly spurred by the proposed development of the Prudential Insurance Co. -- extended coverage to include commercial development as well. Id., as amended by 1960 Mass. Acts ch. 652, sec. 2.

Until recently, Chapter 121A provided a desirable and, in some cases, necessary property tax arrangement, which served as an incentive for development. Exempted from customary property tax

evaluation under M.G.L.A. Chapter 59 -- which at times was notoriously unpredictable and inconsistent -- 121A properties had steady, constant tax payments, set by contract with firm guidelines. These contracts generally required tax payments equal to one percent of "fair cash value" and five percent of "effective gross income." M.G.L.A. ch. 121A, sec. 10.

This arrangement improved on conventional Chapter 59 taxation in two ways: 1) it established effective tax rates below the then prevailing rates for multi-family housing; and, 2) it established certainty with respect to future tax payments -- a crucial prerequisite for the developers and financiers contemplating large residential and mixed-use projects. John Avault, BRA Working Paper, "Boston's New Tax Environment Contributes to its Favorable Outlook for Residential Development" (October 1, 1985) [hereinafter "BRA Working Paper"].

Not surprisingly, these incentives were effective. Since 1961, 133 projects -- residential, commercial, and mixed-use -- have been built under 121A, one of the earliest being the Prudential Center (1961), and one of the most

recent being Lafayette Place (1979).

**B. The New Scenario: Obsolescence of Chapter 121A**

Since 1979, however, three events have diminished the attractiveness of Chapter 121A and undermined its effectiveness as an incentive to new development.

First, in 1979 the Massachusetts Legislature passed legislation allowing property tax "classification." Classification equalized the tax assessment rate of similar properties, and allowed different rates for four kinds of properties -- residential, open-space, commercial, and industrial. M.G.L.A. ch. 59, sec. 2A, 1979 Mass. Acts ch. 797, sec. 11. By requiring that all similarly classified property be taxed at the same rate, this legislation eliminated much of the capriciousness and inequity of the previous system.

Second -- and perhaps most important -- in 1980, Massachusetts voters approved "Proposition 2 1/2," officially titled "An Act Limiting State and Local Taxation and Expenditures." 1980 Mass. Acts ch. 580. This statewide tax limitation initiative limited annual property taxes to 2 1/2% of "full and fair cash valuation" of property, and

restricted increases in a city's total levy to 2 1/2% a year. M.G.L.A. ch. 59, sec. 21C, inserted by 1980 Mass. Acts ch. 580.

Its effect on Boston has been significant, cutting the total property tax levy by 35.8% between 1981 and 1984. Moreover, with the increase in property values throughout the city, this 2 1/2% ceiling has resulted in a dramatic decrease in the actual tax rates. BRA Working Paper, supra p. 2. (See Chart on p. 5.)

Third, in 1983 the Assessing Department embarked on a city-wide revaluation, which has resulted in "greater fairness and predictability for all property tax accounts, and permission to favor residential taxpayers through the implementation of classification." Id.

These changes have brought about a significant reduction in residential tax rates, and have provided incentives to development far beyond those offered in Chapter 121A. For example, the tax rate for residential property in Boston for 1985 was 80% lower than that of 1978. And, according to BRA projections (listed below), this ad valorem rate will continue to decline.

AD VALOREM TAX RATES FOR BOSTON APARTMENTS  
(Dollars of Tax per \$1,000 of Market Value)

<u>Fiscal Year</u>	<u>Tax Rate</u>
1978	\$87.00*
1983	21.47
1984	17.10
1985	16.42
1986	14.03**
1987	11.98**
1988	10.68**

\* Estimates, BRA Research, "Tax Constraint and Fiscal Policy: After the Property Tax", J. Avault and A. Ganz, 1983.

\*\* Projected, BRA Research.

BRA Working Paper, supra p.2.

**C. Pressure for Amending Chapter 121A**

One result of these changes is that several owners of 121A projects have made requests to the Boston Redevelopment Authority (BRA) -- the agency handling all 121A projects in Boston -- for permission to amend their agreements, releasing them from taxation under their old formulas and allowing the property taxes to be computed in a manner more in line with the current practices under Proposition 2 1/2. Some owners have gone further, requesting a complete termination of their 121A agreements. Such requests are usually accompanied by a desire to convert the rental units to cooperatives, something which the statute does

not forbid, but which requires the permission of the BRA. Bronstein v. Prudential Ins. Co. of America, 390 Mass. 701, 459 N.E.2d 772 (1984). The BRA is, of course, under no legal obligation to change the agreements, but is willing to consider such changes if it is in the interest of the city.

#### D. Outline of this Paper.

This paper will combine legal research and computerized financial analysis to look at various aspects -- legal and financial -- of amending Chapter 121A agreements. Among the matters discussed will be:

I. The history and key provisions of the statute.

II. The specific role of the BRA in carrying out the statute

III. General principles of agency power and statutory interpretation.

IV. The legal arguments and standing of parties seeking to challenge 121A amendments.

V. Alternative taxing plans, and their effect on tax revenues.

VI. One method of analyzing the financial status of individual projects, using a computer spreadsheet and Lotus 1-2-3.

VII. Conclusions.

## I. KEY PROVISIONS OF THE STATUTE

### A. Purpose

The purpose of the Chapter 121A is set out plainly in Section 2 of the statute: "It is hereby . . . declared that in many areas throughout the commonwealth there is a shortage of decent, safe and sanitary buildings for residential, commercial, industrial, institutional, recreational or governmental purposes . . . ." This condition, says the statute, is most extreme in "blighted open, decadent or sub-standard areas," and "cannot be corrected by the ordinary operations of private enterprise without the aids herein provided."

M.G.L.A. ch. 121A, -sec. 2.

Accordingly, the provisions of Chapter 121A are set forth to "stimulate the investment of private capital in blighted open, decadent or sub-standard areas, and in the construction, maintenance and operation in such areas of needed decent, safe and sanitary residential, commercial, industrial, institutional, and recreational buildings." Id.

Though not phrased in the most elegant fashion, this section makes it clear that the

principal purpose of Chapter 121A is to spur development in areas that, but for the 121A incentives, would continue to decay. No mention is made in this section, or in the statute, of an explicit obligation to provide a particular kind of development. One section, however, requires the construction of low-income housing in conjunction with condominium projects. M.G.L.A. ch. 121A, sec. 18D. The Supreme Judicial Court has interpreted this provision as an expression of the legislative intent to provide rental housing. See Bronstein v. Prudential Insurance Co. of America, 390 Mass. 701, 459 N.E.2d 772 (1984).

While acknowledging other related goals, recent cases involving 121A focus on urban renewal as the primary purpose of the statute. The Massachusetts Supreme Court has recognized that Chapter 121A was enacted in response to legislative determination that continued existence of blight and decay posed a threat to the health and safety of citizens of the Commonwealth. Boston Edison Co. v. BRA, 374 Mass. 37, 371 N.E.2d 728 (1977).

Moreover, if the effect of a privately initiated urban redevelopment project is to eliminate substandard or decadent conditions, the purpose of the

applicants in proposing the project is wholly irrelevant. Id.

Much attention has been directed to the definitions of the target areas of the statute, and distinction between the definitions tend to blur. A "blighted open area" is now defined as a "predominantly open area which is detrimental to the safety, health, morals, welfare, or sound growth of a community because it is unduly costly to develop through the operations of private enterprise." M.G.L.A. ch. 121A, sec. 1.

A "decadent area" is one which is considered to be detrimental to the sound growth of a community because the buildings on it are out of repair, deteriorated, obsolete, or generally uneconomical to maintain. Id.

And a "sub-standard area" is an area "wherein dwellings predominate which by reason of dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light, or sanitation facilities ... make it improbable that the area will be redeveloped by the ordinary operations of private enterprise . . . ." Id.

Not surprisingly, these standards have been broadly interpreted, and loosely applied. The developers of One Beacon Street, a 121A project approved in 1978, referred to their site as a "decadent area" in their application, yet described the same project in their leasing advertisement as follows:

Right along we've been saying this handsome 40-story tower is at the best location in Boston. One minute from two subway stations, surrounded by finance, business, the State House, Court Houses, City Hall, parking, shopping, hotels, restaurants, a theater, greenery, and history. Can't ask for much more than that.

City of Boston, Finance Commission Study, "The Administration of Mass. General Law Chapter 121A By the City of Boston and The Boston Redevelopment Authority" July 18, 1979.

#### **B. The Key Incentive Under 121A: Payments In Lieu of Taxes**

The principal incentive under Chapter 121A is its exemption from Chapter 59 property taxes. Instead of the customary assessment under Chapter 59 -- at one time, an arbitrary, unpredictable, and often inequitable arrangement -- a 121A property is taxed at the rate of 1% of "fair cash value" and a percentage of gross income. These payments in lieu of taxes could be estimated with

some accuracy and, more important, could be relied upon with absolute certainty -- a key consideration for developers and banks who needed to forecast cash flows with some degree of assurance.

Under 121A, the urban redevelopment corporation (the "corporation" or "developer") makes in-lieu-of-tax payments in two forms. First, it pays an "excise tax" to the Commonwealth, which is ultimately paid in full to the city where the project is located. This payment, set forth in Section 10, is 1% of the fair cash value of the property and 5% of its gross income in the preceeding calendar year.

Second, the corporation may have an additional obligation arising out of a separate agreement with the city, under Section 6A. The amount of these "6A payments" is not set by law, but is based on an agreement negotiated between the city and the developer. Generally, the payments made to the City of Boston have ranged from 20% to 23% of effective gross income for commercial developments and 15% to 18% for residential developments. Interview with Richard Cohen, Boston Department of Assessment, December 17, 1985. The corporation, however, gets credit for all payments made under

Section 10, so that that actual amount paid to the city is the difference between the 6A payment due and the Section 10 payment made to the state. (For an illustration, See Part V, p. 46.) Moreover, under Section 10, "gross income" does not include any payments by any government agency as rent subsidies or interest subsidies.

#### 1. Amendments to Sections 6A and 10

No part of of Chapter 121A, including Sections 6A and 10, contains any provision for renegotiating the in-lieu-of-tax payments. The statute does, anticipate the prospect of change -- though not with respect to tax payments. Section 6A, for example, has a clause stating that owners may stipulate that no subsequent amendments to any regulation or provision would apply without the mutual consent of all parties. M.G.L.A. ch. 121A, sec. 6A.

The Legislature has in fact amended 121A several times, most significantly with regard to the length of the tax exemption and the allowable return on investment. In 1975, the Legislature reduce the statutory term for exemptions from 40 to 15 years, and raised the permissible rate of return on capital from 6% to 8%. 1975 Mass. Acts ch. 827.

The BRA has authority to adopt and amend "rules and regulations" required to administer the statute. M.G.L.A. ch. 121A, secs. 4 and 10. But nowhere is it granted the power to adopt or amend "provisions" or "standards" of the law. Its powers with regard to 121A, like those of any city housing board, are more administrative and interpretive. In short, it would appear from the language of the statute, and the legislative origin of subsequent amendments, that substantive changes are the responsibility of the Legislature.

#### C. Additional Payments

As mentioned, corporations building projects under 121A are limited to an annual 8% return on equity. M.G.L.A. ch. 121A, sec. 9. That is, no stockholder in a 121A corporation shall receive dividends in any one year greater than 8% of his investment. This amount can be exceeded, however, to the extent that a prior years' dividends did not reach the 8% ceiling. In other words, if the return in one year did not reach the full 8%, the amount of that deficit may be carried forward and added to the customary ceiling on dividends.

To the extent that gross revenues of a project exceed the operating expenses, dividends, taxes,

interest, depreciation and other expenses described in Section 15, the remaining funds shall be applied to a payment to the city of an amount equal to the difference between the excise paid and the property tax that would have been paid without 121A benefits. (This is another example that the legislative intent of 121A was to provide tax incentives which would result in property taxes below the customary assessments under Chapter 59.)

Although this provision might appear to eliminate much of the benefit of 121A, particularly in the later years when a project would enjoy stable and profitable operation, no corporation has ever made a payment to the city under Section 15. City of Boston, Finance Commission Report, "The Administration of Mass. General Law Chapter 121A by the City of Boston and the Boston Redevelopment Authority." p. 4 (1979).

The carryover provisions of of Section 9 and the liberal deductions allowed in Section 15 have allowed corporations to accumulate substantial deficiencies which assure that the provisions of Section 15 will probably never take effect. For example, according to statements submitted by the Prudential Insurance Co. to the Commissioner of

Insurance, it has never reported a return of as much as 6% on its investment, and probably never will, having accumulated deficiencies of over \$100 million. Id. Thus, it is unlikely that Prudential will ever have to make a payment to the city under Section 15, no matter how high its return during the remainder of its 40-year contract. (For a further discussion of the comparison between Chapter 121A tax payments and payment under Chapter 59, see Part V, infra .)

#### D. Sale or Transfer of Existing 121A Projects

121A corporations are free to sell, exchange, or transfer their interests in projects, with the approval of the BRA. Section 11 states:

Any such corporation shall have the power, with the approval of the [BRA], to sell, exchange, give or otherwise transfer in whole or in part the land or interests therein, including air rights, leased or acquired by it under this chapter, with the buildings or other structures thereon, constituting a project or portion hereunder to . . . any other authorized entity under this chapter. .

M.G.L.A. ch. 121A, sec. 11.

If, however, the project is sold before the expiration of the minimum 15 year agreement, the original benefits, restrictions, and obligations still apply -- or at least may not be changed

without BRA approval. The actual language of Section 11 states:

[S]uch land . . . buildings or other structures may be sold only subject to the further requirement that any change in the benefits and restrictions applicable to the grantee, donee or transferee and any other changes in the project shall not be valid unless approved in the manner provided in section six . . . or section eighteen B, as the case may be.

M.G.L.A. ch. 121A, sec.11, as amended 1960 Mass. Acts ch. 652, sec. 12.

In the event of a sale, if the BRA determines that any aspect of the transaction significantly affects the "obligations and duties to be performed and carried out," it may require the purchaser to go through the entire 121A application process once again, "but with such modification in procedure as the [BRA] shall determine to be appropriate . . . .

M.G.L.A. ch. 121A, sec. 18B, as amended by 1975 Mass. Acts ch. 827, sec. 14.

Section 6 details the procedure for original approval of 121A projects and, as a technical matter, does not apply to projects in Boston. The procedure for initial approval of projects in Boston is set forth in Section 13 of chapter 652 of the Acts of 1960. Both Sections, however, have the

same substantive standards and requirements. These include:

[W]hether conditions exist which warrant the carrying out of the proposed project, whether in [the BRA's] opinion such projects will be practicable, whether such project conflicts with the master plan for the city, whether such project would be in any way detrimental to the best interests of the public or the city or to the public safety and convenience or inconsistent with the most suitable development of the city, and whether the project will constitute a public use and benefit.

1960 Mass. Acts ch. 652, sec. 13, as amended by  
1965 Mass. Acts ch. 859.

In short, if an acquisition is contemplated and any significant changes with respect to obligations and duties are proposed, the Mayor and the BRA must approved the acquisition in the same manner as if it were an original application. (For additional discussion regarding the role of the BRA, see Part II.)

#### E. Releasing Project from 121A Agreement

With the conspicuous tax advantages of Chapter 121A, the Legislature had little reason to anticipate that developers would want to voluntarily be released from the agreements. Experience soon demonstrated, however, that property owners found that the length of the agreements and some of its

terms were burdensome. In response, the Legislature reduced the statutory period of exemption from forty to fifteen years. 1975 Mass. Acts ch. 827.

Certain provisions of Chapter 121A actually contemplate releasing a project from the benefits and burdens of that statute. But these provisions deal only with projects threatened by foreclosure or in breach of their regulatory agreements. Section 16A allows a party acquiring a 121A property through foreclosure to hold the project free from all restrictions -- provided it has received BRA approval. And Section 18D, which deals with the creation of condominiums, allows for terminations after five years. Moreover, Section 18D also allows for termination of a condominium's 121A status if the owners commit a material breach in their regulatory agreement with the BRA. M.G.L.A. ch. 121A, sec. 18D, added by 1975 Mass. Acts ch. 827, sec. 19.

In summary, the statute allows the BRA to terminate a project's 121A status in the event of a foreclosure sale, a transfer in lieu of foreclosure, or a breach of a regulatory agreement. These explicit powers give weight to the general proposition that the BRA has implicit power to

release a project from 121A status for other reasons, if circumstances have changed, and if the general purpose of the statute has been carried out.

In 1981, the BRA did in fact terminate the 121A status of a project known as The Commercial Block. It was not financially distressed. But its owners, Boston Properties, desired to convert the project to condominiums, something forbidden under Section 18D of the statute. By terminating its 121A status, however, the owners could proceed with the conversion. Boston Properties estimated that the additional tax revenue to the city would amount to \$170,000 to \$218,000 a year. Letter from Boston Properties to Paul McCann, Assistant Director, BRA, August 28, 1981.

One significant advantage to the city of terminating a 121A project -- and perhaps one requirement it should insist on -- is that a project released from 121A could be taxed as a "new development" under Chapter 59, with its full market value added to the tax levy. 1981 Mass. Acts ch. 782, sec. 21C(f). (In contrast, a routine conversion of a non-exempt property would not be considered "new development," and would not be

added to the levy.)

Thus, the power of the BRA to terminate a 121A agreement -- absent foreclosure or a breach of contract -- has been exercised, though never legally challenged. The power to amend substantive provisions -- for example, the in-lieu-of-tax payment -- is another area of unsettled law, though past experience shows the BRA has customarily relied on the Legislature for action of this kind.

To get a clearer understanding of BRA authority to terminate and amend 121A's, it would be helpful to look at the the specific statutory powers granted to the BRA under the statute, and then look to general principles of statutory interpretation and administrative law.

## II. ROLE OF THE BOSTON REDEVELOPMENT AUTHORITY (BRA)

### A. General Authority

The BRA -- Boston's sole agency for regulating planning and development -- was formed by an act of the Boston City Council in 1957 under M.G.L.A. ch. 121, Section 26QQ, as amended by 1957 Mass. Acts ch. 150, Section 1. (Section 26QQ has since been repealed and replaced by M.G.L.A. ch. 121B.)

The specific powers of the BRA are set out in Chapter 652 of the Acts of 1960. And the general powers of "operating agencies," including the BRA, are set forth in M.G.L.A. ch. 121B, sec. 11. Among the powers enumerated in Chapter 121B are:

(j) To enter into, execute and carry out contracts with any person or organization undertaking a project under chapter one hundred and twenty-one A;

and

(1) To enter into, execute and carry out contracts and all other instruments necessary or convenient to the exercise of the powers granted in this chapter . (Emphasis added.)

M.G.L.A. ch 121B, sec.11.

Other powers of the BRA, including its duties as the acting equivalent of the State Housing Board under Chapter 121A, are established in Chapter 652

of the Acts of 1960:

[The BRA] shall, in addition to its other powers and duties, have the powers and perform the duties from time to time conferred or imposed upon the state housing board by the provisions of sections six A, seven, seven A, eight, nine, ten, eleven, twelve, fifteen, sixteen, sixteen A, eighteen and eighteen B of [Chapter 121A] with respect to a project thereunder in the City of Boston.

1960 Mass. Acts ch. 652, sec. 12.

The act also established the BRA as a planning board for the City of Boston. M.G.L.A. ch. 41, sec. 70.

#### **B. Specific Powers in Administering Chapter 121A**

The BRA's powers over all matters relating to 121A projects are not explicitly set out in the statute, though courts have acknowledged that the Legislature intended a broad grant of authority in administering the statute. Boston Edison Co. v. BRA, 374 Mass. 37, 371 N.E.2d 728 (1977).

##### **1. Approvals**

The BRA has complete control and flexibility over the approvals process of a 121A application. With the approval of the mayor, it also has the power to allow a 121A project to deviate from any zoning regulation, building code, health ordinance or other such regulation in effect in Boston, so long as "such permission may be granted without

substantially derogating from the intent and purposes of such law[s]." M.G.L.A. ch. 121A, as amended by 1960 Mass. Acts ch. 652, sec. 13.

The BRA also oversees any transfers of 121A projects, and must approve any sale. 1960 Mass. Acts ch. 652, sec. 13A, as added by Chapter 859 of the Acts of 1965. This section sets forth the applicable procedures for acquisition of an existing 121A project. It also sets forth the procedures for reviewing any changes proposed in connection with the acquisition. Of particular note is the provision governing "changes": "If the [BRA] determines that any such changes are fundamental, the [BRA] shall proceed as if such application to change were an application for the original approval of the project." Id. (Emphasis added.)

A "fundamental change" has been rather broadly defined as one in which the "nature and magnitude of the revisions of a plan could fundamentally alter the essence of the project." Bronstein v. Prudential Ins. Co. of America, 390 Mass. 701, 710, 459 N.E.2d 772 (1984). In this case, the Supreme Judicial Court decided that converting a building from rental to condominium units was a "fundamental change." In another case, however, the same court

decided that increasing the height of an approved project was not. Boston Edison Co. v. BRA, 376 Mass. 151, 379 N.E.2d 778 (1976).

## 2. Amendments

As discussed in Part I, the BRA's powers with respect to amending the financial agreements in a 121A project, or terminating an agreement altogether, are not specifically spelled out in the statute. Under Section 4 of Chapter 121A, the BRA "may make, and from time to time amend, reasonable rules and regulations in regard to the procedure for securing the approval of projects under this chapter and for the financing, construction, management and maintenance of such projects."

(Emphasis added.) The breadth and application of this section is unclear, and its meaning has never been litigated. It seems, however, to address principally the approvals process and operational matters, and makes no reference to amending "provisions" or "purposes" of the statute.

These powers of Section 4 could be interpreted to include amending existing 121A tax agreements, since financial matters would be considered part of the "management and maintenance . . . of such projects." This, however, would probably be a

stretched interpretation, and one that, to date, the BRA has not made. Other language in the section indicates that the BRA's power to amend agreements was intended to address matters relating to specific planning, zoning, health, and building laws -- not significant policy issues.

In other words, the Legislature has given the BRA a broad grant of authority in carrying out the purposes of the statute, but has not provided specific power to actually change the statutory taxing arrangement or to terminate an otherwise healthy project altogether. In the absence of explicit statutory guidance, one must consider such actions by the BRA in light of general principles of statutory interpretation and administrative law.

### III. GENERAL RULEMAKING POWERS OF AGENCIES AND PRINCIPLES OF STATUTORY INTERPRETATION

#### A. The Rulemaking Powers of Agencies: Federal Law

Although not directly applicable to state agencies and Chapter 121A, federal cases provide some guidance to basic principles of administrative law. It is, of course, well established under federal law that a legislature has the authority to invest broad powers in administrative agencies to regulate delegated areas. F.C.C. v. Schreiber, 381 U.S. 279, 290, (1965). And it is generally recognized that administrative agencies possess expertise in particular areas and are in a better position than the courts or the legislature to fashion procedural rules. Id. Accordingly, "when an agency is entrusted with the supervision of an industry, its power to do so should be broadly construed." Association of American Railroads v. ICC, 600 F.2d 989, 994 (D.C. Cir. 1979).

Agencies, moreover, have the power to deal with contingencies not anticipated by the legislature. In reviewing the extent of the power of administrative agencies, the U.S. Supreme Court stated:

The power of an administrative agency to administer a congressionally created and funded program necessarily requires the

formulation of policy and the making of rules to fill any gap left, implicitly or explicitly, by Congress.

Morton v. Ruiz, 415 U.S. 199, 231, (1974).

Finally, the Supreme Court has also stated that substantial weight should be given to an agency's interpretation of its own rules. Morton v. Ruiz, 415 U.S. at 237.

#### B. Massachusetts Case Law

Massachusetts cases follow a similar vein and give weight to an expansive interpretation of BRA powers. In determining the extent of an agency's powers, one must look to the agency's "organic statute taken as a whole." Grocery Manufacturers of America v. Department of Public Health, 379 Mass. 70, 75, 393 N.E.2d 881 (1979). The powers given to the agency include those necessarily or reasonably implied, and the agency has considerable latitude in interpreting a statute which it is charged with enforcing. Id. Regulations promulgated by an agency are entitled to particularly great weight where the statute itself vests broad powers in the agency to carry out and fill in the details of the legislative scheme. Consolidated Cigar Corp. v. Department of Public Health, 372 Mass. 844, 850, 364 N.E.2d 1202 (1977); Cliff House Nursing Home, Inc. v. Rate Setting Commission, 16 Mass. App. Ct. 300, 303, 450 N.E.2d 1135 (1984).

Other cases reaffirm that considerable deference should be allowed to an agency's interpretation of its enabling statute and the regulations created under it. One case has even stated that an agency's interpretation of its enabling statute should be upheld unless the interpretation is totally irrational or unfounded. 15,844 Welfare Recipients v. King, 474 F. Supp. 1374 (D. Mass 1979). This is particularly true where the statute contains ambiguous language. Lowell Gas Co. v. Commissioner of Corporations and Taxation, 377 Mass. 255, 262, 385 N.E.2d 991 (1979).

Massachusetts courts have in fact stated that "a regulation may be authorized even where it cannot be traced to specific statutory language." Grocery Manufacturers, 379 Mass. at 75. In reviewing an agency's regulations, courts accord such regulations the same deference that they extend to act of the legislature. Cliff House Nursing Home, 16 Mass. App. Ct. at 303. The regulations of an agency must be upheld if there is some rational relation between the regulation and the goals advanced by the statute. White Dove, Inc. v. Director of Division of Marine Fisheries, 380 Mass. 471, 477, 403 N.E.2d 1169 (1980).

In spite of the ample authority supporting wide agency powers, Massachusetts courts have stated that substantive additions to Chapter 121A must be the work

of the Legislature. In Bronstein v. Prudential Ins. Co. of America, 390 Mass. 701, 459 N.E.2d 772 (1984), for example, the Massachusetts Supreme Court rejected an interpretation of the statute which would have extended the prohibitions against condominium conversions to include "cooperatives." Section 18D of the statute prohibits condominium conversion, but says nothing about cooperatives. The tenants in a large 121A apartment building argued that, for the purposes of the legislation, they were one and the same.

The court rejected their argument, saying that "cooperative ownership . . . condominium ownership . . . and urban redevelopment, G.L. c.121A and G.L. c. 121B, are purely statutory creations which the Legislature has always governed." Id. at 701. To add the word "cooperative" to the statute, said the court, would amount to judicial legislation. Id.

The court also said that even if an injustice or a hardship would result, it cannot insert words into a statute where the language, taken as a whole, is clear and unambiguous: "To stretch the meaning of a statute so as to adjust an alleged injustice, inequity or hardship could cause a multiplicity of interpretations as each alleged injustice, inequity or hardship arose." Id.

Whether this categorical restriction would apply to

amendments and terminations of 121A would probably depend on the nature of change. Changing the statutory requirements for the in-lieu-of-tax payments would likely be deemed a usurpation of Legislative prerogative. Yet allowing terminations of otherwise healthy projects, could arguably be considered a reasonable interpretation, or extension, of existing powers.

### C. Statutory Interpretation

Massachusetts case law regarding statutory interpretation also would support broad BRA power in administering the statute. In interpreting the meaning of a statute, one must consider the statute in relation to other statutes, the statute's origin, historic development, and present language. Pereira v. New England LNG Co. Inc., 364 Mass. 109, 115, 301 N.E.2d 444 (1973). It is settled law that "[e]very presumption must be indulged that the legislature intended to put in force a piece of legislation effectual to remedy the evil at which it appears to be aimed." White Construction Co. Inc. v. Commonwealth, 11 Mass. App. Ct. 640, 647-48, 418 N.E.2d 357(1981), aff'd 385 Mass. 1005, 432 N.E.2d 104 (1982). If a statute is found to be faulty or lacking in some way, it must be read as a whole to best effectuate the legislative intent. Tedford v. Massachusetts Housing Finance Agency, 390

Mass. 686, 696, 459 N.E.2d 780 (1984).

In short, there is ample precedent to support BRA action to make certain kinds of amendments or even terminate 121A agreements, if such action would be considered "interpretive" and if there is no unwarranted additions to statute. Such action must comport with the statutory purpose of 121A -- the removal of urban blight -- and be administered in accordance with general principles of administrative law, i.e. procedurally consistent and with clear standards. But beyond that, the BRA would seem to have considerable discretion to take any action or make any regulation that improves the administration and effectiveness of the statute. With the passage of Proposition 2 1/2, Chapter 121A incentives have lost much, if not all, of their advantages. If the statute is still to have any force, some flexibility in its administration is required.

#### IV. CHALLENGES TO BRA ACTION

If the BRA amends a 121A agreement or terminates a project altogether, it can probably expect opposition from two sources. If it reduces the in-lieu-of-tax payments of one project, it can expect pressure from other owners who will want similar treatment. And if terminates a project altogether, it can expect opposition from the tenants of the development, or from community activists seeking to maintain the stock of rental housing. The legal claims of such owners, tenants, and groups, and the basis of their standing to challenge such action is discussed below.

##### A. Claims of Other 121A Owners

If the BRA decides to reduce the in-lieu-of tax payments of certain projects on an ad hoc basis, it could be vulnerable to a challenge from other 121A owners who could claim denial of due process and equal protection. The state constitution mandates that taxes be levied on a "proportional and reasonable" basis. Mass. Const., Part II, art. 4, ch. 1, sec. 10. Cf. Mass. Declaration of Rights, art. 10 (each individual is obliged to contribute only "his share" of tax

burden.)

This rule of "proportionality" has been interpreted to mean that a taxpayer should only pay tax in proportion to the value his property bears to the whole tax levy. Keniston v. Board of Assessors, 380 Mass. 888, 407 N.E.2d 1275 (1980). A taxpayer can challenge his own assessment if the owner of another property of similar value is paying less in taxes, or if another owner is paying proportionately less. Sudbury v. Commissioner of Corps. & Taxation, 366 Mass. 558, 321 N.E.2d 641 (1974); Tregor v. Board of Assessors, 377 Mass. 602, 387 N.E.2d 538 (1979) cert. denied, 444 U.S. 841 (1979). Thus, if the owner of a 121A project renegotiated his payments below the statutory level set in Section 10, another owner, paying the full amount, could claim to be paying disproportionately high taxes.

There is, however, a significant limitation to this doctrine. An owner proving that he is taxed at more than his proportionate share is not entitled to the tax rate of the most favored class, but rather the average rate of the city as a whole. As the Keniston court said: "If . . . a taxpayer . . . pays no more than his fair share . . . he does

not present a case of invidious discrimination. The equal protection clause imposes 'no iron rule of equality.'" Keniston v. Board of Assessors, 380 Mass. at 892. Accordingly, a protesting owner would not necessarily be entitled to the same deal as one who renegotiated his payments, but rather the "average" deal of all 121A owners.

In any case, it is worth noting that all these cases arise under the Chapter 59 property tax statute, and not Chapter 121A. Chapter 121A properties are, as mentioned earlier, specifically exempted from Chapter 59 -- which raises the question whether the precedent established in these cases would even apply. And even if they did, so long as the statutory taxing requirements of Section 10 -- 5% of gross income and 1% of fair cash value -- are maintained, the BRA could, arguably, renegotiate any other obligations arising under Section 6A. Section 6A has no statutory guidelines, and is negotiated entirely by the city. If the BRA chose to change that agreement with one owner, other owners would probably have no basis for standing to challenge it. (A fuller discussion of standing issues is found in the next section.)

## B. Challenges by Tenants or Organizations

If the BRA terminates a 121A agreement it can expect opposition from an entirely different constituency -- tenants and groups representing their interests. As a recent case demonstrates, these parties can be expected to raise at least two kinds of legal arguments: 1) that the BRA failed to follow the procedural requirements of the statute; and, 2) that the proposed action fails to fulfill a "public use and benefit." Bronstein v. Prudential Ins. Co. of America, 390 Mass. 701, 459 N.E.2d 772 (1984). (This case did not involve a termination, but rather a conversion to cooperatives. Any request for terminations, however, have been made with an intent to convert rental units.)

The Supreme Judicial Court has required a strict adherence to the procedural guidelines of 121A, and taken a very close reading of the literal requirements of the statute. Id. To the extent such procedures are not followed, any action would, of course, be subject to challenge.

The same court has, however, acknowledged that the BRA -- and not the court -- should determine what constitutes a "public use and benefit." Id. The BRA must follow the specific statutory

standards. 1960 Mass. Acts ch. 652, sec. 13. But, these allow a considerable degree of discretion. Judicial review of BRA decisions is limited to "ascertaining compliance with those standards," correcting errors of law and applying the substantial evidence test to factual findings. Id. 390 Mass. at 705. In no event does a court have the authority to initially determine what constitutes a public purpose. Id.

#### C. Standing of Parties Challenging BRA Action

The Supreme Judicial Court has in fact taken up the question of the standing of parties challenging 121A projects. Boston Edison Co. v. BRA, 374 Mass. 37, 46 371 N.E.2d 728 (1977). In this case, Boston Edison challenged a plan to build a private generating plant under Chapter 121A. The defendants argued that Boston Edison lacked standing to make such a complaint. Noting that Chapter 121A had no specific standing requirements, the court stated that the controversy would be governed by the "general grant of standing" as set forth in the Acts of 1960, ch. 652, sec. 13. The court also referred to constitutional cases on the subject, such as Sierra Club v. Morton, 405 U.S. 727, 734-741 (1972) and United States v. Students

Challenging Regulatory Agency Procedures, 412 U.S. 669, 683-690 (1973).

### 1. General Requirements

The general requirements regarding standing of parties challenging BRA action are broad, and somewhat vague, conferring standing to any "person . . . aggrieved" by a vote of the BRA. 1960 Mass. Acts, ch. 652, sec. 13. Once the BRA makes a final vote on a project, the secretary of the authority files a copy of the vote with the city clerk, accompanied by the approval of the mayor, when necessary. "Within thirty days after such filing, any person, whether previously a party to the proceeding or not, who is aggrieved by such vote . . . may file a petition in the supreme judicial or superior court sitting in Suffolk County for a writ of certiorari against the authority to correct errors of law therein . . . ." Id. (Emphasis added.)

More specific guidelines as to the definition of a "person aggrieved" have been developed in case law, though few suits deal only with BRA action involving with 121A projects. Tenants of projects would certainly have sufficient grounds for standing.

Recent cases have established that a plaintiff must merely have some property interest which is allegedly harmed in order to have standing to challenge a decision. That interest, however, must bear some proximity to the contested project. In Boston Edison Co. v. BRA, for example, the court rejected a claim by the plaintiff on the grounds that he had no property interest in the immediate area. Id., 374 Mass. at 63.

Other cases reaffirm this view, underscoring the need for a direct injury to a plaintiff's property interest. Shriner's Hosp. for Crippled Children v. BRA, 4 Mass. App. Ct. 551, 555, 353 N.E.2d 778 (1976). Moreover, Massachusetts courts have denied standing on the basis that the plaintiff was not a property owner at all. Amherst Growth Study Committee, Inc. v. Bd. of App. of Amherst, 1 Mass. App. Ct. 826, 296 N.E.2d 717 (1973).

Although courts have required some sort of property interest to confer standing, they have shown flexibility in what kind of interest is sufficient. A plaintiff need not be an owner; he can be a lessee, as in Bronstein, or a mortgagee. Carey v. Planning Board of Revere, 335 Mass. 740,

139 N.E. 2d 920 (1957).

Although a tenant or group of tenants would surely have standing to contest a termination or conversion, any other group probably would not. A "general civic interest" is not a sufficient basis for standing. Waltham Motor Inn v. LaCava, 3 Mass. App. Ct. 210, 326 N.E.2d 348 (1975). As the Supreme Judicial Court has said: "Violation of law gives rise to no private right of action unless there is also a violation of some private right or duty." Circle Lounge & Grill Inc. v. Board of Appeal of Boston, 324 Mass. 427, 432, 86 N.E.2d 920 (1949). Put another way, courts have said "a citizen zealous in the enforcement of the law but without private interest . . . belongs to a class . . . to whom the Legislature has decided that no remedy ought to be given." Amherst Growth Study Comm. v. Bd. of App. of Amherst, 1 Mass. App. Ct. 826, 827, 296 N.E.2d 717 (1973).

The Amherst court also stated that a civic group having an "interest in a problem" could not have standing, no matter how long-standing the interest and no matter how qualified in evaluating the problem. Amherst Growth, 1 Mass. App. Ct. at 827. This reiterates the doctrine of federal cases

on standing, which have stated that a "plaintiff must generally assert his own legal rights and interests, and cannot rest his claim to relief on the legal rights or interests of third parties."

Duke Power Co. v. Carolina Environmental Study Group, 438 U.S. 59, 78 (1978).

The rejection of standing based on general civic interest was repeated in one of the few cases involving Chapter 121A. Le Beau v. Selectmen of East Brookfield, 13 Mass. App. Ct. 942, 431 N.E.2d 257 (1982). In Le Beau, plaintiffs who challenged a 121A project were denied standing on the ground that their status as "residents, taxpayers, and voters" was, by itself, insufficient. In short, some kind of private property interest is necessary for establishing standing to challenge such a decision with respect to Chapter 121A.

## V. ALTERNATIVES TO EXISTING 121A AGREEMENTS

### A. Reasons for Requests for Alternative Taxing Plans

In light of the tax reductions of Proposition 2 1/2, several owners of 121A projects now face an anomaly not contemplated by the draftsmen of the statute. Their projects are now paying more in property tax under their 121A agreement than they would if they had no 121A agreement at all. In other words, they would be better off if taxed like any other taxpayer under Chapter 59, the basic property tax statute -- an ironic result for legislation that was originally designed to spur development through tax incentives.

Several owners of 121A projects and at least one agency financing 121A's, the Massachusetts Housing Finance Agency ("MHFA"), have been concerned about this disparity, and have asked the BRA to amend their 121A agreements to reduce their property taxes. Clearly, the BRA has little desire to saddle 121A projects with unfairly high property taxes. Indeed, the original intent of the 121A

legislation was to stabilize and, to some extent, reduce property taxes in order to encourage residential and commercial development in blighted areas. Moreover, many of the 121A developments are subsidized housing projects which the city sorely needs, and whose financial status is already less than robust.

A strong case can be made for reviewing the property taxes of such projects, and determining whether they are in fact paying excessive amounts. The City of Boston is eager to preserve the economic vitality of these projects, and continue to provide housing at reasonable prices for its citizens. To the extent that a reduction in property taxes furthers these goals, such amendments to the existing 121A agreements might rightly be considered.

Not all 121A projects present a compelling case for relief, however. The commercial projects, in particular, anticipated their current tax liabilities and, in most cases, have succeeded quite handsomely. Any reduction in their taxes would simply be a windfall to the developers. The

Marriott Long Wharf, for example, or the luxury apartment building Devonshire Place are both 121A projects that probably pay more under their 121A agreements than they otherwise would under Chapter 59. Yet both are solid commercial successes. And neither needs additional tax relief to insure its continuance or to benefit its tenants. Moreover, the analysis of most projects does not consider the substantial tax shelter generated by non-cash losses arising from depreciation.

It should also be remembered that the original 121A designation allowed the developers to take advantage of certain procedural shortcuts in the development process -- for example, the waiving of customary zoning and construction regulations, where appropriate -- which would not have been otherwise available. M.G.L.A. ch.121A, sec. 4. With the passage of time, this benefit tends to be overlooked. But one need only consider the formidable procedural obstacles facing large scale developments in Boston today to be reminded of its value. Indeed, it is conceivable that without the streamlined procedural advantages of 121A, some of

these commercial projects might not have been built in their present form, or even built at all.

Even some of the subsidized housing projects have little justification for relief. For example, some MHFA projects are federally subsidized under the Section 8 program, which subsidizes all operating expenses, including taxes. A reduction in their property taxes would be passed through to the federal government. A laudable result in the age of budget deficits, but one which would provide no benefit to the project itself or its tenants.

Accordingly, each project ought to be evaluated on its own terms, with two considerations in mind: 1) whether its current property tax payment is excessive, in view of its income and its operating expenses, and 2) what effect, if any, a reduction in its tax would have on improving the financial position of the project or its tenants. Before making such a case-by-case analysis, one must first consider the alternative plans for taxing a property, should its 121A agreement be amended.

**B. Alternative Plans for Assessing Property Taxes of 121A Projects**

**1. Existing Arrangement**

As mentioned in Part I, taxes on 121A projects are assessed according to a formula based on Section 10 and Section 6 of the statute. The Section 10 "excise payment" is calculated as follows:

$$\begin{array}{r} 5\% \text{ of gross income (not including} \\ \text{subsidies)} \\ + \quad 1\% \text{ of "fair cash value" of the property} \\ \hline \end{array}$$

**Total Section 10 Payment**

These funds are first paid to the state, who in turn refunds them to the city where the development is located. In addition to the Section 10 payment, the developer may be obliged to make an addition payment directly to the city, in an agreement worked out under Section 6A. The city is free to negotiate its own terms with the developer (and presumably could renegotiate its agreement). In residential properties such agreements have usually called for payments of 16-18% of gross income. In commercial properties the figure has been higher, usually 20-23% of gross income. All

payment made under Section 10 are deducted from an owner's obligations under Section 6A. In other words, the city actually receives only the difference between what the owner owes under Section 6A and what he has paid under Section 10.

To illustrate: Assuming a building is worth \$6,000,000, has an annual gross income (GI) of \$1,000,000, and a 6A agreement calling for a payment of 16% of GI. Its payment would be calculated as follows:

<b>Section 10 Payment</b>	
5% of \$1,000,000	\$50,000
1% of \$6,000,000	<u>\$60,000</u>
Payment	\$110,000
<b>Section 6A Payment</b>	
Gross Income (GI)	\$1,000,000
6A Obligation @ 16% GI	160,000
Section 10 Payment	<u>-110,000</u>
Actual 6A Payment	\$50,000
<b>Total Payments</b>	<b>\$160,000</b>

## 2. Alternative Plans for Evaluation

The Assessing Department of the City of Boston has proposed three alternative plans that might be used to tax 121A projects with amended agreements. (See Exhibit 1.) Two plans, the Appellate Tax Board (ATB) plan and the Chapter 59 plan, would base their evaluation on "fair cash value" or "market value" of the property. The third alternative, the "Percentage of Gross Income" (PGI) plan, would base its assessment on the income of the property. Each plan would, of course, have differences in evaluation approaches, and, on most properties, would result in significantly different assessments. To summarize, the three plans for evaluation would be based on :

1. Appellate Tax Board (ATB) evaluation;  
or,
2. Chapter 59 evaluation; or,
3. Percentage of gross income (PGI)  
(10%-12% in Assessor's estimates)

### a. Alternative 1: ATB Evaluation

It will be useful to consider ATB valuation first, because certain considerations in its

approach might also be relevant to assessment assumptions under Chapter 59. The ATB method, as proposed by the Assessing Department, is based on a recent decision of the state Appellate Tax Board, involving two federally subsidized housing projects. Cummins Towers Company v. Board of Assessors of City of Boston, Docket No. 95733; and, Burbank Apartments Company v. Board of Assessors of the City of Boston, Docket No. 117620, Commonwealth of Massachusetts, Appellate Tax Board, August 24, 1984.

Both Cummins and Burbank involve properties operated under Section 236 of the National Housing Act, 12 U.S.C. sec. 1715Z-1 (1976), a federal subsidy program. As such, they were subject to a number of restrictions -- limits, for example, on rent increases, return on equity, and refinancing -- which, it was argued, made their fair market value less than that of comparable properties unencumbered by such restraints. The Appellate Tax Board agreed, making the following findings:

1. The capitalization of income method of valuation for income-producing property, whose

income is subject to control by an outside agency, is an appropriate guide to the fair cash value of the property. See Board of Assessors of Weymouth v. Tammy Brook Company, 368 Mass. 810, 331 N.E.2d 531 (1975).

2. The assessment of a property must take into account the restrictions placed by federal regulation on the actual income of the project. The maximum rental allowance by HUD is the best evidence of a project's earning capacity, even though the "fair market" rates might be higher. See Community Development Company of Gardner v. Board of Assessors of Gardner, 377 Mass. 351, 385 N.E.2d 1376 (1979).

3. In arriving at an opinion of fair market value using the income approach, it is permissible to use the owner's expenses as given, even if they are higher, as a percentage of income, than those of comparable properties. (One explanation: The restrictions on rental income may result in a disproportionately high income/expense ratio.)

4. In determining the rate of return in the capitalization rate for a property, the Assessing

Department may consider the tax advantages and other benefits, such a favorable financing or guaranteed rental payments.

Thus, according to the Assessing Department, the ATB method of evaluation would be as follows:

Gross possible income  
- Vacancy allowance  
Effective gross income  
- Operating expenses  
= Net operating income  
÷ Cap rate + tax rate  
= Fair cash value

The key figure in such a calculation is, of course, the capitalization rate. (The tax rate used is that prevailing at the time of assessment, and is not subject to dispute.) In Cummins and Burbank the property owners argued for a cap rate of 12% and 14%, while the Assessing Department used a figure of 8% -- the 6% return allowed under Section 236, and an additional 2% for depreciation. The Appellate Tax Board sided the the Assessing Department, using a slightly higher rate of 9%. In

view of the similar limits on return in 121A projects (now 8% on equity), it is likely that a similar cap. rate would be used under the ATB formula.

As Exhibit 1 indicates, if the MHFA projects were evaluated under this formula, they would pay substantially less in property taxes, in some instances as low as 32% of their existing 121A payments. (See Haynes House, Exhibit 1.)

**b. Alternative 2: Chapter 59 Evaluation**

With the passage of Proposition 2 1/2, the basic property tax under Chapter 59 is limited to a average tax rate of 2 1/2% of the total tax levy. The actual tax rate on residential and commercial varies, however. The 1986 residential tax rate is 1.44%, or \$14.40 per \$1,000 (fair market value); the commercial rate is 3.20%, or \$32.00 per \$1,000. City of Boston, Assessing Department. Fair market value is determine by a variety of methods, including replacement cost, comparable sales, and income capitalization.

The Assessing Department's estimates confirm the assertions of MHFA and others that 121A

projects would generally have a lower tax burden if taxed under Chapter 59. (Though, some projects, such as Symphony Plaza East and West, would have higher taxes.) This reduction in their tax payments would, however, be much less than that realized using the ATB formula. For all MHFA projects, the reduction in taxes would be from \$3,398,360 (121A taxes) to \$3,063,102 (Chapter 59 taxes) -- \$335,258, or roughly 10%. Under the ATB formula, these same MHFA projects would pay an estimated \$2,335,089 in taxes -- a reduction of \$1,063,271, or nearly 30%. (See Exhibit 1.)

Moreover, in light of the decisions of Cummins, Burbank, Tammy Brook, and Gardner it is quite possible that the Chapter 59 valuations used in these estimates are in fact too high, since they are not, as a rule, calculated on the basis of operating income and have not taken into consideration the encumbrances on 121A projects. Conceivably, if these 121A projects were amended to be taxed under Chapter 59, their owners would insist on an evaluation based on actual operating income, not on replacement value or on comparable

sales. Accordingly, their assessments would be closer to those figured under the ATB formula in Exhibit 1, and not the Chapter 59 estimates.

The unpredictable outcome of granting these projects Chapter 59 status might, in the words of Richard Cohen of the Assessing Department, result in "giving away the city." Interview with Richard Cohen, February 4, 1986.

c. Alternative 3: Evaluation Bases on Percentage of Gross Income (PGI)

The third approach suggested by the Assessing Department is one figuring property tax as a percentage of gross income. The percentage used by the department in its estimates is 10%, a figure which is close to that of existing residential properties in the city not under 121A agreements. (Although not actually taxed on this basis, most residential properties pay taxes amounting to about 10-12% of their gross income. Id.)

This form of evaluation has several advantages. First, it would probably be the easiest to administer, requiring only an accounting of the rent rolls, which would be relatively simple to

verify. Second, it would also be the arrangement easiest to audit. Unlike the other methods, it would provide no incentive to owners to run up expenses or otherwise incur unnecessary debt. And third, it would predict the actual tax consequences of an amendments with greater certainty, since no matter would be left to subjective evaluation.

Moreover, the City could set its percentage rate at whatever figure it felt appropriate, and use that a benchmark. For example, it could set the rate at 12%, allowing all projects paying taxes above that amount, and having otherwise reasonable operating expenses, an opportunity to enter into a new contract setting rents according to that figure. (The effects of setting the PGI at 6%, 8%, and 12% are found in Exhibits 2-4.)

**VI. METHOD OF ANALYSIS: THE LOTUS 1-2-3 TEMPLATE**  
**BASIC DESIGN**

**1. Goals of the Analysis**

There are currently 133 121A projects in Boston, of widely different size, location, and use. The project known as 144 Worcester Street is an 8-unit, wood frame apartment complex in Dorchester, receiving no rent subsidies. It has lost money in three of the past four years. In contrast, the project known as Blackstone is a 145-unit, concrete high rise in the West End, which receives generous Section 8 subsidies, which has never lost money, and which made \$136,711 in 1984.

With such disparity in the financial situations of the various 121A projects, it would be unnecessary, and perhaps unwise, to grant an across-the-board amendment to the existing agreements. A superior arrangement, arguably, would be one involving a case-by-case analysis which grants relief only to those projects in genuine need of it..

Such an analysis should provide the information necessary to make a decision about granting an amendment, and should also be carried

out in a standardized and consistent fashion.

At the very least, it should provide:

1) a clear idea of the financial state of the property, and its relative operating efficiency;

2) relative burden of its current property tax payments; and,

3) the change in property tax payments that would result under different evaluation plans.

The following Lotus 1-2-3 template has been designed with these goals in mind. (See Exhibit 5.) The contents of each section of the template, and the key variables and assumptions, are described below:

#### Section 1: General Information

This section gives all the background information about the project, and also lists the assumptions for 1) estimating taxes as a percentage of gross income, and 2) for estimating the potential development value. The information contained in this section includes:

Name  
Owner  
Address  
Classification, i.e. commercial, residential etc.  
Year built  
Year of 121A agreement, years remaining  
Subsidy type, if any  
Existing encumbrances  
Construction type  
Size of building(s.f.)  
Number of units  
Construction costs

Operating results for past four years  
PGI estimate  
Sales price (s.f.)  
Renovation costs (s.f.)

## Section 2: Operating Information

This section actually breaks down the income statement for a project in a given year. The income and the operating expenses are broken down in the customary format, showing the net operating income (before debt service), and the net amount available for equity (after debt service). The section does not take into account the tax benefits arising for the non-cash expense of depreciation -- a significant omission, given the value of the tax shelter in most real estate investments. Because of the age of these properties, however, most of the depreciation benefits have probably been used, and would not be a significant factor now.

To improve analysis, and ease comparison with other properties, the figures have been also be computed as: 1) a percentage of all income (which includes interest and rental subsidies); 2) a percentage of base income (without subsidies); and 3) an amount per square foot of building.

This section shows, among other things, the

degree to which the property depends on an interest subsidy (Line 61); the efficiency of management (Lines 66 and 67); and, the amount of money going back into the property (Line 77). Perhaps most important, this section shows the relative burden of the property tax on the project (Line 71). Assuming all the other expenses are reasonable, this figure indicates whether a project is being taxed at a disproportionately high rate. In the example, this project, Concord Houses, is being taxed at a rate equal to 14% of its total income and 19% of its unsubsidized income. It is, however, still making a profit (Line 79), and therefore may not need any relief. Other information contained in this section includes:

- Gross rents (residential)
- Gross rents (commercial)
- Vacancies and bad debts
- Subsidies
- Administrative expense
- Maintenance expense
- Utilities expense
- Capital expense
- Taxes
- Debt service
- Net operating income
- Net available for equity

(As mentioned, all these figures are also expressed as a percentage of income, with and without subsidies.)

### **Section 3: Payments Under Different Taxation Plans**

This section shows what the estimated payments for the property would be under the different evaluation plans. It shows the most recent payment to the Assessing Department, an amount that may differ from that reported on account of differences in accrual and cash accounting methods. It also shows the tax payments as a percentage of subsidized and unsubsidized income. As this example demonstrates, a tax based on a percentage of gross income -- here, 10% -- would provide the smallest reduction in taxes (Line 96). The information contained in this section includes:

- Taxes paid according to Assessing Dept. records
- Taxes as reported to the MHFA
- Taxes estimated under the ATB plan
- Taxes estimated under Chapter 59
- Taxes estimated as a percentage of gross income

### **Section 4: Development Potential**

This last section makes an attempt to estimate (very roughly) what the potential profit would be if a 121A project were converted to a cooperative and sold. This information would be valuable in determining what payment the BRA might ask of the developer in exchange for permission to release a project from its 121A agreement. As mentioned in Part

II, such a conversion would represent a "fundamental change" and would require the approval of the BRA. Using information in Section 1 regarding existing mortgage and assumptions regarding conversion expense and selling prices, this section gives an approximation of the potential development profit of a conversion. The information contained in this section includes:

- Existing encumbrance on property
- Estimated conversion costs, hard and soft (per/s.f.)
- Estimated selling price (per/s.f.)
- Potential profit

## VII. CONCLUSIONS

1. The BRA probably has the power to terminate and, to some degree, amend 121A agreements.

Though not given explicit authority to terminate an otherwise healthy 121A project, the BRA could probably do so, and withstand a legal challenge to the action. The BRA has broad authority granted under its enabling act and under the 121A statute itself. It can also rely on supportive precedent in state cases involving statutory interpretation and administrative law. Accordingly, a termination would be considered a permissible extension of its existing power.

An amendment to the in-lieu-of-tax payment would probably also be permissible, provided the BRA did not alter the statutory requirements of Section 10 of the Chapter. A revision of that section would have to be done by the Legislature, since it is a substantive provision, with clear and unequivocal standards. Rather, the BRA might amend the agreement under Section 6A, which is negotiated solely by the city, and which has no statutory requirements. The BRA could also request the Assessing Department to review its assessment of the "fair cash value" of a property, in view of

the recent decisions under Tammy Brook, Gardner, Cummins, and Burbank, mentioned in Part V. A revaluation under the guidelines set forth in those cases might result in a lower assessment of fair cash value and, in turn, a lower obligation under Section 10 -- with no amendment to the statute.

**2. New tax obligations would best be figured as a percentage of gross income.**

As discussed earlier, an amendment to an existing tax agreement would be easiest to calculate, administer, and audit if it were simply based on a percentage of gross income. The amount of a new payment based on Chapter 59 or on the ATB formula would be much more uncertain and subject to dispute. Moreover, the owner of a property evaluated under either of these methods would have a perverse incentive to inflate expenses, and thereby decrease the operating income, a key figure used to determine value.

**3. The BRA could review each project on an individual basis.**

Provided it remained within the statutory requirements of Chapter 121A, and applied consistent criteria for relief, the BRA could evaluate requests for amendments on an individual

basis without a significant legal challenge.

The BRA could require each project to petition for amendment, and to provide all the information necessary to run a financial analysis like that in Exhibit 5. If necessary, the BRA could require audited statements of the current year and past years to determine whether any figures had been inflated in response to the new policy on amendments.

The BRA could then set a presumptive standard for granting relief, e.g. to all projects with payments in excess of 12% of gross income. The standard would be presumptive, in that it could require some showing of "need," such as operating losses for two of the past three years. Finally, the BRA could further limit amendments to residential projects only.

1  
2 EXHIBIT 1: MHFA 121A DEVELOPMENTS IN BOSTON (1984)

3  
4 Effect of Alternative Evaluation Plans on Property Tax Revenue

5  
6 Source: City of Boston Assessing Department, Richard Cohen

Researcher: Patrick Kennedy

Date: 1-24-86

7  
8 Key: 1. -- Appellate Tax Board (ATB) Plan: Taxes based on formula promulgated by ATB, capitalizing income.

9 2. -- Chapter 59 Plan: Taxes based on customary formula of M.G.L. Chapter 59.

10 3. -- Percentage of Gross Income (PGI) Plan:

11 PGI: 10%

12 13 14 15 16 Project	MHFA#	121A Taxes Paid		121A Taxes *		ATB Taxes	Ch. 59		PGI		10%	
		Units	Per Unit	Sec. 10 & Sec. 6A)	Per Unit		Per Unit	Taxes	Per Unit	Taxes	Per Unit	
17 Anderson Park	74-151	64	52,000	813	88,561	1,384	53,520	836	51,966	812	69,175	1,081
19 Blackstone	72-119	145	153,434	1,058	113,984	786	114,580	790	122,132	842	117,164	808
21 Blake Estates #1	78-029	175	149,137	852	149,100	852	120,770	690	109,193	624	117,164	670
23 Blake Estates #2	78-097	88	93,717	1,065	93,800	1,066	77,910	885	57,092	649	74,175	843
25 Casa Borinquen	74-106	36	30,893	858	33,425	928	21,100	586	17,044	473	30,267	841
27 Concord Houses	73-106	181	146,875	811	150,058	829	58,950	326	76,451	422	105,876	590
29 Conway Court	74-005	28	22,537	805	22,537	805	9,640	344	11,042	394	14,951	534
31 Cottage Brook	75-084	147	123,215	838	120,208	818	104,546	711	114,600	780	124,224	845
33 East Boston Rehab	73-042	96	50,000	521	56,207	585	19,241	200	37,585	392	53,440	557
35 Ebenezer Homes	71-067	32	24,401	763	25,185	787	17,047	533	17,274	540	19,747	617
37 Forbes Bldg.	74-109	147	116,885	795	116,885	795	44,576	303	53,529	364	77,520	527
39 Franklin Park	74-040	220	224,755	1,022	234,996	1,068	112,477	511	124,398	565	153,050	696
41 Franklin Sq. Housing	73-039	193	115,000	596	146,113	757	106,440	552	119,045	617	136,052	705
43 Gardner Apts.	74-022	49	30,000	612	45,000	918	9,877	202	11,395	233	30,090	614
45 Haynes House	72-108	131	107,928	824	107,928	824	34,560	264	45,914	350	91,447	698
47 Hemenway	78-035	183	165,819	906	183,252	1,001	125,210	684	112,887	617	134,175	733
49 Intervale-Magnolia	70-071	88	73,223	832	54,902	624	57,045	648	63,332	720	72,175	820
51 (Cont.)												



1  
2 EXHIBIT 1: MIFA 121A DEVELOPMENTS IN BOSTON (1984)

3  
4 Effect of Alternative Evaluation Plans on Property Tax Revenue

5  
6 Source: City of Boston Assessing Department, Richard Cohen  
7  
8 Researcher: Patrick Kennedy  
9 Date: 1-24-86

- 8 Key: 1. — Appellate Tax Board (ATB) Plan: Taxes based on formula promulgated by ATB, capitalizing income.  
9 2. — Chapter 59 Plan: Taxes based on customary formula of M.G.L. Chapter 59.  
10 3. — Percentage of Gross Income (PGI) Plan:  
11 FGI: 6%

96

16 Project	17 MIFA#	121A Taxes Paid		121A Taxes		ATB	Per Unit	Ch. 59	Per Unit	FGI	6%	
		Units	Sec. 6A)	Sec. 10 & Sec. 6A)	Per Unit						Taxes	Taxes
18 Anderson Park	74-151	64	52,000	813	88,561	1,394	53,520	836	51,966	812	41,305	649
20 Blackstone	72-119	145	153,434	1,058	113,984	786	114,580	790	122,132	842	70,298	485
22 Blake Estates #1	78-029	175	149,137	852	149,100	852	120,770	690	109,193	624	70,298	402
24 Blake Estates #2	78-097	88	93,717	1,065	93,800	1,066	77,910	885	57,092	649	44,505	506
26 Casa Borinquen	74-106	36	30,893	858	33,425	928	21,100	586	17,044	473	18,160	504
28 Concord Houses	73-106	181	146,875	811	150,058	829	58,950	326	76,451	422	64,126	354
30 Conway Court	74-005	28	22,537	805	22,537	805	9,640	344	11,042	394	8,971	320
32 Cottage Brook	75-084	147	123,215	838	120,208	818	104,546	711	114,600	780	74,534	507
34 East Boston Rehab	73-042	96	50,000	521	56,207	585	19,241	200	37,585	392	32,064	334
36 Ebenezer Homes	71-067	32	24,401	763	25,185	787	17,047	533	17,274	540	11,848	370
38 Forbes Bldg.	74-109	147	116,885	795	116,885	795	44,576	303	53,529	364	46,512	316
40 Franklin Park	74-040	220	224,755	1,022	234,996	1,068	112,477	511	124,398	565	91,830	417
42 Franklin Sq. Housing	73-099	193	115,000	596	146,113	757	106,440	552	119,045	617	81,631	423
44 Gardner Apts.	74-022	49	30,000	612	45,000	918	9,877	202	11,395	233	18,054	368
46 Haynes House	72-108	131	107,928	824	107,928	824	34,560	264	45,914	350	54,868	419
48 Havenway	78-035	183	165,819	906	183,252	1,001	125,210	684	112,887	617	80,505	440
50 Intervale-Magnolia	70-071	88	73,223	832	54,902	624	57,045	648	63,332	720	43,305	492
51 (Cont.)												

EXHIBIT 2

55  
56 EXHIBIT 1: MFA 121A DEVELOPMENTS IN BOSTON (1984) (cont.)  
57

58 Effect of Alternative Tax Plans		121A Taxes Paid		121A Taxes		ATB		Ch. 59		6.00%		
59	MFA#	Units	(Sec. 10 & Sec. 6A) Per Unit	Reported to MFA (Sec. 10 & Sec. 6A) Per Unit	Per Unit	Taxes	Per Unit	Taxes	Per Unit	PGI Taxes	Per Unit	
60 Project												
61												
62												
63 Madison Park #3	73-041	120	76,127	634	125,670	1,047	45,650	380	45,650	380	59,399	495
64												
65 Marcus Garvey Gardens	74-133	161	78,000	484	143,648	892	114,700	712	103,446	643	71,291	443
66												
67												
68 Mercantile Bldg.	74-059	122	214,654	1,759	211,538	1,734	73,997	607	128,076	1,050	90,377	741
69												
70 Newcastle-Saranac	71-008	97	52,000	536	48,563	501	13,000	134	43,102	444	35,656	368
71												
72 144 Worcester	74-013	8	14,474	1,809		0	3,218	402	4,088	511	3,164	395
73												
74 Quincy Towers	73-075	162	119,244	736	119,269	736	53,450	330	62,396	385	54,463	336
75												
76 Rockingham Glen	72-046	143	123,784	866	66,830	467	66,830	467	55,007	385	50,776	355
77												
78 Savin Hill Apts.	78-062	132	132,190	1,001	121,206	918	120,770	915	99,226	752	63,808	483
79												
80 Smith House	72-058	132	123,723	937	123,723	937	48,685	369	57,220	433	52,690	399
81												
82 Symphony Plaza East	74-017	188	116,926	622	116,618	620	120,500	641	113,791	605	102,053	543
83												
84												
85 Symphony Plaza West		216	134,003	620	133,777	619	159,000	736	109,030	505	119,478	553
86												
87												
88 Taurus at Fountain Hill	75-034	73	69,967	958	70,058	960	63,644	872	52,544	720	35,431	485
89												
90												
91 Victory Gardens Plaza	74-045	87	61,328	705	65,541	753	59,700	686	58,135	668	37,100	426
92												
93												
94 Wait Street	79-044	100	97,129	971	98,604	986	77,154	772	61,681	617	46,019	460
95												
96 Wallingford House	74-085	211	184,776	876	282,717	1,340	131,150	622	140,998	668	91,954	436
97												
98 Woodbury Bldg.	74-136	17	11,000	647	11,145	656	11,782	693	11,362	668	8,035	473
99												
100 Woodledge	70-095	130	109,216	840	104,427	803	84,370	649	94,111	724	63,212	486
101												
102												
103 TOTAL		4,102	3,398,360	852	3,585,475	847	2,335,089	560	2,384,742	575	1,837,920 (PGIT)	447
104												
105												

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1  
2 EXHIBIT 1: MHFA 121A DEVELOPMENTS IN BOSTON (1984)  
3  
4 Effect of Alternative Evaluation Plans on Property Tax Revenue  
5

6 Source: City of Boston Assessing Department, Richard Cohen

Researcher: Patrick Kennedy

Date: 1-24-86

7  
8 Key: 1. — Appellate Tax Board (ATB) Plan: Taxes based on formula promulgated by ATB, capitalizing income.  
9 2. — Chapter 59 Plan: Taxes based on customary formula of M.G.L. Chapter 59.  
10 3. — Percentage of Gross Income (PGI) Plan:  
11 PGI: 8%

12 Project	13 MHFA#	14 121A Taxes Paid		15 121A Taxes		16 ATB	17	18 Ch. 59		19 8%		
		20 Units	21 Sec. 6A)	22 Per Unit	23 Reported to MHFA			24 Per Unit	25 Taxes	26 Per Unit	27 PGI	28 Taxes
18 Anderson Park	74-151	64	52,000	813	88,561	1,384	53,520	836	51,966	812	55,340	865
19 Blackstone	72-119	145	153,434	1,058	113,984	786	114,580	790	122,132	842	93,731	646
20 Blake Estates #1	78-029	175	149,137	852	149,100	852	120,770	690	109,193	624	93,731	536
21 Blake Estates #2	78-097	88	93,717	1,065	93,800	1,066	77,910	885	57,092	649	59,340	674
22 Casa Borinquen	74-106	36	30,893	858	33,425	928	21,100	586	17,044	473	24,214	673
23 Concord Houses	73-106	181	146,875	811	150,058	829	58,950	326	76,451	422	85,501	472
24 Conway Court	74-005	28	22,537	805	22,537	805	9,640	344	11,042	394	11,961	427
25 Cottage Brook	75-084	147	123,215	838	120,208	818	104,546	711	114,600	780	99,379	676
26 East Boston Rehab	73-042	96	50,000	521	56,207	585	19,241	200	37,585	392	42,752	445
27 Ebenezer Homes	71-067	32	24,401	763	25,185	787	17,047	533	17,274	540	15,798	494
28 Forbes Bldg.	74-109	147	116,885	795	116,885	795	44,576	303	53,529	364	62,016	422
29 Franklin Park	74-040	220	224,755	1,022	234,996	1,068	112,477	511	124,398	565	122,440	557
30 Franklin Sq. Housing	73-039	193	115,000	596	146,113	757	106,440	552	119,045	617	108,842	564
31 Gardner Apts.	74-022	49	30,000	612	45,000	918	9,877	202	11,395	233	24,072	491
32 Haynes House	72-108	131	107,928	824	107,928	824	34,560	264	45,914	350	73,158	558
33 Hemerway	78-035	183	165,819	906	183,252	1,001	125,210	684	112,887	617	107,340	587
34 Intervale-Magnolia	70-071	88	73,223	832	54,902	624	57,045	648	63,332	720	57,740	656
35 (Cont.)												

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EXHIBIT 3

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56 EXHIBIT 1: MIFA 121A DEVELOPMENTS IN BOSTON (1984) (cont.)

57

58 Effect of Alternative Tax Plans

59

60 Project

MIFA#

Units

121A Taxes Paid  
(Sec. 10 &  
Sec. 6A) Per Unit121A Taxes  
Reported to MIFA  
(Sec. 10 &  
Sec. 6A) Per UnitATB  
Taxes

Per Unit

Ch. 59  
Taxes

Per Unit

FGI  
Taxes

Per Unit

8.00%

Per Unit

61

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63 Madison Park #3

73-041

120

76,127

634

125,670

1,047

45,650

380

45,650

380

79,198

660

64

65 Marcus Garvey

74-133

161

78,000

484

143,648

892

114,700

712

103,446

643

95,054

590

66

67 Gardens

74-059

122

214,654

1,759

211,538

1,734

73,997

607

128,076

1,050

120,502

988

69

70 Newcastle-Saranac

71-008

97

52,000

536

48,563

501

13,000

134

43,102

444

47,542

490

71

72 144 Worcester

74-013

8

14,474

1,809

0

3,218

402

4,088

511

4,218

527

73

74 Quincy Towers

73-075

162

119,244

736

119,269

736

53,450

330

62,396

385

72,618

448

75

76 Rockingham Glen

72-046

143

123,784

866

66,830

467

66,830

467

55,007

385

67,701

473

77

78 Savin Hill Apts.

78-062

132

132,190

1,001

121,206

918

120,770

915

99,226

752

85,078

645

79

80 Smith House

72-058

132

123,723

937

123,723

937

48,685

369

57,220

433

70,253

532

81

82 Symphony Plaza

74-017

188

116,926

622

116,618

620

120,500

641

113,791

605

136,071

724

83

84 East

75-034

73

69,967

958

70,058

960

63,644

872

52,544

720

47,241

647

86

87 Taurus at

74-045

87

61,328

705

65,541

753

59,700

686

58,135

668

49,467

569

89

90 Fountain Hill

79-044

100

97,129

971

98,604

986

77,154

772

61,681

617

61,358

614

92

93 Victory Gardens

74-085

211

184,776

876

282,717

1,340

131,150

622

140,998

668

122,606

581

94

95 Wait Street

74-136

17

11,000

647

11,145

656

11,782

693

11,352

668

10,713

630

97

98 Wallingford House

70-095

130

109,216

840

104,427

803

84,370

649

94,111

724

84,282

648

99

100 Woodledge

101

102

103 TOTAL

4,102

3,398,360

852

3,585,475

847

2,335,089

560

2,384,742

575

2,450,560

596

104

105

(FGIT)

1

## 2 EXHIBIT 1: MIFA 121A DEVELOPMENTS IN BOSTON (1984)

3

## 4 Effect of Alternative Evaluation Plans on Property Tax Revenue

5

6 Source: City of Boston Assessing Department, Richard Cohen

Researcher: Patrick Kennedy

7

Date: 1-24-86

8 Key: 1. — Appellate Tax Board (ATB) Plan: Taxes based on formula promulgated by ATB, capitalizing income.

9

2. — Chapter 59 Plan: Taxes based on customary formula of M.G.L. Chapter 59.

10

3. — Percentage of Gross Income (PGI) Plan:

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PGI: 1Z

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(Cont.)

Project	MIFA#	121A Taxes Paid (Sec. 10 & 6A)		121A Taxes Reported to MIFA (Sec. 10 & 6A)		ATB Taxes	Per Unit	Ch. 59 Taxes		PGI Taxes	1Z	
		Units	Per Unit	Per Unit	Per Unit			Per Unit	Per Unit			
Anderson Park	74-151	64	52,000	813	88,561	1,384	53,520	836	51,966	812	83,010	1,297
Blackstone	72-119	145	153,434	1,058	113,984	786	114,580	790	122,132	842	140,597	970
Blake Estates #1	78-029	175	149,137	852	149,100	852	120,770	690	109,193	624	140,597	803
Blake Estates #2	78-097	88	93,717	1,065	93,800	1,066	77,910	885	57,092	649	89,010	1,011
Casa Borinquen	74-106	36	30,893	858	33,425	928	21,100	586	17,044	473	36,320	1,009
Concord Houses	73-106	181	146,875	811	150,058	829	58,950	326	76,451	422	128,251	709
Conway Court	74-005	28	22,537	805	22,537	805	9,640	344	11,042	394	17,941	641
Cottage Brook	75-084	147	123,215	838	120,208	818	104,546	711	114,600	780	149,069	1,014
East Boston Rehab	73-042	96	50,000	521	56,207	585	19,241	200	37,585	392	64,128	668
Ebenezer Homes	71-067	32	24,401	763	25,185	787	17,047	533	17,274	540	23,696	741
Forbes Bldg.	74-109	147	116,885	795	116,885	795	44,576	303	53,529	364	93,024	633
Franklin Park	74-040	220	224,755	1,022	234,996	1,068	112,477	511	124,398	565	183,660	835
Franklin Sq. Housing	73-039	193	115,000	596	146,113	757	106,440	552	119,045	617	163,262	846
Gardner Apts.	74-022	49	30,000	612	45,000	918	9,877	202	11,395	233	36,108	737
Haynes House	72-108	131	107,928	824	107,928	824	34,560	264	45,914	350	109,736	838
Hamerway	78-035	183	165,819	906	183,252	1,001	125,210	684	112,887	617	161,010	880
Intervale-Magnolia	70-071	88	73,223	832	54,902	624	57,045	648	63,332	720	86,610	984

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EXHIBIT 4

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56 EXHIBIT 1: MHFA 121A DEVELOPMENTS IN BOSTON (1984) (cont.)

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58 Effect of Alternative Tax Plans

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60 Project

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121A Taxes Paid  
(Sec. 10 &  
Sec. 6A) Per Unit121A Taxes  
Reported to MHFA  
(Sec. 10 &  
Sec. 6A) Per UnitATB  
Taxes

Per Unit

Ch. 59  
Taxes

Per Unit

FGI  
Taxes12.00%  
Per Unit

Project	MHFA#	Units	121A Taxes Paid (Sec. 10 & Sec. 6A) Per Unit	121A Taxes Reported to MHFA (Sec. 10 & Sec. 6A) Per Unit	ATB Taxes	Per Unit	Ch. 59 Taxes	Per Unit	FGI Taxes	12.00% Per Unit		
Madison Park #3	73-041	120	76,127	634	125,670	1,047	45,650	380	45,650	380	118,798	990
Marcus Garvey Gardens	74-133	161	78,000	484	143,648	892	114,700	712	103,446	643	142,582	886
Mercantile Bldg.	74-059	122	214,654	1,759	211,538	1,734	73,997	607	128,076	1,050	180,754	1,482
Newcastle-Saranac	71-008	97	52,000	536	48,563	501	13,000	134	43,102	444	71,312	735
144 Worcester	74-013	8	14,474	1,809		0	3,218	402	4,088	511	6,328	791
Quincy Towers	73-075	162	119,244	736	119,269	736	53,450	330	62,396	385	108,926	672
Rockingham Glen	72-046	143	123,784	866	66,830	467	66,830	467	55,007	385	101,551	710
Savin Hill Apts.	78-062	132	132,190	1,001	121,206	918	120,770	915	99,226	752	127,616	967
Smith House	72-058	132	123,723	937	123,723	937	48,685	369	57,220	433	105,379	798
Symphony Plaza East	74-017	188	116,926	622	116,618	620	120,500	641	113,791	605	204,107	1,086
Symphony Plaza West		216	134,003	620	133,777	619	159,000	736	109,030	505	238,956	1,106
Taurus at Fountain Hill	75-034	73	69,967	958	70,058	960	63,644	872	52,544	720	70,861	971
Victory Gardens Plaza	74-045	87	61,328	705	65,541	753	59,700	686	58,135	668	74,201	853
Walt Street	79-044	100	97,129	971	98,604	986	77,154	772	61,681	617	92,038	920
Wallingford House	74-085	211	184,776	876	282,717	1,340	131,150	622	140,998	668	183,908	872
Woodbury Bldg.	74-136	17	11,000	647	11,145	656	11,782	693	11,362	668	16,069	945
Woodledge	70-095	130	109,216	840	104,427	803	84,370	649	94,111	724	126,424	972
TOTAL		4,102	3,398,360	852	3,585,475	847	2,335,089	560	2,384,742	575	3,675,840 (FGIT)	893

EXHIBIT 5

09-Mar-86

121A Alternative Prop. Tax Analysis

1				
2	PROPOSED TEMPLATE FOR ANALYSIS OF 121A PROJECTS	SOURCE:	MHFA Project Development/Management System	
3	Date: 09-Mar-86		Portfolio Review Report # 73-106	
4	Boston Redevelopment Authority			
5	Patrick Kennedy: Student Researcher			
6	<hr/>			
7	SECTION 1: GENERAL INFORMATION	LOOKUP (LU):	1	
8	[139-167]		[170-179]	
9	OWNER & LOCATION:			
10	MHFA# 73-106	TOTAL UNITS (TU)	181	OTHER INFORMATION:
11	Project Name: Concord	Subsidized:	181	
12	Houses	Unsubsidized:	0	Variable:
13	Address: 705 Tremont	Very Low:	0	% of Gross
14	City: South End	Low:	95	Inc. (PGL) 10%
15	Report Date: 1984	Moderate:	85	
16		Market:	1	CONVERSION ESTIMATES
17	Developer: Hous. Innov.	Family:	95	
18	Mgmt. Agent: Ten. Serv.	Elderly:	86	Renovation Cost (SF)
19	Date Closed: 1974			
20	Date Completed: 1976	TOTAL S.F. (SF):	123,197	Hard (HC) \$40
21		[183-199]		Soft (SC) \$12
22	Est. Cost:	SUBSIDY UNITS:		
23	Loan Amount: 5,387,988	236:	181	Selling
24	Loan Amt./Unit 33,259	13A:	0	Prices/SF \$100
25	Current Balance (CB): 5,137,594	Sec. 8:	0	(SP)
26		R.S.:	0	
27	CHARACTERISTICS:	707:	0	
28	Construction Type: Mod. Rise	23:	23	
29	Fire Code Type: Con. Fr.	RAP:	72	
30	Market Type: Urban	SHARP:	0	
31	Site Type: Scat. Site			
32	Primary Heat Type: Gas	Prin. Subsidy:	236	
33	Sec. Heat Type: N/A			
34	Hot Water Type: Gas	Net Available		
35		For Equity		
36	Age: 10	1984:	40,578	
37	General Condition:	1983:	74,883	
38	ERA Classification:	1982:	18,132	
39		1981:	53,043	
40	<hr/>			

EXHIBIT 5 (cont.)

121A Alternative Prop. Tax Analysis

09-Mar-86

2		LOOKUP (LU): 1				
43 SECTION 2: OPERATING INFORMATION						
44 Project Name: Concord Houses						
45 For 12 Months						
46 Ending: 1984						
47						
48						
49						
	Amount	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.	
50 INCOME:						
51	Gross Rents (RES)	864,496	81%	109%	4,776	\$7.02
52	Less: Vacancies +	(52,683)	-5%	-7%	(291)	(\$0.43)
53	Bad Debts +	(21,955)	-2%	-3%	(121)	(\$0.18)
54						
55	Gross Rents (OOM)	0	0%	0%	0	\$0.00
56	Less: Vacancies +	0	0%	0%	0	\$0.00
57	Bad Debts +	0	0%	0%	0	\$0.00
58						
59						
60	Effective Rents (EFR)	789,858	74%	100%	4,364	\$6.41
61	Interest Subsidy (IS)	264,063	25%	33%	1,459	\$2.14
62	Other Income (OI)	19,977	2%	3%	110	\$0.16
63	Total: Effect. Income (EI)	1,073,898	100%	136%	5,933	\$8.72
64						
65 EXPENSES:						
66	Admin. Exp. (AE)	(110,697)	-10%	-14%	(612)	(\$0.90)
67	Main. Exp. (ME)	(124,634)	-12%	-16%	(689)	(\$1.01)
68	Security (S)	(4,852)	0%	-1%	(27)	(\$0.04)
69	Utilities (UT)	(165,010)	-15%	-21%	(912)	(\$1.34)
70	Replacement Reserve (RR)	(15,000)	-1%	-2%	(83)	(\$0.12)
71	Taxes (TX)	(150,058)	-14%	-19%	(829)	(\$1.22)
72	Insur. & Interest (I&I)	(12,861)	-1%	-2%	(71)	(\$0.10)
73						
74	Total Expenses (TE)	(583,112)	-54%	-74%	(3,222)	(\$4.73)
75						
76	NET OPERATING INCOME (NOI)	490,786	46%	62%	2,712	\$3.98
77	Less: Capital Exp. (CE)	(21,112)	-2%	-3%	(117)	(\$0.17)
78	Debt Service (DS)	(429,096)	-40%	-54%	(2,371)	(\$3.48)
79	NET AVAIL. FOR EQUITY (NAE)	40,578	4%	5%	224	\$0.33
80						
81						
82						
83			% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.
84						
85 SECTION 3: ALT. TAX PLANS						
86						
87	Taxes Paid Assessor's Off.	146,875	14%	19%	811	\$1.19
88						
89	Taxes as Reported to MHFA	150,058	14%	19%	829	\$1.22
90						
91	Estimate: AIB Plan	58,950	5%	7%	326	\$0.48
92						
93	Estimate: Chapter 59 Plan	76,451	7%	10%	422	\$0.62
94						
95	Estimate: % of					
96	Gross Inc.	10% 107,390	10%	14%	593	\$0.87
97						
98						

0

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**102 SECTION 4: DEVELOPMENT POTENTIAL**

103

104 MHFA#: 73-106

105 Project Name: Concord Houses

106 TOTAL UNITS (TU): 181

107 TOTAL S.F. (SF): 123,197

108 Rehab. Cost \$/SF (Hard) \$40

109 Rehab. Cost \$/SF (Soft) \$12

110 Sales Price \$/SF \$100

111

112 Potential Sales Revenue (PSR) \$12,319,700

113 (Total SF x \$/SF)

114

115 LESS:

116

117 Rehab. Costs (Hard)(RCH) (\$4,927,880)

118 Rehab. Costs (Soft)(RCS) (\$1,478,364)

119

120 Total Rehab. Costs (TRC) (\$6,406,244)

121

122 Gross Proceeds (GP) \$5,913,456

123

124 Mortgage Indebtness (MI) (\$5,137,594)

125

126 Potential Profit (PP) \$775,862

127

128

129

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1  
 2 EXHIBIT 6: MFA 121A DEVELOPMENTS IN BOSTON (1984)  
 3  
 4 Summary of Estimated Tax Payments Under Various Plans: SECTION 236 and 13A PROJECTS  
 5  
 6 Source: MFA Audited Financial Reports & Assessing Department Estimates  
 7  
 8 Range of Percentage Tax: 10%

Researcher: Patrick Kennedy

75

10								TAX BILL 1984 (As Reported to MFA)		PROPOSED 10% AGI		DIFFERENCE		ATB TAXES		CHAPTER 59 TAXES				
11	MFA#	Subsidy Type	Units	Percent Market Units	Gross Income 1984	Adj. Gross Income (AGI) 1984	Total \$	\$ Per Unit	Percent of AGI	10% Total \$	\$ Per Unit	Total \$	\$ Per Unit	Total \$	\$ Per Unit	Total \$	\$ Per Unit			
12	17	Concord Houses	73-106	236	181	48%	1,073,898	809,835	150,058	809	19%	80,984	447	69,075	382	58,950	326	76,451	422	
13	18	Madison Park #3	73-041	236	120	0%	989,982	680,276	125,670	1,047	18%	68,028	567	57,642	480	45,650	380	45,650	380	
14	20	Quincy Towers	73-075	236	162	1%	907,729	645,316	119,269	736	18%	64,532	398	54,737	338	53,430	330	62,396	385	
15	22	Rockingham Glen	72-046	236	143	59%	846,264	788,629	123,784	866	16%	78,863	551	44,921	314	66,830	467	55,007	385	
16	24	144 Worcester	74-013	13	8	75%	50,217	37,689	8,341	1,043	22%	3,769	471	4,572	572	3,218	402	4,088	511	
17	26	Conway Court	74-005	13	28	75%	149,513	111,809	22,537	805	20%	11,181	399	11,356	406	9,640	344	11,042	394	
18	28	East Boston Rehab	73-042	13	96	75%	534,407	426,886	56,207	585	13%	42,689	445	13,518	141	19,241	200	37,585	392	
19	30	Forbes Bldg.	74-109	13	147	75%	775,198	575,721	116,885	795	20%	57,572	392	59,313	403	44,576	303	53,529	364	
20	32	Gardner Apts.	74-022	13	49	73%	300,902	218,989	45,000	918	21%	21,899	447	23,101	471	9,877	202	11,395	233	
21	34	Haynes House	72-108	13	131	75%	910,447	649,973	107,928	824	17%	64,997	496	42,931	328	34,560	264	45,914	350	
22	36	Mercantile Bldg.	74-059	13	122	65%	1,255,231	1,090,535	211,538	1,734	19%	109,054	894	102,485	840	73,997	607	128,076	1,050	
23	38	Newcastle-Saranac	71-008	13	97	62%	594,273	459,970	48,563	501	11%	45,997	474	2,566	26	13,000	134	43,102	444	
24	40	Smith House	72-058	13	132	0%	878,158	750,906	123,723	937	16%	75,091	569	48,632	368	48,665	369	57,220	433	
25	42	TOTAL / AVERAGE			1,416				1,259,503		894	18%	724,653	504	534,850	390	481,674	333	631,455	442

49 EXHIBIT 6: MHFA 121A DEVELOPMENTS IN BOSTON (1984) (cont.)  
 50  
 51 Summary of Estimated Tax Payments Under Various Plans: SECTION 8 PROJECTS  
 52  
 53 Source: MHFA Audited Financial Reports & Assessing Department Estimates  
 54  
 55 Range of Percentage Tax: 10%

Researcher: Patrick Kennedy

Project	MHFA#	Subsidy Type	Units	Percent Market Units	Gross Income 1984	Adj. Gross Income (AGI) 1984	TAX BILL 1984 (As Reported to MHFA)			PROPOSED 10% AGI		DIFFERENCE		ATB TAXES		CHAPTER 91 TAXES	
							Total \$	\$ Per Unit	Percent of AGI	10% Total \$	\$ Per Unit	Total \$	\$ Per Unit	Total \$	\$ Per Unit	Total \$	\$ Per Unit
64 Anderson Park	74-151	8	64	70%	576,462	576,462	88,561	1,384	15%	57,646	901	30,915	483	53,520	836	51,966	812
66 Blackstone	72-119	8	145	60%	1,171,643	1,171,643	113,984	786	10%	117,164	808	(3,180)	(22)	114,580	790	122,132	842
68 Blake Estates #1	78-029	8	175	40%	1,170,665	1,170,665	149,100	852	13%	117,067	669	32,034	183	120,770	690	109,193	624
70 Blake Estates #2	78-097	8	88	41%	741,748	741,748	93,800	1,066	13%	74,175	843	19,625	223	77,910	885	57,092	649
72 Case Borinquen	74-106	8	36	50%	302,668	302,668	33,425	928	11%	30,267	841	3,158	88	21,100	586	17,044	473
73 Cottage Brook	75-084	8	147	14%	1,242,243	1,242,243	120,208	818	10%	124,224	845	(4,016)	(27)	104,546	711	114,600	780
76 Ebenezer Homes	71-067	8	32	63%	197,475	197,475	25,185	787	13%	19,748	617	5,438	170	17,047	533	17,274	540
78 Franklin Park	74-040	8	220	65%	1,530,499	1,428,824	234,996	1,068	16%	142,882	649	92,114	419	112,477	511	124,398	565
80 Franklin Sq. Housing	73-039	8	193	3%	1,360,523	1,360,523	146,113	757	11%	136,052	705	10,061	52	106,440	552	119,045	617
82 Hemenway	78-035	8	183	70%	1,341,752	1,341,752	183,253	1,001	14%	134,175	733	49,078	268	125,210	684	112,887	617
84 Intervale-Magnolia	70-071	8	88	70%	721,756	721,756	54,902	624	8%	72,176	820	(17,274)	(196)	57,045	648	63,332	720
86 Marcus Carvey Gardens	74-133	8	161	70%	1,188,181	1,188,181	143,648	892	12%	118,818	738	24,830	154	114,700	712	103,446	643
88 Savin Hill Apts.	78-062	8	132	35%	1,063,471	1,063,471	121,206	918	11%	106,347	806	14,859	113	120,770	915	99,226	752
90 Symphony Plaza West		8	216	0%	1,659,420	1,659,420	133,777	619	8%	165,942	768	(32,165)	(149)	159,000	736	109,030	505
92 Symphony Plaza East	74-017	8	188	87%	1,417,414	1,417,414	116,618	620	8%	141,741	754	(25,123)	(134)	120,500	641	113,791	605
94 Taurus at Fountain Hill	75-034	8	73	70%	590,511	590,511	70,058	960	12%	59,051	809	11,007	151	63,644	872	52,544	720
96 Victory Gardens Plaza	74-045	8	87	70%	618,342	618,342	65,541	753	11%	61,834	711	3,707	43	59,700	686	58,135	668
98 Wilt Street	79-044	8	100	70%	766,986	766,986	98,604	986	13%	76,699	767	21,905	219	77,154	772	61,661	617
100 Wallingford House	74-085	8	211	32%	1,532,571	1,532,571	282,717	1,340	18%	153,257	726	129,460	614	131,150	622	140,998	668
102 Woodbury Bldg.	74-136	8	17	12%	133,906	133,906	11,145	656	8%	13,391	788	(2,246)	(132)	11,782	693	11,362	668
104 Woodledge	70-095	8	130	67%	1,053,531	1,053,531	104,427	803	10%	105,353	810	(926)	(7)	84,370	649	94,111	724
<b>TOTAL / AVERAGE</b>			<b>2,686</b>				<b>2,391,268</b>	<b>887</b>	<b>12%</b>	<b>2,028,009</b>	<b>767</b>	<b>363,259</b>	<b>120</b>	<b>1,853,415</b>	<b>701</b>	<b>1,753,287</b>	<b>658</b>

1  
 2 EXHIBIT 1A:MHFA 121A DEVELOPMENTS IN BOSTON (1984)  
 3  
 4 Percentage of Gross Income: with Subsidy and without Subsidy  
 5  
 6 Source: MHFA Audited Financial Reports  
 7  
 8 Range of Percentage Tax: 6%, 8%, 10%, 12%

Researcher: Patrick Kennedy  
 Date: 4-11-86 (Revised Subsidy Figures)

Project	MHFA#	Units	Total Income (w/ subs.)	Base Income (w/o subs.)	Subsidies	←Percentage of Unsubsidized Income→				←Percentage of Total Income→			
						6%	8%	10%	12%	6%	8%	10%	12%
Anderson Park	74-151	64	576,462	576,462	0	34,588	46,117	57,646	69,175	34,588	46,117	57,646	69,175
Blackstone	72-119	145	1,171,643	1,171,643	0	70,299	93,731	117,164	140,597	70,299	93,731	117,164	140,597
Blake Estates #1	78-029	175	1,170,665	1,170,665	0	70,240	93,653	117,067	140,480	70,240	93,653	117,067	140,480
Blake Estates #2	78-097	88	741,748	741,748	0	44,505	59,340	74,175	89,010	44,505	59,340	74,175	89,010
Casa Borinquen	74-106	36	302,668	302,668	0	18,160	24,213	30,267	36,320	18,160	24,213	30,267	36,320
Concord Houses	73-106	181	1,073,898	809,835	264,063	48,590	64,787	80,984	97,180	64,434	85,912	107,390	128,868
Conway Court	74-005	28	149,513	111,809	37,704	6,709	8,945	11,181	13,417	8,971	11,961	14,951	17,942
Cottage Brook	75-084	147	1,242,243	1,242,243	0	74,535	99,379	124,224	149,069	74,535	99,379	124,224	149,069
East Boston Rehab	73-042	96	534,407	426,886	107,521	25,613	34,151	42,689	51,226	32,064	42,753	53,441	64,129
Ebenezer Homes	71-067	32	197,475	197,475	0	11,849	15,798	19,748	23,697	11,849	15,798	19,748	23,697
Forbes Bldg.	74-109	147	775,198	575,721	199,477	34,543	46,058	57,572	69,087	46,512	62,016	77,520	93,024
Franklin Park	74-040	220	1,530,499	1,428,824	101,675	85,729	114,306	142,882	171,459	91,830	122,440	153,050	183,660
Franklin Sq. Housing	73-039	193	1,360,523	1,360,523	0	81,631	108,842	136,052	163,263	81,631	108,842	136,052	163,263
Gardner Apts.	74-022	49	300,902	218,989	81,913	13,139	17,519	21,899	26,279	18,054	24,072	30,090	36,108
Haynes House	72-108	131	910,447	649,973	260,474	38,998	51,998	64,997	77,997	54,627	72,836	91,045	109,254
Hemenway	78-035	183	1,341,752	1,341,752	0	80,505	107,340	134,175	161,010	80,505	107,340	134,175	161,010
Intervale-Magnolia	70-071	88	721,756	721,756	0	43,305	57,740	72,176	86,611	43,305	57,740	72,176	86,611

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53 EXHIBIT 1A:MHFA 121A DEVELOPMENTS IN BOSTON (1984)(cont.)

54

55 Percentage of Gross Income: with Subsidy and without Subsidy

56

57 Source: MHFA Audited Financial Reports

Researcher: Patrick Kennedy

58

Date: 1-24-86

59 Range of Percentage Tax: 6%, 8%, 10%, 12%

60

61 Project	62 MHFA#	63 Units	64 Total Income (w/ subs.)	65 Base Income (w/o subs.)	66 Subsidies	67 ←Percentage		68 of Unsubsidized Income→		69 ←Percentage of Total Income→			
						6% 8%	10% 12%	6% 8% 10% 12%					
66 Madison Park #3	73-041	120	989,982	680,276	309,706	40,817	54,422	68,028	81,633	59,399	79,199	98,998	118,798
67 Marcus Carvey 68 Gardens	74-133	161	1,188,181	1,188,181	0	71,291	95,054	118,818	142,582	71,291	95,054	118,818	142,582
69 Mercantile Bldg.	74-059	122	1,255,231	1,090,535	164,696	65,432	87,243	109,054	130,864	75,314	100,418	125,523	150,628
70 Newcastle-Saranac	71-008	97	594,273	459,970	134,303	27,598	36,798	45,997	55,196	35,656	47,542	59,427	71,313
71 144 Worcester	74-013	8	50,217	37,689	12,528	2,261	3,015	3,769	4,523	3,013	4,017	5,022	6,026
72 Quincy Towers	73-075	162	907,729	645,316	262,413	38,719	51,625	64,532	77,438	54,464	72,618	90,773	108,927
73 Rockingham Glen	72-046	143	846,264	788,629	57,635	47,318	63,090	78,863	94,635	50,776	67,701	84,626	101,552
74 Savin Hill Apts.	78-062	132	1,063,471	1,063,471	0	63,808	85,078	106,347	127,617	63,808	85,078	106,347	127,617
75 Smith House	72-058	132	878,158	750,906	127,252	45,054	60,072	75,091	90,109	52,689	70,253	87,816	105,379
76 Symphony Plaza 77 East	74-017	188	1,417,414	1,417,414	0	85,045	113,393	141,741	170,090	85,045	113,393	141,741	170,090
78 Symphony Plaza 79 West		216	1,659,420	1,659,420	0	99,565	132,754	165,942	199,130	99,565	132,754	165,942	199,130
80 Taurus at 81 Fountain Hill	75-034	73	590,511	590,511	0	35,431	47,241	59,051	70,861	35,431	47,241	59,051	70,861
82 Victory Gardens 83 Plaza	74-045	87	618,342	618,342	0	37,101	49,467	61,834	74,201	37,101	49,467	61,834	74,201
84 Wait Street	79-044	100	766,986	766,986	0	46,019	61,359	76,699	92,038	46,019	61,359	76,699	92,038
85 Wallingford House	74-085	211	1,532,571	1,532,571	0	91,954	122,606	153,257	183,909	91,954	122,606	153,257	183,909
86 Woodbury Bldg.	74-136	17	133,906	133,906	0	8,034	10,712	13,391	16,069	8,034	10,712	13,391	16,069
87 Woodledge	70-095	130	1,053,531	1,053,531	0	63,212	84,282	105,353	126,424	63,212	84,282	105,353	126,424
88 TOTAL		4,102				1,651,598	2,202,130	2,752,663	3,303,195	1,778,879	2,371,839	2,964,799	3,557,758

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1  
 2 PROPOSED TEMPLATE FOR ANALYSIS OF 121A PROJECTS  
 3 Date: 15-Mar-86  
 4 Boston Redevelopment Authority  
 5 Patrick Kennedy: Student Researcher  
 6

SOURCE: MHFA Project Development/Management System  
 Portfolio Review Report # 73-106

7 SECTION 1: GENERAL INFORMATION		LOOKUP (LU):			
8	[138-167]			1	
9 OWNER & LOCATION:			[169-178]		
10 MHFA#	73-106	TOTAL UNITS (TU)	181	OTHER INFORMATION:	
11 Project Name:	Concord	Subsidized:	181		
12	Houses	Unsubsidized:	0	Variable:	
13 Address:	705 Tremont	Very Low:	0	% of Gross	
14 City:	South End	Low:	95	Inc. (PGL) 10%	
15 Report Date:	1984	Moderate:	85		
16		Market:	1	CONVERSION ESTIMATES	
17 Developer:	Hous. Innov.	Family:	95		
18 Mgmt. Agent:	Ten. Serv.	Elderly:	86	Renovation Cost (SF)	
19 Date Closed:	1974				
20 Date Completed:	1976	TOTAL S.F. (SF):	123,197	Hard (HC)	\$40
21			[182-198]	Soft (SC)	\$12
22 Est. Cost:		SUBSIDY UNITS:			
23 Loan Amount:	5,387,988	236:	181	Selling	
24 Loan Amt./Unit	33,259	13A:	0	Prices/SF \$100	
25 Current Balance (CB):	5,137,594	Sec. 8:	0	(SP)	
26		R.S.:	0		
27 CHARACTERISTICS:		707:	0		
28 Construction Type:	Mod. Rise	23:	23		
29 Fire Code Type:	Con. Fr.	RAP:	72		
30 Market Type:	Urban	SHARP:	0		
1 Site Type:	Scat. Site				
32 Primary Heat Type:	Gas	Prin. Subsidy:	236		
33 Sec. Heat Type:	N/A				
34 Hot Water Type:	Gas	Net Available			
35		For Equity			
36 Age:	10	1984:	40,578		
37 General Condition:		1983:	74,883		
38 BRA Classification:		1982:	18,132		
39		1981:	53,043		
40					

42		43 SECTION 2: OPERATING INFORMATION		LOOKUP (LU):		1	
44 Project Name: Concord Houses						Source: MHFA 73-106	
45 For 12 Months							
46 Ending:	1984	% of	% of				
47		Total	Unsubsidized				
48	Amount	Income	Income	\$/Unit	\$/S.F.		
49							
50 INCOME:							
51	Gross Rents (RES)	864,496	81%	109%	4,776	\$7.02	
52	Less: Vacancies +	(52,683)	-5%	-7%	(291)	(\$0.43)	
53	Bad Debts +	(21,955)	-2%	-3%	(121)	(\$0.18)	
54							
55	Gross Rents (COM)	0	0%	0%	0	\$0.00	
56	Less: Vacancies +	0	0%	0%	0	\$0.00	
57	Bad Debts +	0	0%	0%	0	\$0.00	
58							
59							
60	Effective Rents (EFR)	789,858	74%	100%	4,364	\$6.41	
61	Interest Subsidy (IS)	264,063	25%	33%	1,459	\$2.14	
62	Other Income (OI)	19,977	2%	3%	110	\$0.16	
63	Total: Effect. Income (EI)	1,073,898	100%	136%	5,933	\$8.72	
64							
65 EXPENSES:							
66	Admin. Exp. (AE)	(110,697)	-10%	-14%	(612)	(\$0.90)	
67	Main. Exp. (ME)	(124,634)	-12%	-16%	(689)	(\$1.01)	
68	Security (S)	(4,852)	0%	-1%	(27)	(\$0.04)	
69	Utilities (UT)	(165,010)	-15%	-21%	(912)	(\$1.34)	
70	Replacement Reserve (RR)	(15,000)	-1%	-2%	(83)	(\$0.12)	
71	Taxes (TX)	(150,058)	-14%	-19%	(829)	(\$1.22)	
72	Insur. & Interest (I&I)	(12,861)	-1%	-2%	(71)	(\$0.10)	
73							
74	Total Expenses (TE)	(583,112)	-54%	-74%	(3,222)	(\$4.73)	
75							
76	NET OPERATING INCOME (NOI)	490,786	46%	62%	2,712	\$3.98	
77	Less: Capital Exp. (CE)	(21,112)	-2%	-3%	(117)	(\$0.17)	
78	Debt Service (DS)	(429,096)	-40%	-54%	(2,371)	(\$3.48)	
79	NET AVAIL. FOR EQUITY (NAE)	40,578	4%	5%	224	\$0.33	
80							
81							
82							
83			% of	% of			
84			Total	Unsubsidized			
85	SECTION 3: ALT. TAX PLANS	Amount	Income	Income	\$/Unit	\$/S.F.	
86							
87	Taxes Paid Assessor's Off.	146,875	14%	19%	811	\$1.19	
88							
89	Taxes as Reported to MHFA	150,058	14%	19%	829	\$1.22	
90							
91	Estimate: AIB Plan	58,950	5%	7%	326	\$0.48	
92							
93	Estimate: Chapter 59 Plan	76,451	7%	10%	422	\$0.62	
94							
95	Estimate: % of						
96	Gross Inc.	10% 107,390	10%	14%	593	\$0.87	
97							
98							

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2 PROPOSED TEMPLATE FOR ANALYSIS OF 121A PROJECTS SOURCE: MHFA Project Development/Management System  
3 Date: 15-Mar-86 Portfolio Review Report # 74-005  
4 Boston Redevelopment Authority  
5 Patrick Kennedy: Student Researcher  
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7 SECTION 1: GENERAL INFORMATION LOOKUP (LU): 2  
8 [138-167] [169-178]

9 OWNER & LOCATION:  
10 MHFA# 74-005 TOTAL UNITS (TU) 28 OTHER INFORMATION:  
11 Project Name: Conway Subsidized: 28  
12 Court Unsubsidized: 0 Variable:  
13 Address: 1 Conway St. Very Low: 0 % of Gross  
14 City: Roslindale Low: 7 Inc. (PGI) 10%  
15 Report Date: 1984 Moderate: 21  
16 Market: 0 CONVERSION ESTIMATES  
17 Developer: McNeil Family: 0  
18 Mgmt. Agent: McNeil Elderly: 28 Renovation Cost (SF)  
19 Date Closed: 4-15-75  
20 Date Completed: 12-01-75 TOTAL S.F. (SF): 26,892 Hard (HC) \$40  
21 [182-198] Soft (SC) \$12

22 Est. Cost:  
23 Loan Amount: 655,200 SUBSIDY UNITS:  
24 Loan Amt./Unit 23,400 236: 0 Selling  
25 Current Balance (CB): 631,530 13A: 28 Prices/SF \$100  
26 Sec. 8: 0 (SP)  
27 CHARACTERISTICS: R.S.: 0  
28 Construction Type: Rehab. 707: 7  
29 Fire Code Type: Masonry 23: 0  
30 Market Type: Suburb RAP: 0  
31 Site Type: Single Site SHARP: 0  
32 Primary Heat Type: Oil Prin. Subsidy: 13A  
33 Sec. Heat Type: n/a  
34 Hot Water Type: Oil  
35 Net Available  
36 Age: 11 For Equity  
37 General Condition: 1984: 14,827  
38 BRA Classification: 1983: 15,057  
39 1982: 9,466  
40 1981: (19,701)

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SECTION 2: OPERATING INFORMATION		LOOKUP (LU):		2	
Project Name: Conway Court		Source: MHFA 74-005			
For 12 Months					
Ending:	1984	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.
INCOME:					
Gross Rents (RES)	111,744	75%	101%	3,991	\$4.16
Less: Vacancies +	(1,308)	-1%	-1%	(47)	(\$0.05)
Bad Debts +	0	0%	0%	0	\$0.00
Gross Rents (OOM)	0	0%	0%	0	\$0.00
Less: Vacancies +	0	0%	0%	0	\$0.00
Bad Debts +	0	0%	0%	0	\$0.00
Effective Rents (EFR)	110,436	74%	100%	3,944	\$4.11
Interest Subsidy (IS)	37,704	25%	34%	1,347	\$1.40
Other Income (OI)	1,373	1%	1%	49	\$0.05
Total: Effect. Income (EI)	149,513	100%	135%	5,340	\$5.56
EXPENSES:					
Admin. Exp. (AE)	(13,307)	-9%	-12%	(475)	(\$0.49)
Main. Exp. (ME)	(14,906)	-10%	-13%	(532)	(\$0.55)
Security (S)	0	0%	0%	0	\$0.00
Utilities (UT)	(20,639)	-14%	-19%	(737)	(\$0.77)
Replacement Reserve (RR)	(2,100)	-1%	-2%	(75)	(\$0.08)
Taxes (TX)	(22,537)	-15%	-20%	(805)	(\$0.84)
Insur. & Interest (I&I)	(815)	-1%	-1%	(29)	(\$0.03)
Total Expenses (TE)	(74,304)	-50%	-67%	(2,654)	(\$2.76)
NET OPERATING INCOME (NOI)	75,209	50%	68%	2,686	\$2.80
Less: Capital Exp. (CE)	0	0%	0%	0	\$0.00
Debt Service (DS)	(60,382)	-40%	-55%	(2,157)	(\$2.25)
NET AVAIL. FOR EQUITY (NAE)	14,827	10%	13%	530	\$0.55
SECTION 3: ALT. TAX PLANS					
	Amount	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.
Taxes Paid Assessor's Off.	22,537	15%	20%	805	\$0.84
Taxes as Reported to MHFA	22,537	15%	20%	805	\$0.84
Estimate: ATB Plan	9,640	6%	9%	344	\$0.36
Estimate: Chapter 59 Plan	11,042	7%	10%	394	\$0.41
Estimate: % of Gross Inc.	10%	14,951	10%	534	\$0.56

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PROPOSED TEMPLATE FOR ANALYSIS OF 121A PROJECTS  
Date: 15-Mar-86  
Boston Redevelopment Authority  
Patrick Kennedy: Student Researcher

SOURCE: MHFA Project Development/Management System  
Portfolio Review Report # 73-042

SECTION 1: GENERAL INFORMATION [138-167]  
OWNER & LOCATION:  
MHFA# 73-042  
Project Name: East Boston  
Address: Rehab.  
City: Seaver St.  
Report Date: E. Boston  
1984  
Developer: E.Bost.CDC  
Mgmt. Agent: Multi-Mgmt.  
Date Closed: 1-15-75  
Date Completed: 12-18-75  
Est. Cost:  
Loan Amount: 2,120,255  
Loan Amt./Unit 22,085  
Current Balance (CB): 2,041,420  
CHARACTERISTICS:  
Construction Type: Rehab.  
Fire Code Type: Masonry  
Market Type: Suburb  
Site Type: Single Site  
Primary Heat Type: Oil  
Sec. Heat Type: n/a  
Hot Water Type: Oil  
Age: 11  
General Condition:  
BRA Classification:

LOOKUP (LU): 3 [169-178]  
TOTAL UNITS (TU) 96  
Subsidized: 96  
Unsubsidized: 0  
Very Low: 0  
Low: 24  
Moderate: 72  
Market: 0  
Family: 96  
Elderly: 0  
TOTAL S.F. (SF): 122,960 [182-198]  
SUBSIDY UNITS:  
236: 0  
13A: 96  
Sec. 8: 0  
R.S.: 0  
707: 24  
23: 0  
RAP: 0  
SHARP: 0  
Prin. Subsidy: 13A  
Net Available For Equity  
1984: 6,372  
1983: (7,459)  
1982: (25,439)  
1981: (69,252)

OTHER INFORMATION:  
Variable: 0  
% of Gross Inc. (PGI) 10%  
CONVERSION ESTIMATES  
Renovation Cost (SF)  
Hard (HC) \$40  
Soft (SC) \$12  
Selling Prices/SF (SP) \$100

SECTION 2: OPERATING INFORMATION		LOOKUP (LU):		3		
Project Name: East Boston Rehab.				Source: MHFA 73-042		
For 12 Months						
Ending:	1984	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.	
INCOME:						
Gross Rents (RES)	453,166	85%	110%	4,720	\$3.69	
Less: Vacancies +	(27,833)	-5%	-7%	(290)	(\$0.23)	
Bad Debts +	(12,127)	-2%	-3%	(126)	(\$0.10)	
Gross Rents (COM)	0	0%	0%	0	\$0.00	
Less: Vacancies +	0	0%	0%	0	\$0.00	
Bad Debts +	0	0%	0%	0	\$0.00	
Effective Rents (EFR)	413,206	77%	100%	4,304	\$3.36	
Interest Subsidy (IS)	107,521	20%	26%	1,120	\$0.87	
Other Income (OI)	13,680	3%	3%	143	\$0.11	
Total: Effect. Income (EI)	534,407	100%	129%	5,567	\$4.35	
EXPENSES:						
Admin. Exp. (AE)	(47,862)	-9%	-12%	(499)	(\$0.39)	
Main. Exp. (ME)	(84,410)	-16%	-20%	(879)	(\$0.69)	
Security (S)	(740)	0%	0%	(8)	(\$0.01)	
Utilities (UT)	(144,107)	-27%	-35%	(1,501)	(\$1.17)	
Replacement Reserve (RR)	(14,520)	-3%	-4%	(151)	(\$0.12)	
Taxes (TX)	(56,207)	-11%	-14%	(585)	(\$0.46)	
Insur. & Interest (I&I)	(8,095)	-2%	-2%	(84)	(\$0.07)	
Total Expenses (TE)	(355,941)	-67%	-86%	(3,708)	(\$2.89)	
NET OPERATING INCOME (NOI)	178,466	33%	43%	1,859	\$1.45	
Less: Capital Exp. (CE)	0	0%	0%	0	\$0.00	
Debt Service (DS)	(172,094)	-32%	-42%	(1,793)	(\$1.40)	
NET AVAIL. FOR EQUITY (NAE)	6,372	1%	2%	66	\$0.05	
SECTION 3: ALT. TAX PLANS						
	Amount	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.	
Taxes Paid Assessor's Off.	50,000	9%	12%	521	\$0.41	
Taxes as Reported to MHFA	56,207	11%	14%	585	\$0.46	
Estimate: ATB Plan	19,241	4%	5%	200	\$0.16	
Estimate: Chapter 59 Plan	37,585	7%	9%	392	\$0.31	
Estimate: % of Gross Inc.	10%	53,441	10%	13%	557	\$0.43

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2 PROPOSED TEMPLATE FOR ANALYSIS OF 121A PROJECTS

SOURCE:

MHFA Project Development/Management System  
Portfolio Review Report # 74-109

3 Date: 15-Mar-86

4 Boston Redevelopment Authority

5 Patrick Kennedy: Student Researcher

7 SECTION 1: GENERAL INFORMATION

LOOKUP (LU):

4

8 [138-167]

[169-178]

9 OWNER & LOCATION:

10 MHFA# 74-109  
 11 Project Name: Forbes  
 12 Bldg.  
 13 Address: 545 Centre St  
 14 City: Jamaica Plain  
 15 Report Date: 1984  
 16  
 17 Developer: Clayton Fred  
 18 Mgmt. Agent: All City Mgmt.  
 19 Date Closed: 7-24-75  
 20 Date Completed: 10-10-76

TOTAL UNITS (TU) 147  
 Subsidized: 147  
 Unsubsidized: 0  
 Very Low: 0  
 Low: 37  
 Moderate: 110  
 Market: 0  
 Family: 0  
 Elderly: 147

OTHER INFORMATION:

Variable:  
 % of Gross  
 Inc. (PGL) 10%

CONVERSION ESTIMATES

Renovation Cost (SF)

TOTAL S.F. (SF): 125,676  
 [182-198]

Hard (HC) \$40  
 Soft (SC) \$12

SUBSIDY UNITS:  
 236: 0  
 13A: 147  
 Sec. 8: 0  
 R.S.: 0  
 707: 37  
 23: 0  
 RAP: 0  
 SHARP: 0

Selling  
 Prices/SF \$100  
 (SP)

Prin. Subsidy: 13A

Net Available  
 For Equity  
 1984: 23,459  
 1983: 19,990  
 1982: 23,721  
 1981: (32,344)

22 Est. Cost:  
 23 Loan Amount: 4,086,000  
 24 Loan Amt./Unit 27,795  
 25 Current Balance (CB): 3,984,076  
 26  
 27 CHARACTERISTICS:  
 28 Construction Type: High Rise  
 29 Fire Code Type: Concrete Fr.  
 30 Market Type: Urban  
 31 Site Type: Scat. Site  
 32 Primary Heat Type: Oil  
 33 Sec. Heat Type: n/a  
 34 Hot Water Type: Oil

35  
 36 Age: 10  
 37 General Condition:  
 38 BRA Classification:

39  
40

42		43 SECTION 2: OPERATING INFORMATION		LOOKUP (LJ):		4	
44 Project Name: Forbes Bldg.						Source: MHFA 74-109	
45 For 12 Months							
46 Ending:	1984	% of	% of				
47		Total	Unsubsidized				
48	Amount	Income	Income	\$/Unit	\$/S.F.		
49							
50 INCOME:							
51	Gross Rents (RES)	539,700	70%	96%	3,671	\$4.29	
52	Less: Vacancies +	0	0%	0%	0	\$0.00	
53	Bad Debts +	(8,819)	-1%	-2%	(60)	(\$0.07)	
54							
55	Gross Rents (COM)	32,224	4%	6%	219	\$0.26	
56	Less: Vacancies +	0	0%	0%	0	\$0.00	
57	Bad Debts +	0	0%	0%	0	\$0.00	
58							
59							
60	Effective Rents (EFR)	563,105	73%	100%	3,831	\$4.48	
61	Interest Subsidy (IS)	199,477	26%	35%	1,357	\$1.59	
62	Other Income (OI)	12,616	2%	2%	86	\$0.10	
63	Total: Effect. Income (EI)	775,198	100%	138%	5,273	\$6.17	
64							
65 EXPENSES:							
66	Admin. Exp. (AE)	(60,905)	-8%	-11%	(414)	(\$0.48)	
67	Main. Exp. (ME)	(63,021)	-8%	-11%	(429)	(\$0.50)	
68	Security (S)	(1,057)	0%	0%	(7)	(\$0.01)	
69	Utilities (UT)	(136,027)	-18%	-24%	(925)	(\$1.08)	
70	Replacement Reserve (RR)	(18,375)	-2%	-3%	(125)	(\$0.15)	
71	Taxes (TX)	(116,885)	-15%	-21%	(795)	(\$0.93)	
72	Insur. & Interest (I&I)	(12,908)	-2%	-2%	(88)	(\$0.10)	
73							
74	Total Expenses (TE)	(409,178)	-53%	-73%	(2,784)	(\$3.26)	
75							
76	NET OPERATING INCOME (NOI)	366,020	47%	65%	2,490	\$2.91	
77	Less: Capital Exp. (CE)	(10,913)	-1%	-2%	(74)	(\$0.09)	
78	Debt Service (DS)	(331,648)	-43%	-59%	(2,256)	(\$2.64)	
79	NET AVAIL. FOR EQUITY (NAE)	23,459	3%	4%	160	\$0.19	
80							
81							
82							
83							
84							
85	SECTION 3: ALT. TAX PLANS	Amount	% of	% of			
86			Total	Unsubsidized			
87	Taxes Paid Assessor's Off.	116,885	Income	Income	\$/Unit	\$/S.F.	
88							
89	Taxes as Reported to MHFA	116,885	15%	21%	795	\$0.93	
90							
91	Estimate: ATB Plan	44,576	6%	8%	303	\$0.35	
92							
93	Estimate: Chapter 59 Plan	53,529	7%	10%	364	\$0.43	
94							
95	Estimate: % of						
96	Gross Inc.	10% 77,520	10%	14%	527	\$0.62	
97							
98							

1  
2 PROPOSED TEMPLATE FOR ANALYSIS OF 121A PROJECTS

SOURCE: MHFA Project Development/Management System  
Portfolio Review Report # 74-040

3 Date: 15-Mar-86  
4 Boston Redevelopment Authority  
5 Patrick Kennedy: Student Researcher

6  
7 SECTION 1: GENERAL INFORMATION

LOOKUP (LU): 5  
[169-178]

8 OWNER & LOCATION: [138-167]

10 MHFA# 74-040  
11 Project Name: Franklin  
12 Park  
13 Address: Adams St.  
14 City: Dorchester  
15 Report Date: 1984  
16  
17 Developer: Housg. Innov.  
18 Mgmt. Agent: Tenant Serv.  
19 Date Closed: 5-15-75  
20 Date Completed: 6-23-77

TOTAL UNITS (TU) 220  
Subsidized: 220  
Unsubsidized: 0  
Very Low: 0  
Low: 77  
Moderate: 143  
Market: 0  
Family: 220  
Elderly: 0

OTHER INFORMATION:  
Variable:  
% of Gross  
Inc. (PGI) 10%

22 Est. Cost:  
23 Loan Amount: 7,152,653  
24 Loan Amt./Unit 32,512  
25 Current Balance (CB): 6,832,377

TOTAL S.F. (SF): 177,956  
[182-198]

CONVERSION ESTIMATES  
Renovation Cost (SF)  
Hard (HC) \$40  
Soft (SC) \$12  
Selling  
Prices/SF \$100  
(SP)

27 CHARACTERISTICS:  
28 Construction Type: Rehab.  
29 Fire Code Type: Masonry  
30 Market Type: Suburban  
31 Site Type: Single Site  
32 Primary Heat Type: Gas  
33 Sec. Heat Type: n/a  
34 Hot Water Type: Gas

SUBSIDY UNITS:  
236: 0  
13A: 64  
Sec. 8: 156  
R.S.: 0  
707: 0  
23: 0  
RAP: 0  
SHARP: 0

Prin. Subsidy: Sec. 8

35  
36 Age: 9  
37 General Condition:  
38 BRA Classification:

Net Available  
For Equity  
1984: (22,252)  
1983: 22,997  
1982: (34,351)  
1981: (136,961)

40

SECTION 2: OPERATING INFORMATION		LOOKUP (LU):		5		
Project Name: Franklin Park				Source: MHFA 74-040		
For 12 Months						
Ending:	1984	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.	
<b>INCOME:</b>						
Gross Rents (RES)	1,460,884	95%	104%	6,640	\$8.21	
Less: Vacancies +	(54,687)	-4%	-4%	(249)	(\$0.31)	
Bad Debts +	(10,231)	-1%	-1%	(47)	(\$0.06)	
Gross Rents (OOM)	13,604	1%	1%	62	\$0.08	
Less: Vacancies +	(4,904)	0%	0%	(22)	(\$0.03)	
Bad Debts +	0	0%	0%	0	\$0.00	
Effective Rents (EFR)	1,404,666	92%	100%	6,385	\$7.89	
Interest Subsidy (IS)	101,675	7%	7%	462	\$0.57	
Other Income (OI)	24,158	2%	2%	110	\$0.14	
Total: Effect. Income (EI)	1,530,499	100%	109%	6,957	\$8.60	
<b>EXPENSES:</b>						
Admin. Exp. (AE)	(152,479)	-10%	-11%	(693)	(\$0.86)	
Main. Exp. (ME)	(206,238)	-13%	-15%	(937)	(\$1.16)	
Security (S)	(8,827)	-1%	-1%	(40)	(\$0.05)	
Utilities (UF)	(266,506)	-17%	-19%	(1,211)	(\$1.50)	
Replacement Reserve (RR)	(72,000)	-5%	-5%	(327)	(\$0.40)	
Taxes (TX)	(234,996)	-15%	-17%	(1,068)	(\$1.32)	
Insur. & Interest (I&I)	(22,104)	-1%	-2%	(100)	(\$0.12)	
Total Expenses (TE)	(963,150)	-63%	-69%	(4,378)	(\$5.41)	
NET OPERATING INCOME (NOI)	567,349	37%	40%	2,579	\$3.19	
Less: Capital Exp. (CE)	0	0%	0%	0	\$0.00	
Debt Service (DS)	(589,601)	-39%	-42%	(2,680)	(\$3.31)	
NET AVAIL. FOR EQUITY (NAE)	(22,252)	-1%	-2%	(101)	(\$0.13)	
<b>SECTION 3: ALT. TAX PLANS</b>						
Amount	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.		
Taxes Paid Assessor's Off.	115,000	8%	8%	523	\$0.65	
Taxes as Reported to MHFA	146,113	10%	10%	664	\$0.82	
Estimate: ATB Plan	106,440	7%	8%	484	\$0.60	
Estimate: Chapter 59 Plan	119,045	8%	8%	541	\$0.67	
Estimate: % of Gross Inc.	10%	153,050	10%	11%	696	\$0.86

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2 PROPOSED TEMPLATE FOR ANALYSIS OF 121A PROJECTS SOURCE: MHFA Project Development/Management System  
3 Date: 15-Mar-86 Portfolio Review Report # 74-022  
4 Boston Redevelopment Authority  
5 Patrick Kennedy: Student Researcher  
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7 SECTION 1: GENERAL INFORMATION LOOKUP (LU): 6  
8 [138-167] [169-178]  
9 OWNER & LOCATION:  
10 MFHA# 74-022 TOTAL UNITS (TU) 49 OTHER INFORMATION:  
11 Project Name: Gardner Subsidized: 49  
12 Apt. Unsubsidized: 0 Variable:  
13 Address: 275 Roxbury Very Low: 0 % of Gross  
14 City: Roxbury Low: 13 Inc. (PGI) 10%  
15 Report Date: 1984 Moderate: 36  
16 Market: 0 CONVERSION ESTIMATES  
17 Developer: Pyramid Dev. Family: 49 Renovation Cost (SF)  
18 Mgmt. Agent: Pyramid Elderly: 0  
19 Date Closed: 6-26-75  
20 Date Completed: 5-05-76 TOTAL S.F. (SF): 55,283 Hard (HC) \$40  
21 [182-198] Soft (SC) \$12  
22 Est. Cost: SUBSIDY UNITS:  
23 Loan Amount: 1,416,200 236: 0 Selling  
24 Loan Amt./Unit 28,902 13A: 49 Prices/SF \$100  
25 Current Balance (CB): 1,381,804 Sec. 8: 0 (SP)  
26 R.S.: 0  
27 CHARACTERISTICS: 707: 13  
28 Construction Type: Rehab 23: 0  
29 Fire Code Type: Masonry RAP: 0  
30 Market Type: Urban SHARP: 0  
31 Site Type: Scat. Site  
32 Primary Heat Type: Oil Prin. Subsidy: 13A  
33 Sec. Heat Type: n/a  
34 Hot Water Type: Oil Net Available  
35 For Equity  
36 Age: 10 1984: (25,572)  
37 General Condition: 1983: (49,519)  
38 BRA Classification: 1982: (76,454)  
39 1981: (80,211)  
40

---

SECTION 2: OPERATING INFORMATION		LOOKUP (LU):		6		
Project Name: Gardner Apt.						
For 12 Months		Source: MHFA 74-022				
Ending:	1984	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.	
<b>INCOME:</b>						
Gross Rents (RES)	237,865	79%	110%	4,854	\$4.30	
Less: Vacancies +	(7,986)	-3%	-4%	(163)	(\$0.14)	
Bad Debts +	(13,307)	-4%	-6%	(272)	(\$0.24)	
Gross Rents (COM)	0	0%	0%	0	\$0.00	
Less: Vacancies +	0	0%	0%	0	\$0.00	
Bad Debts +	0	0%	0%	0	\$0.00	
Effective Rents (EFR)	216,572	72%	100%	4,420	\$3.92	
Interest Subsidy (IS)	81,913	27%	38%	1,672	\$1.48	
Other Income (OI)	2,417	1%	1%	49	\$0.04	
Total: Effect. Income (EI)	300,902	100%	139%	6,141	\$5.44	
<b>EXPENSES:</b>						
Admin. Exp. (AE)	(47,890)	-16%	-22%	(977)	(\$0.87)	
Main. Exp. (ME)	(33,945)	-11%	-16%	(693)	(\$0.61)	
Security (S)	0	0%	0%	0	\$0.00	
Utilities (UT)	(63,841)	-21%	-29%	(1,303)	(\$1.15)	
Replacement Reserve (RR)	(6,000)	-2%	-3%	(122)	(\$0.11)	
Taxes (TX)	(45,000)	-15%	-21%	(918)	(\$0.81)	
Insur. & Interest (I&I)	(4,753)	-2%	-2%	(97)	(\$0.09)	
Total Expenses (TE)	(201,429)	-67%	-93%	(4,111)	(\$3.64)	
NET OPERATING INCOME (NOI)	99,473	33%	46%	2,030	\$1.80	
Less: Capital Exp. (CE)	0	0%	0%	0	\$0.00	
Debt Service (DS)	(125,045)	-42%	-58%	(2,552)	(\$2.26)	
NET AVAIL. FOR EQUITY (NAE)	(25,572)	-8%	-12%	(522)	(\$0.46)	
<b>SECTION 3: ALT. TAX PLANS</b>						
Amount	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.		
Taxes Paid Assessor's Off.	30,000	10%	14%	612	\$0.54	
Taxes as Reported to MHFA	45,000	15%	21%	918	\$0.81	
Estimate: ATB Plan	9,877	3%	5%	202	\$0.18	
Estimate: Chapter 59 Plan	11,395	4%	5%	233	\$0.21	
Estimate: % of Gross Inc.	10%	30,090	10%	14%	614	\$0.54

1  
 2 PROPOSED TEMPLATE FOR ANALYSIS OF 121A PROJECTS  
 3 Date: 15-Mar-86  
 4 Boston Redevelopment Authority  
 5 Patrick Kennedy: Student Researcher

SOURCE: MHFA Project Development/Management System  
 Portfolio Review Report # 72-108

6  
 7 SECTION 1: GENERAL INFORMATION

8 [138-167]  
 9 OWNER & LOCATION:  
 10 MHFA# 72-108  
 11 Project Name: Haynes  
 12 House  
 13 Address: Ruggles St.  
 14 City: Roxbury  
 15 Report Date: 1984  
 16 \_\_\_\_\_  
 17 Developer: Rox.Dev.Corp.  
 18 Mgmt. Agent: Maloney  
 19 Date Closed: 4-24-73  
 20 Date Completed: 11-22-74  
 21 \_\_\_\_\_  
 22 Est. Cost:  
 23 Loan Amount: 4,165,300  
 24 Loan Amt./Unit 31,796  
 25 Current Balance (CB): 4,015,502  
 26 \_\_\_\_\_  
 27 CHARACTERISTICS:  
 28 Construction Type: Mod. Rise  
 29 Fire Code Type: Concrete Fr.  
 30 Market Type: Urban  
 31 Site Type: Scat. site  
 32 Primary Heat Type: Oil  
 33 Sec. Heat Type: n/a  
 34 Hot Water Type: Oil  
 35 \_\_\_\_\_  
 36 Age: 12  
 37 General Condition:  
 38 BRA Classification:  
 39  
 40

LOOKUP (LU): 7  
 [169-178]  
 TOTAL UNITS (TU) 131  
 Subsidized: 131  
 Unsubsidized: 0  
 Very Low: 0  
 Low: 33  
 Moderate: 98  
 Market: 0  
 Family: 131  
 Elderly: 0  
 TOTAL S.F. (SF): 131,788  
 [182-198]  
 SUBSIDY UNITS:  
 236: 0  
 13A: 131  
 Sec. 8: 0  
 R.S.: 0  
 707: 33  
 23: 0  
 RAP: 0  
 SHARP: 0  
 Prin. Subsidy: 13A  
 Net Available  
 For Equity  
 1984: (90,019)  
 1983: (198,362)  
 1982: (98,227)  
 1981: (138,817)

OTHER INFORMATION:  
 Variable:  
 % of Gross  
 Inc. (PGI) 10%  
 CONVERSION ESTIMATES  
 Renovation Cost (SF)  
 Hard (HC) \$40  
 Soft (SC) \$12  
 Selling  
 Prices/SF \$100  
 (SP)

SECTION 2: OPERATING INFORMATION		LOOKUP (LU):		7	
Project Name: Haynes House				Source: MHFA 72-108	
For 12 Months					
Ending:	1984	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.
INCOME:					
Gross Rents (RES)	666,584	73%	105%	5,088	\$5.06
Less: Vacancies +	(20,845)	-2%	-3%	(159)	(\$0.16)
Bad Debts +	(12,938)	-1%	-2%	(99)	(\$0.10)
Gross Rents (COM)	0	0%	0%	0	\$0.00
Less: Vacancies +	0	0%	0%	0	\$0.00
Bad Debts +	0	0%	0%	0	\$0.00
Effective Rents (EFR)	632,801	70%	100%	4,831	\$4.80
Interest Subsidy (IS)	260,474	29%	41%	1,988	\$1.98
Other Income (OI)	17,172	2%	3%	131	\$0.13
Total: Effect. Income (EI)	910,447	100%	144%	6,950	\$6.91
EXPENSES:					
Admin. Exp. (AE)	(88,359)	-10%	-14%	(674)	(\$0.67)
Main. Exp. (ME)	(101,963)	-11%	-16%	(778)	(\$0.77)
Security (S)	(21,959)	-2%	-3%	(168)	(\$0.17)
Utilities (UT)	(192,016)	-21%	-30%	(1,466)	(\$1.46)
Replacement Reserve (RR)	(17,500)	-2%	-3%	(134)	(\$0.13)
Taxes (TX)	(107,928)	-12%	-17%	(824)	(\$0.82)
Insur. & Interest (I&I)	(49,422)	-5%	-8%	(377)	(\$0.38)
Total Expenses (TE)	(579,147)	-64%	-92%	(4,421)	(\$4.39)
NET OPERATING INCOME (NOI)	331,300	36%	52%	2,529	\$2.51
Less: Capital Exp. (CE)	(29,777)	-3%	-5%	(227)	(\$0.23)
Debt Service (DS)	(391,542)	-43%	-62%	(2,989)	(\$2.97)
NET AVAIL. FOR EQUITY (NAE)	(90,019)	-10%	-14%	(687)	(\$0.68)
SECTION 3: ALT. TAX PLANS					
	Amount	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.
Taxes Paid Assessor's Off.	107,928	12%	17%	824	\$0.82
Taxes as Reported to MHFA	107,928	12%	17%	824	\$0.82
Estimate: AIB Plan	34,560	4%	5%	264	\$0.26
Estimate: Chapter 59 Plan	45,914	5%	7%	350	\$0.35
Estimate: % of Gross Inc.	10%	10%	14%	695	\$0.69

1  
 2 PROPOSED TEMPLATE FOR ANALYSIS OF 121A PROJECTS SOURCE: MFPA Project Development/Management System  
 3 Date: 15-Mar-86 Portfolio Review Report # 73-041  
 4 Boston Redevelopment Authority  
 5 Patrick Kennedy: Student Researcher  
 6

7 SECTION 1: GENERAL INFORMATION		LOOKUP (LU):	8	
8	[138-167]			[169-178]
9 OWNER & LOCATION:				
10 MFPA#	73-041	TOTAL UNITS (TU)	120	OTHER INFORMATION:
11 Project Name:	Madison	Subsidized:	120	
12	Park III	Unsubsidized:	0	Variable:
13 Address:	Shawmut Ave.	Very Low:	0	% of Gross
14 City:	Roxbury	Low:	120	Inc. (PGI) 10%
15 Report Date:	1984	Moderate:	0	
16		Market:	0	CONVERSION ESTIMATES
17 Developer:	Rox.Dev.Corp.	Family:	120	
18 Mgmt. Agent:	Maloney	Elderly:	0	Renovation Cost (SF)
19 Date Closed:	9-09-76			
20 Date Completed:	11-27-78	TOTAL S.F. (SF):	144,500	Hard (HC) \$40
21			[182-198]	Soft (SC) \$12
22 Est. Cost:		SUBSIDY UNITS:		
23 Loan Amount:	5,322,777	236:	120	Selling
24 Loan Amt./Unit	44,356	13A:	0	Prices/SF \$100
25 Current Balance (CB):	5,188,690	Sec. 8:	0	(SP)
26		R.S.:	0	
27 CHARACTERISTICS:		707:	0	
28 Construction Type:	Low Rise Wood	23:	0	
29 Fire Code Type:	Wood Frame	RAP:	120	
30 Market Type:	Urban	SHARP:	0	
31 Site Type:	Scat. Site			
32 Primary Heat Type:	Gas	Prin. Subsidy:	236	
33 Sec. Heat Type:	n/a			
34 Hot Water Type:	Gas	Net Available		
35		For Equity		
36 Age:	8	1984:	(107,686)	
37 General Condition:		1983:	46,414	
38 BRA Classification:		1982:	58,603	
39		1981:	7,590	
40				

SECTION 2: OPERATING INFORMATION		LOOKUP (LU):		8		
Project Name: Madison Park III						
For 12 Months						
Ending: 1984						
Source: MHFA 73-041						
	1984	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.	
<b>INCOME:</b>						
Gross Rents (RES)	673,782	68%	102%	5,615	\$4.66	
Less: Vacancies +	(6,340)	-1%	-1%	(53)	(\$0.04)	
Bad Debts +	(6,567)	-1%	-1%	(55)	(\$0.05)	
Gross Rents (COM)	0	0%	0%	0	\$0.00	
Less: Vacancies +	0	0%	0%	0	\$0.00	
Bad Debts +	0	0%	0%	0	\$0.00	
Effective Rents (EFR)	660,875	67%	100%	5,507	\$4.57	
Interest Subsidy (IS)	309,706	31%	47%	2,581	\$2.14	
Other Income (OI)	19,201	2%	3%	160	\$0.13	
Total: Effect. Income (EI)	989,782	100%	150%	8,248	\$6.85	
<b>EXPENSES:</b>						
Admin. Exp. (AE)	(99,267)	-10%	-15%	(827)	(\$0.69)	
Main. Exp. (ME)	(136,516)	-14%	-21%	(1,138)	(\$0.94)	
Security (S)	(1,164)	0%	0%	(10)	(\$0.01)	
Utilities (UT)	(101,636)	-10%	-15%	(847)	(\$0.70)	
Replacement Reserve (RR)	(38,971)	-4%	-6%	(325)	(\$0.27)	
Taxes (TX)	(125,670)	-13%	-19%	(1,047)	(\$0.87)	
Insur. & Interest (I&I)	(6,237)	-1%	-1%	(52)	(\$0.04)	
Total Expenses (TE)	(509,461)	-51%	-77%	(4,246)	(\$3.53)	
NET OPERATING INCOME (NOI)	480,321	49%	73%	4,003	\$3.32	
Less: Capital Exp. (CE)	(115,915)	-12%	-18%	(966)	(\$0.80)	
Debt Service (DS)	(472,290)	-48%	-71%	(3,936)	(\$3.27)	
NET AVAIL. FOR EQUITY (NAE)	(107,884)	-11%	-16%	(899)	(\$0.75)	
<b>SECTION 3: ALT. TAX PLANS</b>						
	Amount	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.	
Taxes Paid Assessor's Off.	76,127	8%	12%	634	\$0.53	
Taxes as Reported to MHFA	125,670	13%	19%	1,047	\$0.87	
Estimate: ATB Plan	45,650	5%	7%	380	\$0.32	
Estimate: Chapter 59 Plan	45,650	5%	7%	380	\$0.32	
Estimate: % of Gross Inc.	10%	98,978	10%	15%	825	\$0.68

1  
 2 PROPOSED TEMPLATE FOR ANALYSIS OF 121A PROJECTS  
 3 Date: 17-Mar-86  
 4 Boston Redevelopment Authority  
 5 Patrick Kennedy: Student Researcher

SOURCE: MHFA Project Development/Management System  
 Portfolio Review Report # 74-059

6  
 7 SECTION 1: GENERAL INFORMATION

8 [138-167]

LOOKUP (LU): 9

[169-178]

9 OWNER & LOCATION:

10 MHFA# 74-059  
 11 Project Name: Mercantile  
 12 Bldg.  
 13 Address: Atlantic Ave  
 14 City: Waterfront  
 15 Report Date: 1984  
 16  
 17 Developer: Peabody Const.  
 18 Mgmt. Agent: Peabody  
 19 Date Closed: 4-15-75  
 20 Date Completed: 7-14-76

TOTAL UNITS (TU) 122  
 Subsidized: 122  
 Unsubsidized: 0  
 Very Low: 0  
 Low: 43  
 Moderate: 42  
 Market: 37  
 Family: 122  
 Elderly: 0

OTHER INFORMATION:  
 Variable:  
 % of Gross  
 Inc. (PGL) 10%

21  
 22 Est. Cost:  
 23 Loan Amount: 5,100,000  
 24 Loan Amt./Unit 41,803  
 25 Current Balance (CB): 4,862,989

TOTAL S.F. (SF): 196,721  
 [182-198]

CONVERSION ESTIMATES

Renovation Cost (SF)

Hard (HC) \$40  
 Soft (SC) \$12

26  
 27 CHARACTERISTICS:  
 28 Construction Type: Rehab.  
 29 Fire Code Type: Masonry  
 30 Market Type: Urban  
 31 Site Type: Single Site  
 32 Primary Heat Type: Oil  
 33 Sec. Heat Type: n/a  
 34 Hot Water Type: Oil

SUBSIDY UNITS:  
 236: 0  
 13A: 85  
 Sec. 8: 0  
 R.S.: 0  
 707: 43  
 23: 0  
 RAP: 0  
 SHARP: 0

Selling  
 Prices/SF \$100  
 (SP)

35  
 36 Age: 10  
 37 General Condition:  
 38 BRA Classification:

Prin. Subsidy: 13A

Net Available  
 For Equity  
 1984: (75,177)  
 1983: (25,300)  
 1982: (150,520)  
 1981: (97,349)

39  
 40

42

## 43 SECTION 2: OPERATING INFORMATION

LOOKUP (LIJ):

9

44 Project Name: Mercantile Bldg.

45 For 12 Months

Source: MHFA 74-059

46 Ending:

1984

% of  
Total  
Income% of  
Unsubsidized  
Income

\$/Unit

\$/S.F.

## 49 INCOME:

51	Gross Rents (RES)	868,750	69%	82%	7,121	\$4.42
52	Less: Vacancies +	(35,928)	-3%	-3%	(294)	(\$0.18)
53	Bad Debts +	0	0%	0%	0	\$0.00
55	Gross Rents (COM)	224,872	18%	21%	1,843	\$1.14
56	Less: Vacancies +	(4,440)	0%	0%	(36)	(\$0.02)
57	Bad Debts +	0	0%	0%	0	\$0.00
60	Effective Rents (EFR)	1,053,254	84%	100%	8,633	\$5.35
61	Interest Subsidy (IS)	164,696	13%	16%	1,350	\$0.84
62	Other Income (OI)	37,281	3%	4%	306	\$0.19
63	Total: Effect. Income (EI)	1,255,231	100%	119%	10,289	\$6.38
65	EXPENSES:					
66	Admin. Exp. (AE)	(212,403)	-17%	-20%	(1,741)	(\$1.08)
67	Main. Exp. (ME)	(148,307)	-12%	-14%	(1,216)	(\$0.75)
68	Security (S)	(25,362)	-2%	-2%	(208)	(\$0.13)
69	Utilities (UT)	(180,770)	-14%	-17%	(1,482)	(\$0.92)
70	Replacement Reserve (RR)	(33,155)	-3%	-3%	(272)	(\$0.17)
71	Taxes (TX)	(211,538)	-17%	-20%	(1,734)	(\$1.08)
72	Insur. & Interest (I&I)	(63,971)	-5%	-6%	(524)	(\$0.33)
74	Total Expenses (TE)	(875,506)	-70%	-83%	(7,176)	(\$4.45)
76	NET OPERATING INCOME (NOI)	379,725	30%	36%	3,113	\$1.93
77	Less: Capital Exp. (CE)	(48,741)	-4%	-5%	(400)	(\$0.25)
78	Debt Service (DS)	(406,161)	-32%	-39%	(3,329)	(\$2.06)
79	NET AVAIL. FOR EQUITY (NAE)	(75,177)	-6%	-7%	(616)	(\$0.38)

80

81

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## 85 SECTION 3: ALT. TAX PLANS

Amount

% of  
Total  
Income% of  
Unsubsidized  
Income

\$/Unit

\$/S.F.

87	Taxes Paid Assessor's Off.	214,654	17%	20%	1,759	\$1.09	
89	Taxes as Reported to MHFA	211,538	17%	20%	1,734	\$1.08	
91	Estimate: ATB Plan	73,997	6%	7%	607	\$0.38	
93	Estimate: Chapter 59 Plan	128,076	10%	12%	1,050	\$0.65	
95	Estimate: % of						
96	Gross Inc.	10%	125,523	10%	12%	1,029	\$0.64

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8

1  
 2 PROPOSED TEMPLATE FOR ANALYSIS OF 121A PROJECTS  
 3 Date: 15-Mar-86  
 4 Boston Redevelopment Authority  
 5 Patrick Kennedy: Student Researcher  
 6

SOURCE: MHFA Project Development/Management System  
 Portfolio Review Report # 71-008

7 SECTION 1: GENERAL INFORMATION

8 [138-167]  
 9 OWNER & LOCATION:  
 10 MHFA# 71-008  
 11 Project Name: Newcastle/  
 12 Saranac  
 13 Address: 599 Col.Ave.  
 14 City: South End  
 15 Report Date: 1984  
 16  
 17 Developer: Col.Ave. TA  
 18 Mgmt. Agent: Abrams Mgmt.  
 19 Date Closed: 9-11-73  
 20 Date Completed: 11-15-74  
 21  
 22 Est. Cost:  
 23 Loan Amount: 2,387,529  
 24 Loan Amt./Unit 24,613  
 25 Current Balance (CB): 2,207,678  
 26  
 27 CHARACTERISTICS:  
 28 Construction Type: Rehab.  
 29 Fire Code Type: Masonry  
 30 Market Type: Urban  
 31 Site Type: Scat. Site  
 32 Primary Heat Type: Oil  
 33 Sec. Heat Type: n/a  
 34 Hot Water Type: Gas  
 35  
 36 Age: 12  
 37 General Condition:  
 38 BRA Classification:  
 39  
 40

LOOKUP (LU): 10  
 [169-178]

TOTAL UNITS (TU) 97 OTHER INFORMATION:  
 Subsidized: 97  
 Unsubsidized: 0 Variable:  
 Very Low: 0 % of Gross  
 Low: 37 Inc. (PGL) 10%  
 Moderate: 60  
 Market: 0 CONVERSION ESTIMATES  
 Family: 97 Renovation Cost (SF)  
 Elderly: 0  
 TOTAL S.F. (SF): 99,562 Hard (HC) \$40  
 [182-198] Soft (SC) \$12  
 SUBSIDY UNITS:  
 236: 0 Selling  
 13A: 97 Prices/SF \$100  
 Sec. 8: 0 (SP)  
 R.S.: 0  
 707: 37  
 23: 0  
 RAP: 0  
 SHARP: 0  
 Prin. Subsidy: 13A  
 Net Available  
 For Equity  
 1984: 9,838  
 1983: 42,181  
 1982: 2,690  
 1981: (75,122)

SECTION 2: OPERATING INFORMATION		LOOKUP (LU):		10		
Project Name: Newcastle/Saranac				Source: MHFA 71-008		
For 12 Months						
Ending:	1984	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.	
<b>INCOME:</b>						
Gross Rents (RES)	457,860	77%	103%	4,720	\$4.60	
Less: Vacancies +	(6,597)	-1%	-1%	(68)	(\$0.07)	
Bad Debts +	(12,048)	-2%	-3%	(124)	(\$0.12)	
Gross Rents (COM)	6,120	1%	1%	63	\$0.06	
Less: Vacancies +	0	0%	0%	0	\$0.00	
Bad Debts +	0	0%	0%	0	\$0.00	
Effective Rents (EFR)	445,335	75%	100%	4,591	\$4.47	
Interest Subsidy (IS)	134,303	23%	30%	1,385	\$1.35	
Other Income (OI)	14,635	2%	3%	151	\$0.15	
Total: Effect. Income (EI)	594,273	100%	133%	6,127	\$5.97	
<b>EXPENSES:</b>						
Admin. Exp. (AE)	(87,176)	-15%	-20%	(899)	(\$0.88)	
Main. Exp. (ME)	(99,633)	-17%	-22%	(1,027)	(\$1.00)	
Security (S)	(610)	0%	0%	(6)	(\$0.01)	
Utilities (UT)	(119,075)	-20%	-27%	(1,228)	(\$1.20)	
Replacement Reserve (RR)	(6,337)	-1%	-1%	(65)	(\$0.06)	
Taxes (TX)	(48,563)	-8%	-11%	(501)	(\$0.49)	
Insur. & Interest (I&I)	(6,197)	-1%	-1%	(64)	(\$0.06)	
Total Expenses (TE)	(367,591)	-62%	-83%	(3,790)	(\$3.69)	
NET OPERATING INCOME (NOI)	226,682	38%	51%	2,337	\$2.28	
Less: Capital Exp. (CE)	(7,868)	-1%	-2%	(81)	(\$0.08)	
Debt Service (DS)	(208,976)	-35%	-47%	(2,154)	(\$2.10)	
NET AVAIL. FOR EQUITY (NAE)	9,838	2%	2%	101	\$0.10	
<b>SECTION 3: ALT. TAX PLANS</b>						
	Amount	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.	
Taxes Paid Assessor's Off.	52,000	9%	12%	536	\$0.52	
Taxes as Reported to MHFA	48,563	8%	11%	501	\$0.49	
Estimate: ATB Plan	13,000	2%	3%	134	\$0.13	
Estimate: Chapter 59 Plan	43,102	7%	10%	444	\$0.43	
Estimate: % of Gross Inc.	10%	59,427	10%	13%	613	\$0.60

1  
 2 PROPOSED TEMPLATE FOR ANALYSIS OF 121A PROJECTS  
 3 Date: 15-Mar-86  
 4 Boston Redevelopment Authority  
 5 Patrick Kennedy: Student Researcher  
 6

SOURCE: MHFA Project Development/Management System  
 Portfolio Review Report #

7 SECTION 1: GENERAL INFORMATION

8 [138-167]  
 9 OWNER & LOCATION:  
 10 MHFA# 74-013  
 11 Project Name: 144  
 12 Worcester  
 13 Address: Worcester Ave.  
 14 City: South End  
 15 Report Date: 1983  
 16  
 17 Developer: Waters  
 18 Mgmt. Agent: Waters  
 19 Date Closed: 6-15-76  
 20 Date Completed: 7-07-77  
 21  
 22 Est. Cost:  
 23 Loan Amount: 252,000  
 24 Loan Amt./Unit 31,500  
 25 Current Balance (CB): 243,651  
 26  
 27 CHARACTERISTICS:  
 28 Construction Type: Rehab.  
 29 Fire Code Type: Masonry  
 30 Market Type: Urban  
 31 Site Type: Scat. Site  
 32 Primary Heat Type: Oil  
 33 Sec. Heat Type: n/a  
 34 Hot Water Type: ?  
 35  
 36 Age: 9  
 37 General Condition:  
 38 BRA Classification:  
 39  
 40

LOOKUP (LJ): 11  
 [169-178]  
 TOTAL UNITS (TU) 8  
 Subsidized: 8  
 Unsubsidized: 0  
 Very Low: 0  
 Low: 2  
 Moderate: 6  
 Market: 0  
 Family: 8  
 Elderly: 0  
 TOTAL S.F. (SF): 9,305  
 [182-198]  
 SUBSIDY UNITS:  
 236: 0  
 13A: 8  
 Sec. 8: 0  
 R.S.: 0  
 707: 2  
 23: 0  
 RAP: 0  
 SHARP: 0  
 Prin. Subsidy: 13A  
 Net Available  
 For Equity  
 1984: n/a  
 1983: 318  
 1982: 1,123  
 1981: 208

OTHER INFORMATION:  
 Variable:  
 % of Gross  
 Inc. (PGL) 10%  
 CONVERSION ESTIMATES  
 Renovation Cost (SF)  
 Hard (HC) \$40  
 Soft (SC) \$12  
 Selling  
 Prices/SF \$100  
 (SP)

SECTION 2: OPERATING INFORMATION		LOOKUP (LU):		11		
Project Name: 144 Worcester		Source: MHFA 74-013				
For 12 Months						
Ending:	1984	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.	
<b>INCOME:</b>						
Gross Rents (RES)	38,172	76%	103%	4,772	\$4.10	
Less: Vacancies +	(1,012)	-2%	-3%	(127)	(\$0.11)	
Bad Debts +	0	0%	0%	0	\$0.00	
Gross Rents (OCM)	0	0%	0%	0	\$0.00	
Less: Vacancies +	0	0%	0%	0	\$0.00	
Bad Debts +	0	0%	0%	0	\$0.00	
Effective Rents (EFR)	37,160	74%	100%	4,645	\$3.99	
Interest Subsidy (IS)	12,528	25%	34%	1,566	\$1.35	
Other Income (OI)	531	1%	1%	66	\$0.06	
Total: Effect. Income (EI)	50,219	100%	135%	6,277	\$5.40	
<b>EXPENSES:</b>						
Admin. Exp. (AE)	(2,318)	-5%	-6%	(290)	(\$0.25)	
Main. Exp. (ME)	(5,313)	-11%	-14%	(664)	(\$0.57)	
Security (S)	0	0%	0%	0	\$0.00	
Utilities (UT)	(10,440)	-21%	-28%	(1,305)	(\$1.12)	
Replacement Reserve (RR)	(778)	-2%	-2%	(97)	(\$0.08)	
Taxes (TX)	(8,341)	-17%	-22%	(1,043)	(\$0.90)	
Insur. & Interest (I&I)	(2,348)	-5%	-6%	(294)	(\$0.25)	
Total Expenses (TE)	(29,538)	-59%	-79%	(3,692)	(\$3.17)	
NET OPERATING INCOME (NOI)	20,681	41%	56%	2,585	\$2.22	
Less: Capital Exp. (CE)	0	0%	0%	0	\$0.00	
Debt Service (DS)	(20,363)	-41%	-55%	(2,545)	(\$2.19)	
NET AVAIL. FOR EQUITY (NAE)	318	1%	1%	40	\$0.03	
<b>SECTION 3: ALT. TAX PLANS</b>						
	Amount	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.	
Taxes Paid Assessor's Off.	14,474	29%	39%	1,809	\$1.56	
Taxes as Reported to MHFA	8,341	17%	22%	1,043	\$0.90	
Estimate: AIB Plan	3,218	6%	9%	402	\$0.35	
Estimate: Chapter 59 Plan	4,088	8%	11%	511	\$0.44	
Estimate: % of Gross Inc.	10%	5,022	10%	14%	628	\$0.54

1				
2	PROPOSED TEMPLATE FOR ANALYSIS OF 121A PROJECTS	SOURCE:	MHFA Project Development/Management System	
3	Date: 17-Mar-86		Portfolio Review Report # 73-075	
4	Boston Redevelopment Authority			
5	Patrick Kennedy: Student Researcher			
6	<hr/>			
7	SECTION 1: GENERAL INFORMATION	LOOKUP (LU):	12	
8	[138-167]		[169-178]	
9	OWNER & LOCATION:			
10	MHFA# 73-075	TOTAL UNITS (TU)	162	OTHER INFORMATION:
11	Project Name: Quincy Tower	Subsidized:	162	
12	Bldg.	Unsubsidized:	0	Variable:
13	Address: Washinton St.	Very Low:	0	% of Gross
14	City: Chinatown	Low:	161	Inc. (PGI) 10%
15	Report Date: 1984	Moderate:	1	
16		Market:	0	CONVERSION ESTIMATES
17	Developer: Jung/Chen	Family:	0	
18	Mgmt. Agent: Bos.Fin.Tech.	Elderly:	162	Renovation Cost (SF)
19	Date Closed: 5-15-75			
20	Date Completed: 10-06-77	TOTAL S.F. (SF):	123,197	Hard (HC) \$40
21			[182-198]	Soft (SC) \$12
22	Est. Cost:	SUBSIDY UNITS:		
23	Loan Amount: 4,998,016	236:	162	Selling
24	Loan Amt./Unit 30,852	13A:	0	Prices/SF \$100
25	Current Balance (CB): 4,814,393	Sec. 8:	0	(SF)
26		R.S.:	0	
27	CHARACTERISTICS:	707:	0	
28	Construction Type: High Rise	23:	63	
29	Fire Code Type: Concrete Fr.	RAP:	98	
30	Market Type: Urban	SHARP:	0	
31	Site Type: Scat. Site			
32	Primary Heat Type: Gas	Prin. Subsidy:	236	
33	Sec. Heat Type: n/a			
34	Hot Water Type: Oil	Net Available		
35		For Equity		
36	Age: 9	1984:	48,727	
37	General Condition:	1983:	52,355	
38	BRA Classification:	1982:	43,964	
39		1981:	2,642	
40	<hr/>			

42		43 SECTION 2: OPERATING INFORMATION		LOOKUP (LU):		12	
44 Project Name: Quincy Towers						Source: MHFA 73-075	
45 For 12 Months							
46 Ending:	1984	% of	% of				
47		Total	Unsubsidized				
48	Amount	Income	Income	\$/Unit	\$/S.F.		
49							
50 INCOME:							
51	Gross Rents (RES)	624,148	69%	98%	3,853	\$5.07	
52	Less: Vacancies +	(927)	0%	0%	(6)	(\$0.01)	
53	Bad Debts +	(354)	0%	0%	(2)	(\$0.00)	
54							
55	Gross Rents (COM)	12,096	1%	2%	75	\$0.10	
56	Less: Vacancies +	0	0%	0%	0	\$0.00	
57	Bad Debts +	0	0%	0%	0	\$0.00	
58							
59							
60	Effective Rents (EFR)	634,963	70%	100%	3,920	\$5.15	
61	Interest Subsidy (IS)	262,413	29%	41%	1,620	\$2.13	
62	Other Income (OI)	10,353	1%	2%	64	\$0.08	
63	Total: Effect. Income (EI)	907,729	100%	143%	5,603	\$7.37	
64							
65 EXPENSES:							
66	Admin. Exp. (AE)	(78,199)	-9%	-12%	(483)	(\$0.63)	
67	Main. Exp. (ME)	(71,919)	-8%	-11%	(444)	(\$0.58)	
68	Security (S)	(412)	0%	0%	(3)	(\$0.00)	
69	Utilities (UT)	(96,076)	-11%	-15%	(593)	(\$0.78)	
70	Replacement Reserve (RR)	(54,824)	-6%	-9%	(338)	(\$0.45)	
71	Taxes (TX)	(119,269)	-13%	-19%	(736)	(\$0.97)	
72	Insur. & Interest (I&I)	(9,778)	-1%	-2%	(60)	(\$0.08)	
73							
74	Total Expenses (TE)	(430,477)	-47%	-68%	(2,657)	(\$3.49)	
75							
76	NET OPERATING INCOME (NOI)	477,252	53%	75%	2,946	\$3.87	
77	Less: Capital Exp. (CE)	(11,296)	-1%	-2%	(70)	(\$0.09)	
78	Debt Service (DS)	(417,229)	-46%	-66%	(2,575)	(\$3.39)	
79	NET AVAIL. FOR EQUITY (NAE)	48,727	5%	8%	301	\$0.40	
80							
81							
82							
83		% of	% of				
84		Total	Unsubsidized				
85 SECTION 3: ALT. TAX PLANS		Income	Income	\$/Unit	\$/S.F.		
86							
87	Taxes Paid Assessor's Off.	119,244	13%	19%	736	\$0.97	
88							
89	Taxes as Reported to MHFA	119,269	13%	19%	736	\$0.97	
90							
91	Estimate: ATB Plan	53,450	6%	8%	330	\$0.43	
92							
93	Estimate: Chapter 59 Plan	62,396	7%	10%	385	\$0.51	
94							
95	Estimate: % of						
96	Gross Inc.	10%	90,773	10%	14%	560	\$0.74
97							
98							

1				
2	PROPOSED TEMPLATE FOR ANALYSIS OF 121A PROJECTS	SOURCE:	MFA Project Development/Management System	
3	Date: 15-Mar-86		Portfolio Review Report # 72-046	
4	Boston Redevelopment Authority			
5	Patrick Kennedy: Student Researcher			
6	<hr/>			
7	SECTION 1: GENERAL INFORMATION	LOOKUP (LU):	13	
8	[138-167]		[169-178]	
9	OWNER & LOCATION:			
10	MFA# 72-046	TOTAL UNITS (TU)	143	OTHER INFORMATION:
11	Project Name: Rockingham	Subsidized:	108	
12	Glen	Unsubsidized:	35	Variable:
13	Address: Rock. Ave.	Very Low:	0	% of Gross
14	City: West Roxbury	Low:	58	Inc. (PGI) 10%
15	Report Date: 1984	Moderate:	50	
16		Market:	35	CONVERSION ESTIMATES
17	Developer: McNeil	Family:	0	
18	Mgmt. Agent: McNeil	Elderly:	143	Renovation Cost (SF)
19	Date Closed: 8-06-73			
20	Date Completed: 2-10-75	TOTAL S.F. (SF):	0	Hard (HC) \$40
21			[182-198]	Soft (SC) \$12
22	Est. Cost:	SUBSIDY UNITS:		
23	Loan Amount: 3,402,500	236:	50	Selling
24	Loan Amt./Unit 24,353	13A:	0	Prices/SF \$100
25	Current Balance (CB): 3,320,659	Sec. 8:	0	(SP)
26		R.S.:	0	
27	CHARACTERISTICS:	707:	0	
28	Construction Type: Mod. Rise	23:	58	
29	Fire Code Type: Concrete Fr.	RAP:	0	
30	Market Type: Urban	SHARP:	0	
31	Site Type: Scat. Site			
32	Primary Heat Type: Oil	Prin. Subsidy:	Misc.	
33	Sec. Heat Type: n/a			
34	Hot Water Type: Oil	Net Available		
35		For Equity		
36	Age: 11	1984:	51,625	
37	General Condition:	1983:	16,291	
38	BRA Classification:	1982:	35,171	
39		1981:	35,392	
40	<hr/>			

SECTION 2: OPERATING INFORMATION		LOOKUP (LU):		13			
Project Name: Rockingham Glen		Source: MHFA 72-046					
For 12 Months							
6 Ending:	1984	% of	% of				
		Total	Unsubsidized				
	Amount	Income	Income	\$/Unit	\$/S.F.		
INCOME:							
51	Gross Rents (RES)	786,954	93%	101%	5,503	ERR	
52	Less: Vacancies +	(7,321)	-1%	-1%	(51)	ERR	
53	Bad Debts +	0	0%	0%	0	ERR	
54							
55	Gross Rents (OOM)	0	0%	0%	0	ERR	
56	Less: Vacancies +	0	0%	0%	0	ERR	
57	Bad Debts +	0	0%	0%	0	ERR	
58							
59							
60	Effective Rents (EFR)	779,633	92%	100%	5,452	ERR	
61	Interest Subsidy (IS)	57,635	7%	7%	403	ERR	
62	Other Income (OI)	8,996	1%	1%	63	ERR	
63	Total: Effect. Income (EI)	846,264	100%	109%	5,918	ERR	
64							
EXPENSES:							
66	Admin. Exp. (AE)	(119,171)	-14%	-15%	(833)	ERR	
67	Main. Exp. (ME)	(110,077)	-13%	-14%	(770)	ERR	
68	Security (S)	0	0%	0%	0	ERR	
69	Utilities (UT)	(117,298)	-14%	-15%	(820)	ERR	
70	Replacement Reserve (RR)	(22,500)	-3%	-3%	(157)	ERR	
71	Taxes (TX)	(123,784)	-15%	-16%	(866)	ERR	
72	Insur. & Interest (I&I)	(3,814)	0%	0%	(27)	ERR	
73							
74	Total Expenses (TE)	(496,644)	-59%	-64%	(3,473)	ERR	
75							
76	NET OPERATING INCOME (NOI)	349,620	41%	45%	2,445	ERR	
77	Less: Capital Exp. (CE)	(20,651)	-2%	-3%	(144)	ERR	
78	Debt Service (DS)	(277,344)	-33%	-36%	(1,939)	ERR	
79	NET AVAIL. FOR EQUITY (NAE)	51,625	6%	7%	361	ERR	
80							
SECTION 3: ALT. TAX PLANS							
	Amount	% of	% of	\$/Unit	\$/S.F.		
		Total	Unsubsidized				
		Income	Income				
87	Taxes Paid Assessor's Off.	123,784	15%	16%	866	ERR	
88							
89	Taxes as Reported to MHFA	123,784	15%	16%	866	ERR	
90							
91	Estimate: ATB Plan	66,830	8%	9%	467	ERR	
92							
93	Estimate: Chapter 59 Plan	55,007	6%	7%	385	ERR	
94							
95	Estimate: % of						
96	Gross Inc.	10%	84,626	10%	11%	592	ERR
97							
98							

1  
2 PROPOSED TEMPLATE FOR ANALYSIS OF 121A PROJECTS

SOURCE: MFA Project Development/Management System  
Portfolio Review Report # 72-058

3 Date: 15-Mar-86  
4 Boston Redevelopment Authority  
5 Patrick Kennedy: Student Researcher

6  
7 SECTION 1: GENERAL INFORMATION

LOOKUP (LIJ): 14  
[169-178]

8  
9 OWNER & LOCATION:

10 MFPA# 72-058  
11 Project Name: Smith  
12 House  
13 Address: 757 Shawmut  
14 City: Roxbury  
15 Report Date: 1984  
16  
17 Developer: Rox.Dev.Corp.  
18 Mgmt. Agent: Maloney  
19 Date Closed: 6-22-72  
20 Date Completed: 10-16-73

TOTAL UNITS (IU) 132  
Subsidized: 132  
Unsubsidized: 0  
Very Low: 0  
Low: 132  
Moderate: 0  
Market: 0  
Family: 0  
Elderly: 132

OTHER INFORMATION:  
Variable:  
% of Gross  
Inc. (PGL) 10%

21  
22 Est. Cost:  
23 Loan Amount: 3,139,760  
24 Loan Amt./Unit 23,786  
25 Current Balance (CB): 2,819,618

TOTAL S.F. (SF): 97,680  
[182-198]

CONVERSION ESTIMATES  
Renovation Cost (SF)  
Hard (HC) \$40  
Soft (SC) \$12  
Selling  
Prices/SF \$100  
(SP)

26  
27 CHARACTERISTICS:

28 Construction Type: High Rise  
29 Fire Code Type: Concrete Fr.  
Market Type: Urban  
31 Site Type: Scat. Site  
32 Primary Heat Type: Electric  
33 Sec. Heat Type: n/a  
34 Hot Water Type: Electric

SUBSIDY UNITS:  
236: 0  
13A: 132  
Sec. 8: 0  
R.S.: 132  
707: 0  
23: 0  
RAP: 0  
SHARP: 0

Prin. Subsidy: 13A

35  
36 Age: 13  
37 General Condition:  
38 BRA Classification:

Net Available  
For Equity  
1984: 46,957  
1983: 86,319  
1982: 49,553  
1981: 51,423

39  
40

SECTION 2: OPERATING INFORMATION		LOOKUP (LU):		14			
Project Name: Smith House				Source: MHFA 72-058			
For 12 Months							
Ending:	1984	% of	% of				
		Total	Unsubsidized				
	Amount	Income	Income	\$/Unit	\$/S.F.		
<b>INCOME:</b>							
51	Gross Rents (RES)	741,460	84%	102%	5,617	\$7.59	
52	Less: Vacancies +	(9,733)	-1%	-1%	(74)	(\$0.10)	
53	Bad Debts +	(5,965)	-1%	-1%	(45)	(\$0.06)	
54							
55	Gross Rents (COM)	0	0%	0%	0	\$0.00	
56	Less: Vacancies +	0	0%	0%	0	\$0.00	
57	Bad Debts +	0	0%	0%	0	\$0.00	
58							
59							
60	Effective Rents (EFR)	725,762	83%	100%	5,498	\$7.43	
61	Interest Subsidy (IS)	127,252	14%	18%	964	\$1.30	
62	Other Income (OI)	25,144	3%	3%	190	\$0.26	
63	Total: Effect. Income (EI)	878,158	100%	121%	6,653	\$8.99	
64							
<b>EXPENSES:</b>							
66	Admin. Exp. (AE)	(113,442)	-13%	-16%	(859)	(\$1.16)	
67	Main. Exp. (ME)	(95,523)	-11%	-13%	(724)	(\$0.98)	
68	Security (S)	(31,959)	-4%	-4%	(242)	(\$0.33)	
69	Utilities (UT)	(144,105)	-16%	-20%	(1,092)	(\$1.48)	
70	Replacement Reserve (RR)	(38,971)	-4%	-5%	(295)	(\$0.40)	
1	Taxes (TX)	(123,723)	-14%	-17%	(937)	(\$1.27)	
72	Insur. & Interest (I&I)	(19,618)	-2%	-3%	(149)	(\$0.20)	
73							
74	Total Expenses (TE)	(567,341)	-65%	-78%	(4,298)	(\$5.81)	
75							
76	NET OPERATING INCOME (NOI)	310,817	35%	43%	2,355	\$3.18	
77	Less: Capital Exp. (CE)	(40,985)	-5%	-6%	(310)	(\$0.42)	
78	Debt Service (DS)	(222,875)	-25%	-31%	(1,688)	(\$2.28)	
79	NET AVAIL. FOR EQUITY (NAE)	46,957	5%	6%	356	\$0.48	
80							
81							
82							
83			% of	% of			
84			Total	Unsubsidized			
85	SECTION 3: ALT. TAX PLANS	Amount	Income	Income	\$/Unit	\$/S.F.	
86							
87	Taxes Paid Assessor's Off:	123,783	14%	17%	938	\$1.27	
88							
89	Taxes as Reported to MHFA	123,783	14%	17%	938	\$1.27	
90							
91	Estimate: ATB Plan	48,685	6%	7%	369	\$0.50	
92							
93	Estimate: Chapter 59 Plan	57,220	7%	8%	433	\$0.59	
94							
95	Estimate: % of						
96	Gross Inc.	10%	87,816	10%	12%	665	\$0.90
97							
98							

1  
2 PROPOSED TEMPLATE FOR ANALYSIS OF 121A PROJECTS SOURCE: MFPA Project Development/Management System  
3 Date: 15-Mar-86 Portfolio Review Report # 74-151  
4 Boston Redevelopment Authority  
5 Patrick Kennedy: Student Researcher  
6

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7 SECTION 1: GENERAL INFORMATION LOOKUP (LU): 16  
8 [138-167] [169-178]

9 OWNER & LOCATION:

10 MFPA#	74-151	TOTAL UNITS (TU)	64	OTHER INFORMATION:
11 Project Name:	Anderson	Subsidized:	64	
12	Park	Unsubsidized:	0	Variable:
13 Address:	Cambridge St.	Very Low:	0	% of Gross
14 City:	Beacon Hill	Low:	19	Inc. (PGI) 10%
15 Report Date:	1984	Moderate:	34	
16		Market:	11	CONVERSION ESTIMATES
17 Developer:	Abrams/Kuehn	Family:	41	
18 Mgmt. Agent:	Abrams Mgmt.	Elderly:	23	Renovation Cost (SF)
19 Date Closed:	3-21-78			
20 Date Completed:	3-28-79	TOTAL S.F. (SF):	147,000	Hard (HC) \$40
21			[182-198]	Soft (SC) \$12
22 Est. Cost:		SUBSIDY UNITS:		
23 Loan Amount:	2,864,500	236:	0	Selling
24 Loan Amt./Unit	46,476	13A:	0	Prices/SF \$100
25 Current Balance (CB):	2,885,476	Sec. 8:	64	(SF)
26		R.S.:	0	
27 CHARACTERISTICS:		707:	0	
28 Construction Type:	Rehab.	23:	0	
29 Fire Code Type:	Concrete Fr.	RAP:	0	
30 Market Type:	Urban	SHARP:	0	
31 Site Type:	Single Site			
32 Primary Heat Type:	Gas	Prin. Subsidy:	Sec. 8	
33 Sec. Heat Type:	n/a			
34 Hot Water Type:	Gas	Net Available		
35		For Equity		
36 Age:	7	1984:	(12,601)	
37 General Condition:		1983:	(16,811)	
38 BRA Classification:		1982:	(4,832)	
39		1981:	(10,146)	

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1				
2	PROPOSED TEMPLATE FOR ANALYSIS OF 121A PROJECTS	SOURCE:	MHFA Project Development/Management System	
3	Date: 15-Mar-86		Portfolio Review Report # 74-133	
4	Boston Redevelopment Authority			
5	Patrick Kennedy: Student Researcher			
6	<hr/>			
7	SECTION 1: GENERAL INFORMATION	LOOKUP (LIJ):	17	
8	[138-167]		[169-178]	
9	OWNER & LOCATION:			
10	MHFA# 74-133	TOTAL UNITS (TU)	161	OTHER INFORMATION:
11	Project Name: Marcus	Subsidized:	161	
12	Garvey Grns.	Unsubsidized:	0	Variable:
13	Address: Eliot St.	Very Low:	0	% of Gross
14	City: Roxbury	Low:	48	Inc. (PGL) 10%
15	Report Date: 1984	Moderate:	113	
16		Market:	0	CONVERSION ESTIMATES
17	Developer: Kuehn/Macomber	Family:	6	Renovation Cost (SF)
18	Mgmt. Agent: Cornu/Corp	Elderly:	155	
19	Date Closed: 7-09-79			
20	Date Completed: 12-17-80	TOTAL S.F. (SF):	147,517	Hard (HC) \$40
21			[182-198]	Soft (SC) \$12
22	Est. Cost:	SUBSIDY UNITS:		
23	Loan Amount: 6,845,728	236:	0	Selling
24	Loan Amt./Unit 42,520	13A:	0	Prices/SF \$100
25	Current Balance (CB): 6,711,671	Sec. 8:	161	(SP)
26		R.S.:	0	
27	CHARACTERISTICS:	707:	0	
28	Construction Type: Moderate Rise	23:	0	
29	Fire Code Type: Concrete Fr.	RAP:	0	
30	Market Type: Urban	SHARP:	0	
31	Site Type: Single Site			
32	Primary Heat Type: Gas	Prin. Subsidy:	Sec. 8	
33	Sec. Heat Type: n/a			
34	Hot Water Type: Gas	Net Available		
35		For Equity		
36	Age: 6	1984:	(17,659)	
37	General Condition:	1983:	(7,269)	
38	BRA Classification:	1982:	(17,194)	
39		1981:	10,500	
40	<hr/>			

SECTION 2: OPERATING INFORMATION		LOCKUP (LU):		16	
Project Name: Anderson Park					
For 12 Months		Source: MHFA 74-151			
Ending:	1984	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.
	Amount				
<b>INCOME:</b>					
Gross Rents (RES)	524,103	91%	93%	8,189	\$3.57
Less: Vacancies +	(3,737)	-1%	-1%	(58)	(\$0.03)
Bad Debts +	(10,052)	-2%	-2%	(157)	(\$0.07)
Gross Rents (COM)	52,388	9%	9%	819	\$0.36
Less: Vacancies +	0	0%	0%	0	\$0.00
Bad Debts +	0	0%	0%	0	\$0.00
Effective Rents (EFR)	562,702	97%	100%	8,792	\$3.83
Interest Subsidy (IS)	0	0%	0%	0	\$0.00
Other Income (OI)	14,560	3%	3%	228	\$0.10
Total: Effect. Income (EI)	577,262	100%	103%	9,020	\$3.93
<b>EXPENSES:</b>					
Admin. Exp. (AE)	(67,544)	-12%	-12%	(1,055)	(\$0.46)
Main. Exp. (ME)	(81,247)	-14%	-14%	(1,269)	(\$0.55)
Security (S)	(1,013)	0%	0%	(16)	(\$0.01)
Utilities (UF)	(65,607)	-11%	-12%	(1,025)	(\$0.45)
Replacement Reserve (RR)	(12,000)	-2%	-2%	(188)	(\$0.08)
Taxes (TX)	(88,561)	-15%	-16%	(1,384)	(\$0.60)
Insur. & Interest (I&I)	(10,033)	-2%	-2%	(157)	(\$0.07)
Total Expenses (TE)	(326,005)	-56%	-58%	(5,094)	(\$2.22)
NET OPERATING INCOME (NOI)	251,257	44%	45%	3,926	\$1.71
Less: Capital Exp. (CE)	(4,029)	-1%	-1%	(63)	(\$0.03)
Debt Service (DS)	(257,027)	-45%	-46%	(4,016)	(\$1.75)
NET AVAIL. FOR EQUITY (NAE)	(9,799)	-2%	-2%	(153)	(\$0.07)
<b>SECTION 3: ALT. TAX PLANS</b>					
	Amount	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.
Taxes Paid Assessor's Off.	52,000	9%	9%	813	\$0.35
Taxes as Reported to MHFA	88,561	15%	16%	1,384	\$0.60
Estimate: ATB Plan	53,520	9%	10%	836	\$0.36
Estimate: Chapter 59 Plan	51,966	9%	9%	812	\$0.35
Estimate: % of Gross Inc.	10% 57,726	10%	10%	902	\$0.39

SECTION 2: OPERATING INFORMATION		LOOKUP (LU):		17	
Project Name: Marcus Garvey Gardens				Source: MHFA 74-133	
For 12 Months					
Ending:	1984	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.
<b>INCOME:</b>					
Gross Rents (RES)	1,103,992	99%	100%	6,857	\$7.48
Less: Vacancies +	(14,252)	-1%	-1%	(89)	(\$0.10)
Bad Debts +	0	0%	0%	0	\$0.00
Gross Rents (OOM)	15,600	1%	1%	97	\$0.11
Less: Vacancies +	0	0%	0%	0	\$0.00
Bad Debts +	0	0%	0%	0	\$0.00
Effective Rents (EFR)	1,105,340	99%	100%	6,865	\$7.49
Interest Subsidy (IS)	0	0%	0%	0	\$0.00
Other Income (OI)	11,419	1%	1%	71	\$0.08
Total: Effect. Income (EI)	1,116,759	100%	101%	6,936	\$7.57
<b>EXPENSES:</b>					
Admin. Exp. (AE)	(123,675)	-11%	-11%	(768)	(\$0.84)
Main. Exp. (ME)	(94,486)	-8%	-9%	(587)	(\$0.64)
Security (S)	(17,780)	-2%	-2%	(110)	(\$0.12)
Utilities (UT)	(120,491)	-11%	-11%	(748)	(\$0.82)
Replacement Reserve (RR)	(35,214)	-3%	-3%	(219)	(\$0.24)
Taxes (TX)	(136,363)	-12%	-12%	(847)	(\$0.92)
Insur. & Interest (I&I)	(14,374)	-1%	-1%	(89)	(\$0.10)
Total Expenses (TE)	(542,383)	-49%	-49%	(3,369)	(\$3.68)
NET OPERATING INCOME (NOI)	574,376	51%	52%	3,568	\$3.89
Less: Capital Exp. (CE)	(7,561)	-1%	-1%	(47)	(\$0.05)
Debt Service (DS)	(574,084)	-51%	-52%	(3,566)	(\$3.89)
NET AVAIL. FOR EQUITY (NAE)	(7,269)	-1%	-1%	(45)	(\$0.05)
<b>SECTION 3: ALT. TAX PLANS</b>					
Amount	% of Total Income	% of Unsubsidized Income	\$/Unit	\$/S.F.	
Taxes Paid Assessor's Off.	78,000	7%	7%	484	\$0.53
Taxes as Reported to MHFA	143,648	13%	13%	892	\$0.97
Estimate: ATB Plan	114,700	10%	10%	712	\$0.78
Estimate: Chapter 59 Plan	128,076	11%	12%	796	\$0.87
Estimate: % of Gross Inc.	10%	10%	10%	694	\$0.76

1  
 2 PROPOSED TEMPLATE FOR ANALYSIS OF 121A PROJECTS  
 3 Date: 15-Mar-86  
 4 Boston Redevelopment Authority  
 5 Patrick Kennedy: Student Researcher

SOURCE:

MHFA Project Development/Management System  
 Portfolio Review Report # 74-085

SECTION 1: GENERAL INFORMATION		LOCKUP (LU):	18		
8	[138-167]		[169-178]		
9	OWNER & LOCATION:			OTHER INFORMATION:	
10	MHFA# 74-085	TOTAL UNITS (TU)	211		
11	Project Name: Wallingford	Subsidized:	211		
12	Housing	Unsubsidized:	0	Variable:	
13	Address: 28 Wallingford	Very Low:	0	% of Gross	
14	City: Brighton	Low:	143	Inc. (PGI) 10%	
15	Report Date: 1984	Moderate:	68		
16		Market:	0	CONVERSION ESTIMATES	
17	Developer: Jew.Com.Hsg.	Family:	0	Renovation Cost (SF)	
18	Mgmt. Agent: Jew.Com.Hsg.	Elderly:	211		
19	Date Closed: 1-13-77				
20	Date Completed: 6-15-78	TOTAL S.F. (SF):	185,339	Hard (HC)	\$40
21			[182-198]	Soft (SC)	\$12
22	Est. Cost:	SUBSIDY UNITS:			
23	Loan Amount: 6,933,308	236:	0	Selling	
24	Loan Amt./Unit 32,859	13A:	0	Prices/SF \$100	
25	Current Balance (CB): 6,719,134	Sec. 8:	211	(SP)	
26		R.S.:	0		
27	CHARACTERISTICS:	707:	0		
28	Construction Type: High Rise	23:	0		
29	Fire Code Type: Concrete Fr.	RAP:	0		
30	Market Type: Urban	SHARP:	0		
31	Site Type: Scat. Site				
32	Primary Heat Type: Gas	Prin. Subsidy:	Sec. 8		
33	Sec. Heat Type: n/a				
34	Hot Water Type: Gas	Net Available			
35		For Equity			
36	Age: 8	1984:	(46,258)		
37	General Condition:	1983:	(42,425)		
38	BRA Classification:	1982:	(15,421)		
39		1981:	(21,625)		
40					

42		43 SECTION 2: OPERATING INFORMATION				LOOKUP (LU):	18
44 Project Name: Wallingford Housing							
45 For 12 Months		Source: MHFA 74-085					
46 Ending:	1984	% of	% of				
47	Amount	Total	Unsubsidized		\$/Unit	\$/S.F.	
48		Income	Income				
49	<hr/>						
50 INCOME:							
51	Gross Rents (RES)	1,482,607	97%	100%	7,027	\$8.00	
52	Less: Vacancies +	0	0%	0%	0	\$0.00	
53	Bad Debts +	0	0%	0%	0	\$0.00	
54							
55	Gross Rents (COM)	0	0%	0%	0	\$0.00	
56	Less: Vacancies +	0	0%	0%	0	\$0.00	
57	Bad Debts +	0	0%	0%	0	\$0.00	
58							
59							
60	Effective Rents (EFR)	1,482,607	97%	100%	7,027	\$8.00	
61	Interest Subsidy (IS)	0	0%	0%	0	\$0.00	
62	Other Income (OI)	49,964	3%	3%	237	\$0.27	
63	Total: Effect. Income (EI)	1,532,571	100%	103%	7,263	\$8.27	
64							
65 EXPENSES:							
66	Admin. Exp. (AE)	(150,486)	-10%	-10%	(713)	(\$0.81)	
67	Main. Exp. (ME)	(251,067)	-16%	-17%	(1,190)	(\$1.35)	
68	Security (S)	0	0%	0%	0	\$0.00	
69	Utilities (UT)	(189,978)	-12%	-13%	(900)	(\$1.03)	
70	Replacement Reserve (RR)	(85,157)	-6%	-6%	(404)	(\$0.46)	
1	Taxes (TX)	(282,717)	-18%	-19%	(1,340)	(\$1.53)	
72	Insur. & Interest (I&I)	(9,237)	-1%	-1%	(44)	(\$0.05)	
73							
74	Total Expenses (TE)	(968,642)	-63%	-65%	(4,591)	(\$5.23)	
75							
76	NET OPERATING INCOME (NOI)	563,929	37%	38%	2,673	\$3.04	
77	Less: Capital Exp. (CE)	0	0%	0%	0	\$0.00	
78	Debt Service (DS)	(610,187)	-40%	-41%	(2,892)	(\$3.29)	
79	NET AVAIL. FOR EQUITY (NAE)	(46,258)	-3%	-3%	(219)	(\$0.25)	
80							
81							
82							
83		% of	% of				
84	Amount	Total	Unsubsidized		\$/Unit	\$/S.F.	
85		Income	Income				
86 SECTION 3: ALT. TAX PLANS							
87	Taxes Paid Assessor's Off.	184,776	12%	12%	876	\$1.00	
88							
89	Taxes as Reported to MHFA	282,717	18%	19%	1,340	\$1.53	
90							
91	Estimate: ATB Plan	131,150	9%	9%	622	\$0.71	
92							
93	Estimate: Chapter 59 Plan	140,998	9%	10%	668	\$0.76	
94							
95	Estimate: % of						
5	Gross Inc.	10% 153,257	10%	10%	726	\$0.83	
7							
98							

Revised: 10-21-85

SUMMARY of M.G.L. 121A

**Section 1. Definitions**

- "Blighted open area,"\*
- "Decadent area,"
- "Sub-standard area,"
- "Construct, construction, and erect,"
- "Housing board, board,"
- "Project,"
- "Zoning ordinance or by-law"

**Section 2. Declaration of public necessity; acquisition and regulation of private property**

Paragraph 1

Blighted open, decadent, and sub-standard area declared a serious and growing menace. The ordinary operation of private enterprise or the regulatory processes are not adequate to address this problem. Accordingly, development of property in these areas by private parties is a public use and purpose "for which aids herein provided may be given, public money expended, and the power of eminent domain exercised."

Paragraph 2

There is a shortage of "decent, safe and sanitary buildings for residential, commercial, industrial, institutional, recreational, or governmental purposes" throughout the commonwealth. The provisions of this chapter will help stimulate the construction of such buildings in blighted areas, and will assist in eliminating such areas.

**Section 3. Establishment of corporations to carry out projects; number of projects for each corporation; co-operative corporations**

Paragraph 1

Three or more persons may form a corporation to undertake No such corporation shall undertake more than one project or engage in any other type of activity.

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\*Amendment, in pocket part of M.G.L.A.

### **Section 3. (cont.)**

#### **Paragraph 2\***

A charitable corporation, whose property cannot inure to the benefit of a private person, may act as an urban redevelopment corporation under Ch. 121A, for the purpose of rehabilitating and improving residential housing. Such a corporation may sell its property within 15 years, provided the proceeds are employed in further redevelopment projects. The corporation shall also be exempt from the profit-sharing provisions of Section 9.

#### **Paragraph 3**

The laws relating to corporations in Ch. 156 (except Section 7) shall apply to corporations formed under Ch. 121A, and such corporations are hereby declared to be instrumentalities of the commonwealth.

#### **Paragraph 4**

A corporation organized under Ch. 121A may operate as a co-operative.

### **Section 4. Rules and regulations of housing boards; standards for project plans; variations**

#### **Paragraph 1**

The housing board may make, and amend, reasonable rules and regulations regarding the procedures for approval and for the financing, construction, management, and maintenance of such projects. The housing board may fix general standards to which the plans of such projects shall conform. But, variations from such standards may be allowed for the accomplishment of the purposes of the Ch. 121A.

### **Section 5. Application for approval of project; contents**

#### **Paragraph 1\***

Applications for approval of a project (other than in Boston and Springfield) shall state the reasons why the project is necessary, the uses of the project, the cost, and the amount of capital which the project shall raise. If property is to be taken by eminent domain, the applicant shall file a relocation plan pursuant to Ch. 79A.

**Section 6. Project Approval; procedure**

(See statute)

**Section 6A. Contracts; contents; filing; inspection; approval; collection of amounts payable**

**Paragraph 1\***

Once a project has been approved by the housing board (or, in the case of Boston, the BRA) the corporation and the city shall enter into a contract to carry out the project in accordance with the provisions of Ch. 121A and any other provisions established by the board. Such contract may provide that, without mutual consent, any subsequent rules or amendments will not affect the project. Nothing in Section 10 shall prevent the corporation from paying the city an amount in addition to the excise payments prescribed in Section 10.

**Paragraph 2\***

Any such contract may provide that the corporation may elect, at the end of fifteen years, to shorten the period of tax exemption provided in Section 10, so long as all amenities promised under the extension have been established.

**Paragraph 3\***

Any contract shall be available for inspection by any person, in accordance with the procedures of Section 4, Ch. 7 M.G.L.

**Paragraph 4\***

Except in Boston and Springfield, any contract shall be executed in the manner set forth in Section 6.

**Paragraph 5\***

All amounts payable, in addition to the excise prescribed by Section 10, shall be in lieu of taxes assessed upon the corporation's real and personal property.

**Section 6B. Notice of hearing**

(See statute)

## **Section 6C. Appeals; procedure**

### **Paragraph 1\***

Any person aggrieved by the approval or disapproval of a project by the housing board may appeal to superior court by filing a complaint within sixty day after the transmittal of the report of the city council or planning board. The complaint shall allege the specific respects in which the action of the city agency or housing board is based upon error of law, is unsupported by substantial evidence, or is without authority.

### **Paragraphs 2-4\***

Court may allow any person to intervene, and, in its discretion, may order a stay.

### **Paragraph 5\***

If the court finds the decision under review is based upon an error of law, is not supported by substantial evidence, or is without authority, the court shall reverse the decision or remand the matter for further proceedings.

### **Paragraph 6\***

As used in this section, hearing authority shall mean the planning board and city council or selectmen, when acting as the planning board.

### **Paragraph 7\***

The remedy granted in the section shall be exclusive. All proceedings under this section shall be place before other civil matters on the calendar of the court.

## **Section 7. Borrowing money to finance project; capital stock subscriptions and sale; stocks, bonds or other securities or corporation as legal investments**

### **Paragraph 1**

No more that 90% of the estimated cost of a project shall be borrowed; the balance, unless provided by grants or gifts, shall be raised by subscription or sale of capital stock in the corporation. Only stock having par value shall be issued, except as approved by the housing board. The stock of such a corporation shall first be offered to the owners of the real estate within the location of the project

Paragraph 2

Stock not subscribed by owners of adjacent real estate can then be offered to persons signing the agreement of association, in proportion to their respective subscriptions. Any remaining stock shall be offered to the general public.

Paragraph 3

Stocks and bonds of such corporations shall be legal investments for the capital of insurance companies, and the bonds and notes, when secured by a mortgage, shall be legal investments of banks and trust companies.

**Section 7A. Purchase or lease of real estate by urban redevelopment corporation from housing authority; approval**

Paragraph 1\*

A corporation organized under Section 3 may purchase or lease real estate from a public body or agency, for the purposes set out in Ch. 121A. Such corporation need not offer its stock to the owners of real estate within the location of the project, and such owners have no preferential right to subscribe to the stock.

**Section 8. Inspection of buildings; proceedings upon violation of rules and regulations with respect to construction and financing; injunction**

Paragraph 1

Every such corporation shall be deemed to have been organized to serve a public purpose, and shall remain at all times subject to all reasonable rules and regulations applicable to its project. All real estate acquired by any such corporation and all structures erected by it shall be deemed to be acquired or erected for the purpose of promoting the public health, safety and welfare.

Paragraph 2

If the housing board finds that a corporation has violated any of the provisions of Ch. 121A regarding financing, construction, or payments, or violated any of the rules and regulations applicable, it may seek an injunction to enforce such provisions or regulations.

**Section 9. Limitation in repayment of investment in stock;  
limitations of dividends**

**Paragraph 1\***

Stockholders shall not receive, in repayment of their investment in stock, any sums in excess of the par value, together with cumulative dividends of 8% annually, or in the case of stock without par value, cumulative dividends of 8% annually on the amount paid for such stock. Nothing in this section shall, however, be applicable to the payment of dividends out of profits from the sale of capital assets of the corporation. This section shall not apply to charitable organizations, provided all surplus earnings from projects are used in further urban redevelopment projects.

**Section 10. Exemption from taxation and assessments;  
valuation; appeals; annual payment; additional  
tax and project approval procedure**

**Paragraph 1\***

For fifteen years after its organization, a corporation shall not be required to pay any tax, excise, or assessment, but shall be required to pay:

- 1) the excises and sums prescribed by this section and section 15;
- 2) excises assessed under chapter 60A; and
- 3) excises imposed by Ch. 64A, and payments in lieu of betterments, under Section 14.

**Paragraph 2\***

Notwithstanding this section, property exempted by this section under Ch. 59 shall be reassessed every year for fair cash value.

**Paragraph 3\***

For 15 years after its organization, a corporation shall pay the commonwealth an excise equal to:

5% of its gross income in such preceding calendar year from all sources; and

an amount equal to \$10 per thousand of assessed fair cash value of all real and personal property owned by the corporation, including real and personal property leased by it and is exempted from taxation under Ch. 59;

provided that the excise payable in any year shall not be less than the amount which the city would receive for taxes, at a rate for such year, under the lesser of the following valuations:

- a) the valuation upon which the amount of \$10 per thousand is computed; or
- b) the average assessed valuation of the land and buildings, taken 1) before acquisition by the housing authority or other agency; 2) at the time of acquisition by the housing authority or other agency; and 3) at the time of acquisition by the corporation.

Paragraph 4\*

A project may be developed, completed, and taxed in separate stages.

Paragraph 5\*

All provisions of Ch. 62C regarding the administration of taxes shall apply to this section.

Paragraph 6\*

Real estate acquired under a lease by a corporation organized under Ch. 121A shall be subject to taxation in the same manner and to the same extent as that owned and occupied by a private person. Real estate acquired by lease shall be excluded in making determinations and computing excise under this section. Buildings on leased land shall be considered personal property of the corporation.

Paragraph 7\*

At the request of the housing board, the assessors of the city or town in which the project is located shall determine, for the purposes of this section, the maximum fair cash value. [ N.B.: Formerly, the assessor's office was obligated to reassess each property every 5 years, or at the request of the housing board.]

Paragraph 8\*

All information submitted by the corporation to the department of revenue and the assessors office shall be filed with the housing board, and be available to any person in accordance with Section 4 of Ch. 7.

Paragraph 9\*

"Gross income" shall mean payments actually made by persons for the right to reside in or occupy any portion of the project. It shall not include payments by by any government agency to or on behalf of such corporation, or to or on behalf of any tenant.

Paragraph 10\*

The 15 year period of exemption from taxation may be extended an additional 25 years, provided certain amenities are established.

Paragraph 11\*

Such amenities include, among other things, housing for handicapped; commercial development that would result in employment of minorities; restoration of historic structures; and provisions for recreational or community public facilities.

Paragraph 12\*

The rules and regulations required by this section shall be adopted and may be amended by the housing board only after the board has held a public hearing. Such hearing shall follow the procedures of Section 2, Ch. 30A.

Paragraph 13\*

Application for an extension shall be made only at the time of initial application or within 10 years after approval is granted, unless this section is otherwise amended.

Paragraph 14\*

Applications for extensions shall be subject to a public hearing and processed in the same manner as an initial application under this chapter.

Paragraph 15\*

An application for extension may be approved or disapproved, or disapproved with recommended changes which, if made, would warrant approval. The approving authority may approve or disapprove an amendment application without further public hearing, provided the proposed changes do not, in its opinion, materially affect the cost of the project, the revenue received by the city, or the period of exemption.

Paragraph 16\*

Any corporation proposing a project for construction of low or moderate income housing, subsidized or financed by the federal or state government agency shall receive an automatic 25 year extension.

**Section 11. Acquisition and sale of land or interests in land; approval**

Paragraph 1\*

Any corporation authorized to undertake or acquire projects under Ch. 121A may lease land or interests in land, including air rights.

Paragraph 2\*

Any corporation may, with the approval of the housing board, institute proceedings for the taking of land under Ch. 80A.

Paragraph 3\*

Any such corporation shall have the power, with the approval of the housing board, to sell, exchange, or otherwise transfer in whole, or in part, the land or interests therein, including air rights, leased or acquired under this chapter. But such land or interests only may be only subject to the further requirement than any change in the benefits and restrictions applicable to the grantee be approved in the manner provided in Section 6 or Section 18B, as the case may be (except in Boston).

**Section 12. Receipt of loans and grants from the federal government and other sources; borrowing money; issuance of notes and indebtedness**

Paragraph 1

A corporation organized under Ch. 121A shall have the power to receive loans and grants from the federal government and, subject to the provisions of Section 7, shall also have the power to issue bonds, notes and other evidences of indebtedness.

Paragraph 2

Such a corporation may borrow on mortgages insured by the federal government, and may issue stock, or enter into

required by the federal government in connection with such mortgages.

**Section 13. Application to change type and character of buildings on project; approval**

**Paragraph 1\***

A corporation may apply to the housing board for permission to change the type and character of the buildings on the project. If the change is not a "fundamental" one, the housing board alone may approve the application. If the change is a fundamental one, the provisions of Section 5, so far as apt, shall apply. In such case the board will transmit the application to the mayor of the city or the selectmen, and the provisions of Section 6 shall apply. If the housing board receives evidence of approval of the mayor or selectmen, and if it finds the proposed change will be in the interest of health, safety or general welfare, and the use is authorized by Section 3, then the corporation may proceed.

**Section 14. Contracts with cities or towns relative to public and private ways, sidewalks, parks and other public improvements; contracts for sale, lease or exchange or real estate**

**Paragraph 1\***

Cities may agree to provide various improvements such as sidewalks, parks, or drainage lines at the site of a project.

**Paragraph 2**

A city may take land by eminent domain for the purpose of urban redevelopment, and may enter an agreement with a corporation to purchase, sell, lease or exchange such real estate.

**Paragraph 3**

Contracts between cities and corporations organized under Section 3 shall not be subject to any provisions of law relating to publication or advertising for bids. Construction of a project under this chapter shall be subject to the provisions of Sections 26 to 27D, Ch. 149.

**Section 15. Application of receipts in excess of authorized expenditures**

**Paragraph 1**

Should gross receipts of any such corporation exceed:

- 1) operating, maintenance, and reserve expenses
- 2) taxes and fees
- 3) interest on mortgage and other indebtedness
- 4) mortgage insurance fees
- 5) amortization
- 6) dividends
- 7) authorized transfers to surplus or reserves, and
- 8) other payments authorized by the housing board

then the remaining funds shall be applied to payment to the city of an amount equal to the difference between the excise paid to the city and the property tax that would have been paid without Ch. 121A benefits.

**Paragraph 2**

The balance, if any, may, with the approval of the housing authority, be applied to reducing the indebtedness of the corporation, to renovating or improving the property, and to acquisition and development of additional property, which shall be subject to the same control and regulation as the original project.

**Paragraph 3**

The charges for operation and maintenance may include insurance and reserves needed to meet requirements for depreciation and amortization of debt, but the amount set aside shall be subject to the approval of the housing board.

**Section 16. Rights, privileges, obligations and duties of corporation after period of organization**

**Paragraph 1\***

Once a corporation has carried out its obligations under Ch. 121A for 15 years from its organization, and for any period of extension, it shall then be free of all limitations, obligations, and duties imposed under this chapter.

**Section 16A. Successor in interest to corporation; options; filing of certificate**

**Paragraph 1\***

If an action is brought to foreclose on a project, or any severable portion of it, or if in order to avert such action the corporation makes a conveyance of its interest, the successor in interest shall have the option of:

- 1) holding the property subject to all provisions of Ch. 121A
- 2) selling the property to a purchaser who agrees to hold the property subject to all provisions of Ch. 121A
- 3) with prior written consent of the housing board,
  - a) holding the project, or severable portion of it, free from the provisions and restrictions of Ch. 121A
  - b) selling the property to a purchaser free from the provisions and restrictions of Ch. 121A.

Paragraph 2\*

A successor in interest exercising an option under this section shall file with the housing board to that effect. Any such option may be exercised at any time within one year of acquiring such interest. Until such option is exercised the project shall be subject to all the provisions of this chapter.

**Section 17. (Repealed)**

**Section 18. Authority of insurance companies to undertake projects; exceptions**

(Specific regulations with respect to projects undertaken by insurance companies. See statute.)

**Section 18A. Authority of savings banks and co-operative banks to undertake projects; limitations; loans; association of banks**

(Specific regulations with respect to projects undertaken by banks. See statute.)

**Section 18B. Authority of corporation to take over existing project; certificate of board**

Paragraph 1\*

Three or more persons may form a corporation to acquire a

project, or a severable portion of it, which has been authorized and approved, including air rights or other interests in land.

If changes are proposed by reason of such acquisition, the application to the housing board shall include information concerning such changes.

If the housing board has no objections to the plan, it shall issue a certificate that it consents to the formation of the corporation.

If the housing board determines that such changes significantly affect the plan for the original project, the application shall be review in the manner set forth in Section 6.

### Section 18C. Authority of persons to undertake or acquire and carry on urban redevelopment projects

#### Paragraph 1\*

Individuals or associations organized under Ch. 180 may undertake or acquire projects which have been developed in accordance with Ch. 121A or Ch. 121B, or any severable portion of such project, including air rights or other interests in land, provided certain administrative requirements are met (See statute).

#### Paragraph 2

Any such agreement shall be binding upon the heirs and assigns of the parties.

#### Paragraph 3

Any application made under this section shall be reviewed in accordance with the criteria and provisions of Section 6 and 18B, except provisions relating to an agreement of association shall not apply.

#### Paragraph 4

The provisions of Section 6A, 7A, 12, 13, 14, 15, and 16 relative to corporations organized under this chapter shall extend to anyone undertaking or acquiring a project under this section.

#### Paragraph 5

The provisions of the first and third paragraphs of Section 11 shall extend to anyone undertaking a project under this section, except nothing in this section shall empower

such person or combination of persons to take land by eminent domain.

Paragraph 6\*

If the persons or organizations described in this section have carried out the duties imposed by this chapter, they shall thereafter be free from all such obligations.

Paragraph 7

Every project undertaken or acquired under this section shall be deemed to have been undertaken or acquired to serve a public purpose.

Paragraph 8\*

No application, proceeding, finding, recommendation, approval, fair cash value determination, or other act made under this act shall be invalid, ineffective, or unenforceable because such entity is comprised of person other than individuals.

**Section 18D. Condominium projects; regulation**

(See statute\*)