

DRAFT
Amendment Three
of the Cooperation Agreement
between the CRA and Margaret Fuller Neighborhood House dated April 18, 2019

This amendment (Amendment Three) is made this ___th day of November 2021, by and between the Cambridge Redevelopment Authority (CRA) and Margaret Fuller Neighborhood House (MFNH), together referred to as "The Parties". Amendment Three replaces the Cooperation Agreement made and entered into by The Parties on April 18, 2019 and amended on December 19, 2019 and June 22, 2020 (the "Agreement").

MFNH and the CRA continue to advance a project for the redevelopment of MFNH's property at 71 Cherry Street. However, further design work is required before a joint development agreement can be signed. MFNH requires clarity on project deliverables and budget before entering into an option agreement to sell its land to the CRA for the purpose of affordable ownership housing development. The CRA requires a commitment for its ability to purchase that land for that use before making further significant financial and staffing commitments to the project. This amendment allows for progress towards the needs of each party and an eventual development agreement.

In consideration of the mutual provisions and covenants contained herein, and in the Agreement, and for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the CRA and MFNH, intending to be legally bound, agree as follows:

The obligations outlined below replace all Obligations and Timelines detailed in the Agreement and in Amendments One and Two.

Project Scope

The Project shall include the components outlined in Exhibit A, which are subject to adjustment by mutual agreement during the Schematic Design phase.

Schematic Design Phase and Cost Sharing

The Parties will equally share in the payment of Schematic Design Phase expenses (to include designer fees, real estate development consultant fees, owner's project management fees and cost estimate). Schematic Design Phase fees are expected to be **at least \$161,475, but not exceed \$197,010**, and are expected to be incurred between **December 1, 2021 and February 28, 2022**.

MFNH may draw down on its Line of Credit with the CRA to cover its portion of Schematic Design Phase expenses.

All Schematic Design Phase expenses are part of the total project budget which will be finalized at the end of the Schematic Design Phase. Financial investments made by the MFNH and CRA

towards the Schematic Design phase will count towards each party's total contribution to the total project budget for the MFNH portion of the project.

The expected total project budget for the Historic Preservation and New Addition portions of the project is attached as Exhibit C.

Both Parties agree to the following Project Implementation Steps:

- The core project team includes MFNH's Executive Director and Finance Director, and CRA staff. This team will jointly advance the project including coming to agreement on design decisions and on selections of project partners and contractors. The core project team will incorporate advice provided by Maura Camosse-Tsongas of Stone Soup Collaborative, Studio G Architects, the selected OPM, and each Party's board members, when engaged by staff.
- The Parties agree to work in good faith towards project milestones in order to meet key funding deadlines for Historic Tax Credits (HTC) and the Community Preservation Act (CPA) outlined in the draft timeline in Exhibit B. HTC and CPA funds are expected to be essential sources of income for the project budget.
- The Parties will jointly select an Owner's Project Manager following the CRA's use of a public selection process, to provide construction expertise and management during the design phases and through construction and project close out. Target date: November 2021
- The CRA will sign a contract with Studio G architects, the jointly selected designer who conducted the project's 2020 Feasibility Study to continue to facilitate the design of the project scope through Schematic Design. Target Date: November 2021
- The Parties will come to agreement on a Schematic Design. At that time the Parties will also come to agreement on the project budget, and enter into a Development Agreement that will define the Parties' relationship throughout the rest of the design phases, construction, and project close out. Target Date: March 2022
- CRA and MFNH staff will provide project updates to Port residents and other Cambridge residents and City officials via mass emails and social media through fall 2021 and winter 2022. In winter 2022, CRA and MFNH staff will jointly hold community meetings to provide more direct project updates. Regular public communication and engagement will occur throughout the remaining project phases.
- Item 10 of the Agreement dated April 18, 2019 [and which was part of the Amendments signed on in December 2019 and June 2020](#) is updated to read as follows:

If the Parties are unable to sign a Development Agreement within 90 days following receipt of the Schematic Design cost estimate; or If the MFNH decides to take no action, or to sell or lease its parking lot to a party other than the CRA for redevelopment, then the CRA will consider fifty percent (50%) of the initial Soft Costs related to the Feasibility Analysis as credit that has been

drawn under the Loan Agreement between the CRA and MFNH with mortgage and promissory notes signed on April 12, 2019, for an amount not to exceed fifty thousand dollars (\$50,000). The Loan Agreement provides for credit of \$250,000. Up to \$200,000 can be drawn by MFNH for operating expenses [or for expenses directly related to the MFNH redevelopment project](#); The remaining \$50,000 cannot be used for operating expenses; it will only be used for feasibility soft costs, as needed, per this section.

Signed By:

Thomas Evans, Executive Director
Cambridge Redevelopment Authority

Date

Kimberly Massenburg, Executive Director
Margaret Fuller Neighborhood House

Date

Exhibit A of Amendment Three: Project Scope

This list represents the shared understanding of both parties as of November 2021. The Scope may change during the Schematic Design phase under mutual agreement of The Parties.

Infill Housing

- New construction of approximately 10,000 – 12,000 square feet of income restricted ownership housing on the portion of the lot that now provides surface parking. This use will require subdivision of the lot.
- Units with 1 – 3 bedrooms, maximizing the number of multiple bedroom units as possible.
- Parking spaces to serve the condominiums.

MFNH Historic House Renovation

- Renovation of the historic house to meet current fire and safety codes, create accessible program and/or office space on the first floor, improve building systems and building envelope, and, to the extent budget allows, interior renovations for improved program space. Renovation will be limited to the extent possible.

MFNH Addition

- Approximately 6,500 square feet of program space in a new addition, preferred to be located on the approximately footprint of the current basement addition. The addition is expected to house the food pantry on the basement level and childcare space above.

Between the historic house and the new program space, the MFNH space will include:

- New above ground afterschool program space for 48 children,
- Expanded food pantry and storage,
- Expanded and improved community advancement space, including flexible use spaces that may accommodate different uses as programs change or grow over time
- Improved accessible meeting room replacing the space now on the 2nd floor in the historic house, and
- Improved staff offices.

Site Features for MNFH Facility

- 4 parking spaces for MFNH use, potentially under a shared parking agreement with the housing
- Children's play area

Exhibit B of Amendment Three:
Project Timeline Highlights Related to Funding Deadlines

2021

November	Select OPM Finalize fee and contract language with Studio G CRA and MFNH (Dec) boards approve Agreement Amendment Community Outreach/Update via web, email, social media
December	Sign Studio G & OPM contracts Schematic Design Starts Develop draft language for Development Agreement

2022

January	Refine Development Agreement language Meeting with Cambridge Historical Commission (CHC) Community Zoom meeting(s) for update and input “Silent” kick off of MFNH Capital Campaign
February	Incorporate CHC comments, agree on final Schematic Design Refine Development Agreement language Conduct Cost Estimate Finalize Project Budget
March	Finalize Development Agreement language Submit Project Notification Form (PNF) to MA Historic
April	Board votes and signatures on Development Agreement PNF response from MA Historic with feedback on site plan proposal
May	25% Design Development drawings completed Start zoning process
June	Federal Part 1 submitted for Historic Tax Credits CPA application to City of Cambridge
July	50% design development drawings completed Second cost estimate (and value engineering of budget as needed)

August Mass Historic tax credit application, Part 1 and Part 2

September CPA decisions

Fall 2022 Construction drawings complete

2023

January Second State Tax credit round
Contractor bidding (if not using 149a/Construction Manager at Risk)

April Third State Tax credit round

Spring 2023 Start of construction (pending appropriate relocation of services)

NOTE: This timeline focuses more on near term milestones. A more complete timeline will be developed during the schematic design phase.

Exhibit C: Draft Project Budget for Historic Renovation and New Addition

This budget is only for the MFNH program space. The CRA will be solely responsible for the project budget for the affordable ownership housing.

This budget is an estimate. The CRA and MFNH will jointly develop a final project budget at the conclusion of the Schematic Design Phase. The Parties will amend the budget mutually only as necessary throughout all project phases. The Development Agreement will provide more detail.

PROJECT USES: MFNH Renovation & Expansion			
	Total Sq Ft	Cost Per Sq Ft	Total Cost
Historic renovation construction	3168	\$ 300	\$ 950,400
New addition construction	6500	\$ 350	\$ 2,275,000
Construction contingency		7%	\$ 225,778
Soft Costs		25%	\$ 862,795
MFNH Existing Debt*			\$ 487,000
Total Project Uses (Expenses)			\$ 4,800,973

** Debt that has been taken out against the property must be paid off in order for MFNH to sell its land for the housing portion of the project*

PROJECT SOURCES: MFNH Renovation & Expansion	
Cambridge Community Preservation Act	\$ 350,000
Federal Historic Tax Credits**	\$ 548,318
Land & Project Payment from CRA	\$ 3,000,000
MFNH Equity	\$ 902,655
Total Project Sources (Income)	\$ 4,800,973

*** We may also pursue State Historic Tax Credits. However, they are much more difficult to secure, and so are not assumed to be part of the project sources*

Size Assumptions (to be further finalized during design phases)	Sq Ft
New construction - after school	4,500
New construction - food pantry (and potentially other program uses)	2,000
Total New Construction	6,500
Existing house Reno - 1st Fl	1,584
Existing house Reno - 2nd Fl	1,584
Existing house Reno - 3rd Fl	0
Existing house Reno - basement	0
Total Renovation	3,168
Total Project Size	9,668

Exhibit D: Estimated Schematic Design Phase Budget

Item	Vendor	Estimated Cost	Notes
Design Services (includes cost estimate and other subconsultant)	Studio G (pending agreement on fee)	\$133,000	This fee will count towards a not to exceed percentage of total development costs (6.9%) and maximum total dollar fee, which will be finalized with Studio G at the end of schematic design.
Historic Tax Credit (HTC) Consultant	Epsilon / Brian Lever	\$16,500	HTC applications will be submitted right after the SD phase, so the bulk of the expense happens at this time. During future phases, there may be around \$2,000 in consulting fees to submit subsequent state tax credit applications.
Real Estate Development Consultant	Stone Soup Collaborative / Maura Camosse Tsongas	\$9,500	Estimated at 50 hours over the course of SD. Fee at \$190 per hour
Owner's Project Manager	TBD	\$2,475	Estimated at 15 hours over the course of SD. Assumed fee at \$165 per hour (TBD after contract negotiated)
Estimated Cost for Services Known to be Needed:		\$161,475	
Investigative subconsultants outside of architecture contract, which may be necessary during SD	Varies: geotechnical engineer, geo environmental engineer, hazmat consultant	\$35,535	This is a not to exceed figure. The total will depend on the extend of exploration needed. Investing in early analysis and exploration will save the project time and money in later phases
Schematic Design Budget, expected maximum:		\$197,010	If this is the total, each party's current share will be \$98,505

This budget does not include incidentals, such as flyers for community outreach that CRA and MFNH will cover as items arise.

This budget will be paid for equally by the CRA and MFNH (MFNH will draw from its Line of Credit). These costs are part of the total project budget. Each party's contribution will count towards its contribution to the total project budget that the parties will agree to after SD.

