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167 Dutton Street ~ Lowell, Massachusetts 01852  
(978) 459-0551

September 14, 2009

Board of Selectmen  
Acton Town Hall  
472 Main Street  
Acton, MA 01720

Dear Selectmen:

I write to thank you for your ongoing support and update you on the status of our proposed Old High School Commons redevelopment.

Common Ground Development Corporation (CGDC) did submit an application to the Department of Housing and Community Development seeking the funding sources necessary to finance the project. Their schedule calls for making decisions by October. Meanwhile, CGDC continues to provide information to DHCD as we address project tasks. Our goal is to convince state officials that Old High School Commons is a competitive and viable project.

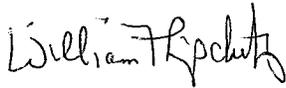
One measure that DHCD employs in comparing projects is the level of local financial support. CGDC greatly appreciates the backing received to date from the town. Your agreement to extend the lease with favorable terms, the approval of a comprehensive permit and the allocation of Housing Gift funds to offset the sewer tie-in fees are substantial contributions to the proposal.

During our application for a comprehensive permit from the Zoning Board of Appeals, our attorney requested a waiver of town fees including the cost of a building permit. While the ZBA expressed interest, it was indicated that waiving permit fees falls within the purview of the Board of Selectmen. As you know, CGDC developed affordable housing in Westford which waived building permit fees, entered into a PILOT agreement on property taxes and allocated Community Preservation Act funding equal to \$20,000 per housing unit. During our debriefing on how to strengthen our application's competitiveness, DHCD staff stated that the level of community participation often makes the difference between selected and rejected applications. As an example, DHCD staff cited Hopkinton, a community that allocated \$900,000 toward a similar affordable housing development.

In addition, securing debt and equity remains challenging, as there are fewer equity sources available to invest in project related tax credits. Investors have lots of options to choose from in an economy where the supply of tax credits exceeds demand. Additional town support would reduce project debt and increase the financial appeal to investors.

I cannot overly stress how important the support received to date is to CGDC and the proposed development. Respectfully, CGDC asks that the Board consider additional support, as you deem appropriate, to enhance the competitiveness of our application to DHCD so that we may achieve our common goal, the redevelopment of the McCarthy School as affordable housing.

Sincerely,

A handwritten signature in black ink, appearing to read "William F. Lipchitz". The signature is written in a cursive style with some loops and flourishes.

William F. Lipchitz  
President