# EBCDC, INC.

May 1, 2015

City of Boston
Department of Neighborhood Development
26 Court St., 10th Floor
Boston, MA 02108
Attn: Reay Pannesi

Dear Ms. Pannesi:

Please accept this response to the request for proposals for the former branch library at 280-282 Meridian Street, East Boston.

We believe our partner, East Boston Ecumenical Community Council as well as the East Boston Social Centers will allow the building to become an asset to a large base of community interests and age groups.

In addition other tenants include Urban College of Boston, as well as the Veronica Robles Cultural Center. In order to preserve the historic integrity of the building, we intend to seek MA historic tax credits.

Thank you for your consideration.

Sincerely,

EBCDC, Inc.

Albert F. Caldarelli

East Boston Ecumenical Community Council

Frank Ramirez

72 Marginal Street, East Boston, Mass. 02128-2135 • (617) 569-5590

# PROPOSAL FORM

**SUBMITTED TO:** **DEPARTMENT OF NEIGHBORHOOD DEVELOPMENT**
**BID COUNTER**
**26 COURT STREET, 10TH FLOOR**
**BOSTON, MASSACHUSETTS 02108**

**DATE RECEIVED BY DND:** May 1, 2015

**SUBMITTED BY:** **NAME:** EBCDC, Inc.

**ADDRESS:** 72 Marginal St., Boston, MA

**TELEPHONE:** 617-569-5590

**EMAIL:** acaldarelli@ebcdc.com

RECEIVED
DEPT. OF NEIGHBORHOOD DEVELOPMENT
26 COURT STREET
BOSTON, MA 02108
DATE: 5/1/15
PROPOSAL FOR: Meridian St

Under the conditions set forth by the Department of Neighborhood Development, the accompanying proposal is submitted for:

**Property Address**: 280-282 Meridian Street, East Boston, MA 02128

For this proposal to be properly evaluated all questions must be answered by the Proposer. The Awarding Authority (the Department of Neighborhood Development) will regard all responses to questions and all submissions as accurate portrayals of the Proposer's qualifications and any discrepancy between these statements and any subsequent investigation may result in the proposal being rejected.

i. The name(s) and address(es) of all persons participating in this application as principals other than the undersigned are:

EBCDC, Inc. Albert Caldarelli, President , 72 Marginal Street, East Boston, MA 02128
Ecumenical Comunity Council Frank Ramirez Exec. Dir., 50 Meridian Street, East Boston, MA 02128

Use separate sheet and attach if additional principals are involved.

ii. The applicant is a/an:
Joint venture of two non-profit 501(c)(3) Corporations
(Individual/Partnership/Joint/Venture/Corporation/Trust, etc.)

A. If applicant is a Partnership, state name and residential address of both general and limited partners: N/A

B. If applicant is a Corporation, state the following:

Corporation is incorporated in the State of: N/A
President is: _____
Treasurer is: _____
Place of Business: _____

C. If applicant is a Joint Venture, state the names and business addresses of each person, firm or company that is a party to the joint venture:

EBCDC, Inc. 72 Marginal Street, East Boston, MA 02128

Ecumenical Comunity Council 50 Meridian Street, East Boston, MA 02128

A copy of the joint venture agreement is on file at: 72 Marginal St., East Boston and will be delivered to the Official on request.

D. If applicant is a Trust, state the name and residential address of all Trustees as:

N/A

Trust documents are on file at _____
And will be delivered to the Official on request.

iii. Bank reference(s): East Boston Savings Bank & Bank of America
iv. If business is conducted under any title other than the real name of the owner, state the time when, and place where, the certificate required by General Laws, c.110, §5 was filed:
N/A
v. Number of years organization has been in business under current name:
EBCDC , Inc. 45 yrs & East Boston Ecumenical Comm. Counc. 36 yrs
vi. Has organization ever failed to perform any contract? No Yes/No

If answer is "Yes", state circumstances): _____

We propose the following purchase price: $ 500,000.00

The reduced offer is necessary because of the amount of money needed to bring the building to occupancy. We estimate that cost to be 1.5 million dollars.
The outside fire escapes will not meet the current building code. Because there will be children in the building there will be no chance of a waiver by Inspectional Services.

This necessitates the construction of interior stair cases. In order to achieve handicap access it will be necessary, among other items, to construct a specialty elevator for use by the handicap. In addition, there appear to be significant amounts of asbestos throughout the building. All of the plumbing and bathroom facilities need to be improved.
These significant costs associated with the building limit the amount of money that can be allocated to the purchase price.

vii. AUTHORIZATION:

The undersigned certifies under penalties of perjury that this proposal has been made and submitted in good faith and without collusion of fraud with any other person. As used in this certification, the word "person" shall mean any natural person, business, partnership, corporation, union, committee, club, or other organization, entity, or group of individuals.

Signature of individual submitting proposal

President

Title

EBCDC, Inc.

Legal Name of Organization

Dated at: Boston, MA

This 1 st day of May, 2015

NAME OF ORGANIZATION:
EBCDC, Inc.

BY: Albert F. Caldarelli

TITLE: President

i. ATTESTATION:

Albert F. Caldarelli being duly sworn deposes and says that (he/she) is the President of EBCDC, inc. and that all answers to foregoing questions and all statements contained herein are true and correct.

Subscribed and sworn before me this 1st day of May, 2015

Notary Public:

My Commission Expires: _____, _____
(Month) (Year)

Notary Public
My Commission Expires
May 14, 2021

NOTE: This proposal form must bear the written signature of the applicant.

If the applicant is an individual doing business under a name other than his own name the application must state so, giving the address of the individual.

If the applicant is a partnership a partner designated as such must sign the application.

If the applicant is a corporation, trust or joint venture the application must be signed by a duly-authorized officer or agent of such corporation, trust or joint venture and contain written evidence of the authority to bind the entity.
(Please include the name of the agency or department and position held in that agency or department.)

The application is a joint venture between EBCDC, Inc. and East Boston Ecumenical Community Council. Albert F. Caldarelli is the president of EBCDC, Inc. and he is authorized to bind the entity.

EBCDC, Inc.

Albert F. Caldarelli, President

East Boston Ecumenical Community Council

Frank Ramirez, Executive Director

# STATEMENT OF PROPOSER'S QUALIFICATIONS FORM

All questions must be answered. All information must be clear and complete. Attach additional pages, if needed.

1. Name of proposer: EBCDC, Inc.
2. Names and titles of principals: EBCDC, Inc. Albert F. Caldarelli, President, Elizabeth Garufo, Treasurer, EBEC Comm. Counc. Frank Ramirez Exec. Dir., William Horne, President
3. Names of authorized signatories: Albert F. Caldarelli
4. Permanent main office address: 72 Marginal Street, East Boston, MA 02128

   Phone: 617-569-5590 Fax: 617-569-4846 Email: acaldarelli@ebcdc.com
5. Date organized:
6. Location of incorporation: MA
7. Number of years engaged in business under your present name: EBCDC, Inc. 45 years East Boston
8. List at least three private or public agencies that you have supplied/provided with similar services to that in this solicitation:
   a. Zumix 260 Sumner Street, East Boston, MA 02128
   b. Atlantic Works (Artist) 80 Border Street, East Boston, MA 02128
   c. Little Folks / Shining Star Daycares5 Trenton St, E.Boston, MA

Has organization ever failed to perform any contract? ○ YES ◉ NO
If YES, attach a written declaration explaining the circumstances.

AUTHORIZATION: The undersigned certifies under penalties of perjury that this proposal has been made and submitted in good faith and without collusion or fraud with any other person. As used in this certification, the word "person" shall mean any natural person, business, partnership, corporation, union, committee, club, or other organization, entity, or group of individuals.

Signature of individual submitting proposal

President
Title

EBCDC, Inc. East Boston
Legal Name of Organization

05/01/2015
Date

# Preliminary Development Budget - Rev2

**ASSUMPTIONS**

| | | rent/rate | Total revenue | |
|---|---|---|---|---|
| 1st floor | 6500 | 13.50 | 87,750 | Triple net |
| 2nd Floor | 6500 | 13.50 | 87,750 | triple net |
| Basement | 2000 | 3.00 | 6,000 | |
| **TOTAL** | | | **181,500** | |
| | | | | |
| Available for debt service | | 85% | 154,275 | |
| 15 year term | 15 | | | |
| amortization | 30 | | | |
| Interest rate | 5.75% | | | |
| Amount of supportable debt | | | **$2,181,606** | |
| | | | | |
| Historic Equity | | | | |
| basis | | | 2,131,250 | |
| 20% | | | 426,250 | |
| award | | | 400,000 | |
| price per credit | | 0.84 | **336,000** | |
| | | | | |
| **TDC** | | | | |
| acquisition | | | 500,000 | |
| hard costs | | | 1,500,000 | |
| contingency | 10% | | 150,000 | |
| soft costs n/l developer fee | | | 225,000 | |
| developer fee | | | 306,250 | |
| **TOTAL** | | | **2,681,250** | |
| | | | | |
| **SOURCES** | | | | |
| Debt | | | 2,181,606 | |
| Historic Equity | | | 336,000 | |
| Developer Equity | | | 306,250 | |
| **TOTAL** | | | **$2,823,856** | |
| | | | | |
| **SURPLUS/(GAP)** | | | **$142,606** | |

# CONVERSION OF
# EAST BOSTON BRANCH LIBRARY
## 280–282 MERIDIAN STREET, EAST BOSTON, MA

CO-DEVELOPER
E. B. C. D. C., Inc.
72 MARGINAL STRET, EAST BOSTON, MA

CO-DEVELOPER
EAST BOSTON ECUMENICAL COMMUNITY COUNCIL
50 MERIDIAN STREET, EAST BOSTON, MA

ARCHITECT
MICHAEL ANGELO INTERBARTOLO JR., AIA
108 MAVERICK ST., EAST BOSTON, MA

AIA
JR.

REVISIONS

| DATE | No. | DESCRIPTION |
|---|---|---|
| | | |

CONVERSION OF
EAST BOSTON BRANCH LIBRARY
280–282 MERIDIAN STREET, EAST BOSTON, MA
CO-DEVELOPER
E. B. C. D. C., Inc.
72 MARGINAL STRET, EAST BOSTON, MA
CO-DEVELOPER
EAST BOSTON ECUMENICAL COMMUNITY COUNCIL
50 MERIDIAN STREET, EAST BOSTON, MA
ARCHITECT
MICHAEL ANGELO INTERBARTOLO JR., AIA
108 MAVERICK ST., EAST BOSTON, MA

SCALE:
AS_NOTED

DATE: 04/09/15
DRAWN BY: MAI

CADD FILE NAME:
EBBL-T01-040915

DRAWING No.
T-01

PROPOSED MERIDIAN STREET ELEVATION

0' 8' 16'
GRAPHIC SCALE

AIA
JR.

REVISIONS

| DATE | No. | DESCRIPTION |
|---|---|---|
| | | |

CONVERSION OF
EAST BOSTON BRANCH LIBRARY
280-282 MERIDIAN STREET, EAST BOSTON, MA

CO-DEVELOPER
E. B. C. D. C., Inc.
72 MARGINAL STREET, EAST BOSTON, MA

CO-DEVELOPER
EAST BOSTON ECUMENICAL COMMUNITY COUNCIL
50 MERIDIAN STREET, EAST BOSTON, MA

ARCHITECT
MICHAEL ANGELO INTERBARTOLO JR., AIA
108 MAVERICK ST., EAST BOSTON, MA

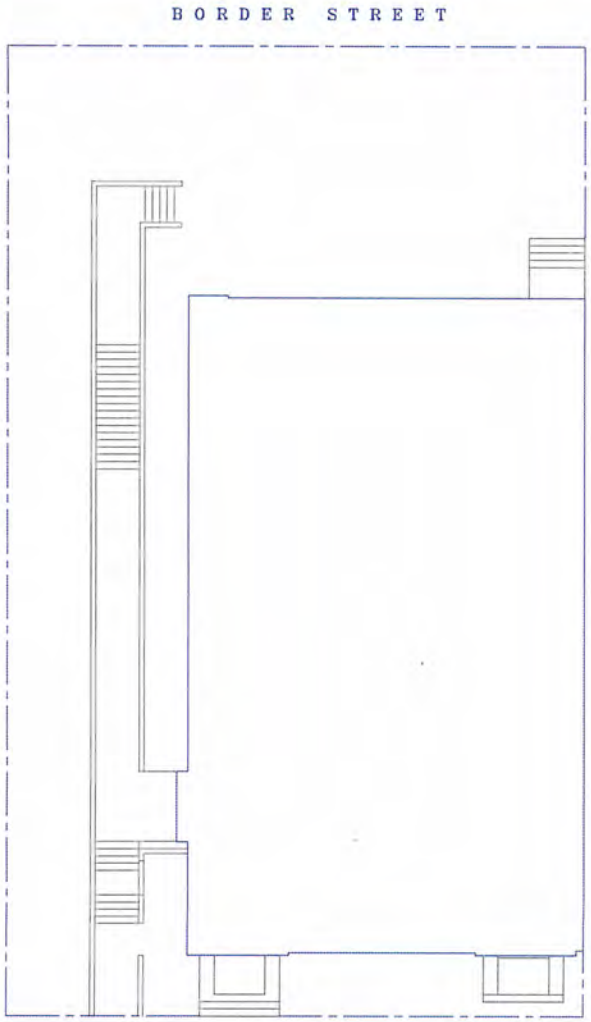
SCALE:
AS_NOTED

DATE: 04/09/15
DRAWN BY: MAI

CADD FILE NAME:
EBBL-A03-040915

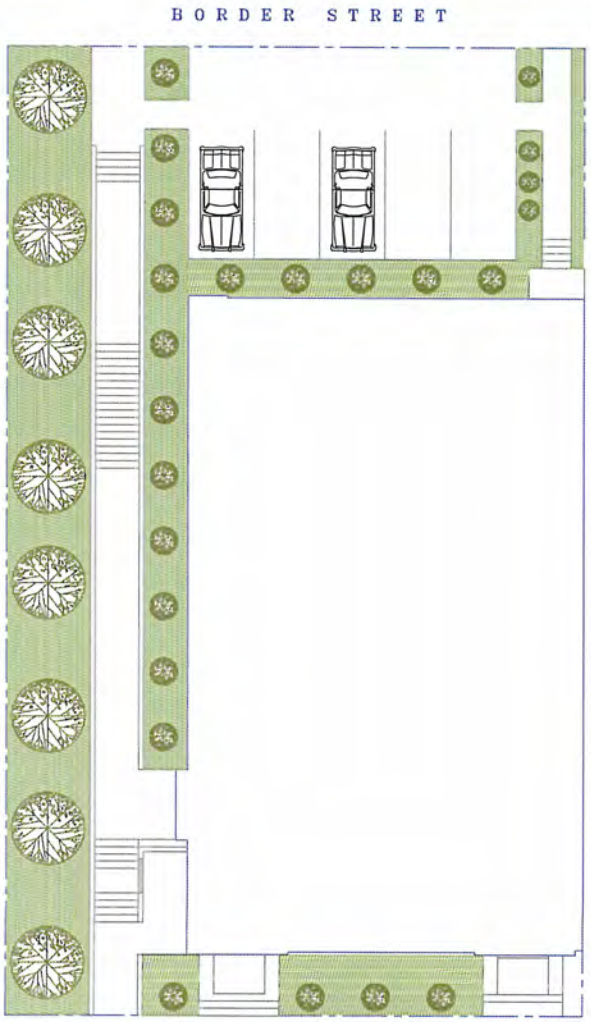
DRAWING No. ___

A-03




EXISTING SITE PLAN

0' 8' 16'
GRAPHIC SCALE




PROPOSED SITE PLAN

0' 8' 16'
GRAPHIC SCALE

AIA Jr.

REVISIONS

| DATE | No. | DESCRIPTION |
|---|---|---|

CONVERSION OF
EAST BOSTON BRANCH LIBRARY
280-282 MERIDIAN STREET, EAST BOSTON, MA

CO-DEVELOPERS
E. B. C. D. C., Inc.
72 MARGINAL STREET, EAST BOSTON, MA
EAST BOSTON ECUMENICAL COMMUNITY COUNCIL
63 MERIDIAN STREET, EAST BOSTON, MA

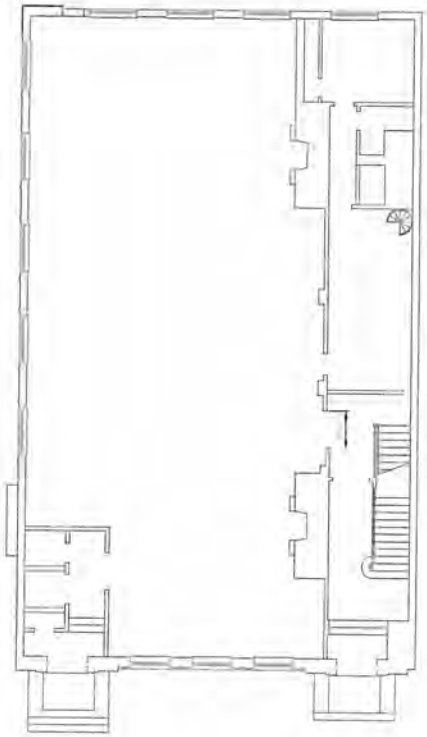
ARCHITECT
MICHAEL ANGELO INTERBARTOLO JR., AIA
168 MAVERICK ST., EAST BOSTON, MA

SCALE:
AS_NOTED

DATE: 04/09/15
DRAWN BY: MAI

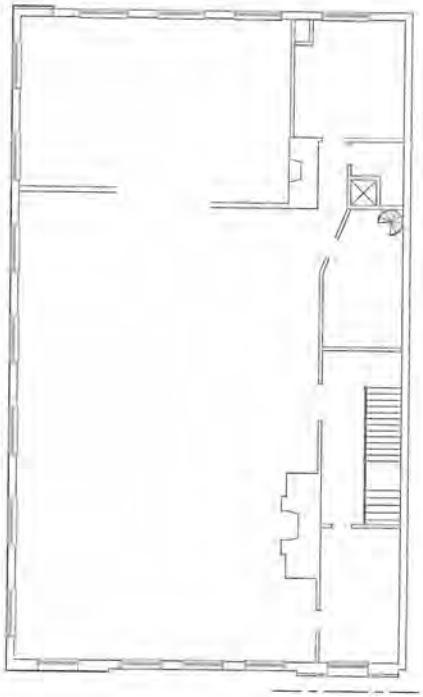
CADD FILE NAME:
EBBL-SP01-040915

DRAWING No.
SP-01



EXISTING FIRST FLOOR PLAN

0' 8' 16'
GRAPHIC SCALE



EXISTING SECOND FLOOR PLAQN

0' 8' 16'
GRAPHIC SCALE

AIA
Jr.

REVISIONS

| DATE | No. | DESCRIPTION |
|---|---|---|
| | | |

CONVERSION OF
EAST BOSTON BRANCH LIBRARY
280-282 MERIDIAN STREET, EAST BOSTON, MA

CO-DEVELOPER
E. B. C. D. C., Inc.
70 MARGINAL STREET, EAST BOSTON, MA

CO-DEVELOPER
EAST BOSTON ECUMENICAL COMMUNITY COUNCIL
86 MERIDIAN STREET, EAST BOSTON, MA

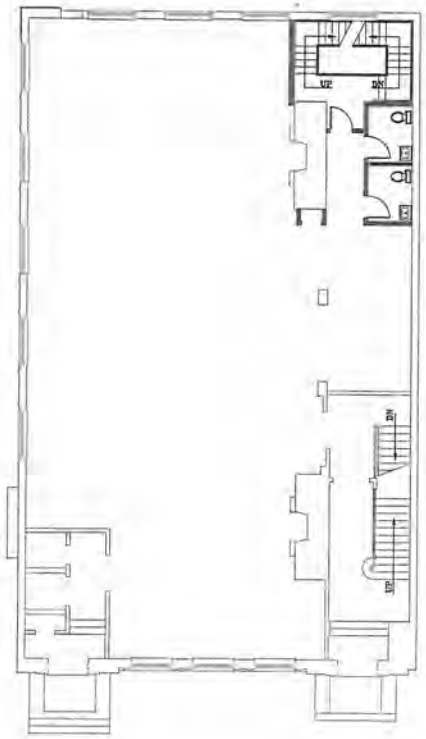
ARCHITECT
MICHAEL ANGELO INTERBARTOLO JR., AIA
126 MAVERICK ST., EAST BOSTON, MA

SCALE:
AS_NOTED

DATE: 04/09/15
DRAWN BY: MAI

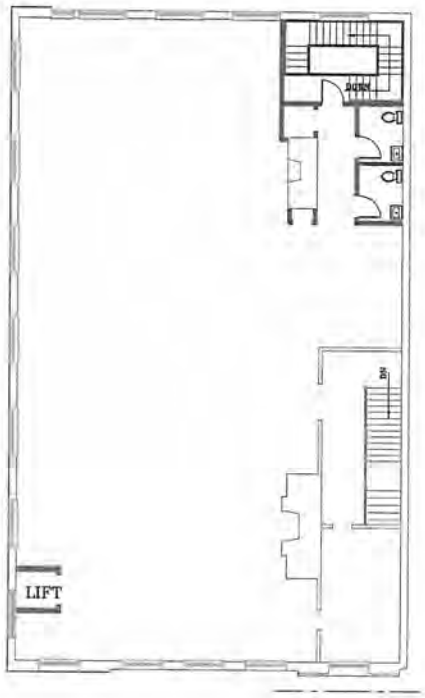
CADD FILE NAME:
EBBL-EX-02-040915

DRAWING No.
EX-02




PROPOSED FIRST FLOOR PLAN

0' 8' 16'
GRAPHIC SCALE




PROPOSED SECOND FLOOR PLAQN

0' 8' 16'
GRAPHIC SCALE

AIA
JR.

REVISIONS

| DATE | No. | DESCRIPTION |
|---|---|---|

CONVERSION OF
EAST BOSTON BRANCH LIBRARY
280-282 MERIDIAN STREET, EAST BOSTON, MA

CO-DEVELOPER
E. B. C. D. C., Inc.
72 MARGINAL STREET, EAST BOSTON, MA

CO-DEVELOPER
EAST BOSTON ECUMENICAL COMMUNITY COUNCIL
50 MERIDIAN STREET, EAST BOSTON, MA

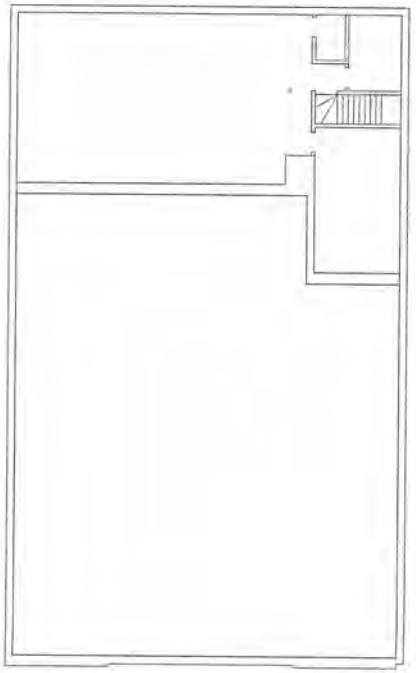
ARCHITECT
MICHAEL ANGELO INTERBARTOLO JR., AIA
109 MAPLEWOOD ST., EAST BOSTON, MA

SCALE:
AS_NOTED

DATE: 04/09/15
DRAWN BY: MAI

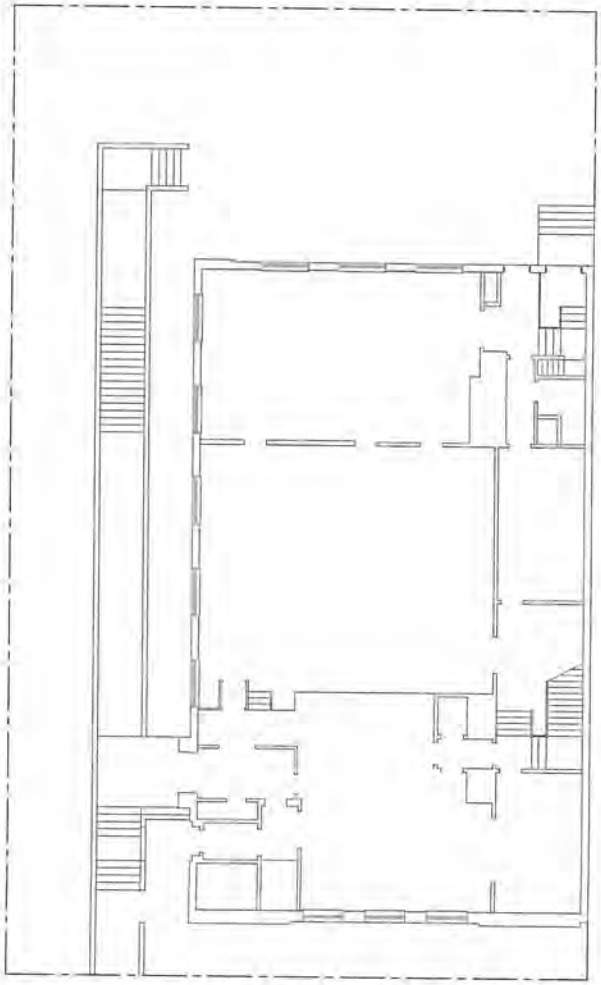
CADD FILE NAME:
EBBL-A02-040915

DRAWING No.
A-02



EXISTING LOWER BASEMENT FLOOR PLAN

0' 8' 16'
GRAPHIC SCALE



EXISTING BASEMENT FLOOR PLAQN

0' 8' 16'
GRAPHIC SCALE

AIA Jr.

REVISIONS

| DATE | No. | DESCRIPTION |
|---|---|---|
| | | |

CONVERSION OF
EAST BOSTON BRANCH LIBRARY
280-282 MERIDIAN STREET, EAST BOSTON, MA

CO-DEVELOPERS:
E. B. C. D. C., Inc.
78 MARGINAL STREET, EAST BOSTON, MA
EAST BOSTON ECUMENICAL COMMUNITY COUNCIL
80 MERIDIAN STREET, EAST BOSTON, MA

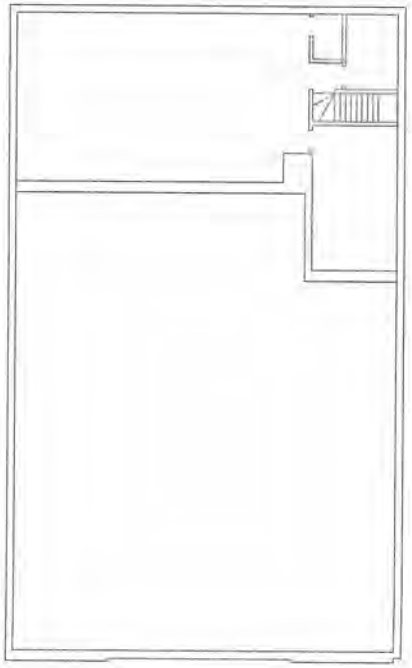
ARCHITECT:
MICHAEL ANGELO INTERBARTOLO JR., AIA
138 MAVERICK ST., EAST BOSTON, MA

SCALE:
AS_NOTED

DATE: 04/09/15
DRAWN BY: MAI

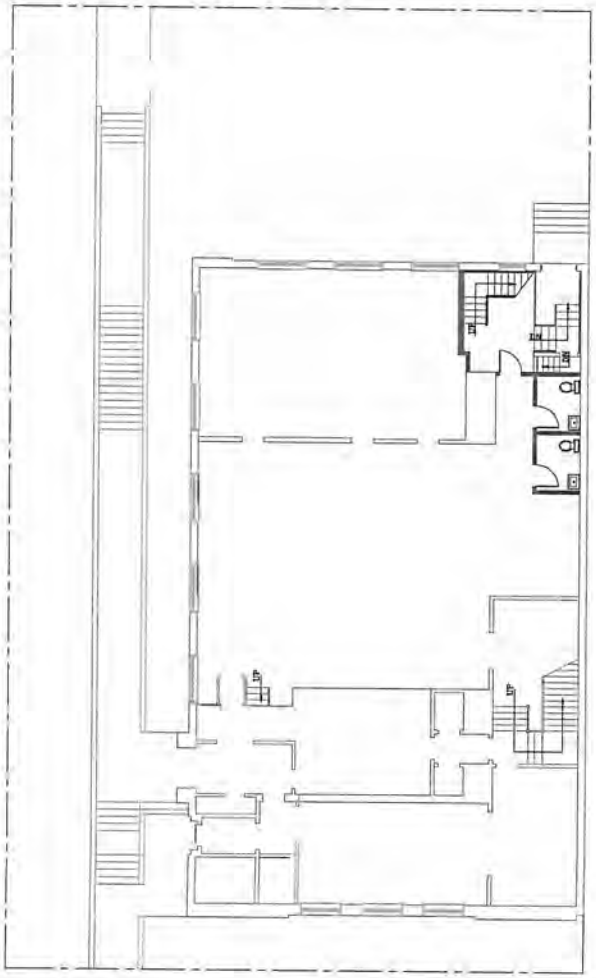
CADD FILE NAME:
EBBL-EX01-040915

DRAWING No.
EX-01



PROPOSED LOWER BASEMENT FLOOR PLAN

0' 8' 16'
GRAPHIC SCALE



PROPOSED BASEMENT FLOOR PLAQN

0' 8' 16'
GRAPHIC SCALE

AIA
JR.

REVISIONS

| DATE | No. | DESCRIPTION |
|---|---|---|
| | | |

CONVERSION OF
EAST BOSTON BRANCH LIBRARY
280-282 MERIDIAN STREET, EAST BOSTON, MA

CO-DEVELOPER
E. B. C. D. C., Inc.
72 MARGINAL STREET, EAST BOSTON, MA

CO-DEVELOPER
EAST BOSTON ECUMENICAL COMMUNITY COUNCIL
50 MERIDIAN STREET, EAST BOSTON, MA

ARCHITECT
MICHAEL ANGELO INTERBARTOLO JR., AIA
135 MAVERICK ST., EAST BOSTON, MA

SCALE:
AS_NOTED

DATE: 04/09/15
DRAWN BY: MAI

CADD FILE NAME:
EBBL-A01-040915

DRAWING No.
A-01

| | | | | | | | |
|---|---|---|---|---|---|---|---|
| **CONCEPTUAL COST ESTIMATE :** | | | | | | | **Prepared by: M. A. Interbartolo Jr.** |
| PROJECT: | | **East Boston Brach Library Conversion** | | | | Prepared: | **10-Apr-15** |
| ARCHITECT: | | **Michael Angelo Interbartolo, Inc.** | | | | | |
| FOR: | | **East Boston Community Development Corp.** | | | | **GSF:** | **16,230** |
| | | **"USES OF FUNDS"** | | | | | |
| **Line** | **DIV** | **TRADE** | | | | **NEW** | |
| 105 | 3 | CONCRETE | | | | 0 | |
| 106 | 4 | MASONRY | | | | 40,575 | Masonry pointing |
| 107 | 5 | METALS | | | | 12,175 | |
| 108 | 6 | ROUGH CARPENTRY | | | | 146,070 | |
| 109 | 6 | FINISH CARPENTRY | | | | 64,920 | |
| 110 | 7 | WATERPROOFING | | | | 8,115 | Includes sealants |
| 111 | 7 | INSULATION | | | | 48,690 | Exterior walls, soundproofing and misc |
| 112 | 7 | ROOFING | | | | 36,675 | EPDM Fully Adhered |
| 113 | 7 | SHEETMETAL | | | | 0 | |
| 114 | 8 | DOORS | | | | 48,690 | Includes frames, hardware |
| 115 | 8 | WINDOWS | | | | 100,000 | Aluminum windows |
| 116 | 8 | GLASS | | | | 4,050 | Misc |
| 117 | 9 | LATH & PLASTER | | | | 0 | |
| 118 | 9 | DRYWALL | | | | 113,610 | |
| 119 | 9 | TILE WORK | | | | 8,115 | Ceramic tile & terrazzo repairs |
| 120 | 9 | ACOUSTICAL | | | | 32,460 | Ceilings |
| 121 | 9 | WOOD FLOORING | | | | 24,345 | Refinished |
| 122 | 9 | RESILIENT FLOORING | | | | 8,115 | Vinyl base, VCT,sheetvinyl |
| 123 | 9 | PAINTING & DECORATING | | | | 32,460 | |
| 124 | 10 | SPECIALTIES | | | | 5,000 | Toilet accessories, signage, mailboxes,etc. |
| 125 | 10 | SPECIAL EQUIPMENT | | | | 0 | 0 |
| 126 | 11 | CABINETS | | | | 0 | 0 |
| 127 | 11 | APPLIANCES | | | | 0 | |
| 128 | 12 | BLINDS & SHADES | | | | 4,000 | Vertical Blinds at all openings |
| 129 | 9 | CARPET | | | | 24,345 | |
| 130 | 13 | SPECIAL CONSTRUCTION | | | | 56,805 | demolition |
| 131 | 14 | ELEVATORS | | | | 40,000 | Limited Use Lift |
| 132 | 15 | PLUMBING & HOT WATER | | | | 30,000 | Includes roughing and fixtures |
| 133 | 15 | HEAT & VENTILATION | | | | 146,070 | |
| 134 | 15 | AIR CONDITIONING | | | | 0 | with above |
| 135 | 16 | ELECTRICAL | | | | 129,840 | Includes Fire Alarm. |
| 136 | | ACCESSORY BUILDINGS | | | | none | |
| 137 | | other: FIRE PROTECTION | | | | 48,690 | Complete 100% sprinklered. |
| 138 | **SUBTOTAL STRUCTURAL** | --------- | -- | ----- | --------> | **1,213,815** | |
| 139 | 2 | EARTHWORK | | | | 7,500 | For foundations & improvements |
| 140 | 2 | SITE UTILITIES | | | | 60,000 | Drain, Sewer, water, Fire, Elec. |
| 141 | 2 | ROADS & WALKS | | | | 22,500 | with above |
| 142 | 2 | SITE IMPROVEMENTS | | | | 5,000 | misc |
| 143 | 2 | LAWNS & PLANTING | | | | 7,500 | Trees and shrubs, lawns |
| 144 | 2 | UNUSUAL SITE CONDITIONS | | | | 0 | |
| 145 | **SUBTOTAL SITE WORK** | ---------- | -- | ----- | --------> | **102,500** | |
| 146 | **TOTAL IMPROVEMENTS** | ---------- | -- | ----- | --------> | **1,316,315** | |
| 147 | 1 | GENERAL CONDITIONS | | 8 | mos | 80,100 | |
| 148 | | **SUBTOTAL** | -- | ----- | --------> | **1,396,415** | |
| 149 | | BUILDERS OVERHEAD | | | 2.0% | 28,500 | |
| 150 | | BUILDERS FEE | | | 4.0% | 84,600 | |
| 151 | | **TOTAL** | -- | ----- | --------> | **1,509,515** | |
| | | GC BOND PREMIUM | | | ADD: | | |
| | | BUILDING PERMIT FEES | | | ADD: | | |
| | | **SUGGESTED BUDGET** | -- | ----- | --------> | **1,509,515** | |
| | | price per SF | | | | $93.01 | |

## Preliminary Operating Budget

Proposer's Name: EBCDC, Inc. & East Boston Ecumenical Community Council

Income

| | | | |
|---|---|---|---|
| 1st floor | 6500 | 13.5 | 87,750 |
| 2nd floor | 6500 | 13.5 | 87,750 |
| Basement | 2000 | 3 | 6,000 |
| | | | **181,750** |

Operational Cost

| | |
|---|---|
| Debit Service | 140,000 |
| Insurance | 15,000 |
| Utilities (common space) | 7,200 |
| Management (rent collection) | 7,200 |
| Elevator Contract | 1,200 |
| Audit | 5,000 |
| | **175,600** |

| | |
|---|---|
| Surplus | **6,150** |

# DEVELOPMENT TIMETABLE FORM

**PROPOSER'S NAME:** EBCDC, Inc. & E.Boston Ecumenical Comm Coun

*Assuming that you are designated on* June 1, 2015, indicate below your target dates for achieving these key development milestones.

| MILESTONE | DATE |
|---|---|
| Designs Complete | August 1, 2015 |
| Apply for Permit(s) | August 15, 2015 |
| Zoning Relief Anticipated? | ☑ YES<br>☐ NO |
| All Development Financing Committed | October 1, 2015 |
| Permit(s) Issued<br>Leases committed | November 1, 2015 |
| Financing Closed | November 1, 2015 |
| Construction Begins | November 15, 2015 |
| Construction Complete | July 15, 2015 |

# CONSTRUCTION EMPLOYMENT STATEMENT FORM

**PROPOSER'S NAME:** EBCDC, Inc.

How many full time employees does your firm currently have?
( ) Under 25 (•) 25 -99 ( ) 100 or more

Are you a Boston-based business? (•) YES ( ) NO
*Boston Based: where the principal place of business and/or the primary residence of the Proposer is in the City of Boston.*

Are you a Minority-owned Business Enterprise? ( ) YES (•) NO

If yes, are you certified as such by the State Office of Minority and Women Business Assistance (SOMBWA)? ( ) YES (•) NO

Are you a Woman-owned Business Enterprise? ( ) YES (•) NO

If yes, are you certified as such by the State Office of Minority and Women Business Assistance (SOMBWA)? ( ) YES (•) NO

## RESIDENT, MINORITY AND FEMALE CONSTRUCTION EMPLOYMENT

DND encourages MIHI builders to seek to achieve the following construction employment goals:

| | |
|---|---|
| **Boston Residents** | **50% of project hours** |
| **Minority** | **25% of project hours** |
| **Female** | **10% of project hours** |

These are targets, not requirements, but proposals that provide better evidence of their ability to achieve these targets will be more highly ranked. Explain what actions you will undertake to promote employment of these groups:

There are several minority run construction companies in East Boston. We will give each the opportunity to submit a construction bid. Each of the agencies involved in this proposal works with minority & female residents. We will use those programs to provide support & contact with minority & female applicants.

If you have additional information demonstrating your capacity to achieve these employment targets, you may provide this information on a separate sheet clearly labeled at the top with "Supplementary Construction Employment Statement" and the Proposer's name. *Note: if you are, according the US Dept. of Housing & Urban Development, a Section 3 certified vendor, this will be considered strong evidence of capacity to achieve DND's employment goals.*

If you have completed any development projects in the last five years that have required employment reporting through the City's Office of Jobs & Community Services, please list the most recent here: Greenway Apartments, 170 Maverick Street, East Boston, MA 02128

## City of Boston – Department of Neighborhood Development
## Property Affidavit Form

Instructions: List all City of Boston properties currently owned, or previously foreclosed upon for failure to pay real estate taxes or other indebtedness, by the applicant or by any other legal entity in which the applicant has had or now has an ownership or beneficial interest.

For any additional properties that do not fit on this form, attach a spreadsheet. (Do not use another loops form. Only one typed signature page should be submitted.)

Applicant: EBCDC, Inc. 72 Marginal Street, East Boston, MA 02128

| List Addresses of Boston Properties Owned: | PARCEL ID # |
|---|---|
| | |
| SEE ATTACHED | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |

| Boston Properties Previously Foreclosed Upon by COB: | PARCEL ID # |
|---|---|
| | |
| | |
| | |

Are you including any additional properties on an attached spreadsheet?

(●) YES ( ) NO

By entering my name below, I declare under penalty of perjury that the foregoing representations are true, complete, and correct. I understand that failure to disclose any properties or financial interests, as described above, shall make voidable any agreements or contracts subsequently made with the City, will result in disqualification of any application(s) to obtain assistance or property from the City, and may result in prosecution.

EBCDC, Inc. [signature] 05/01/2015

Type name — Date

Albert F. Caldarelli — 617-569-5590

Applicant Contact (if different from above) — Telephone Number

For Official Use Only (to be completed by City of Boston staff)

DND PM, Division, & Project _____

DND A&F Division Review — Y$ _____ N ☐

Signature & Date: _____

Notes: _____

Public Works Department — Y$ _____ N ☐

Signature & Date: _____

Notes: _____

Treasury Department — Y$ _____ N ☐

Signature & Date: _____

Notes: _____

Boston Water & Sewer Commission — Y$ _____ N ☐

Signature & Date: _____

Notes: _____

| Company Name | Tax ID | Parcel Number |
|---|---|---|
| EBCDC INC | | |
| 9A Wordsworth Street, East Boston | 04-2455270 | 00644-020 |
| 113 Orleans Street, East Boston | | 03960-000 |
| 51 Wordsworth Street, East Boston | | 00665-000 |
| 100 Webster Street, East Boston | | 04819-000 |
| 37 Lexington Street, East Boston | | 02540-000 |
| 118 Orleans Street, East Boston | | 03906-010 |
| 191 Brooks Street, East Boston | | 03126-000 |
| 195 Brooks Street, East Boston | | 03128-000 |
| 193 Brooks Street, East Boston | | 03127-000 |
| 150 Orleans Street, East Boston | | 03894-042 |
| Condor Havre | | |
| 123 Condor Street, East Boston | 45-4381899 | 03362-000 |
| 125 Condor Street, East Boston | | 03363-000 |
| 123 Havre Street, East Boston | | 05821-000 |
| Cheverus School Apartments | 04-3292605 | 00728-000 |
| 10 Moore Street, East Boston | | |
| Lanfall Apartments | 04-3494134 | 04482-000 |
| 72 Marginal Street, East Boston | | 04479-000 |
| | | 04478-000 |
| Lewis Mall Apartments Inc. | | 04481-000 |
| 225 Sumner Street, East Boston | 043-187-181 | 01-05398-005 |
| Barnes School LP | 200-660-119 | 01-05980-000 |
| 27 Marion Street, East Boston | | |
| Greenway Apartment LLC | 270-933-802 | 03916-000 |
| 170 Maverick Street | | |
| East Boston, MA | | |
| Lyman School Housing | 042-73-3990 | 05744-000 |
| 10 Gove Street | | |
| East Boston, MA | | |
| Villa Michelangelo Inc | 311-587-460 | 02159-000 |
| Villa Michelangelo Inc | 311-587-460 | 02161-000 |
| c/o EBCDC Inc | | |
| 1 Michelangelo Street | | |
| Boaton, MA | | |
| Woodbury Cunard Associate | 042-645-115 | 121A/6A |
| 201 Sumner Street | | |
| East Boston, MA | | |

## AFFIDAVIT OF ELIGIBLITY FORM

Developer's Name: EBCDC, Inc. & East Boston Ecumenical Comm. Council

Any person submitting an application for under this RFP must truthfully complete this Affidavit and submit it with their application.

1. Do any of the principals owe the City of Boston any monies for incurred real estate taxes, rents, water and sewer charges or other indebtedness?

   No

2. Are any of the principals employed by the City of Boston? If so, in what capacity? (Please include name of principal, name of agency or department, and position held in that agency or department).

   No

3. Were any of the principals ever the owners of any property upon which the City of Boston foreclosed for his/her failure to pay real estate taxes or other indebtedness?

   No

5. Have any of the principals ever been convicted of any arson-related crimes, or currently under indictment for any such crime?

   No

6. Have any of the principals been convicted of violating any law, code, statute or ordinance regarding conditions of human habitation within the last three (3) years?

   No

Signed under the pains and penalties of perjury this

1st day of May, 2015

SIGNATURE: [illegible]

TITLE: President

ORGANIZATION: EBCDC, inc.

ADDRESS: 72 Marginal Street, East Boston, MA 02128

## Conflict of Interest Affidavit Form

The undersigned hereby certifies, under the pains and penalties of perjury, that neither they, nor those with whom they have business ties, nor any immediate family member of the undersigned, is currently or has been within the past twelve months, an employee, agent, consultant, officer or elected or appointed official of the City of Boston Department of Neighborhood Development. For purposes of this affidavit "immediate family member" shall include parents, spouse, siblings, or children, irrespective of their place of residence.

I declare under penalties of perjury that the foregoing representations are true, correct, accurate, complete and correct in all respects.

WITNESS:

BORROWER:

Albert F. Caldarelli, President

THE COMMONWEALTH OF MASSACHUSETTS

Suffolk, ss.

_____ 20__

Then personally appeared the above named Albert F. Caldarelli, President, (title) of EBCDC, Inc. (organization) and executed the foregoing instrument and acknowledged the foregoing instrument to be (his/her) free act and deed as (title) aforesaid and the free act and deed of (organization), before me.

_____

Name:
Notary Public

My Commission Expires:

BEVERLY HULME
Notary Public
COMMONWEALTH OF MASSACHUSETTS
My Commission Expires
May 14, 2021

# CHAPTER 803 DISCLOSURE STATEMENT FORM

In compliance with Chapter 60, Section 77B of the Massachusetts General Laws as amended by Chapter 803 of the Acts of 1985, I hereby certify that I have never been convicted of a crime involving the willful and malicious setting of a fire or of a crime involving the fraudulent filing of a claim for fire insurance; nor am I delinquent in the payment of real estate taxes in the City of Boston, or being delinquent, an application for the abatement of such tax is pending or a pending petition before the appellate tax board has been filed in good faith.

This statement is made under the pains and penalties of perjury this 1st day of MAY, 2015

Month Year

Proposer Signature

Albert F. Caldarelli, President EBCDC, Inc.

Co-Proposer Signature (If Applicable)

Frank Ramirez, Executive Director, East Boston Ecumenical Comm. Counc.

## DISCLOSURE STATEMENT FOR TRANSACTION WITH A PUBLIC AGENCY CONCERNING REAL PROPERTY M.G.L. c. 7C, s. 38 (formerly M.G.L. c. 7, s. 40J)



### INSTRUCTION SHEET

**NOTE:** The Division of Capital Asset Management and Maintenance (DCAMM) shall have no responsibility for insuring that the Disclosure Statement has been properly completed as required by law. Acceptance by DCAMM of a Disclosure Statement for filing does not constitute DCAMM's approval of this Disclosure Statement or the information contained therein. Please carefully read M.G.L. c. 7C, s. 38 which is reprinted in Section 8 of this Disclosure Statement.

**Section (1):** Identify the real property, including its street address, and city or town. If there is no street address then identify the property in some other manner such as the nearest cross street and its tax assessors' parcel number.

**Section (2):** Identify the type of transaction to which this Disclosure Statement pertains --such as a sale, purchase, lease, etc.

**Section (3):** Insert the exact legal name of the Public Agency participating in this Transaction with the Disclosing Party. The Public Agency may be a Department of the Commonwealth of Massachusetts, or some other public entity. Please do not abbreviate.

**Section (4):** Insert the exact legal name of the Disclosing Party. Indicate whether the Disclosing Party is an individual, tenants in common, tenants by the entirety, corporation, general partnership, limited partnership, LLC, or other entity. If the Disclosing Party is the trustees of a trust then identify the trustees by name, indicate that they are trustees, and add the name of the trust.

**Section (5):** Indicate the role of the Disclosing Party in the transaction by checking one of the blanks. If the Disclosing Party's role in the transaction is not covered by one of the listed roles then describe the role in words.

**Section (6):** List the names and addresses of **every** legal entity and **every** natural person that has or will have a **direct or indirect** beneficial interest in the real property. The only exceptions are those stated in the first paragraph of the statute that is reprinted in Section 8 of this Disclosure Statement. If the Disclosing Party is another public entity such as a city or town, insert "inhabitants of the (name of public entity)." If the Disclosing Party is a non-profit with no individual persons having any beneficial interest then indicate the purpose or type of the non-profit entity. If additional space is needed, please attach a separate sheet and incorporate it by reference into Section 6.

**Section (7):** Write "none" in the blank if none of the persons mentioned in Section 6 is employed by DCAMM. Otherwise list any parties disclosed in Section 6 that are employees of DCAMM.

**Section (8):** The individual signing this statement on behalf of the Disclosing Party acknowledges that he/she has read the included provisions of Chapter 7C, Section 38 (formerly Chapter 7, Section 40J) of the General Laws of Massachusetts.

**Section (9):** Make sure that this Disclosure Statement is signed by the correct person. If the Disclosing Party is a corporation, please make sure that this Disclosure Statement is signed by a duly authorized officer of the corporation as required by the statute reprinted in Section 8 of this Disclosure Statement.

This completed and signed Disclosure Statement should be mailed or otherwise delivered to:
Deputy Commissioner for Real Estate
Division of Capital Asset Management and Maintenance

The undersigned party to a real property transaction with a public agency hereby discloses and certifies, under pains and penalties of perjury, the following information as required by law:
C. (1) REAL PROPERTY:

(2) TYPE OF TRANSACTION, AGEEMENT, or DOCUMENT: Deed, copy attached.
(3) PUBLIC AGENCY PARTICIPATING in TRANSACTION:
CITY OF BOSTON ACTING BY AND THROUGH THE PUBLIC FACILITIES COMMISION BY THE DIRECTOR OF THE DEPARTMENT OF NEIGHBORHOOD DEVELOPMENT, **Grantor**
(4) DISCLOSING PARTY'S NAME AND TYPE OF ENTITY (IF NOT AN INDIVIDUAL):
Boston Redevelopment Authority an independent body politic and corporate, **Grantee**
(5) ROLE OF DISCLOSING PARTY (Check appropriate role):
☐ Lessor/Landlord ☐ Lessee/Tenant
☐ Seller/Grantor ☐ Buyer/Grantee
☐ Other (Please describe):_____
(6) The names and addresses of all persons and individuals who have or will have a direct or indirect beneficial interest in the real property excluding only 1) a stockholder of a corporation the stock of which is listed for sale to the general public with the securities and exchange commission, if such stockholder holds less than ten per cent of the outstanding stock entitled to vote at the annual meeting of such corporation or 2) an owner of a time share that has an interest in a leasehold condominium meeting all of the conditions specified in M.G.L. c. 7C, s. 38, are hereby disclosed as follows (attach additional pages if necessary):
NAME RESIDENCE
(7) None of the above- named persons is an employee of the Division of Capital Asset Management and Maintenance or an official elected to public office in the Commonwealth of Massachusetts, except as listed below (insert "none" if none):
(8) The individual signing this statement on behalf of the above-named party acknowledges that he/she has read the following provisions of Chapter 7C, Section 38 (formerly Chapter 7, Section 40J) of the General Laws of Massachusetts: **DISCLOSURE STATEMENT FOR TRANSACTION WITH A PUBLIC AGENCY CONCERNING REAL PROPERTY M.G.L. c. 7C, s. 38 (formerly M.G.L. c. 7, s. 40J)**

*No agreement to rent or to sell real property to or to rent or purchase real property from a public agency, and no renewal or extension of such agreement, shall be valid and no payment shall be made to the lessor or seller of such property unless a statement, signed, under the penalties of perjury, has been filed by the lessor, lessee, seller or purchaser, and in the case of a corporation by a duly authorized officer thereof giving the true names and addresses of all persons who have or will have a direct or indirect beneficial interest in said property with the commissioner of capital asset management and maintenance. The provisions of this section shall not apply to any stockholder of a corporation the stock of which is listed for sale to the general public with the Securities and Exchange Commission, if such stockholder holds less than ten per cent of the outstanding stock entitled to vote at the annual meeting of such corporation. In the case of an agreement to rent property from a public agency where the lessee's interest is held by the organization of unit owners of a leasehold condominium created under chapter one hundred and eighty-three A, and time-shares are created in the leasehold condominium under chapter one hundred and eighty-three B, the provisions of this section shall not apply to an owner of a time-share in the leasehold condominium who (i) acquires the time-share on or after a bona fide arm's length transfer of such time-share made after the rental agreement with the public agency is executed and (ii) who holds less than three percent of the votes entitled to vote at the annual meeting of such organization of unit owners. A disclosure statement shall also be made in writing, under penalty of perjury, during the term of a rental agreement in case of any change of interest in such property, as provided for above, within thirty days of such change.*

*Any official elected to public office in the commonwealth, or any employee of the division of capital asset management and maintenance disclosing beneficial interest in real property pursuant to this section, shall identify his position as part of the disclosure statement. The commissioner shall notify the state ethics commission of such names, and shall make copies of any and all disclosure statements received available to the state ethics commission upon request.*

*The commissioner shall keep a copy of each disclosure statement received available for public inspection during regular business hours.*

(9) This Disclosure Statement is hereby signed under penalties of perjury.

Signature: _____

Dated: 4-29-2015

**DISCLOSURE STATEMENT FOR TRANSACTION WITH A PUBLIC AGENCY CONCERNING REAL PROPERTY M.G.L. c. 7C, s. 38 (formerly M.G.L. c. 7, s. 40J)**



The undersigned party to a real property transaction with a public agency hereby discloses and certifies, under pains and penalties of perjury, the following information as required by law:

C. (1) REAL PROPERTY:
280-282 Meridian Street, East Boston, MA 02128

(2) TYPE OF TRANSACTION, AGEEMENT, or DOCUMENT: Deed, copy attached.
DEED

(3) PUBLIC AGENCY PARTICIPATING in TRANSACTION:
CITY OF BOSTON ACTING BY AND THROUGH THE PUBLIC FACILITIES COMMISION BY THE DIRECTOR OF THE DEPARTMENT OF NEIGHBORHOOD DEVELOPMENT, **Grantor**

(4) DISCLOSING PARTY'S NAME AND TYPE OF ENTITY (IF NOT AN INDIVIDUAL):
Boston Redevelopment Authority an independent body politic and corporate, **Grantee**

(5) ROLE OF DISCLOSING PARTY (Check appropriate role):
☐ Lessor/Landlord ☐ Lessee/Tenant
☐ Seller/Grantor ☐X Buyer/Grantee
☐ Other (Please describe):_____

(6) The names and addresses of all persons and individuals who have or will have a direct or indirect beneficial interest in the real property excluding only 1) a stockholder of a corporation the stock of which is listed for sale to the general public with the securities and exchange commission, if such stockholder holds less than ten per cent of the outstanding stock entitled to vote at the annual meeting of such corporation or 2) an owner of a time share that has an interest in a leasehold condominium meeting all of the conditions specified in M.G.L. c. 7C, s. 38, are hereby disclosed as follows (attach additional pages if necessary):

| | |
|---|---|
| Albert F. Caldarelli | 72 Marginal Street, East Boston, MA 02128 |
| Frank Ramirez | 50 Meridian Street, East Boston, MA 02128 |

NAME RESIDENCE

(7) None of the above- named persons is an employee of the Division of Capital Asset Management and Maintenance or an official elected to public office in the Commonwealth of Massachusetts, except as listed below (insert "none" if none): NONE

(8) The individual signing this statement on behalf of the above-named party acknowledges that he/she has read the following provisions of Chapter 7C, Section 38 (formerly Chapter 7, Section 40J) of the General Laws of Massachusetts:

**DISCLOSURE STATEMENT FOR**
**TRANSACTION WITH A PUBLIC AGENCY CONCERNING REAL PROPERTY**
**M.G.L. c. 7C, s. 38 (formerly M.G.L. c. 7, s. 40J)**
*DCAMM 2013-10-11*

No agreement to rent or to sell real property to or to rent or purchase real property from a public agency, and no renewal or extension of such agreement, shall be valid and no payment shall be made to the lessor or seller of such property unless a statement, signed, under the penalties of perjury, has been filed by the lessor, lessee, seller or purchaser, and in the case of a corporation by a duly authorized officer thereof giving the true names and addresses of all persons who have or will have a direct or indirect beneficial interest in said property with the commissioner of capital asset management and maintenance. The provisions of this section shall not apply to any stockholder of a corporation the stock of which is listed for sale to the general public with the Securities and Exchange Commission, if such stockholder holds less than ten per cent of the outstanding stock entitled to vote at the annual meeting of such corporation. In the case of an agreement to rent property from a public agency where the lessee's interest is held by the organization of unit owners of a leasehold condominium created under chapter one hundred and eighty-three A, and time- shares are created in the leasehold condominium under chapter one hundred and eighty-three B, the provisions of this section shall not apply to an owner of a time-share in the leasehold condominium who (i) acquires the time-share on or after a bona fide arm's length transfer of such time-share made after the rental agreement with the public agency is executed and (ii) who holds less than three percent of the votes entitled to vote at the annual meeting of such organization of unit owners. A disclosure statement shall also be made in writing, under penalty of perjury, during the term of a rental agreement in case of any change of interest in such property, as provided for above, within thirty days of such change.

Any official elected to public office in the commonwealth, or any employee of the division of capital asset management and maintenance disclosing beneficial interest in real property pursuant to this section, shall identify his position as part of the disclosure statement. The commissioner shall notify the state ethics commission of such names, and shall make copies of any and all disclosure statements received available to the state ethics commission upon request.

The commissioner shall keep a copy of each disclosure statement received available for public inspection during regular business hours.

*(9) This Disclosure Statement is hereby signed under penalties of perjury.*

Signature: _____

Dated: 4-24-2015

**Proposal Summary**

A. Introduction

The proposal is a collaboration between EBCDC, Inc., East Boston Ecumenical Community Council and East Boston Social Centers. The plan also includes participation by Urban College of Boston and Veronica Robles Cultural Center. The role of each of the participants follows.

a. EBCDC, Inc.

EBCDC will be responsible for the development of property. It will secure the appropriate bank financing for both construction and permanent financing. It will apply for and secure MA historic tax credits. It will supervise construction and all other development responsibilities.

EBCDC has a mandate and a goal to improve social service delivery to our constituents. It is not our intent to profit from these activities, but to strengthen and expand the capabilities of our social service agencies. Therefore, all development fees and profits will be donated back to the development. We have played this role many times. Examples include Zumix, Meridian House and Atlantic Works. A brief history of EBCDC follows.

# EBCDC, Inc.
# History and Experience

East Boston Community Development Corporation (EBCDC) grew out of the joint efforts of the East Boston Neighborhood Council, founded in the 1930's as a civic improvement association, and the planning office for urban affairs of the Roman Catholic Archdioceses of Boston. Founded in 1970, EBCDC has a long-standing and strong foundation in East Boston and a demonstrated commitment to local improvement and development. The corporation's overall goal is "to enhance the quality of life of low and moderate income residents, including our elderly population through economic development activities."

EBCDC has achieved success in reaching their goals through implementation of a variety of programs in the areas of business development and technical assistance, physical development, job creation and provision of social services. EBCDC has gained this success while reaching profitability in each of the ten years. We have retained earnings of 7.7 Million dollars. Our subsidiaries and associated entities control more than 50 Million dollars in assets. Activities of the EBCDC include:

- The construction/rehabilitation and sale of 130,000 square feet of industrial and commercial space. All properties were fully leased, providing income generation as community-based resources and jobs for 340 residents for our low income community.
- Operation of the East Boston Local Development Corporation, licensed by the SBA as a 504 Certified Development Corporation. This subsidiary organization has developed over 150,000 square feet of commercial space providing more than 500 jobs.
- Operation of a Revolving Loan Guarantee Program which has secured 54 loans for East Boston merchants totaling $2,140,000 and employ 448 local residents.
- Leverage of $6.1 million in grants to produce more than $26.7 million in projects creating over 2,800 new jobs; 940 (34%) employment opportunities were filled by minority applicants.
- Purchase, development and sale of US Post Office building to local entrepreneur. Building provides 15,000 sq. feet of commercial space and has created 50 jobs.
- Constructed 10 condos on three sites Marginal, Lexington & Trenton Streets for first time home buyers and marketing the Webster School Condominiums 5 units of MHFA affordable condos.
- Developed and supported various Human Service Programs, the most prominent of which is the Little Folks Day Care Center, Meridian House, East Boston Relief Station Restoration, Maverick Housing Family Counseling Center and Shining Star Daycare Center.
- 25% partner of the Trinity Financial team responsible for the development (new construction) of 30 units of affordable owner occupied condos in East Boston's waterfront. EBCDC successfully marketing, processed and obtained BRA approval for 30 eligible households to acquire the condos.
- The development of 711units of affordable housing.

- A successful history of providing housing management of 505 affordable rental units
- Barnes School – Renovation and construction of 74 units of affordable elderly housing, adult day care and cultural center, first development in the country utilizing HUD 202 funding with low income tax credits and historic tax credits.
- Purchase and development of 32 units for affordable first time homeowners in the City of Boston sponsored Homestead Program.
- Took control and redeveloped the Gumball Condos containing 45 units from Phase I and an unfinished shell from Phase II. EBCDC took control of 24 units, demolished the shell, stabilized the finances and achieved greater than 90% owner occupancy.
- Atlantic Works – Renovation and construction of 28,000 sq feet of commercial space to provide affordable community space to a non-profit day care center (Little Folks) and workspace for 44 local artists. The building includes an art gallery as well as the Atlantic Works Cultural Center.
- Maverick Landing – 25% partner of Trinity Financial development team responsible for the construction of 430 units as part of the Maverick Hope VI Project.
- Zumix – Renovation and construction of an existing fire station to house a non-profit that will provide various training and education of music and related areas to children. Using New Market Tax Credits provided by MHIC, renovations started and expecting to be completed October 2009.

EBCDC. Inc. has co-sponsored five (5) HUD Section 202 projects, three (3) of which have been in collaboration with the East Boston Neighborhood Health Center – the Lyman School, Lewis Mall and Cheverus School Apartments. EBCDC's property management division, Metro Management serves as the property manager for the following complexes:

- The Lyman School Apartments – Renovation of a former school building to create 45 units of housing for the frail elderly and disabled. The cost of this project was approximately $2.2 million.

- The Lewis Mall Apartments – New construction of a 47 unit complex for the frail elderly with a development cost of over $3.5 million.

- The Cheverus School Apartments – 47 units of housing renovating a former city-owned elementary school building. Development cost - $3.6 million.

- Villa Michelangelo – This former city owned school building local in the North End of Boston provides 71 units of housing. A HUD grant of $5.5 million contributed to the development cost of this project.

- The Barnes School Apartments – 74 units of elderly housing, first development in the community utilizing HUD 202 funding with low income credits.

EBCDC has extensive experience in property management though Metro Management, a division of EBCDC. Presently, services include the implementation of marketing rental activities, rent collection, preparation of operating budgets, and implementation of all rules and regulations as required by the funding agent. Such services are provided to 505 residential units, in twelve separate developments. The services included maintaining reporting requirements and compliance for low income tax credits and historic tax credits. In addition, EBCDC owns and manages commercial properties that require compliance with rules and reporting for New Market Tax Credits.

Metro Management has a proven record of efficient management and maintenance of its developments which are reflected in annual property management reviews conducted by MHFA and HUD.

b. East Boston Ecumenical Community Council

EBECC is intended to be the Grantee on the Deed and Will occupy 6500 sq. ft. within the building.

EBECC reached its 36 year anniversary and its 10th year at its current location in the basement at 50 Meridian Street. We have grown from a small neighborhood organization to a complex multi-service 501(c)(3) organization. EBECC has out grown this space as the need in East Boston for social and cultural services has continued to grow. Its services continue to expand and the waiting list from clients continues to grow. An increasing number of families are calling East Boston their home. In order to increase opportunities for adult education, youth development, and day care for young children for all its residents it is essential for EBECC to provide all inclusive, multicultural, multi generational direct services that meet individual and family needs of the whole community. They have determined this building to be a wonderful fit for both their current needs and their projected future growth.

Our programs within the building will include the following:

- **Meet differing generational and multicultural needs** by proactively designing programs, to address each generation's uniqueness and develop the tools to effectively engage new arrivals to the community regardless of ethnicity or gender.
- **Immigration services and Community Legal Assistance Program (CLEAP)** provide education on immigrant issues including housing, help with immigrant status, family reunification and the naturalization process.
- **Latina ESOL and Adult Education** which includes ESOL classes for women, health information, workshops on understanding the school system, job search help, organizing training and referrals to further education. Also, EBECC has begun providing a HISET program over the last year.
- **ASPIRING,** an after school education enrichment program in collaboration with East Boston High School that helps students to succeed in school.
- **GOALS,** a leadership development program for youth.
- **EB-POP -** East Boston Parent Organizing Program works with parents of students in East Boston Schools helping them to understand the school system, organize around issues to improve the schools and become leaders within the schools.
- **Nuestra Voz Cuenta/ Our Vote Counts!** is a voter registration, leadership development and advocacy program to encourage Latino's to vote, run for office and organize around issues for the betterment of the community.

**Social Work and Referral** for social, legal, health, job skill training and adult education needs.

We have extensive experience in working with the other social service agencies in East Boston. We specifically look forward to working with the East Boston Social Centers, Boston Urban College and Veronica Robles Cultural Center. It is our intent that these agencies occupy space within the building.

## EBECC
## History and Experience

East Boston Ecumenical Community Council (EBECC) was founded in 1978 when a group of concerned religious leaders responded to racial antagonism and the resulting violence towards people of color, first in the context of efforts to integrate African-Americans into the neighborhood's all-white public schools and public housing developments, later in the context of efforts to resettle Cambodian and Vietnamese refugees, and still later in the context of efforts to provide a safe haven to Salvadorans who had fled persecution and terror in their homeland. Today, EBECC's mission is to promote the advancement of immigrants and community members of all ages through education, services, advocacy, community organizing, and leadership development. By participating in EBECC's programs, newcomers build support networks and acquire information and skills to achieve their own goals. By participating in EBECC's organizing initiatives, they engage in collective action to improve the quality of life in East Boston and to advance immigrant and resident rights at the local, state, and national levels.

As a non-profit 501(c )(3) agency EBECC has a Board of Directors that determines the mission and purpose of the agency and monitors and determines the organization's programs and services. The current Board consists of ten members with officers including President, Vice-president, Treasurer and Secretary and 6 members at large. The Board is fiscally responsible for the agency and conducts an audit annually. The Board hires an Executive Director to oversee all the operations of the agency. In addition there are 6 full time staff and 11 part time staff who run the services and programs at EBECC. With the acquisition of the Building we could grow to include a total of 24 staff.

<u>Current Board Members</u>
William Home, President
Michael Nicastro -Treasurer
Jean Staropoli - Secretary
Francisco Navarro
Keylin Chicas
Thomas Kelleher
Ann Ayala-Macey

Jorge Capetillo-Ponce
Luisa Bravo
Ana Martinez

Key Staff
Frank Ramirez, Executive Director
Laura Sevigne, Adult Education Coordinator
Rosa Pineda, Administrative Assistant
Tintin Naingo, Business Manager
Erika Sanchez, Parent Organizer
Mario Reyes, HiSET teacher
Alfonso Ciciliano, ASPIRING Coordinator
Luisa Chew, Immigration Coordinator
Marcella Maffeo- Robinson, ESOL Instructor

Currently, EBECC works mainly with Latino immigrants who live in East Boston since there are over 21,000 Hispanics calling this area home. However, EBECC does not turn anyone away who has a need. The Agency seeks to provide literacy services and educational support of the highest quality to individuals and families seeking to acquire the skills needed to attain personal and employment goals regardless of ethnicity, gender or age. If EBECC cannot provide the service it has a range of partner agencies to which it can refer clients. In FY 2014, 5,512 individuals received ongoing services and an additional 1,680 received one-time information and referral services. Most had little or no proficiency in English due to their recent arrival in the U.S. Ninety-nine percent (99%) were low-income. Key program accomplishments in FY 2014 included: (a) 1,711 individuals secured or maintained the right to work legally in the U.S.; (b) 61 individuals were awarded legal permanent residency; (c) 96% of the mothers attending the Latina ESL Program improved their proficiency in English and 95% registered at other agencies to continue their study of English following program graduation; and, (d) 85% of the young people attending ASPIRING, EBECC's after school program for Latino immigrant high school students, improved their overall grade point average and 73% had grades of C or above in all of their subjects at East Boston High School at program exit.

c. East Boston Social Centers

The East Boston Social Centers are interested in occupying approximately 4500 sq. ft. of space within the building to house their day care programs. See attached.

# East Boston Social Centers, Inc.

John F. Kelly
Executive Director

68 Central Square, East Boston, Massachusetts 02128
Tel: 617-569-3221 Fax. 617-569-9862
Web Site www.ebsoc.org

BOARD OF DIRECTORS OFFICERS

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*NEIGHBORHOOD PROGRAMS*

CENTRAL SQUARE CENTER
68 Central Square
East Boston, MA 02128
617-569-3221

CENTRAL AVENUE CHILDRENS CENTER
170 Central Avenue
Chelsea, MA 02150
617-884-8432

JEFFRIES POINT
NEIGHBORHOOD CENTER
425 Sumner Street
East Boston, MA 02128
617-569-6045

OH YES! CHILD CARE CENTER
191 Faywood Avenue
East Boston, MA 02128
617-561-0010

ORIENT HEIGHTS
CENTER
171 Faywood Avenue East
Boston, MA 02128
617-561-0230

CENTRAL SERVICES
Administration
68 Central Square
East Boston, MA 02128

E-Mail social.centers@ebsoc.org

Funded in part by the Commonwealth of Massachusetts

April 28, 2015

Mr. Albert Caldarelli
East Boston Community Development Corporation
72 Marginal St.
East Boston, MA 02128

Dear Mr. Caldarelli,

We have discussed the East Boston Social Centers need to move our two child care programs from the present locations in the Orient Heights public housing development as it will be redeveloped in the near future.

I would like to express our interest in occupying space within the old library building at 276 Meridian St. that you plan on developing. We presently have a school age program licensed for 56 children and preschool children program licensed for 52 children. Preschool space must be within easy access to the ground floor exit in emergencies. The total of 106 children at a minimum of 35 square feet per child could be accommodated in the available space. We would also need bathrooms, kitchen, office and meeting space. We would consider expanding our licensed capacity somewhat if space allowed.
Our programs have stable operating funding in place with State contracts and parent fees. Rental rate would have to be reasonable to stay within our budget. We also have to capital to consider substantial down payment and mortgage should that present a more workable option.

The Social Centers Board of Directors has authorized me to review with due diligence building design and financial options prior to making a firm commitment. I look forward to working with you to accommodate our child care space needs.

Best Regards,

John F. Kelly
Executive Director

United Way

# East Boston Social Centers, Inc.

John F. Kelly
Executive Director

68 Central Square, East Boston, Massachusetts 02128
Tel: 617-569-3221 Fax. 617-569-9862
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Administration
68 Central Square
East Boston, MA 02128

E-Mail social.centers@ebsoc.org

Funded in part by the Commonwealth of Massachusetts

East Boston Social Centers is a 501 (c) (3) non-profit multi-service agency that has served the children, families, senior citizens and community of East Boston since it's founding in 1918. The Social Centers' programs are designed to meet people's educational, social and recreational needs and to build community and strengthen families. The Social Centers seeks to create a welcoming and supportive environment, characterized by a spirit of goodwill and caring, in which members of our community are empowered to lead productive and fulfilling lives.

The Social Centers programs reach more than 3,000 children, families and senior citizens each year. Our programs serve predominately low-income children and families. Program participants are culturally diverse and include a significant newly immigrated Latino population, which reflects the cultural diversity of East Boston. The Social Centers is the community's largest provider of quality, center-based child care and support services.

- Our four Early Learning Centers provide childcare year-round to 145 children. These centers offer high quality childcare and are licensed by the Dept. of Early Education and Care (EEC) and accredited by the National Association of Educators of Young Children (NAEYC). The Centers provide transportation and nutritional meals for all of the children in our programs and work to develop the children's social, emotional, cognitive and self-help skills.
- The School Age Childcare program provides affordable after-school care to approximately 150 children, ages 5 to 14 during the school year, including full time during school vacations. The School Age Child Care Program is also licensed through EEC and was one of the first accredited School Age program in the state of Massachusetts. The program uses programming based upon NAA (National Afterschool Association) Standards for Quality School Age Care. During summer months the School Age Child Care program provides Summer Program all day, serving approximately 300 children ages 5-14. The Summer Program provides a safe, educational environment for children, including educationally based field trips to a variety of museums and historical landmarks, reading programs, environmental awareness activities, and a health and wellness curriculum.
- Boston Youth Network, which has been operating since 1989, is a no-cost, after-school program that focuses on developing the strengths of approximately 40 youth, ages 13 to 18 who live or go to school in East Boston. The program includes academic assistance, prevention education, arts and multi-cultural activities, parent supports and a peer leadership program.
- The Social Centers' Senior Programs include a Kit Clark Senior Nutritional site, which serves hot lunch to the elderly, and Senior Place, a social-recreational program for seniors. The programs serve more than 150 men and women over the age of 60. Senior Place offers a wide array of social activities, informational speakers, recreational classes and trips that provide seniors with a support network of peers and help them to stay healthy and active.

d. Urban College of Boston

Urban College of Boston has indicated a strong interest in having a presence in the building. Urban College would offer programs of study leading to the Associate of Arts degree in Early Childhood Education. Human Services Administration and General Studies. UCB also offers a range of certificate programs and continuing education courses as part of the critical services for the general public of East Boston. See attached.

Veronica Robles Cultural Center

The Veronica Robles Cultural Center provides affordable, high quality dance, music, arts, multimedia training and Spanish and Portuguese language classes to educate mainly low-income Latino children, youth and their families in East Boston about their own culture and values. Our programs include networking opportunities for members to encourage family and community unity around collective learning experiences and celebrations of World's culture, and various forms of arts. See attached.

URBAN COLLEGE OF BOSTON
A TWO-YEAR COLLEGE
CHARTERED IN 1993

**Urban College of Boston**

April 29, 2015

Frank M. Ramirez, Executive Director
East Boston Ecumenical Community Council
P.O. Box 450
East Boston, MA 02128

Dear Mr. Ramirez:

As the Dean of Enrollment Services and Registrar of the Urban College of Boston (UCB), I am writing this letter to express our support of East Boston Ecumenical Community Council in partnership with the East Boston Community Development Corporation (EBCDC) to purchase and develop the former Meridian Street branch library at 280-282 Meridian Street, East Boston, MA. in such a way that it will allow them to serve the larger East Boston community, and affirm our interest in the strong possibility of establishing a presence in the facility to allow Urban College to offer programs of study leading to the Associate of Arts degree in Early Childhood Education, Human Services Administration and General Studies. UCB also offers a range of certificate programs and continuing education courses as part of the critical services for the general public of East Boston.

I am are aware that the City of Boston Department of Neighborhood Development (DND) before issuing the RFP offering consulted extensively with local residents, community organizations and associations and community leaders to establish development guidelines that reflect the community preferences for acceptable and unacceptable uses of the offered property. The partnership between EBECC and EBCDC will meet the requirements requested by DND that the development appeal to a broad base of community interests and age groups.

EBECC and its partners envision a multifaceted, comprehensive and innovative, multicultural, and multigenerational social service delivery. The neighborhood has a tremendous needs an appropriate site and will rehabilitee the building with to house its culturally diverse programs while providing leadership and capacity development opportunities for minority or under-represented populations.

They offer opportunities for a community to take ownership of and pride in meeting its own needs. UCB and staff has learned from their colleagues at other organizations that that other organizations are considering offering specific services in East Boston to serve the whole community.

EBECC has been a leader in the community for over 30 years. Because of its good reputation with its constituency, its quality programs, its high level of knowledge of immigration issues and its strong monitoring processes, other community agencies turn to EBECC for help, referrals, information, staff advice and training.

As part of the collaboration between EBECC and UCB, I affirm our support of EBECC's efforts to secure the building and this organization already plays such a critical role in the lives of East Boston's Spanish-speaking teens and their families. We look forward to the continued collaboration with EBECC in providing essential and remarkably successful programs to residents at large and their families in this community.

Sincerely,

Avanti Seymour
Dean of Enrollment Services and Registrar

Veronica Robles
Cultural Center

April 28, 2015

Frank M. Ramirez, Executive Director
East Boston Ecumenical Community Council
P.O. Box 450
East Boston, MA 02128

Dear Mr. Ramirez:

As the Director of the Veronica Robles Cultural Center (VROCC) in East Boston, I am writing this letter to express our support to East Boston Ecumenical Community Council in partnership with the East Boston Community Development Corporation (EBCDC) to purchase and develop the former Meridian Street branch library at 280-282 Meridian Street, East Boston, MA.

We know that EBECC has been a leader in the community for over 30 years; I think this building will allow you to expand your services to a larger number of people in East Boston. The access to this building will also allow EBECC to host Veronica Robles Cultural Center cultural programs. VROCC is open to all families and individuals interested on learning, fostering and sharing the culture and values of the Latin American Countries and Spanish Speaking World. We are a non-profit organization in the process of applying to obtain the 501-c3 number. VROCC provides affordable, high quality dance, music, arts, multimedia training and Spanish and Portuguese language classes to educate mainly low-income Latino children, youth and their families in East Boston about their own culture and values. Our programs include networking opportunities for members to encourage family and community unity around collective learning experiences and celebrations of World's culture, and various forms of arts.

I am are aware that the City of Boston Department of Neighborhood Development (DND) before issuing the RFP offering consulted extensively with local residents, community organizations and associations and community leaders to establish development guidelines that reflect the community preferences for acceptable and unacceptable uses of the offered property. The partnership between EBECC and EBCDC will meet the requirements requested by DND that the development appeal to a broad base of community interests and age groups.

EBECC and its partners envision a multifaceted, comprehensive and innovative, multicultural, and multigenerational social service delivery. The neighborhood has a tremendous need an appropriate site will rehabilitee the building to house its culturally diverse programs while providing leadership and capacity development opportunities for minority or under-represented populations.

175 William F. McClellan Highway, East Boston, MA 02128
Email-admin@vrocc.org (781) 558-5102 www.vrocc.org

Veronica Robles
Cultural Center

We are endorsing EBECC to secure the building because of its good reputation with its constituency, its quality programs, its high level of knowledge of immigration issues and its strong monitoring processes, other community agencies turn to EBECC for help, referrals, information, staff advice and training.

Veronica Robles Cultural Center is currently working in collaboration with EBECC providing the cultural enrichment for teens and look forward to continue our collaboration providing essential and remarkably successful programs to residents at large in this community because we know that this organization already plays such a critical role in the lives of East Boston's Spanish-speaking teens and their families.

Sincerely,

Veronica Robles, Director
Veronica Robles Cultural Center (VROCC)

175 William F. McClellan Highway, East Boston, MA 02128
Email-admin@vrocc.org (781) 558-5102 www.vrocc.org

## Development Team

In addition to the principles and their staff the development team includes the following:

- Affirmative Investments to consult on historic tax credits as well as financing opportunities (pro bono)
- Michael A. Interbartolo AIA Mr. Interbartolo is an architect with extensive experience in a renovation of a historic building. It includes: The Michelangelo School in Boston, the Barnes School in East Boston, the Lyman School in East Boston and the Dalrymple School in Winthrop.

## Bank Financing

It is the intent of the developers to secure financing in the amount of 2 million dollars. This will be achieved in the following way:

| | | |
|---|---|---|
| - East Boston Savings Bank | $1,500,000 | First Mortgage |
| - Raza Development Fund | $500,000 | Second Mortgage |

We are assuming a 30 year amortization at 5.75 interest.

See attached letters.

See attached audited statements.

East Boston Savings Bank®

April 28, 2015

EBCDC, Inc
Albert Caldarelli
26 Marginal St
East Boston, MA 02128

Dear Al,

This letter is a Letter of Intent to provide financing for the project at the old Boston Public Library at 280 - 282 Meridian Street in East Boston that will be developed by EBCDC, Inc. East Boston Savings Bank is proud of the work that we have done with you in the past and are pleased to have this opportunity to work together again on this project.

We are prepared, subject to further due diligence and Board approval, to provide an approximate $1,600,000 mortgage loan for at a competitive rate and maturity. We look forward to your continued success and will move the project along as quickly as your needs require.

Yours truly,

Thomas W. Chatellier
Vice President

Raza Development Fund

April 24, 2015

Mr. Frank Ramirez
EBEC
And,
Albert Caldarelli
EBCDC

**SENT VIA ELECTRONIC TRANSMISSION**

RE: Financing Proposal

Dear Mssrs. Ramirez and Caldarelli:

This letter is to notify you that Raza Development Fund, Inc. ("RDF") has reviewed the preliminary information submitted in conjunction with your request for an acquisition loan up to $500,000 (the "Financing") secured by real estate and for the purposes of locating a new headquarters and services building (the "Project").

**The preliminary terms and conditions, presented herein, do not constituent a commitment to provide the Financing and are provided for discussion purposes only**.

The closing of the Financing is expressly subject to the satisfaction of the following conditions: (i) completion of any and all due diligence deemed necessary, with acceptable results and conclusions, as determined by RDF, in its sole discretion; (ii) receipt of final credit approval and other such approvals and legal opinions, each in form and substance satisfactory to RDF; (iii) no material adverse change relating to the business, operations, or condition (financial or otherwise) of the proposed borrower, guarantor, general contractor, Project, or Property; and, (iv) negotiation and execution of mutually satisfactory documentation for the Financing.

Should you or any of the other parties involved in this transaction have any questions about RDF's financing programs or our interest in financing the Project, please me directly at (973) 783-5667 or via email at bchampeau@razafund.org.

Sincerely,
Brian Champeau
Brian Champeau
Director, East Coast Region
Raza Development Fund Inc

(http[redacted]

Raza Development Fund

INVESTING IN HOPE FOR THE FUTURE

(HTTP://RAZAFUND.ORG/)

≡

# Our Mission

Raza Development Fund invests capital and creates financing solutions to increase opportunities for the Latino community and low-income families.

## The RDF Difference: A Lender with a Heart and Soul*

Service for the love of family is the foundation of RDF. With a focus on lending capital, with business discipline and charity serving poor communities. We help tailor project loans with community leaders and organizations that serve Latino and poor communities, through predevelopment loans, organizational assessments and a range of unconventional lending products.

** James Feild – Board Chair*

**RDF offers a range of financing options:**

- Pre-Development Loans
- Acquisition/Land Loans
- Construction & Bridge Loans
- Mini Permanent & Term Loans
- Operating Lines of Credit
- Tenant Improvement Loans

- New Markets Tax Credits Leverage Loans (NMTC)

## Technical Assistance

RDF takes an active role in promoting the success of its partners and clients. Our hands on approach to community development is collaborative and designed to add value throughout the development process- from concept to completion.

(http://rdf.mixedvoces.com/wp-content/uploads/2015/03/iStock_000035387838_Large.jpg)

## Leadership

Each member of the RDF Leadership team is dedicated to serving Latino and low-income communities and causes. As community champions, they dedicated to our mission to serving the community.

**Tommy Espinoza**
President & CEO

**Mark Van Brunt**
Chief Operating Officer

**Rodrigo Vela**
Chief Financial Officer

**David Clower**
Chief Credit Officer

**Elvira Espinoza**
Chief Communications Officer

## Board of Directors

RDF has a distinguished Board of Directors who are all leaders in their respective fields of work. Our current board members are as follows:

**Board Chair:**
James W. Feild
SVP Community Development Executive
Bank of America

**Vice Chairwoman:**
Arabella Martinez
Interim CEO
Latino Community Foundation

**Tommy Espinoza**
President & CEO
Raza Development Fund

**Janet Murguia**
President & CEO
National Council of La Raza (NCLR)

**Janis Bowdler**
Managing Director
JP Morgan Chase Co.

**Francisca Montoya**
Research & Planning Director

**Kimberly Latimer-Nelligan**
Chief Operating Officer
Low Income Investment Fund (LIIF)

**Joseph F. Reilly**
President & CEO
Community Development Trust

**Art Ruiz**
Retired
State Farm Insurance Co.

**Kenneth I. Trujillo**
Partner
Schnader Harrison Segal & Lewis, LLP

**Roldan Trujillo**
Senior Managing Director
Corporación Interamericana para el Financiamiento de Infraestructura, S.A. (CIFI)

# Investors

Over more than 15 years, RDF has established strong and lasting partnerships with banking and insurance companies preserving their capital and ensuring them community development. Our funding partners have demonstrated commitment to the Latino community with the acknowledgement that RDF's mission takes us beyond a lending relationship into shaping the future of our country, one community at a time. The Fund was established with an original $20 million investment from Bank of America, followed by contributions from State Farm Insurance and Fannie Mae Foundation. RDF has continued to grow its relationships and has entered into loan agreements with JP Morgan Chase Bank and Wells Fargo, among others. In 2013, RDF became a proud member of the Federal Home Loan Bank of San Francisco. In the coming years, RDF will continue to grow its investor base to continue serving the Low Income Latino community. **Founding Investors:**

- Bank of America
- State Farm Insurance Companies
- Citi Foundation

**Investing and Lending Partners:**

- Ally Bank
- BBVA
- Charles Schwab
- Federal Home Loan Bank of San Francisco
- JP Morgan Chase
- Wells Fargo
- Alliance Bank

RAZA DEVELOPMENT FUND ©2015

(https://www.facebook.com/razadevelopmentfund)

(http://twitter.com/razadevelopmentfund)

(https://plus.google.com/106017667205907809136)

(https://www.linkedin.com/company/107372)

(https://www.youtube.com/channel/UCCMNmDcoqZmgb9O83649V39)

# EBCDC, INC. AND SUBSIDIARIES

## REPORT ON AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS

## AUGUST 31, 2014 and 2013

EBCDC, INC. AND SUBSIDIARIES

REPORT ON AUDIT OF CONSOLIDATED FINANCIAL STATEMENTS
AUGUST 31, 2014 AND 2013

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Bernard, Johnson & Company, P.C.
Certified Public Accountants and Business Advisors

# INDEPENDENT AUDITOR'S REPORT

Board of Directors
EBCDC, Inc. and Subsidiaries

## Report on the Financial Statements

We have audited the accompanying consolidated financial statements of EBCDC, Inc. and Subsidiaries ("the Organization"), which comprise the consolidated statements of financial position as of August 31, 2014 and the related consolidated statements of activities and cash flows for the year then ended, and the related notes to the consolidated financial statements.

## Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

## Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## Opinion

In our opinion, the consolidated financial statements referred to above present fairly, in all material respects, the financial position of EBCDC, Inc. and Subsidiaries as of August 31, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.



15 Main Street, Topsfield, MA 01983-1842 • Tel. (978) 887-2220 • Fax (978) 887-5443 • www.bernardjohnson.com

**Report on Supplementary Information**

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The 2014 supplementary information on pages 20 to 26 is presented for the purpose of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, such information is fairly stated in all material respects in relation to the consolidated financial statements as a whole. The 2013 supplementary information on pages 20 to 26 was subjected to the auditing procedures applied in the 2013 audit of the basic financial statements by other auditors, whose report on such information stated that it was fairly stated in all material respects in relation to the 2013 consolidated financial statements as a whole.

**Other Matters**

Other Information

Our audit was conducted for the purpose of forming an opinion on the consolidated financial statements as a whole. The accompanying schedule of expenditures of federal awards, as required by Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, is presented for purposes of additional analysis and is not a required part of the consolidated financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the consolidated financial statements. The information has been subjected to the auditing procedures applied in the audit of the consolidated financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the consolidated financial statements or to the consolidated financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated, in all material respects, in relation to the consolidated financial statements as a whole.

**Other Reporting Required by *Government Auditing Standards***

In accordance with *Government Auditing Standards*, we have also issued our report dated March 20, 2015, on our consideration of EBCDC, Inc. and Subsidiaries' internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering EBCDC, Inc. and Subsidiaries' internal control over financial reporting and compliance.

**Report on Summarized Comparative Information**

The consolidated financial statements of EBCDC, Inc. and Subsidiaries as of August 31, 2013, were audited by other auditors whose report dated December 15, 2013, expressed an unmodified opinion on those statements. In our opinion, the summarized comparative information presented herein as of and for the year ended August 31, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

Barnard Johnson & Company P.C.

Topsfield, Massachusetts
March 20, 2015

EBCDC, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF FINANCIAL POSITION
AUGUST 31, 2014 AND 2013

| ASSETS | 2014 | 2013 |
|---|---|---|
| CURRENT ASSETS: | | |
| Cash and cash equivalents | $ 1,197,247 | $ 352,913 |
| Accounts receivable | 90,537 | 98,405 |
| Grants receivable | 40,000 | - |
| Prepaid expenses | 49,470 | 85,291 |
| Note receivable - current portion | 49,427 | 16,688 |
| Cash - tax escrow accounts | 212,274 | 211,238 |
| Total current assets | 1,638,955 | 764,535 |
| RESTRICTED CASH - SECURITY DEPOSITS | 59,610 | 50,439 |
| PROPERTY AND EQUIPMENT, NET | 4,513,267 | 4,414,794 |
| OTHER ASSETS: | | |
| Due from related parties | 1,961,502 | 3,616,177 |
| Notes receivable, net of current portion | 15,686,577 | 10,322,828 |
| Investments in real estate entities | 1,859,143 | 1,846,353 |
| Total other assets | 19,507,222 | 15,785,358 |
| TOTAL ASSETS | $ 25,719,054 | $ 21,015,126 |
| **LIABILITIES AND NET ASSETS** | | |
| CURRENT LIABILITIES: | | |
| Accounts payable | $ 268,475 | $ 444,165 |
| Long-term debt - current portion | 71,454 | 770,514 |
| Deferred revenue | 1,275 | 279,341 |
| Accrued payroll and related liabilities | 119,614 | 119,970 |
| Total current liabilities | 460,818 | 1,613,990 |
| SECURITY DEPOSITS | 19,058 | 28,707 |
| LONG-TERM DEBT, NET OF CURRENT PORTION | 14,731,911 | 10,580,883 |
| Total liabilities | 15,211,787 | 12,223,580 |
| NET ASSETS: | | |
| Unrestricted net assets | 10,464,869 | 8,791,546 |
| Temporarily restricted net assets | 42,398 | - |
| Total net assets | 10,507,267 | 8,791,546 |
| TOTAL LIABILITIES AND NET ASSETS | $ 25,719,054 | $ 21,015,126 |

The accompanying notes are an integral part of these consolidated financial statements.

EBCDC, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF ACTIVITIES
FOR THE YEAR ENDED AUGUST 31, 2014
*(With comparative totals for the year ended August 31, 2013)*

| | Unrestricted | Temporarily Restricted | Total 2014 | Total 2013 |
|---|---|---|---|---|
| REVENUE AND OTHER SUPPORT: | | | | |
| Revenue: | | | | |
| Developer's fees | $ 184,524 | $ - | $ 184,524 | $ 116,192 |
| Grants | 15,672 | 800,000 | 815,672 | 601,836 |
| Gains/(losses) on investments | 58,102 | - | 58,102 | (8,483) |
| Gain on sale of property | 1,096,702 | - | 1,096,702 | - |
| Interest income | 167,254 | - | 167,254 | 173,732 |
| Management fees | 495,845 | - | 495,845 | 349,607 |
| Project monitoring and miscellaneous | 123,790 | - | 123,790 | 129,847 |
| Reimbursed shared expenses | 1,321,185 | - | 1,321,185 | 1,268,511 |
| Rental income | 649,215 | - | 649,215 | 714,801 |
| Net assets released from restrictions | 757,602 | (757,602) | - | - |
| Total revenue and other support | 4,869,891 | 42,398 | 4,912,289 | 3,346,043 |
| EXPENSES: | | | | |
| Real estate operations - direct costs: | | | | |
| Depreciation | 150,582 | - | 150,582 | 146,661 |
| Other direct costs | 144,000 | - | 144,000 | 144,075 |
| Interest | 65,707 | - | 65,707 | 79,507 |
| Repairs and maintenance | 63,679 | - | 63,679 | 72,895 |
| Real estate taxes | 39,917 | - | 39,917 | 50,797 |
| Insurance | 39,128 | - | 39,128 | 46,829 |
| Utilities, water, and heat | 28,044 | - | 28,044 | 35,567 |
| Condominium fees | 5,457 | - | 5,457 | 5,328 |
| Bad debts | 55 | - | 55 | 3,182 |
| Total real estate operations - direct costs | 536,569 | - | 536,569 | 584,841 |
| Program service and general and administrative expenses: | | | | |
| Salaries and related expenses | 2,374,427 | - | 2,374,427 | 2,242,795 |
| Other expenses | 285,572 | - | 285,572 | 302,195 |
| Total program service and general and administrative | 2,659,999 | - | 2,659,999 | 2,544,990 |
| Total expenses | 3,196,568 | - | 3,196,568 | 3,129,831 |
| CHANGE IN NET ASSETS | 1,673,323 | 42,398 | 1,715,721 | 216,212 |
| NET ASSETS, BEGINNING OF YEAR | 8,791,546 | - | 8,791,546 | 8,575,334 |
| NET ASSETS, END OF YEAR | $ 10,464,869 | $ 42,398 | $ 10,507,267 | $ 8,791,546 |

The accompanying notes are an integral part of these consolidated financial statements.

EBCDC, INC. AND SUBSIDIARIES

CONSOLIDATED STATEMENTS OF CASH FLOWS
FOR THE YEARS ENDED AUGUST 31, 2014 AND 2013

| | 2014 | 2013 |
|---|---|---|
| CASH FLOWS FROM OPERATING ACTIVITIES: | | |
| Change in net assets | $ 1,715,721 | $ 216,212 |
| Adjustments to reconcile changes in net assets to net cash provided by operating activities: | | |
| Gain on sale of property | (1,096,702) | - |
| Depreciation | 158,454 | 159,495 |
| Changes in: | | |
| Accounts receivable | 7,868 | (60,877) |
| Grants receivable | (40,000) | - |
| Prepaid expenses | 35,821 | 24,041 |
| Tax escrow accounts | (1,036) | 209,270 |
| Restricted cash - security deposits | (9,171) | (17,441) |
| Accounts payable | (175,690) | 160,256 |
| Deferred revenue | (278,066) | 17,528 |
| Accrued payroll and related liabilities | (356) | (9,049) |
| Security deposits | (9,649) | (3,931) |
| NET CASH PROVIDED BY OPERATING ACTIVITIES | 307,194 | 695,504 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | |
| Proceeds from sale of property, net of selling expenses | 1,310,463 | - |
| Purchases of property and equipment | (470,688) | (984,553) |
| Increase in investments in real estate entities | (12,790) | (100,945) |
| Advances on notes receivable | (5,418,600) | - |
| Payments received on notes receivable | 22,112 | 156,483 |
| Decrease (increase) in due from related parties | 1,654,675 | (121,915) |
| NET CASH USED IN INVESTING ACTIVITIES | (2,914,828) | (1,050,930) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | |
| Payments on long-term debt | (1,906,606) | (15,972) |
| Proceeds from long-term debt | 5,358,574 | 468,268 |
| NET CASH PROVIDED BY FINANCING ACTIVITIES | 3,451,968 | 452,296 |
| NET INCREASE IN CASH AND CASH EQUIVALENTS | 844,334 | 96,870 |
| CASH AND CASH EQUIVALENTS, BEGINNING OF YEAR | 352,913 | 256,043 |
| CASH AND CASH EQUIVALENTS, END OF YEAR | $ 1,197,247 | $ 352,913 |
| SUPPLEMENTAL DISCLOSURE OF CASH FLOW INFORMATION | | |
| Cash paid during the years for - | | |
| Interest | $ 65,707 | $ 79,507 |

The accompanying notes are an integral part of these consolidated financial statements.

## 1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Description of Operations - EBCDC, Inc. ("the Organization") is a Massachusetts not-for-profit organization exempt from income tax under Section 501(c)(3) of the U.S. Internal Revenue Code. The Organization was formed in 1979 to enhance the quality of life of low-income, East Boston residents through economic development activities. The Organization's principal activities include the following:

- Obtaining grants or loans from government agencies that it uses to fund loans it makes to private entities that develop real estate, or business activities that benefit the residents of East Boston.
- Acquiring and rehabilitating neglected real estate in order to improve the stock of commercial or residential rental properties available to low-income residents of East Boston.
- Management services, including the management of construction activities, for other community organizations that operate to benefit the residents of East Boston.

Consistent with the Organization's purpose, its operations and real estate holdings are concentrated in the East Boston area. The consolidated financial statements include the accounts of the Organization and four wholly owned subsidiaries of EBCDC, Inc.: Barnes School Apartments, Inc., E.B. Atlantic Works, Inc., Condo-Havre LLC, and EBCDC Greenway Manager, Inc.

Principles of Consolidation - The accompanying consolidated financial statements include the accounts of EBCDC, Inc., EB Atlantic Works, Inc., Barnes School Apartments, Inc., EBCDC Greenway Manager, Inc., and Condor Havre, LLC (collectively the "Organization"), which are under common ownership and management. All inter-company transactions and balances have been eliminated.

Basis of Accounting - The Organization prepares its financial statements on the accrual basis of accounting.

Basis of Presentation - The Organization reports information regarding its financial position and activities according to the following three classes of net assets:

1. Unrestricted Net Assets - use of resources is not limited or restricted by donors.

2. Temporarily Restricted Net Assets - use of resources is limited by donors for a specific purpose or time period.

3. Permanently Restricted Net Assets - resources must be maintained in accordance with permanent restrictions imposed by donors.

The Organization considers all rental income, interest income, fees, and gains on the disposals of property as available for unrestricted use unless specifically restricted by donors. It considers grants and donations available for unrestricted use unless the donor has imposed restrictions. Temporarily restricted net assets become unrestricted when any time restrictions expire or when the assets are used for their restricted purposes, at which time they are reported in the statements of activities as net assets released from restrictions.

Use of Estimates - The preparation of financial statements in accordance with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

(Continued)

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Summarized Comparative Information - The financial statements include 2013 summarized comparative information in total. Such information does not include sufficient detail to constitute a presentation in conformity with accounting principles generally accepted in the United States. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended August 31, 2013.

Cash and Cash Equivalents - Cash and cash equivalents include checking accounts, money market accounts, and savings accounts. Cash and cash equivalents do not include tenant security deposits or tax escrows which the Organization is required to keep in separate accounts.

Accounts Receivable - The Organization presents its accounts receivable at net realizable value consisting of the carrying amount less the allowance for uncollectible accounts, as needed.

The Organization uses the allowance method to account for uncollectible rents receivables balances. Under the allowance method, an estimate of uncollectible tenant balances is made based upon specific balances that are considered uncollectible. Factors used to establish the allowance include each individual tenant's credit history and the significance of the individual account balance. Accounts are consider past due once the unpaid balance is sixty days or more outstanding, unless payment terms are extended by contract or other agreement. When an account balance is past due and attempts have been made to collect the receivable through legal or other means, the amount is considered uncollectible and is written off.

At August 31, 2014 and 2013, management reviewed the accounts receivable aging and determined no allowance balance was required.

Property and Equipment - The Organization records its property and equipment at cost if it is purchased or fair market value if it is donated. Expenditures that materially prolong an asset's life or increase its useful capacity are capitalized. Ordinary maintenance and repairs are charged to expense as incurred. Property and equipment awaiting disposal, if any, is reported separately.

The capitalization of costs during the rehabilitation of buildings (including interest and related loan fees, property taxes, and other direct and indirect costs) begins when the building is taken out-of-service for rehabilitation and ends when the building's rehabilitation is completed and the building is returned to service. These costs are reported as construction-in-progress during the rehabilitation process.

The Organization calculates depreciation on assets placed in service using the straight-line method over the following estimated asset lives:

| Assets | Estimated Useful Lives in Years |
|---|---|
| Rental buildings and improvements | 15-39 |
| Office equipment and furniture | 5-7 |

(Continued)

1. NATURE OF OPERATIONS AND SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (Continued):

Impairment of Long-Lived Assets - In accordance with accounting principles generally accepted in the United States of America, the Organization has given consideration to the impairment of its long-lived assets in its presentation of these financial statements. As of August 31, 2014, management has not recognized any reduction in the carrying value of its property.

Investments in Real Estate Entities- The Organization accounts for its unconsolidated investments in real estate entities using the equity method of accounting, if it has the ability to significantly influence the entity, and the cost method for all other unconsolidated investments, as there is no readily determinable fair values available for these closely held entities.

Rental Revenues - The Organization recognizes rental income on its leases, which generally have terms of one year or less, on a monthly basis as it is earned. These leases contain no contingent or percentage rents.

Advertising – The Organization expenses advertising costs as they are incurred. Advertising costs totaled $3,672 and $3,017 for the years ended August 31, 2014 and 2013, respectively.

Income Taxes - The Organization is exempt from Federal income taxes under Section 501(c)(3) of the Internal Revenue Code and applicable Massachusetts state law.

The accounting standard on accounting for uncertainty in income taxes addresses the determination of whether tax benefits claimed or expected to be claimed on a tax return should be recorded in the financial statements. Under that guidance, the Organization may recognize the tax benefit from an uncertain tax position only if it is more likely than not that the tax position will be sustained on examination by taxing authorities based on the technical merits of the position. The tax benefits recognized in the financial statements from such a position are measured based on whether the benefit has a greater than 50% likelihood of being realized upon ultimate settlement. There were no unrecognized tax benefits or liabilities as of August 31, 2014 and 2013. .

The Organization files its Form 990 in the U.S. federal jurisdiction and the office of the Massachusetts Attorney General. These filings are subject to examination generally for three years after they were filed. Information returns filed for the years 2013, 2012, and 2011, remain subject to examination by the Internal Revenue Service and the Commonwealth of Massachusetts.

Management's Review - In preparing these financial statements, the Organization has evaluated events and transactions for potential recognition or disclosure through March 20, 2015, the date the financial statements were available to be issued.

(Continued)

2. NOTES RECEIVABLE:

The Organization's notes receivable consist of the following at August 31, 2014 and 2013:

| | 2014 | 2013 |
|---|---|---|
| $291,000 note receivable, bearing interest at 5%, with monthly receipts of $1,701 interest and principal, through February 2018. | $ 65,425 | $ 82,111 |
| $400,000 note receivable, bearing no interest, with the entire balance due in November 2068, secured by a mortgage on the property, and subordinated to other debt. | 400,000 | - |
| $2,375,000 note receivable, bearing interest at 2%, with monthly interest only payments through December 31, 2035 when the entire balance is due. The note is subordinated to various other notes the borrower is obligated under. | 2,375,000 | 2,375,000 |
| $453,693 note receivable, bearing interest at 0.1%, with monthly interest only payments through September 24, 2033 when the entire balance is due. The note is secured by a mortgage interest on the property. | 453,693 | 453,693 |
| $274,617 note bearing interest at 4.91% with the entire balance due on June 8, 2017, secured by a mortgage interest on the property. | 237,412 | 237,412 |
| Construction note receivable, bearing interest at 1% on the outstanding borrowings, with monthly interest only payments through May 31, 2047 when the entire balance is due, secured by a mortgage granted on the property. | 6,271,300 | 6,271,300 |
| Subtotal - to next page | $ 9,802,830 | $ 9,419,516 |

(Continued)

2. NOTES RECEIVABLE (Continued):

| | 2014 | 2013 |
|---|---|---|
| Subtotal from previous page | $ 9,802,830 | $ 9,419,516 |
| $600,000 note, increased to $920,000 in 2009, bearing no interest with the entire balance due on June 10, 2038, secured by a mortgage on the property. | 920,000 | 920,000 |
| $720,000 note receivable, bearing interest at 1%, with monthly receipts of $3,311, interest and principal, through December, 2028, secured by a mortgage on the property and leases. | 714,574 | - |
| Construction note receivable, bearing interest at 1% on the outstanding borrowings, with monthly interest only payments through May 31, 2047 when the entire balance is due, secured by a mortgage on the property. | 4,298,600 | - |
| | 15,736,004 | 10,339,516 |
| Less current portion | (49,427) | (16,668) |
| Notes receivable - noncurrent | $ 15,686,577 | $ 10,322,848 |

The Organization receives federal grants that it uses to make loans to commercial enterprises and other organizations, and to finance real estate development and other economic investment in East Boston, Massachusetts. In connection with these grants, the Organization entered into a "Disposition of Assets Agreement" with the Office of Community Services. Under the agreement, the Organization may retain the principal repayments and interest, received on the loans, for activities, consistent with the Organization's program purposes, as described in Note 1.

During the year ended August 31, 2014, the Organization received a federal grant for $800,000 from the U.S. Department of Health and Human Services. A total of $720,000 is to be used to finance a loan from the Organization to a company in East Boston to provide working capital for expansion of its operations and facilities and to assist in the hiring and training of unemployed or underemployed workers, primarily from East Boston. In addition, $80,000 is to be used to finance the Organization's personnel costs pertaining to work incurred to assist the company.

(Continued)

## 3. PROPERTY AND EQUIPMENT:

Property and equipment consists of the following at August 31, 2014 and 2013:

| | 2014 | 2013 |
|---|---|---|
| Land | $ 43,502 | $ 122,610 |
| Rental buildings and improvements | 3,935,561 | 4,166,077 |
| Construction/renovations in progress | 1,844,783 | 1,553,322 |
| Office equipment and furniture | 255,177 | 255,177 |
| | 6,079,023 | 6,097,186 |
| Less accumulated depreciation | (1,565,756) | (1,682,392) |
| | $ 4,513,267 | $ 4,414,794 |

Depreciation expense totaled $158,454 and $159,495 for the years ended August 31, 2014 and 2013, respectively.

## 4. INVESTMENTS IN REAL ESTATE ENTITIES:

The Organization owns 25% limited partner interests in two real estate entities formed to develop housing projects in East Boston, Massachusetts. These investments are accounted for using the cost method, as the Organization does not have significant influence in the management of the joint ventures. The carrying values of these investments at August 31, 2014 and 2013 were $1,623,560.

The Organization owns a 98% limited partner interest in Woodbury-Cunard Associates Limited Partnership, which owns and operates a low income housing building in East Boston and receives funds from the U.S. Department of Housing and Urban Development. The investment is also accounted for using the cost method, as the Organization cannot exercise control over the management of this investment due to its limited partner status. The carrying value of this investment at August 31, 2014 and 2013 was $97,433 and $84,506, respectively.

The following is a summary of the Organization's ownership in significant, unconsolidated real estate investments as of August 31, 2014:

| Entity Name | % Owned |
|---|---|
| Trinity East Boston Development LP | 25.00% |
| Trinity Carlton LLC | 25.00% |
| Woodbury-Cunard Associates Ltd Partnership | 98.00% |

(Continued)

4. INVESTMENTS IN REAL ESTATE ENTITIES (Continued):

During the year ending August 31, 2006, the Organization created a 100% owned subsidiary, Barnes School Apartments, Inc., to operate as a general partner in a limited partnership, formed to invest in the rehabilitation and development of low-income housing in East Boston, Massachusetts. The Organization also created a 100% owned subsidiary, E.B. Atlantic Works, Inc., to operate as the managing member in a limited liability company formed to invest in the rehabilitation and development of low-income housing and commercial space in East Boston, Massachusetts. The Organization has consolidated these 100% owned entities into its financial statement as of August 31, 2014 and 2013.

In November 2010, the Organization transferred land and a mortgage note payable to Greenway Apartments, LLC. In return, the Organization became a 1% shareholder in the managing partner entity, EBCDC Greenway Manager, Inc. The Organization accounts for this investment using the cost method.

5. LONG-TERM DEBT:

Long-term debt consists of the following at August 31, 2014 and 2013:

| | 2014 | 2013 |
|---|---|---|
| Mortgage note payable on an available $400,000, non-interest bearing, no payments due until October 2033, secured by a third mortgage. | $ 400,000 | $ 400,000 |
| Note payable on an available $400,000, City of Boston Department of Neighborhood Development, non-interest bearing, no payments due until October 2033, secured by a second mortgage and assignment of leases and rents on a property located in East Boston, Massachusetts. | 400,000 | 400,000 |
| Note payable on an available $590,000, Commonwealth of Massachusetts Department of Housing and Community Development Housing Innovation Fund, non-interest bearing, no payments due until October 2033, secured by a second mortgage and assignment of leases and rents on a property located in East Boston, Massachusetts. | 590,000 | 590,000 |
| Note payable on an available $600,000, Commonwealth of Massachusetts Department of Housing and Community Development Housing Stabilization Fund, non-interest bearing, no payments due until October 2033, secured by a second mortgage and assignment of leases and rents on a property located in East Boston, Massachusetts. | 600,000 | 600,000 |
| Subtotal to next page | $ 1,990,000 | $ 1,990,000 |

(Continued)

5. LONG-TERM DEBT (Continued):

Long-term debt consists of the following at August 31, 2014 and 2013:

| | 2014 | 2013 |
|---|---|---|
| Subtotal from previous page | $ 1,990,000 | $ 1,990,000 |
| Advances, as sponsor, on an available $6,271,300 Section 202 Capital Advance mortgage note payable to HUD, loaned to a related entity to finance the rehabilitation of a building that provides housing for very low income elderly for the disabled. The note is non-interest bearing, no payments due through May 31, 2047, and will be discharged on that date provided the Organization ensures 74% of the units are made available to eligible families. Note is secured by an assignment of the mortgage granted to the Organization by the related entity. | 6,271,300 | 6,271,300 |
| Note payable having an available $1,000,000 to a bank, bearing interest at prime rate plus 1.00%, with a minimum interest rate of 6.00% (6.00% at August 31, 2014 and 2013), with interest only payments through April 2014, entire balance due May 2014 and paid in full September 2014, secured by real estate. | 52,637 | 752,762 |
| Mortgage note payable to a bank bearing interest at 6.125% for first five years, interest rate then adjusts, requiring monthly principal and interest payment of $2,103. The mortgage is secured by real estate and matures September 1, 2035. | 295,654 | 302,305 |
| $220,000 mortgage note payable to a bank bearing interest at 5.25% with a maturity of October 1, 2036, and secured by real estate. | 206,759 | 211,548 |
| Note payable to bank, interest payable at 6.00%, with monthly payments on interest and principal of $1,721, with interest adjusted every five years through maturity date of December 31, 2035, secured by real estate. | 246,043 | 251,544 |
| Grant received, subject to reclassification as a note payable to grantor if qualifying event occurs before 2018. | 70,454 | 70,454 |
| Subtotal to next page | $ 9,132,847 | $ 9,849,913 |

(Continued)

5. LONG-TERM DEBT (Continued):

Long-term debt consists of the following at August 31, 2014 and 2013:

| | 2014 | 2013 |
|---|---|---|
| Subtotal from previous page | $ 9,132,847 | $ 9,849,913 |
| Note payable to bank, interest payable at 6.00% with 17 monthly payments of interest only, paid in full during the year ended August 31, 2014. | - | 1,040,000 |
| Construction note payable to bank having an available balance of $400,000, with interest payable at 4.00%, paid in full during the year ended August 31, 2014. | - | 149,540 |
| Note payable to Community Economic Development Assistance Corporation, from an available $260,000 Housing Innovation Fund loan, non-interest bearing, with no payments due until December 2043, at which time the entire balance is due, secured by a second mortgage and assignment of leases and rents on a property located in East Boston, Massachusetts. | 247,000 | 136,944 |
| Note payable to Community Economic Development Assistance Corporation, from an available $350,000 Commercial Area Transit Node Housing Program loan, non-interest bearing, with no payments due until December 2043, at which time the entire balance is due, secured by a second mortgage and assignment of leases and rents on a property located in East Boston, Massachusetts. | 315,000 | 175,000 |
| Note payable to City of Boston Department of Neighborhood Development, from an available $600,000 HOME Program loan, non-interest bearing, with no payments due until December 2043, at which time the entire balance is due, secured by a second mortgage and assignment of leases and rents on a property located in East Boston, Massachusetts. | 508,418 | - |
| Note payable to Community Economic Development Assistance Corporation, from an available $301,500 Housing Stabilization Fund loan, non-interest bearing, with no payments due until December 2043, at which time the entire balance is due, secured by a second mortgage and assignment of leases and rents on a property located in East Boston, Massachusetts. | 301,500 | - |
| Subtotal to next page | $ 10,504,765 | $ 11,351,397 |

(Continued)

5. LONG-TERM DEBT (Continued):

Long-term debt consists of the following at August 31, 2014 and 2013:

| | 2014 | 2013 |
|---|---|---|
| Subtotal from previous page | $ 10,504,765 | $ 11,351,397 |
| Advances, as sponsor, on an available $6,271,300 Section 202 Capital Advance mortgage note payable to HUD, loaned to a related entity to finance the rehabilitation of a building that provides housing for very low income elderly. The note is non-interest bearing, requires no repayment through September 30, 2068 and will be discharged on that date provided the Organization ensures the units are made available to eligible families. The note is secured by an assignment of the mortgage granted to the Organization by the related entity. | 4,298,600 | - |
| | 14,803,365 | 11,351,397 |
| Less current portion | (71,454) | (770,514) |
| Long-term debt | $ 14,731,911 | $ 10,580,883 |

At August 31, 2014, approximate annual maturities of long-term debt are as follows:

| | |
|---|---|
| August 31, 2015 | $ 71,454 |
| 2016 | 19,046 |
| 2017 | 21,143 |
| 2018 | 22,413 |
| 2019 | 23,758 |
| Thereafter | 14,645,551 |

The notes to the Federal Home Loan Bank, City of Boston Department of Neighborhood Development, the Commonwealth of Massachusetts Department of Housing and Community Development Housing Innovation Fund, the Commonwealth of Massachusetts Department of Housing and Community Development Housing Stabilization Fund, the Community Economic Development Assistance Corporation, and the Massachusetts Housing Partnership Fund Board all contain provisions to extend the mortgage due dates or forgiving the mortgages based on the respective properties continuing to provide affordable housing for a specific time period

6. PENSION PLAN:

The Organization has a defined contribution plan covering substantially all employees, under which the Organization contributes 4% of eligible salaries. Pension expense was $68,808 and $65,755 for the years ending August 31, 2014 and 2013, respectively.

(Continued)

## 7. JOINT VENTURE:

During the year ending August 31, 2004, the Organization entered in a Joint Venture Agreement with another not-for-profit entity, North Suffolk Mental Health Association, Inc. ("NSMHA") to purchase, rehabilitate, and manage a property in East Boston, Massachusetts. Under the terms of the agreement, the Organization purchased the property from NSMHA for $1. The Organization and NSMHA rehabilitated the property then leased it to NSMHA for a 30-year term. In connection with this Joint Venture Agreement, the Organization became obligated for various notes payable for $1,990,000 during the year ended August 31, 2004, which are included in the balance sheet as part of long-term debt, net of current portion.

## 8. FAIR VALUE MEASUREMENTS:

The Organization accounts for certain assets and liabilities at fair value or on a basis that approximates fair value. A fair value hierarchy for valuation inputs prioritizes the inputs into three levels based on the extent to which inputs used in measuring fair value are observable in the market. Each fair value measurement is reported in one of the three levels and is determined by the lowest level input that is significant to the fair value measurement in its entirety. The three levels of the fair value hierarchy are described below:

Level 1 - Quoted prices are available in active markets for identical assets or liabilities as of the measurement date.

Level 2 - Pricing inputs are based upon quoted prices for similar instruments in active markets, quoted prices for identical or similar instruments in markets that are not active, and model-based valuation techniques for which all significant assumptions are observable in the market or can be corroborated by observable market data for substantially the full term of the assets or liabilities.

Level 3 - Pricing inputs are generally unobservable for the assets or liabilities and include situations where there is little, if any, market activity for the investment. The inputs into the determination of fair value require management's judgment or estimation of assumptions that market participants would use in pricing the assets or liabilities. The fair values are therefore determined using model based techniques that include option pricing models, discounted cash flow models and similar techniques.

The Organization did not hold any Level 1 or Level 2 assets at August 31, 2014 or 2013.

Financial instruments classified within Level 3 have significant unobservable inputs, as they trade infrequently or not at all. The fair value of notes receivable have been determined by one or more of the following criteria as appropriate: (i) the basis of estimated market interest rates for loans of comparable quality and maturity, and (ii) consideration of the value of the underlying collateral. The fair values of long-term debt are determined by discounting the future contractual cash flows to the present value using a current market interest rate. The market rate is determined by giving consideration to one or more of the following criteria as appropriate: (i) interest rates for loans of comparable quality and maturity, and (ii) the value of the underlying collateral. The Organization's notes receivable and long-term debt are classified within level 3 of the valuation hierarchy.

(Continued)

8. FAIR VALUE MEASUREMENTS (Continued):

The following tables summarize the valuation of the Organization's fair value classification at August 31, 2014 and 2013:

| Financial Asset/ (Liability) | August 31, 2014 | | | |
|---|---|---|---|---|
| | Total | Level 1 | Level 2 | Level 3 |
| Notes receivable | $ 15,736,004 | $ - | $ - | $ 15,736,004 |
| Long-term debt | $ (14,803,365) | $ - | $ - | $ (14,803,365) |

| Financial Asset/ (Liability) | August 31, 2013 | | | |
|---|---|---|---|---|
| | Total | Level 1 | Level 2 | Level 3 |
| Notes receivable | $ 10,339,516 | $ - | $ - | $ 10,339,516 |
| Long-term debt | $ (11,351,397) | $ - | $ - | $ (11,351,397) |

The following table is a reconciliation of the change in notes receivable and long-term debt for which Level 3 inputs were used to determine fair value as of August 31, 2014 and 2013:

| | Notes Receivable | Long-term Debt |
|---|---|---|
| Balance, September 1, 2012 | $ 10,495,999 | $ 10,899,101 |
| Payments received | (156,483) | - |
| Payments made | - | (15,972) |
| Additional loan proceeds | - | 468,268 |
| Balance, August 31, 2013 | 10,339,516 | 11,351,397 |
| Payments received | (22,112) | - |
| (Payments)/advances made | 5,418,600 | (1,906,606) |
| Additional loan proceeds | - | 5,358,574 |
| Balance, August 31, 2014 | $ 15,736,004 | $ 14,803,365 |

There were no significant transfers to or from Level 1 and Level 2 during the years presented. The carrying value of cash and cash equivalents, accounts receivable, due from related parties, and accounts payable approximate fair value due to the short maturity of these instruments.

(Continued)

## 9. RELATED PARTY TRANSACTIONS AND CONTINGENCIES:

Several organizations have a common purpose with EBCDC, Inc., which is to enhance the quality of life of low-income East Boston residents. Many of the directors of EBCDC, Inc. are also directors of these other organizations. The most active organizations with a common purpose and common directors are:

East Boston Community Development Corporation
East Boston Housing Renovation Corporation
East Boston Local Development Corporation

In addition, EBCDC, Inc. is a co-sponsor of several non-profit organizations which have constructed or are planning to construct low-income housing in East Boston. As a co-sponsor, EBCDC, Inc. appoints a number of the directors of these entities.

EBCDC, Inc. has a number of transactions with the related Organizations, primarily loans, management services, and development agreements. The loans receivable from and payable to the related Organizations do not bear interest and have no specified repayment dates. Management has classified these as non-current assets as it does not intend to demand repayment during the year ended August 31, 2015. Management fee income, including fees from related corporations and other organizations, was $495,845 and $349,607 for the years ended August 31, 2014 and 2013, respectively. EBCDC, Inc. shares payroll and other expenses with certain of the related corporations. Approximately half of the Organization's payroll expense is reimbursed by related entities.

EBCDC, Inc. leases office space from a related organization under a lease agreement. Rental payments were $41,034 during the years ended August 31, 2014 and 2013.

EBCDC, Inc. has made advances to related corporations that have constructed or are planning to construct low-income housing, primarily financed by grants received from the United States Department of Housing and Urban Development ("HUD"). The Organization reports these advances as assets because management expects they will be repaid from the final closing for the HUD grant, after construction is completed. However, it is not certain that HUD will consider the costs paid from this advance to be eligible for funding from the grant. If these advances are not funded from the HUD grant, then EBCDC, Inc. will contribute the advance to the related corporations. Total advances outstanding were $1,961,502 and $3,616,177 at August 31, 2014 and 2013, respectively.

## 10. COMMITMENTS AND LEASING ARRANGEMENTS:

The Organization leases residential apartment units under leases, which generally are for one-year terms. Selection of tenants for low-income subsidized residential housing is based on guidelines established by the United States Department of Housing and Urban Development ("HUD.") Rental rates charged under these programs are subject to approval by HUD. Other units are rented at full-market rent with no government subsidy.

During the year ended August 31, 2011, the Organization entered into a purchase and sale agreement to purchase several related parcels of land, including buildings located on the parcels, located in East Boston, for a total price of $2,000,000. Under the terms of the agreement, the sale closing was scheduled for May 2012. The Organization paid a non-refundable deposit of $100,000 when it executed the purchase and sale agreement.

(Continued)

10. COMMITMENTS AND LEASING ARRANGEMENTS (Continued):

During the year ending August 31, 2012, the Organization and the seller extended the sale closing date to May 2015. In connection with the extension of the purchase and sale agreement, the Organization entered into a lease agreement with the seller to lease the parcels and buildings for the period July 1, 2012 through July 31, 2014. Under the terms of this lease agreement, the Organization will pay rent totaling $300,000 in four equal installments of $75,000 due July 2012, March 2013, September 2013, and November 2014. In addition, the Organization will be responsible to pay the property taxes, utilities, insurance, and maintenance expenses on the properties. The Organization then executed a sublease for one of the parcels and a building with a charter school for the period June 2012 through August 2014. Under the terms of this subleasing agreement, the charter school will pay the Organization rent totaling $581,250, with 50% of the rent due in advance and 50% of the rent paid in two installments in January 2013 and August 2013. The charter school will also reimburse the Organization for the property taxes, utilities, and maintenance expenses on the properties.

11. CONCENTRATION OF CREDIT RISK:

Financial instruments subjecting the Organization to concentrations of credit risk include cash and cash equivalents, restricted cash, tax escrow accounts, accounts receivable, and notes receivable.

The Organization maintains cash and cash equivalents, restricted cash, and tax escrow accounts in checking and savings accounts in two different banks. The Federal Deposit Insurance Corporation insures cash accounts in each bank up to a $250,000 limit per depositor. One of the banks has purchased additional insurance to cover the entire cash balance on deposit. The cash balance in the other bank sometimes exceeds the $250,000 limit. The Organization has not experienced any losses from the uninsured cash and management does not believe it is subject to any material credit risk from these accounts.

The Organization leases residential apartments to individuals residing in various apartments in East Boston, Massachusetts. The terms of the leases generally require rent payments at the beginning of each month. The Organization monitors the credit worthiness of its tenants, both prior to the tenant moving in and on a monthly basis, and does require one month's rent in advance and/or security deposits from some of its tenants. The Organization does not require any other form of collateral from its tenants and does not believe it is subject to any material credit risk from these accounts.

The Organization holds notes receivable due from various entities located in East Boston. Some of the notes are secured by certain assets of the borrower. The Organization does not believe it is subject to any material credit risk from these notes.

12. TEMPORARILY RESTRICTED NET ASSETS:

Temporarily restricted net assets as of August 31, 2014 include $40,000 of time restricted and $2,398 of purpose restricted grant funds. There were no temporarily restricted net assets as of August 31, 2013.

13. RECLASSIFICATIONS:

Certain accounts have been reclassified from their original August 31, 2013 presentation to conform to the August 31, 2014 presentation. There was no effect on previously reported unrestricted net assets or changes in unrestricted net assets from these reclassifications.

SUPPLEMENTARY INFORMATION

EBCDC, INC. AND SUBSIDIARIES

CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2014

| | 2014 | | |
|---|---|---|---|
| | Program Services | General and Administrative | Total |
| Salaries and related: | | | |
| Salaries | $ 1,389,259 | $ 474,997 | $ 1,864,256 |
| Employee benefits | 216,030 | 73,861 | 289,891 |
| Payroll taxes | 112,878 | 38,594 | 151,472 |
| Pension contribution | 51,276 | 17,532 | 68,808 |
| Total | $ 1,769,443 | $ 604,984 | $ 2,374,427 |
| Other: | | | |
| Insurance | $ 13,798 | $ 27,595 | $ 41,393 |
| Rent | 13,678 | 27,356 | 41,034 |
| Professional services | 13,072 | 24,332 | 37,404 |
| Consultants - project development | 34,611 | - | 34,611 |
| Office expenses | 8,480 | 22,627 | 31,107 |
| Training, seminars, and meetings | - | 22,261 | 22,261 |
| Vehicle expenses | 15,300 | - | 15,300 |
| Computer network and licenses | - | 14,005 | 14,005 |
| Office supplies | 4,556 | 9,112 | 13,668 |
| Equipment rental and maintenance | - | 10,224 | 10,224 |
| Postage and shipping | 3,249 | 6,499 | 9,748 |
| Depreciation and amortization | - | 7,872 | 7,872 |
| Publicity and notices | 1,224 | 2,448 | 3,672 |
| Telephone | 1,091 | 2,182 | 3,273 |
| Total | $ 109,059 | $ 176,513 | $ 285,572 |

EBCDC, INC. AND SUBSIDIARIES

CONSOLIDATED SCHEDULE OF FUNCTIONAL EXPENSES
FOR THE YEAR ENDED AUGUST 31, 2013

| | 2013 | | |
|---|---|---|---|
| | Program Services | General and Administrative | Total |
| Salaries and related: | | | |
| Salaries | $ 1,349,136 | $ 445,374 | $ 1,794,510 |
| Employee benefits | 175,515 | 57,941 | 233,456 |
| Payroll taxes | 111,733 | 36,885 | 148,618 |
| Pension contribution | 49,778 | 16,433 | 66,211 |
| Total | $ 1,686,162 | $ 556,633 | $ 2,242,795 |
| Other: | | | |
| Training, seminars, and meetings | $ - | $ 50,610 | $ 50,610 |
| Insurance | 13,798 | 27,595 | 41,393 |
| Rent | 13,678 | 27,356 | 41,034 |
| Professional services | 13,102 | 23,170 | 36,272 |
| Consultants - project development | 27,368 | - | 27,368 |
| Office expenses | 288 | 22,976 | 23,264 |
| Vehicle expenses | 15,150 | - | 15,150 |
| Office supplies | - | 14,716 | 14,716 |
| Depreciation and amortization | - | 12,834 | 12,834 |
| Postage and shipping | 3,603 | 7,207 | 10,810 |
| Computer network and licenses | 3,284 | 6,567 | 9,851 |
| Equipment rental and maintenance | - | 8,802 | 8,802 |
| Telephone | 2,358 | 4,716 | 7,074 |
| Publicity and notices | - | 3,017 | 3,017 |
| Total | $ 92,629 | $ 209,566 | $ 302,195 |

## EBCDC, INC. AND SUBSIDIARIES

## CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
## AUGUST 31, 2014

| | EBCDC, Inc. | EB Atlantic Works, Inc. | Barnes School Apartments, Inc. | EBCDC Greenway Manager, Inc. | Condor Havre, LLC | Eliminations | Consolidated Total |
|---|---|---|---|---|---|---|---|
| | | | ASSETS | | | | |
| CURRENT ASSETS: | | | | | | | |
| Cash and cash equivalents | $ 1,194,452 | $ 556 | $ - | $ - | $ 2,239 | $ - | $ 1,197,247 |
| Accounts receivable | 18,296 | - | 72,240 | 1 | - | - | 90,537 |
| Grants receivable | 40,000 | - | - | - | - | - | 40,000 |
| Prepaid expenses | 49,470 | - | - | - | - | - | 49,470 |
| Notes receivable - current portion | 49,427 | - | - | - | - | - | 49,427 |
| Tax escrow accounts | 212,274 | - | - | - | - | - | 212,274 |
| Total current assets | 1,563,919 | 556 | 72,240 | 1 | 2,239 | - | 1,638,955 |
| RESTRICTED CASH - SECURITY DEPOSITS | 59,610 | - | - | - | - | - | 59,610 |
| PROPERTY AND EQUIPMENT, NET | 2,965,509 | - | - | - | 1,658,089 | (110,331) | 4,513,267 |
| OTHER ASSETS: | | | | | | | |
| Due from related parties | 2,028,726 | 9,500 | - | - | - | (76,724) | 1,961,502 |
| Notes receivable, net of current portion | 15,801,577 | - | - | - | - | (115,000) | 15,686,577 |
| Investments in real estate entities | 1,846,166 | 45 | 10,000 | 116,192 | - | (113,260) | 1,859,143 |
| Total other assets | 19,676,469 | 9,545 | 10,000 | 116,192 | - | (304,984) | 19,507,222 |
| TOTAL ASSETS | $24,265,507 | $ 10,101 | $ 82,240 | $ 116,193 | $1,660,328 | $ (415,315) | $25,719,054 |
| | | | LIABILITIES AND NET ASSETS | | | | |
| CURRENT LIABILITIES: | | | | | | | |
| Accounts payable | $ 76,515 | $ 17,292 | $ 1,128 | $ - | $ 173,540 | $ - | $ 268,475 |
| Due to EBCDC, Inc. | - | - | 76,724 | - | - | (76,724) | - |
| Long-term debt - current portion | 71,454 | - | - | - | - | - | 71,454 |
| Deferred revenue | 1,275 | - | - | - | - | - | 1,275 |
| Accrued payroll and related liabilities | 119,614 | - | - | - | - | - | 119,614 |
| Total current liabilities | 268,858 | 17,292 | 77,852 | - | 173,540 | (76,724) | 460,818 |
| SECURITY DEPOSITS | 19,058 | - | - | - | - | - | 19,058 |
| LONG-TERM DEBT, NET OF CURRENT PORTION | 13,359,993 | - | - | - | 1,486,918 | (115,000) | 14,731,911 |
| Total liabilities | 13,647,909 | 17,292 | 77,852 | - | 1,660,458 | (191,724) | 15,211,787 |
| NET ASSETS: | | | | | | | |
| Members Capital/Retained Earnings (Deficit) | - | (7,191) | 4,388 | 116,193 | (130) | (113,260) | - |
| Unrestricted Net Assets | 10,575,200 | - | - | - | - | (110,331) | 10,464,869 |
| Temporarily restricted net assets | 42,398 | - | - | - | - | - | 42,398 |
| Total net assets | 10,617,598 | (7,191) | 4,388 | 116,193 | (130) | (223,591) | 10,507,267 |
| TOTAL LIABILITIES AND NET ASSETS | $24,265,507 | $ 10,101 | $ 82,240 | $ 116,193 | $1,660,328 | $ (415,315) | $25,719,054 |

## EBCDC, INC. AND SUBSIDIARIES

## CONSOLIDATING SCHEDULE OF FINANCIAL POSITION
## AUGUST 31, 2013

| | EBCDC, Inc. | EB Atlantic Works, Inc. | Barnes School Apartments, Inc. | EBCDC Greenway Manager, Inc. | Condor Havre, LLC | Eliminations | Consolidated Total |
|---|---|---|---|---|---|---|---|
| **ASSETS** | | | | | | | |
| CURRENT ASSETS: | | | | | | | |
| Cash and cash equivalents | $ 351,136 | $ 556 | $ - | $ 1 | $ 1,220 | $ - | $ 352,913 |
| Accounts receivable | 27,225 | 9,500 | 61,680 | - | - | - | 98,405 |
| Prepaid expenses | 85,291 | - | - | - | - | - | 85,291 |
| Notes receivable - current portion | 16,688 | | | | | | 16,688 |
| Tax escrow accounts | 211,238 | - | - | - | - | - | 211,238 |
| Total current assets | 691,578 | 10,056 | 61,680 | 1 | 1,220 | - | 764,535 |
| RESTRICTED CASH - SECURITY DEPOSITS | 50,439 | - | - | - | - | - | 50,439 |
| PROPERTY AND EQUIPMENT, NET | 3,847,029 | - | - | - | 676,845 | (109,080) | 4,414,794 |
| OTHER ASSETS: | | | | | | | |
| Due from related parties | 3,681,831 | - | - | - | - | (65,654) | 3,616,177 |
| Notes receivable, net of current portion | 10,437,828 | - | - | - | - | (115,000) | 10,322,828 |
| Investments in real estate entities | 1,834,627 | 45 | 10,000 | 116,192 | - | (114,511) | 1,846,353 |
| Total other assets | 15,954,286 | 45 | 10,000 | 116,192 | - | (295,165) | 15,785,358 |
| TOTAL ASSETS | $20,543,332 | $ 10,101 | $ 71,680 | $ 116,193 | $ 678,065 | $ (404,245) | $21,015,126 |
| **LIABILITIES AND NET ASSETS** | | | | | | | |
| CURRENT LIABILITIES: | | | | | | | |
| Accounts payable | $ 324,775 | $ 16,727 | $ 66,686 | $ - | $ 101,631 | $ (65,654) | $ 444,165 |
| Long-term debt - current portion | 770,514 | - | - | - | - | - | 770,514 |
| Deferred revenue | 279,341 | - | - | - | - | - | 279,341 |
| Accrued payroll and related liabilities | 119,970 | - | - | - | - | - | 119,970 |
| Total current liabilities | 1,494,600 | 16,727 | 66,686 | - | 101,631 | (65,654) | 1,613,990 |
| SECURITY DEPOSITS | 28,707 | - | - | - | - | - | 28,707 |
| LONG-TERM DEBT, NET OF CURRENT PORTION | 10,119,399 | - | - | - | 576,484 | (115,000) | 10,580,883 |
| Total liabilities | 11,642,706 | 16,727 | 66,686 | - | 678,115 | (180,654) | 12,223,580 |
| NET ASSETS: | | | | | | | |
| Members Capital/ Retained Earnings (Deficit) | - | (6,626) | 4,994 | 116,193 | (50) | (114,511) | - |
| Unrestricted Net Assets | 8,900,626 | - | - | - | - | (109,080) | 8,791,546 |
| Total net assets | 8,900,626 | (6,626) | 4,994 | 116,193 | (50) | (223,591) | 8,791,546 |
| TOTAL LIABILITES AND NET ASSETS | $20,543,332 | $ 10,101 | $ 71,680 | $ 116,193 | $ 678,065 | $ (404,245) | $21,015,126 |

EBCDC, INC. AND SUBSIDIARIES

CONSOLIDATING SCHEDULE OF ACTIVITIES
AUGUST 31, 2014

| | EBCDC, Inc. | EB Atlantic Works, Inc. | Barnes School Apartments, Inc. | EBCDC Greenway Manager, Inc. | Condor - Havre, LLC | Elimination | Consolidated Total |
|---|---|---|---|---|---|---|---|
| REVENUES AND OTHER SUPPORT: | | | | | | | |
| Revenues: | | | | | | | |
| Developer's fees | $ 184,524 | $ - | $ - | $ - | $ - | $ - | $ 184,524 |
| Grants | 815,672 | - | - | - | - | - | 815,672 |
| Gains on investments | 58,102 | - | - | - | - | - | 58,102 |
| Gain on sale of property | 1,096,702 | - | - | - | - | - | 1,096,702 |
| Interest income | 167,254 | - | - | - | - | - | 167,254 |
| Management fees | 495,845 | - | - | - | - | - | 495,845 |
| Project monitoring and miscellaneous | 123,790 | - | - | - | - | - | 123,790 |
| Reimbursed shared expenses | 1,321,185 | - | - | - | - | - | 1,321,185 |
| Rental income | 649,215 | - | - | - | - | - | 649,215 |
| Net assets released from restrictions | - | - | - | - | - | - | - |
| Total revenues and other support | 4,912,289 | - | - | - | - | - | 4,912,289 |
| EXPENSES: | | | | | | | |
| Real estate operations - direct costs: | | | | | | | |
| Depreciation | 150,582 | - | - | - | - | - | 150,582 |
| Other direct costs | 144,000 | - | - | - | - | - | 144,000 |
| Interest | 65,707 | - | - | - | - | - | 65,707 |
| Repairs and maintenance | 63,679 | - | - | - | - | - | 63,679 |
| Real estate taxes | 39,917 | - | - | - | - | - | 39,917 |
| Insurance | 39,128 | - | - | - | - | - | 39,128 |
| Utilities, water, and heat | 28,044 | - | - | - | - | - | 28,044 |
| Condominium fees | 5,457 | - | - | - | - | - | 5,457 |
| Bad debts | 55 | - | - | - | - | - | 55 |
| Total real estate operations - direct costs | 536,569 | - | - | - | - | - | 536,569 |
| Program service and general and administrative expenses: | | | | | | | |
| Salaries and related expenses | 2,374,427 | - | - | - | - | - | 2,374,427 |
| Other expenses | 284,321 | 565 | 606 | - | 80 | - | 285,572 |
| Total program service and general and administrative | 2,658,748 | 565 | 606 | - | 80 | - | 2,659,999 |
| Total expenses | 3,195,317 | 565 | 606 | - | 80 | - | 3,196,568 |
| CHANGE IN NET ASSETS | 1,716,972 | (565) | (606) | - | (80) | - | 1,715,721 |
| NET ASSETS (DEFICIT), BEGINNING OF YEAR | 8,900,626 | (6,626) | 4,994 | 116,193 | (50) | (223,591) | 8,791,546 |
| NET ASSETS (DEFICIT), END OF YEAR | $ 10,617,598 | $ (7,191) | $ 4,388 | $ 116,193 | $ (130) | $ (223,591) | $ 10,507,267 |

EBCDC, INC. AND SUBSIDIARIES

CONSOLIDATING SCHEDULE OF ACTIVITIES
AUGUST 31, 2013

| | EBCDC, Inc. | EB Atlantic Works, Inc. | Barnes School Apartments, Inc. | Condor-Havre, LLC | Elimination | Consolidated Total |
|---|---|---|---|---|---|---|
| REVENUES AND OTHER SUPPORT: | | | | | | |
| Revenues: | | | | | | |
| Developer's fees | $ 116,192 | $ - | $ - | $ - | $ - | $ 116,192 |
| Grants | 601,836 | - | - | - | - | 601,836 |
| Loss on investments | (8,483) | - | - | - | - | (8,483) |
| Gain on sale of property | 109,080 | - | - | - | (109,080) | - |
| Interest income | 173,732 | - | - | - | - | 173,732 |
| Management fees | 349,607 | - | - | - | - | 349,607 |
| Project monitoring and miscellaneous | 129,847 | - | - | - | - | 129,847 |
| Reimbursed shared expenses | 1,268,511 | - | - | - | - | 1,268,511 |
| Rental income | 714,801 | - | - | - | - | 714,801 |
| Net assets released from restrictions | - | - | - | - | - | - |
| Total revenues and other support | 3,455,123 | - | - | - | (109,080) | 3,346,043 |
| EXPENSES: | | | | | | |
| Real estate operations - direct costs: | | | | | | |
| Depreciation | 146,661 | - | - | - | - | 146,661 |
| Other direct costs | 144,075 | - | - | - | - | 144,075 |
| Interest | 79,507 | - | - | - | - | 79,507 |
| Repairs and maintenance | 72,895 | - | - | - | - | 72,895 |
| Real estate taxes | 50,797 | - | - | - | - | 50,797 |
| Insurance | 46,829 | - | - | - | - | 46,829 |
| Utilities, water, and heat | 35,567 | - | - | - | - | 35,567 |
| Condominium fees | 5,328 | - | - | - | - | 5,328 |
| Bad debts | 3,182 | - | - | - | - | 3,182 |
| Total real estate operations - direct costs | 584,841 | - | - | - | - | 584,841 |
| Program service and general and administrative expenses: | | | | | | |
| Salaries and related expenses | 2,242,795 | - | - | - | - | 2,242,795 |
| Other expenses | 301,022 | 570 | 553 | 50 | - | 302,195 |
| Total program service and general and administrative | 2,543,817 | 570 | 553 | 50 | - | 2,544,990 |
| Total expenses | 3,128,658 | 570 | 553 | 50 | - | 3,129,831 |
| CHANGE IN NET ASSETS | 326,465 | (570) | (553) | (50) | (109,080) | 216,212 |
| NET ASSETS (DEFICIT), BEGINNING OF YEAR | 8,575,334 | (6,056) | 5,547 | - | 509 | 8,575,334 |
| NET ASSETS (DEFICIT), END OF YEAR | $ 8,901,799 | $ (6,626) | $ 4,994 | $ (50) | $ (108,571) | $ 8,791,546 |

EBCDC, INC. AND SUBSIDIARIES

SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
AUGUST 31, 2014

| Federal Grantor/Pass-Through Grantor/Program Title | Federal CFDA Number | Federal Expenditures |
|---|---|---|
| Department of Health and Human Services | | |
| Administration for Children and Families | 93.570 | $ 800,000 |
| Total | | $ 800,000 |

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
YEAR ENDED AUGUST 31, 2014

1. BASIS OF PRESENTATION:

The accompanying schedule of expenditures of federal awards includes the federal grant activity of EBCDC, Inc. and Subsidiaries and is presented on the accrual basis of accounting. The information in this schedule is presented in accordance with the requirements of OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Because the Schedule presents only a selected portion of the operations of EBCDC, Inc. and Subsidiaries, it is not intended to and does not present the financial position, changes in net assets, or cash flows of EBCDC, Inc. and Subsidiaries.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES:

Expenditures reported on the Schedule are reported on the accrual basis of accounting. Such expenditures are recognized following cost principles contained in OMB Circular A-122, Cost Principles for Non-profit Organizations, wherein certain types of expenditures are not allowable or are limited as to reimbursement.

3. AMOUNTS PROVIDED TO SUBRECIPIENT:

During the year ended August 31, 2014, EBCDC, Inc. and Subsidiaries provided $720,000 to a subrecipient organization, Cora Operations, Inc. EBCDC, Inc. and Subsidiaries entered into a loan agreement with Cora Operations, Inc., in which the subrecipient is repaying the loan over 15 years.

Bernard, Johnson & Company, P.C.
Certified Public Accountants and Business Advisors

# INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS*

Board of Directors
EBCDC, Inc. and Subsidiaries

We have audited, in accordance with the auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards* issued by the Comptroller General of the United States, the financial statements of EBCDC, Inc. and Subsidiaries, which comprise the statement of financial position as of August 31, 2014, and the related statements of activities and cash flows for the year then ended, and the related notes to the financial statements, and have issued our report thereon dated March 20, 2015.

## Internal Control Over Financial Reporting

In planning and performing our audit of the financial statements, we considered EBCDC, Inc. and Subsidiaries' internal control over financial reporting (internal control) to determine the audit procedures that are appropriate in the circumstances for the purpose of expressing our opinion on the financial statements, but not for the purpose of expressing an opinion on the effectiveness of EBCDC, Inc. and Subsidiaries' internal control. Accordingly, we do not express an opinion on the effectiveness of EBCDC, Inc. and Subsidiaries' internal control.

A *deficiency in internal control* exists when the design or operation of a control does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct misstatements on a timely basis. A *material weakness* is a deficiency, or a combination of deficiencies, in internal control, such that there is a reasonable possibility that a material misstatement of the entity's financial statements will not be prevented, or detected and corrected on a timely basis. A *significant deficiency* is a deficiency, or a combination of deficiencies, in internal control that is less severe than a material weakness, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over financial reporting was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control that might be material weaknesses or significant deficiencies. Given these limitations, during our audit we did not identify any deficiencies in internal control that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.



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## Compliance and Other Matters

As part of obtaining reasonable assurance about whether EBCDC, Inc. and Subsidiaries', financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statements amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit, and accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

## Purpose of this Report

The purpose of this report is solely to describe the scope of our testing of internal control and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the entity's internal control or on compliance. This report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering EBCDC, Inc. and Subsidiaries' internal control and compliance. Accordingly, this communication is not suitable for any other purpose.

Barnard Johnson & Company P.C.

Topsfield, Massachusetts
March 20, 2015

Bernard, Johnson & Company, P.C.
Certified Public Accountants and Business Advisors

# INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE FOR EACH MAJOR PROGRAM AND ON INTERNAL CONTROL OVER COMPLIANCE REQUIRED BY OMB CIRCULAR A-133

Board of Directors
EBCDC, Inc. and Subsidiaries

## Report on Compliance for Each Major Federal Program

We have audited EBCDC, Inc. and Subsidiaries' compliance with the types of compliance requirements described in the *OMB Circular A-133 Compliance Supplement* that could have a direct and material effect on the each of EBCDC, Inc. and Subsidiaries' major federal programs for the year ended August 31, 2014. EBCDC, Inc and Subsidiaries' major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

### *Management's Responsibility*

Management is responsible for compliance with the requirements of laws, regulations, contracts, and grants applicable to its federal programs.

### *Auditors' Responsibility*

Our responsibility is to express an opinion on compliance for each of EBCDC, Inc. and Subsidiaries major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about EBCDC, Inc. and Subsidiaries' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of EBCDC, Inc. and Subsidiaries' compliance.

### *Opinion on Each Major Federal Program*

In our opinion, EBCDC, Inc. and Subsidiaries complied, in all material respects, with the compliance requirements referred to above that could have a direct and material effect on each of its major federal programs for the year ended August 31, 2014.



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**Report on Internal Control Over Compliance**

Management of EBCDC, Inc. and Subsidiaries is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered EBCDC, Inc. and Subsidiaries' internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with OMB Circular A-133, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do no express an opinion on the effectiveness of EBCDC, Inc. and Subsidiaries' internal control over compliance.

A *deficiency in internal control over compliance* exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. A *material weakness in internal control over compliance* is a deficiency, or combination of deficiencies, in internal control over compliance, such that there is a reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance.

Our consideration of internal control over compliance was for the limited purpose described in the first paragraph of this section and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies. We did not identify any deficiencies in internal control over compliance that we consider to be material weaknesses. However, material weaknesses may exist that have not been identified.

The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of OMB Circular A-133. Accordingly, this report is not suitable for any other purpose.

Barnard Johnson & Company P.C.

Topsfield, Massachusetts
March 20, 2015

# SCHEDULE OF FINDINGS AND QUESTIONED COSTS
AUGUST 31, 2014

## A. SUMMARY OF AUDIT RESULTS

1. The auditor's report expresses an unqualified opinion on the financial statements of EBCDC, Inc. and Subsidiaries.

2. No material weaknesses were identified during the audit of the financial statements.

3. No instances of noncompliance material to the financial statements of EBCDC, Inc. and Subsidiaries were disclosed during the audit.

4. No material weaknesses were identified during the audit of the major federal award programs.

5. The auditor's report on compliance for the major federal award programs for EBCDC, Inc. and Subsidiaries expresses an unqualified opinion.

6. No audit findings were identified during the audit of the major federal award programs.

7. The program tested as a major program was: Community Services Block Grant – Discretionary Awards CFDA #93.570.

8. The dollar threshold for distinguishing between Type A and Type B programs was $300,000.

9. EBCDC, Inc. and Subsidiaries was determined to be a high-risk auditee.

## B. FINDINGS - FINANCIAL STATEMENTS AUDIT

None

## C. FINDINGS AND QUESTIONED COSTS - MAJOR FEDERAL AWARD PROGRAMS AUDIT

None

## SUMMARY SCHEDULE OF PRIOR AUDIT FINDINGS
AUGUST 31, 2014

NONE

# EAST BOSTON ECUMENICAL COMMUNITY COUNCIL, INC.

**Financial Statements**
**June 30, 2014**
**(With Comparative Totals for 2013)**

SANDBERG AND CREEDEN, P.C.
*Certified Public Accountants*
*331 Page Street*
*Stoughton, MA 02072*

**EAST BOSTON ECUMENICAL COMMUNITY COUNCIL, INC.**

FINANCIAL STATEMENTS
JUNE 30, 2014

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To the Board of Directors of
East Boston Ecumenical Community Council, Inc.
Boston, Massachusetts

Independent Auditor's Report

***Report on Financial Statements***

We have audited the accompanying financial statements of East Boston Ecumenical Council, Inc. (a nonprofit organization), which comprise the statement of financial position as of June 30, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements.

***Management's Responsibility for the Financial Statements***

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

***Auditor's Responsibility***

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of East Boston Ecumenical Council, Inc. as of June 30, 2014, and the changes in its net assets and its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Report on Summarized Comparative Information***

We have previously audited the East Boston Ecumenical Council, Inc.'s 2013 financial statements, and our report dated November 7, 2013, expressed an unmodified opinion on those audited financial statements. In our opinion, the summarized comparative information presented herein as of and for the year ended June 30, 2013, is consistent, in all material respects, with the audited financial statements from which it has been derived.

SANDBERG & CREEDEN, P.C.
Certified Public Accountants

Stoughton, Massachusetts
December 22, 2014

**EAST BOSTON ECUMENICAL COMMUNITY COUNCIL, INC.**

STATEMENT OF FINANCIAL POSITION
JUNE 30, 2014
(With Comparative Totals for 2013)

**ASSETS**

| | 2014 | 2013 |
|---|---|---|
| **Current Assets** | | |
| Cash and cash equivalents | $ 61,608 | $ 61,889 |
| Investment | 88,608 | 41,843 |
| Pledges receivable | 34,500 | 35,800 |
| Prepaid expenses | 14,205 | 2,262 |
| Total current assets | 198,921 | 141,794 |
| **Furniture and Equipment** | | |
| Furniture and equipment | 111,536 | 111,536 |
| Leasehold improvements | 11,434 | 11,434 |
| Subtotal | 122,970 | 122,970 |
| Less: accumulated depreciation | 118,694 | 114,736 |
| Total furniture and equipment | 4,276 | 8,234 |
| **Total Assets** | $ 203,197 | $ 150,028 |

**LIABILITIES AND NET ASSETS**

| | | |
|---|---|---|
| **Current Liabilities** | | |
| Accounts payable | $ 3,348 | $ 12,476 |
| Accrued expenses | 5,000 | 3,300 |
| Accrued payroll and taxes | 25,172 | 21,886 |
| Total current liabilities | 33,520 | 37,662 |
| **Net Assets** | | |
| Unrestricted | 135,177 | 67,566 |
| Temporarily restricted | 34,500 | 44,800 |
| Total net assets | 169,677 | 112,366 |
| **Total Liabilities and Net Assets** | $ 203,197 | $ 150,028 |

See accompanying notes and Independent Auditors' Report.

**EAST BOSTON ECUMENICAL COMMUNITY COUNCIL, INC.**

STATEMENT OF ACTIVITIES
JUNE 30, 2014
(With Comparative Totals for 2013)

| | 2014 | | | 2013 |
|---|---|---|---|---|
| | Unrestricted | Temporarily Restricted | Total | Total |
| **Support and Revenue** | | | | |
| Grants and contributions | $ 121,190 | $ 214,461 | $ 335,651 | $ 263,843 |
| Released from restrictions | 224,761 | (224,761) | | |
| In-kind | 15,000 | | 15,000 | 12,750 |
| Program fees | 267,216 | | 267,216 | 261,704 |
| Investment income | 765 | | 765 | 224 |
| Interest | 11 | | 11 | 5 |
| Total support and revenue | 628,943 | (10,300) | 618,643 | 538,526 |
| **Expenses** | | | | |
| Program services | 465,635 | | 465,635 | 486,490 |
| General and administrative | 81,733 | | 81,733 | 62,977 |
| Fundraising | 13,964 | | 13,964 | 12,492 |
| Total expenses | 561,332 | | 561,332 | 561,959 |
| **Change in Net Assets** | 67,611 | (10,300) | 57,311 | (23,433) |
| **Net Assets - Beginning of Year** | 67,566 | 44,800 | 112,366 | 135,799 |
| **Net Assets - End of Year** | $ 135,177 | $ 34,500 | $ 169,677 | $ 112,366 |

See accompanying notes and Independent Auditors' Report.

**EAST BOSTON ECUMENICAL COMMUNITY COUNCIL, INC**
STATEMENT OF FUNCTIONL EXPENSES
FOR THE YEAR ENDED JUNE 30, 2014
(with Comparative Totals for 2013)

| | 2014 | | | | | | | | | 2013 |
|---|---|---|---|---|---|---|---|---|---|---|
| | Adult Education | Immigration | Civil Engagement Our Voice Counts | Parent Organizing Project | Youth Program | Total Program Services | General and Administrative | Fundraising | Total | Total |
| Salaries | $ 99,051 | $ 128,996 | $ 3,133 | $ 16,783 | $ 24,165 | $ 272,128 | $ 50,019 | $ 6,910 | $ 329,057 | $ 317,608 |
| Payroll taxes | 9,860 | 12,842 | 312 | 1,671 | 2,406 | 27,091 | 4,979 | 688 | 32,758 | 34,388 |
| Employee benefits | 14,132 | 18,312 | 445 | 2,382 | 3,431 | 38,702 | 7,101 | 981 | 46,784 | 53,108 |
| Total salaries and related expenses | 123,043 | 160,150 | 3,890 | 20,836 | 30,002 | 337,921 | 62,099 | 8,579 | 408,599 | 405,104 |
| Advertising | 524 | 866 | 6 | 74 | 373 | 1,843 | 59 | 18 | 1,920 | 2,581 |
| Consultants | 310 | 260 | 40 | 105 | 4,872 | 5,587 | 28 | 3,039 | 8,654 | 11,007 |
| Depreciation | 1,191 | 1,552 | 38 | 202 | 291 | 3,274 | 601 | 83 | 3,958 | 3,675 |
| Dues and fees | 975 | 1,468 | 15 | 252 | 664 | 3,374 | 378 | 61 | 3,813 | 3,655 |
| Equipment rental | 2,472 | 2,367 | 60 | 520 | 1,529 | 6,948 | 522 | 153 | 7,623 | 8,073 |
| Insurance | 1,033 | 1,345 | 34 | 175 | 252 | 2,839 | 522 | 72 | 3,433 | 2,999 |
| Interest expenses | 183 | 174 | 4 | 49 | 126 | 536 | 28 | 12 | 576 | 724 |
| Miscellaneous | 327 | 99 | 7 | 27 | 68 | 528 | 21 | 4 | 553 | 578 |
| Payroll service | | | | | | | 2,639 | | 2,639 | 2,262 |
| Postage | 228 | 277 | 5 | 54 | 120 | 684 | 28 | 241 | 953 | 756 |
| Printing | | | | | | | | | - | 806 |
| Professional fees | | | | | | | 5,034 | | 5,034 | 5,017 |
| Program expense | 3,505 | 2,617 | 57 | 15,795 | 3,473 | 25,447 | 288 | 120 | 25,855 | 28,639 |
| Rent | 16,732 | 21,790 | 529 | 2,835 | 4,082 | 45,968 | 8,449 | 1,167 | 55,584 | 55,584 |
| Staff development | | | | 140 | | 140 | | | 140 | 500 |
| Supplies | 2,662 | 3,554 | 52 | 648 | 1,974 | 8,890 | 136 | 154 | 9,180 | 6,995 |
| Technology | 1,336 | 1,502 | 782 | 95 | 1,028 | 4,743 | 271 | 22 | 5,036 | 8,988 |
| Telephone | 1,523 | 2,284 | 631 | 381 | 2,284 | 7,103 | 351 | 130 | 7,584 | 5,852 |
| Travel | 1,702 | 1,885 | 27 | 854 | 1,216 | 5,684 | 163 | 109 | 5,956 | 4,094 |
| Utilities | 893 | 1,303 | 483 | 193 | 1,254 | 4,126 | 116 | | 4,242 | 4,070 |
| | $ 158,639 | $ 203,493 | $ 6,660 | $ 43,235 | $ 53,608 | $ 465,635 | $ 81,733 | $ 13,964 | $ 561,332 | $ 561,959 |

See accompanying notes and Independent Auditors' Report.

## EAST BOSTON ECUMENICAL COMMUNITY COUNCIL, INC.

STATEMENTS OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2014
(With Comparative Totals for 2013)

| | 2014 | 2013 |
|---|---|---|
| **Cash Flows From Operating Activities** | | |
| Change in net assets | $ 57,311 | $ (23,433) |
| Adjustment to reconcile to cash provided by operating activities: | | |
| Depreciation | 3,958 | 3,675 |
| Unrealized (gain) loss on investments | (227) | 700 |
| (Increase) decrease in: | | |
| Pledges receivable | 1,300 | 12,000 |
| Prepaid expenses | (11,943) | 495 |
| Increase (decrease) in: | | |
| Accounts payable | (9,128) | (8,586) |
| Accrued expenses | 1,700 | (33) |
| Accrued benefits | 3,286 | (2,112) |
| **Net Cash Provided (Used) by Operating Activities** | 46,257 | (17,294) |
| **Cash Flows From Investing Activities** | | |
| Proceeds from sales of investments | 24,000 | 51,500 |
| Purchase of investments | (70,538) | (30,924) |
| Purchase of computers | | (5,179) |
| **Net Cash Provided (Used) by Investing Activities** | (46,538) | 15,397 |
| **Cash Flows From Financing Activities** | 0 | 0 |
| **(Decrease) in Cash and Cash Equivalents** | (281) | (1,897) |
| **Cash and Cash Equivalents - Beginning of Year** | 61,889 | 63,786 |
| **Cash and Cash Equivalents - End of Year** | $ 61,608 | $ 61,889 |
| **SUPPLEMENTAL INFORMATION:** | | |
| Interest paid | $ 576 | $ 724 |

See accompanying notes and Independent Auditors' Report.

## Note 1. Organization

East Boston Ecumenical Community Council, Inc. (EBECC) is a non-profit neighborhood based organization created in Massachusetts in 1982 that promotes the advancement of Latino immigrants of all ages through education, services, advocacy, community organizing and leadership development. Through this multicultural work EBECC strives to achieve its mission to improve quality of life, foster mutual respect, and promote justice, equality and solidarity in East Boston. Through integrated services, education, advocacy, and organizing, we work with the community, especially newcomers and people of low income, to develop economic, social, and political power. EBECC's "community" encompasses all immigrants in East Boston, regardless of age, cultural or linguistic background, or immigration status. East Boston is a working class, urban neighborhood of 40,508 residents that has changed over the past 20 years from a tightly-knit, deeply-rooted Italian-American community to a dynamic, multicultural community that is 53% Latino, 4% Asian, and 3% African-American (Census 2010). The growth in the Latino population has been dramatic, increasing from 14,990 in 2000 to 21,419 in 2010 (Census 2010). The largest number of Latino residents is from El Salvador and Colombia, with smaller numbers from Mexico, Honduras, Guatemala, and Peru.

### Adult Education and the Latina ESL

With a grant from NCLR, the organization expanded its adult education programing and increased access to 100 new students. To date 290 adults have participated in both the Latina ESL and Adult ESL programs. Within the Latina ESL program an advanced level III was created to increase access to higher education. EBECC continues to serve and support pregnant and parenting women with not only the English classes but also by providing free childcare to these women while they participate in ESL instruction. Without this service most would not be able to attend the program. In addition, the program provides a comprehensive array of educational and other family support services to help the Latina mothers navigate their way through the US educational and health care systems as they integrate into American Society.

### Immigration & Legal Assistance Program

The Community Legal Assistance Program (CLEAP) served an unduplicated total of 4,842 individuals in 2014. CLEAP staff assisted:

- 3,325 individuals received specific services such as advanced parole, , N-400s Citizen application, letters to USCIS, and notary services.
- 573 individuals obtained their Temporary Protected Status (TPS.).
- 156 individuals with immigration status (other than TPS) renewed their work permits so that they could continue to work legally in the U.S.
- 96 individuals to complete I-130 family petitions so that they could reunify their families by bringing members still in their homelands to the U.S.
- 692 individuals received general services such as translation, consulting, and referrals.

(Continued)

**Note 1. Organization** (Continued)

**Youth Program**
Last school year, the organization provided services to 184 students from the East Boston High School with accomplishments year to date is as follows:

- 27 seniors attending the program graduate for High school or 225% **of goal (12 Students)**
- Goal: 75% of students attending ESL I instruction will gain in English speaking and listening skills on the post-test at course completion. **Achievement 76%.**
- 65% of students attending ESL II instruction will gain in English reading and writing skills on the post-test at course completion. **Achievement: 72%.**
- 45 students will participate in ESL classes and 15 students will participate in Study Skills ESL. **Achievement 58 and 21 respectively.**
- 141 students will participate in Homework Help Time. **Achievement 143.**
- 130 Students will participate in Open Access Computer lab sessions. **Achievement 122.**

**Parents Organizing**
During the year, staff and parents leaders identified and targeted parents with leadership potential to get them engaged in the Parent's Committee and the parent's school council. Three staff members were involved in this program in the following activities: 1) testified about what needs to be addressed to provide good public education at public hearings, 2) Attended parents committee meetings at O'Donnell and Guild, 3) Made presentations at the Guild ESL classes, 4) Planned agendas and attended parents council meeting at O'Donnell, 5) Attended a foundation discussion on community leadership, 6) Made testimony presentation to the media, 7) Met with the Mayor and City Councilors, the superintendent of Boston, and the Boston School Committee 8) Worked with political representatives to submit legislation to ensure that 18 year old youth could continue their education at high school. They also worked to increase parents' involvement in their children's education in the BPS as leaders and in the teachers' evaluation process.

**Our Voice Count**
EBECC has built greater capacity for civic engagement work for the future. In preparation for the gubernatorial and mid-term elections NVC registered more than 700 new voters and engaged this group to recruit more volunteers to register more voters in the East Boston community. The organization continues to strengthen existing partnerships and develop new organizational partners to increase the number of registered voters and educate people that have recently become American citizens. Utilizing the use of broadcasted messages through radio stations, the distribution of postcards in low income communities, and the operation of phone bank sessions, the organization assisted volunteers to remind registered voters to vote on Election Day.

**Note 2. Summary of Significant Accounting Policies**

a. Standards of Accounting and Reporting
The Organization follows the standards of accounting and financial reporting as described in the American Institute of Certified Public Accountants' Audit and Accounting Guide for 'Not-for-Profit Organizations'.

## Note 2. Summary of Significant Accounting Policies

b. Financial Statement Presentation

The Organization presents its financial statements in accordance with Financial Accounting Standards Board (FASB) Accounting Standards Codification (ASC) 958. Accordingly, the Organization reports information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. A description of the three net asset categories follows:

Unrestricted - Net assets that are not subject to donor-imposed restrictions. Unrestricted net assets may be designated for specific purposes by action of the Board of Directors.

Temporarily Restricted - Net assets whose use by the Organization is subject to donor-imposed restrictions that can be fulfilled by actions of the Organization pursuant to those restrictions or that expire by the passage of time.

Permanently Restricted - Net assets subject to donor-imposed restrictions that they be maintained permanently by the Organization. No permanently restricted net assets were held during 2014 and 2013, and accordingly, these financial statements do not reflect any activity related to this class of net assets for 2014 and 2013, respectively.

c. Cash and Cash Equivalents

For purposes of the statement of cash flows, East Boston Ecumenical Community Council, Inc. considers all highly liquid investments with an initial maturity of three months or less to be cash equivalents.

d. Investments

The Organization follows FASB ASC 820, *Fair Value Measurements*. FASB ASC 820 defines fair value, establishes a framework for measuring fair value in generally accepted accounting principles ("GAAP"), and expands disclosures about fair value measurements. Under FASB ASC 820, fair value refers to the price that would be received to sell an asset or to transfer a liability in an orderly transaction between market participants in the market in which the reporting entity transacts. It clarifies the principle that fair value should be based on the assumptions market participants would use when pricing the asset or liability. In support of this principle, FASB ASC 820 establishes a fair value hierarchy that prioritizes the information used to develop these assumptions. Under FASB ASC 820, fair value measurements are separately disclosed by level within the fair value hierarchy.

Investments measured and reported at fair value are classified and disclosed in one of the following categories:

**Level I**: Quoted prices are available in active markets for identical investments as of the reporting date.

**Note 2. Summary of Significant Accounting Policies** (Continued)

**Level II:** Pricing inputs are other than quoted prices in active markets of comparable investments, which are either directly or indirectly observable as of the reporting date, and fair value is determined through the use of models or other valuation methodologies.

**Level III:** Pricing inputs are unobservable for the investment and include situations where there is little, if any, market activity for the investment.

Investments include money funds and listed equity securities and fixed income and whose fair value is therefore classified and disclosed as Level I. Investments, in general, are exposed to various risks, such as interest rate, credit, and overall market volatility. As such, it is reasonably possible that changes in the values of investments will occur in the near term and that such changes could materially affect the amounts reported in the financial statements.

e. Promises to Give
Unconditional promises to give are recognized as revenues or gains in the period received and as assets, decreases of liabilities, or expenses depending on the form of the benefits received. Conditional promises to give are recognized when the conditions on which they depend are substantially met.

f. Furniture and Equipment
These assets are recorded at cost, when purchased or if donated, at their estimated fair market value at date of donation. All acquisitions of property and equipment in excess of $1,000 and all expenditures for repairs and betterments that materially prolong the useful lives of assets are capitalized.

g. Depreciation
Provisions for depreciation are made in the accounts using the straight-line method over the estimated useful life of the asset. Equipment is being depreciated over 3 years and leasehold improvements over 5 years.

h. Restricted and Unrestricted Revenue and Support
Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support, depending on the existence and/or nature of any donor restrictions. When a restriction expires (that is, when a stipulated time restriction ends or purpose restrictions is accomplished), temporarily restricted net assets are reclassified to unrestricted net assets and reported in the Statement of Activities as net assets released from restrictions.

i. Donated Materials and Services
Donated services are recognized as contributions if the services (a) create or enhance nonfinancial assets or (b) require specialized skills, are performed by people with those skills, and would otherwise be purchased by East Boston Ecumenical Community Council, Inc. East Boston Ecumenical Community Council, Inc. received materials for their programs. The Organization received donated materials valued at $15,000 and $12,750 for 2014 and 2013, respectively.

**Note 2. Summary of Significant Accounting Policies** (Continued)

j. Allocation of Expenses
Expenses are allocated among program and supporting services directly or on the basis of time records and utilization estimates made by the Organization's management. General and administrative expenses include those expenses that are not directly identifiable with any other specific function but provide for the overall support and direction of the Organization.

k. Use of Estimates
The presentation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates.

l. Summarized Comparative Financial Statements
The financial statements include certain prior-year summarized comparative information in total but not by net asset class. Such information does not include sufficient detail to constitute a presentation in conformity with generally accepted accounting principles. Accordingly, such information should be read in conjunction with the Organization's financial statements for the year ended June 30, 2013, from which the summarized information was derived.

**Note 3. Tax Status**

East Boston Ecumenical Community Council, Inc. is exempt from federal and state income tax under Section 501(c) (3) of the Internal Revenue Code and accordingly, no provision for income taxes is included in the financial statements. In addition, the Organization qualifies for the charitable contribution deduction under Section 170(b) (1) (a) and has been classified as an Organization that is not a private foundation under Section 509(a) (1).

Unrelated business income, of which the Organization had none for the year ending June 30, 2014, would be subject to Federal and State taxes. Consequently, the accompanying financial statements do not reflect any provision for income taxes.

Accounting principles generally accepted in the United States of America require the Organization management to evaluate tax positions taken by the Organization and recognize a tax liability (or assets) if it has taken an uncertain position that more likely would not be sustained upon examination by the Internal Revenue Service. Management has analyzed the tax positions taken and has concluded that as of June 30, 2014, 2013 and 2012, there are no uncertain positions taken or expected to be taken that would require recognition of a liability (or asset) or disclosure in the financial statements. The tax returns are subject to routine audits by taxing jurisdictions, there are currently no audits for any tax periods in progress. The Organization believes it is no longer subject to income tax examinations for the years prior to 2011.

## Note 4. Uninsured Cash Balances

East Boston Ecumenical Community Council, Inc. maintains its cash balances in one financial institution. The balances are insured by the Federal Deposit Insurance Corporation up to $250,000. At June 30, 2014, the Organization's cash balance was fully insured.

The fair value of investments totaling $88,608 is not insured and is subject to market fluctuations. The investments are monitored by the Board of Directors.

## Note 5. Investments

Investments consist of marketable debt and are recorded at market value. The market values of investments are generally based on quoted market prices or estimated fair values (all level 1 measurement) provided by external investment managers or other sources. Investment transactions are recorded on the trade date. Realized gains and losses on the sale of investments are calculated on the basis of specific identification of the securities sold.

| | 2014 | | 2013 | |
|---|---|---|---|---|
| | Fair Market Value | Cost Basis | Fair Market Value | Cost Basis |
| Equities | $ 88,608 | $ 89,062 | $ 41,843 | $ 42,524 |
| Total | $ 88,608 | $ 89,062 | $ 41,843 | $ 42,524 |

Investment income and gains and losses are comprised of the following for the years ended June 30:

| | 2014 | 2013 |
|---|---|---|
| Interest and dividends | $ 420 | $ 536 |
| Realized gains/(losses) | 118 | 388 |
| Unrealized gains | 227 | (700) |
| | $ 765 | $ 224 |

## Note 6. Pledges Receivable

Promises to give at June 30, 2014 consist of the following:

| | |
|---|---|
| Due FY2015 | $ 34,500 |

## Note 7. Temporarily Restricted Net Assets

Temporarily restricted net assets were available for the following purposes at year end:

| | |
|---|---|
| Time restricted | $ 34,500 |

## Note 8. Retirement Plan

East Boston Ecumenical Community Council, Inc. makes available to its full-time employees a retirement plan under Section 403(b) of the Internal Revenue Code. Full-time employees may make voluntary contributions to the plan to the maximum amount allowed by the Internal Revenue Service.

## Note 9. Leases and Commitments

The Organization rents office space on a tenant-at-will basis. Rent expense was $55,584 for each year ended June 30, 2014 and 2013, respectively. Current monthly rent is $4,632.

In addition, the Organization leases copier equipment under operating leases. The copier lease requires monthly payments of $427 and expires January 2016.

Future minimum lease payments are as follows:

| | | |
|---|---|---|
| FY15 | $ | 5,124 |
| FY16 | | 2,989 |

## Note 10. Related Party Transaction

A board member was compensated at rates approved annually by the Board of Directors for their services as Executive Director.

## Note 11. Subsequent Event

The Organization has evaluated event through December 29, 2014 the date the financial statements were available to be issued.

The Organization was a recipient of a lead restriction on certain residential properties located in East Boston. That restriction was released in FY15 for approximately $28,000.

To the Board of Directors of
East Boston Ecumenical Community Council, Inc.
East Boston, Massachusetts

We have audited the financial statements of East Boston Ecumenical Community Council, Inc. for the year ended June 30, 2014, and have issued our report thereon dated December 22, 2014. Professional standards require that we provide you with information about our responsibilities under generally accepted auditing standards and, *Government Auditing Standards*, as well as certain information related to the planned scope and timing of our audit. We have communicated such information in our letter to you dated May 15, 2014. Professional standards also require that we communicate to you the following information related to our audit.

Significant Audit Findings

*Qualitative Aspects of Accounting Practices*

Management is responsible for the selection and use of appropriate accounting policies. The significant accounting policies used by East Boston Ecumenical Community Council, Inc. are described in Note 2 to the financial statements. No new accounting policies were adopted and the application of existing policies was not changed during 2014. We noted no transactions entered into by the Organization during the year for which there is a lack of authoritative guidance or consensus. All significant transactions have been recognized in the financial statements in the proper period.

Accounting estimates are an integral part of the financial statements prepared by management and are based on management's knowledge and experience about past and current events and assumptions about future events. Certain accounting estimates are particularly sensitive because of their significance to the financial statements and because of the possibility that future events affecting them may differ significantly from those expected. The most sensitive estimates affecting the financial statements were:

> Management's estimate of the salary allocation is based on time studies. We evaluated the key factors and assumptions used to develop the allocation in determining that it is reasonable in relation to the financial statements taken as a whole.

Certain financial statement disclosures are particularly sensitive because of their significance to financial statement users. The most sensitive disclosures affecting the financial statements were:

> The disclosure of the uninsured account balances in Note 4 Concentration of Credit Risk to the financial statements describing total cash on hand at June 30, 2014 identifies insured account balances on that specific day only. Balance in the accounts fluctuates throughout the year.

*Difficulties Encountered in Performing the Audit*

We encountered no significant difficulties in dealing with management in performing and completing our audit.

*Corrected and Uncorrected Misstatements*

Professional standards require us to accumulate all misstatements identified during the audit, other than those that are trivial, and communicate them to the appropriate level of management. Management has corrected all such misstatements. In addition, none of the misstatements detected as a result of audit procedures and corrected by management were material, either individually or in the aggregate, to the financial statements taken as a whole.

*Disagreements with Management*

For purposes of this letter, a disagreement with management is a financial accounting, reporting, or auditing matter, whether or not resolved to our satisfaction, that could be significant to the financial statements or the auditor's report. We are pleased to report that no such disagreements arose during the course of our audit.

*Management Representations*

We have requested certain representations from management that are included in the management representation letter dated December 22, 2014.

*Management Consultations with Other Independent Accountants*

In some cases, management may decide to consult with other accountants about auditing and accounting matters, similar to obtaining a "second opinion" on certain situations. If a consultation involves application of an accounting principle to the Organization's financial statements or a determination of the type of auditor's opinion that may be expressed on those statements, our professional standards require the consulting accountant to check with us to determine that the consultant has all the relevant facts. To our knowledge, there were no such consultations with other accountants.

*Other Audit Findings or Issues*

We generally discuss a variety of matters, including the application of accounting principles and auditing standards, with management each year prior to retention as the Organization's auditors. However, these discussions occurred in the normal course of our professional relationship and our responses were not a condition to our retention.

This information is intended solely for the use of the Board of Directors and management of East Boston Ecumenical Community Council, Inc. and is not intended to be and should not be used by anyone other than these specified parties.

Very truly yours,

SANDBERG & CREEDEN, P.C.
Certified Public Accountants

**EAST BOSTON ECUMENICAL COMMUNITY COUNCIL, INC.**
50 Meridian Street, Suite B-1
East Boston, MA 02128

December 22, 2014

Sandberg & Creeden, P.C.
331 Page Street, Second Floor
Stoughton, MA 02072

This representation letter is provided in connection with your audit of the financial statements of East Boston Ecumenical Community Council, Inc., which comprise the statements of financial position as of June 30, 2014, and the related statements of activities, functional expenses, and cash flows for the year then ended, and the related notes to the financial statements, for the purpose of expressing an opinion as to whether the financial statements are presented fairly, in all material respects, in accordance with accounting principles generally accepted in the United States.

Certain representations in this letter are described as being limited to matters that are material. Items are considered material, regardless of size, if they involve an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would be changed or influenced by the omission or misstatement. An omission or misstatement that is monetarily small in amount could be considered material as a result of qualitative factors.

We confirm, to the best of our knowledge and belief, as of December 29, the following representations made to you during your audit.

**Financial Statements**

We have fulfilled our responsibilities, as set out in the terms of the audit engagement letter dated May 13, 2014, including our responsibility for the preparation and fair presentation of the financial statements.

- The financial statements referred to above are fairly presented in conformity with U.S. GAAP.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.
- We acknowledge our responsibility for the design, implementation, and maintenance of internal control to prevent and detect fraud.
- Significant assumptions we used in making accounting estimates, including those measured at fair value, are reasonable.
- Related party relationships and transactions have been appropriately accounted for and disclosed in accordance with the requirements of U.S. GAAP.
- All events subsequent to the date of the financial statements and for which U.S. GAAP requires adjustment or disclosure have been adjusted or disclosed.

- The effects of all known actual or possible litigation, claims, and assessments have been accounted for and disclosed in accordance with U.S. GAAP.

- Material concentrations have been appropriately disclosed in accordance with U.S. GAAP.

- Guarantees, whether written or oral, under which the organization is contingently liable, have been properly recorded or disclosed in accordance with U.S. GAAP.

**Information Provided**

- We have provided you with:

    - Access to all information, of which we are aware, that is relevant to the preparation and fair presentation of the financial statements, such as records, documentation, and other matters.

    - Completeness and availability of all minutes of the meetings of the governing board and related committees, or summaries of actions of recent meetings for which minutes were not yet prepared.

    - Communications from regulatory agencies concerning noncompliance with, or deficiencies in, financial reporting practices.

    - Additional information that you have requested from us for the purpose of the audit.

    - Unrestricted access to persons within the entity from whom you determined it necessary to obtain audit evidence.

- All material transactions have been recorded in the accounting records and are reflected in the financial statements.

- We have disclosed to you the results of our assessment of the risk that the financial statements may be materially misstated as a result of fraud.

- We have no knowledge of any fraud or suspected fraud that affects the organization and involves:

    - Management,

    - Employees who have significant roles in internal control, or

    - Others where the fraud could have a material effect on the financial statements.

- We have no knowledge of any allegations of fraud or suspected fraud affecting the organization's financial statements communicated by employees, former employees, grantors, regulators, or others.

- We have no knowledge of any instances of noncompliance or suspected noncompliance with laws and regulations whose effects should be considered when preparing financial statements.

- We are not aware of any pending or threatened litigation, claims, or assessments or unasserted claims or assessments that are required to be accrued or disclosed in the financial statements in accordance with U.S. GAAP, and we have not consulted a lawyer concerning litigation, claims, or assessments.

- We have disclosed to you the identity of the organization's related parties and all the related party relationships and transactions of which we are aware.

- The organization has satisfactory title to all owned assets, and there are no liens or encumbrances on such assets nor has any asset been pledged as collateral.

- We are responsible for compliance with the laws, regulations, and provisions of contracts and grant agreements applicable to us; and we have identified and disclosed to you all laws, regulations and provisions of contracts and grant agreements that we believe have a direct and material effect on the determination of financial statement amounts or other financial data significant to the audit objectives.

- East Boston Ecumenical Community Council, Inc. is an exempt organization under Section 501(C) (3) of the Internal Revenue Code. Any activities of which we are aware that would jeopardize the Organization's tax-exempt status, and all activities subject to tax on unrelated business income or excise or other tax, have been disclosed to you. All required filings with tax authorities are up-to-date.

Signed: _____
Executive Director

Signed: _____
Board Member

## References

North Suffolk Mental Health
Rita Ingersoll
301 Broadway
Chelsea, MA 02150
P – 617-912-7919

East Boston Neighborhood Health Center
Manny Lopes
20 Maverick Square
East Boston, MA 02128
P – 617-568-4451

Zumix
Madeline Steczynski
260 Sumner Street
East Boston, MA 02128
P – 617-568-9777

EBCDC has always seen the enhancement of social service within East Boston as an obligation mandated by its mission. Over the years, EBCDC has met this obligation by partnering with those agencies in East Boston that best deliver social services. A few examples are as follows:

- North Suffolk Mental Health

EBCDC has worked with North Suffolk Mental Health on several projects that include Meridian House, the restoration of an historic building to house 32 beds to service substance abusers. The CDC did so with a grant from the federal bank that presently holds a mortgage on the site but there are no payments due so long as the site is used for its present purpose. We also provided a grant we secured from the Community Services Administration to complete the renovation of the former Relief Station on Porter Street in East Boston for use as a job training facility.

- East Boston Neighborhood Health Center

EBCDC has done a great many initiatives with the Health Center. They include the development of, adult daycare centers within our buildings at a time when their financial position when it was not as secure as it is now. The CDC guaranteed a loan of $3,000,000 so they could establish an Alzhiemers treatment center in Winthrop.

- Zumix

EBCDC secured and developed a former fire station purchased from DND in addition to donating all its developers' fees of $400,000. It also donated $600,000 that we came upon fortuitously. The facility presently houses Zumix its' radio station and its ability to teach music to 200 local students.