

roots

WELLESLEY
SQUARE



INTERVIEW FOR GROUND LEASE OF PROPERTY
LOCATED AT TAILBY AND RAILROAD PARKING LOT

31 JULY 2018

many experts.
one team.

not business as usual.



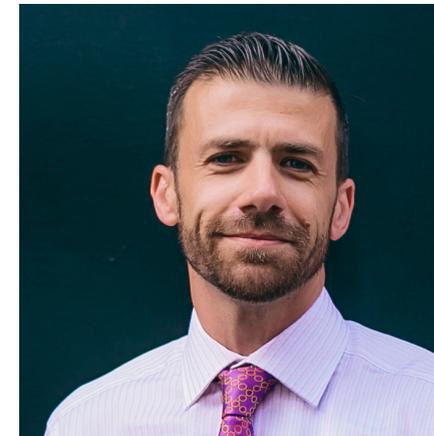
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MICHELLE H. CROWLEY
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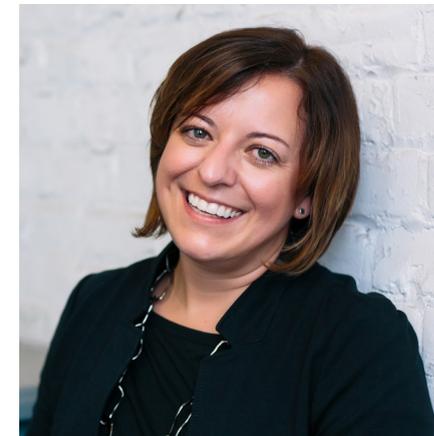
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AGENDA

Proposal

THOUGHTFUL + RESPONSIVE

Development Program + Concept

REALISTIC + ACHIEVABLE

Financing Plan

ROBUST + FLEXIBLE

Pennrose

A TRUE PARTNER



THOUGHTFUL + RESPONSIVE PROPOSAL TO WELLESLEY'S RFP

A DEVELOPMENT PROGRAM AND FINANCING PLAN THAT IS TRUE TO THE VISION OUTLINED BY THE COMMUNITY

1. Crafted a design that is consistent with and complements the character of Wellesley Study of Existing Density/Design of other proposed 40B's

| Name | # of Units | Size (acres) | Density |
|--------------------------------------|------------|--------------|------------------------|
| 136-140 Worcester Street | 64 | 0.95 | 67 units/acre |
| Wellesley Park (148 Weston Road) | 55 | 0.83 | 66.5 units/acre |
| Wellesley Crossing (Delanson Circle) | 90 | 1.42 | 60 units/acre |
| Roots at Wellesley Square | 139 | 2.79 | 49.8 units/acre |
| 680 Worcester Street | 20 | 0.46 | 43.5 units/acre |
| 818-822 Worcester Street | 28 | 1.12 | 25 units/acre |
| 16 Stearns Road | 24 | 1.02 | 24 units/acre |

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1. Crafted a design that is consistent with and complements the character of Wellesley Study of Existing Density/Design of other proposed 40B's

2. Addressed Primary Goals of the RFP

Task # 1 - To further Wellesley's ability to provide housing for a range of income levels

Proposal: All units are eligible for SHI (no condos)

Task #2 - To provide commuter parking for Wellesley residents

Proposal: All existing parking will be maintained

Task #3 - To enhance the open space and community amenities at Wellesley Square

Proposal: The Forum – a public, flexible, performance/gallery/meeting space

Public plazas & shelter space adjacent to MBTA Commuter Rail stops

Task #4 - To build sustainable and energy efficient buildings

Proposal: Utilization of LEED and Passive Housing principles in building design

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3. Designed a flexible, robust, and achievable financing plan that is not subject to market risk and volatility.

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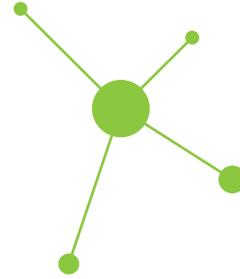
Pennrose

A TRUE PARTNER

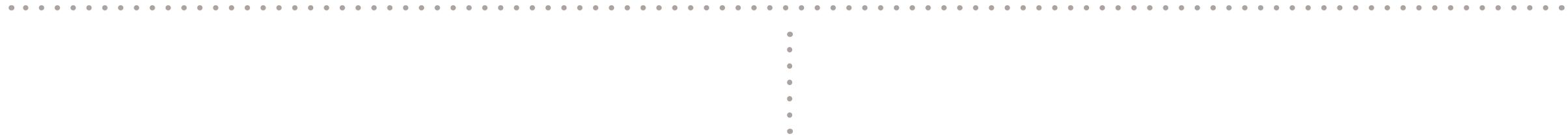
COMMUNITY



CONNECTIVITY



SUSTAINABILITY



roots

W E L L E S L E Y
S Q U A R E

route
/rōot,rout/

a way or course taken in getting from a starting point to a destination.





COMMUNITY



CONNECTIVITY



SUSTAINABILITY



PASSIVE HOUSE,
NET ZERO READY



SOLAR READY
GREEN ROOFS



ACCESS
TO PUBLIC
TRANSPORTATION



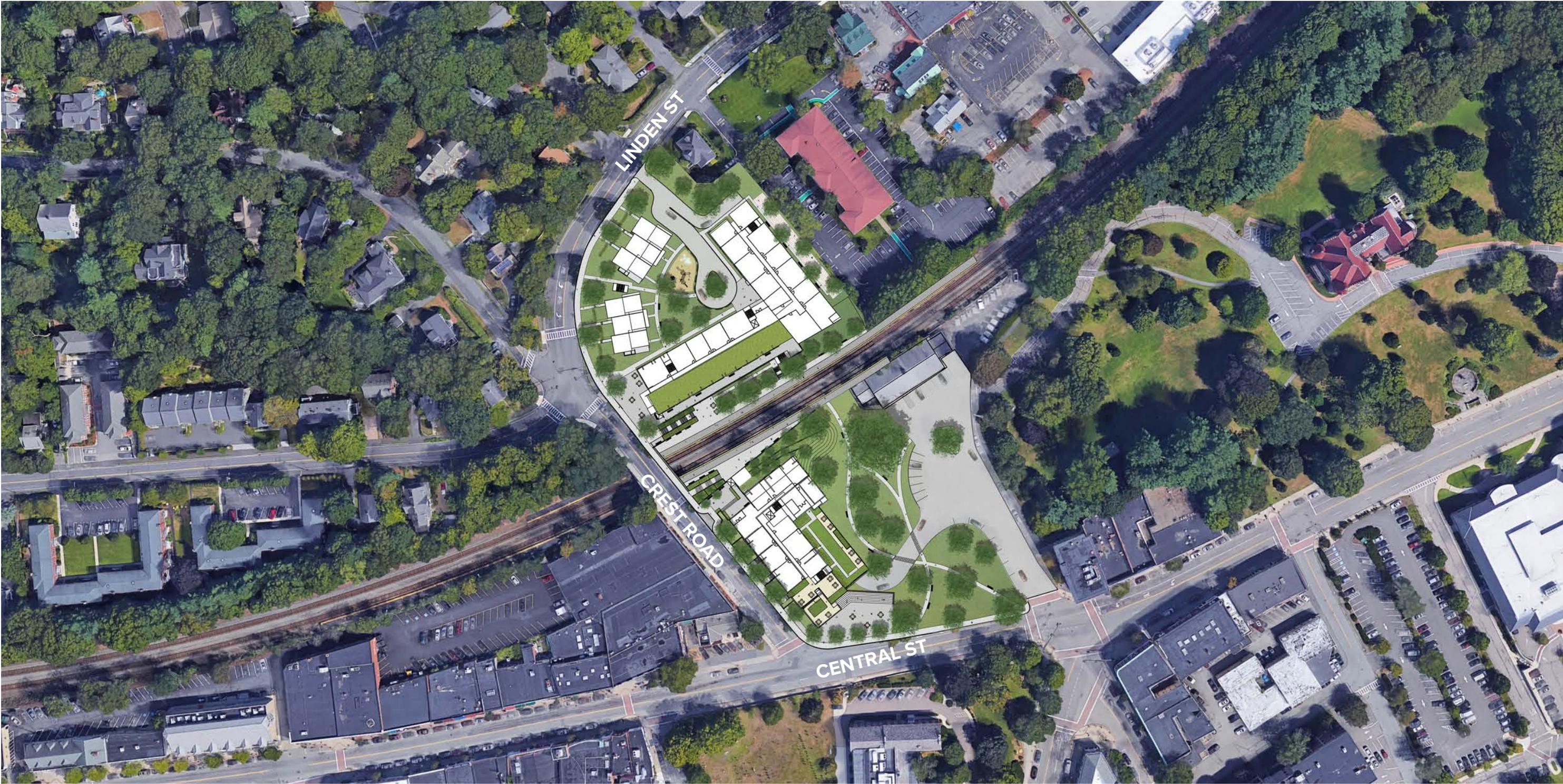
OCCUPANT
WELLNESS



STORMWATER
MANAGEMENT



SITE PLAN OVERVIEW



TAILBY LOT + MBTA



VIEW FROM COLLEGE HEIGHTS



VIEW AT MBTA PLAZA



VIEW FROM CREST ROAD + MBTA PLAZA



RAILROAD LOT STUDY 1



RAILROAD LOT STUDY 2



THE FORUM STUDY 1



THE FORUM STUDY 2



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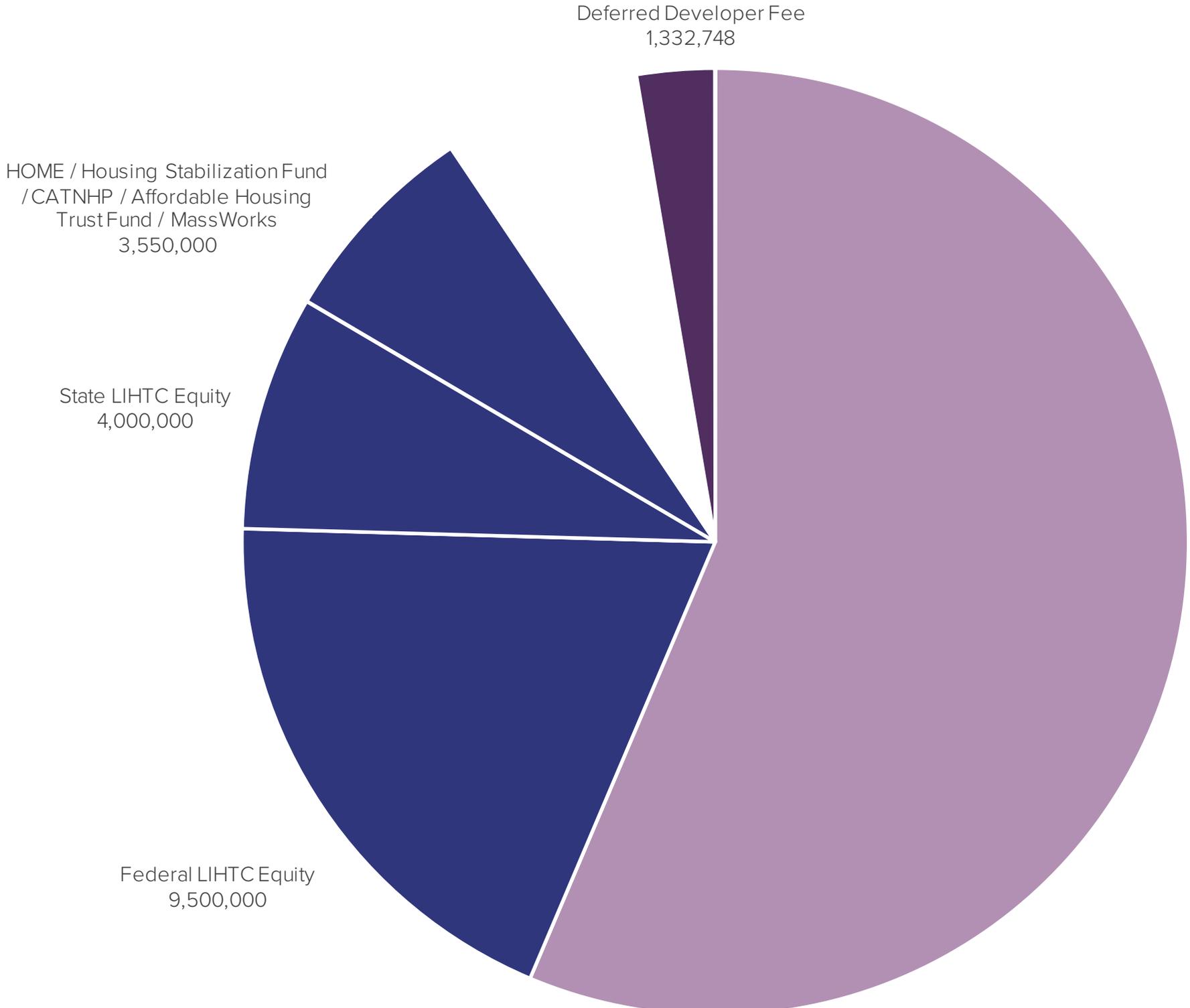
Financing Plan

ROBUST + FLEXIBLE

Pennrose

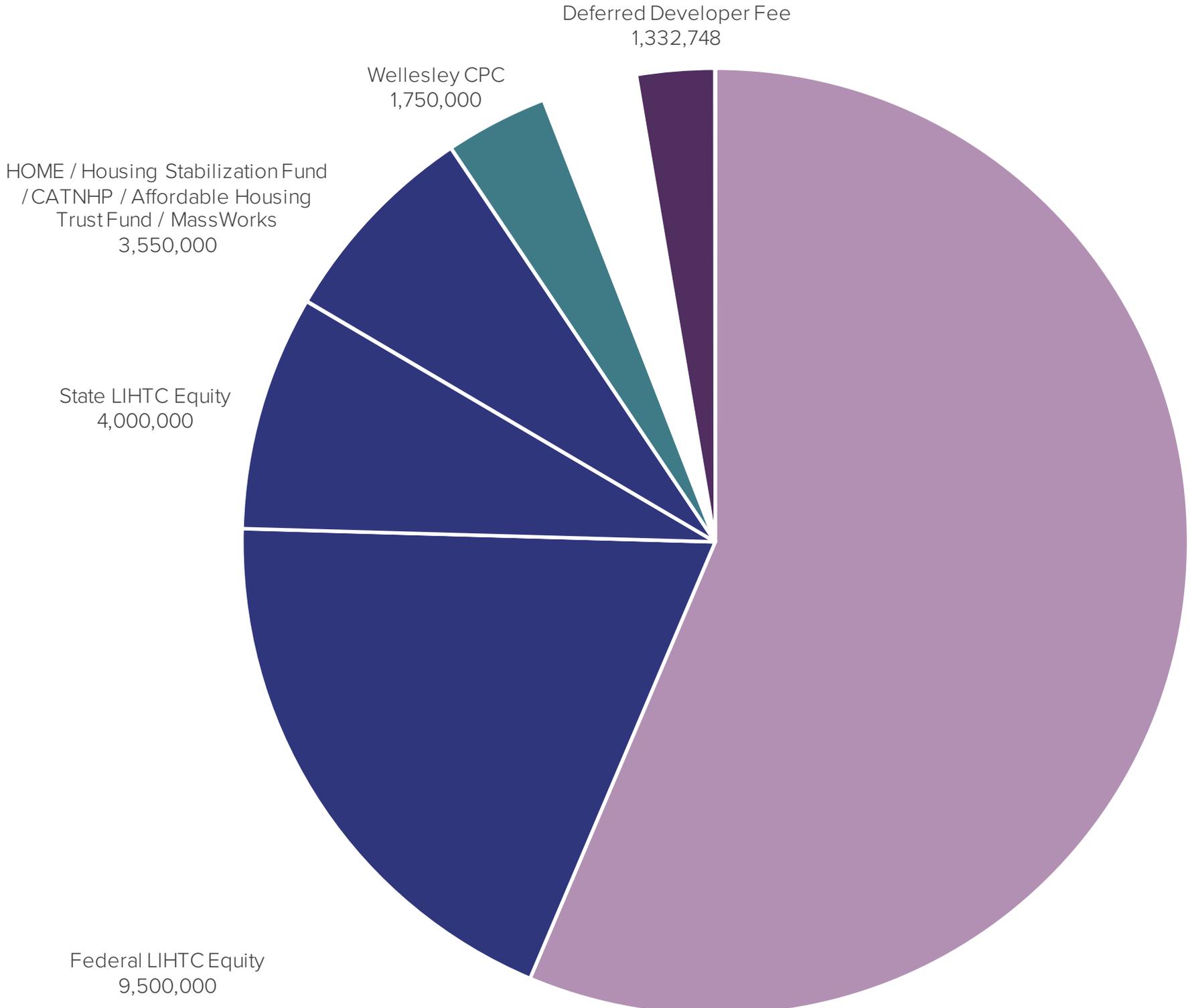
A TRUE PARTNER

PROPOSED FINANCING PLAN



TOTAL DEVELOPMENT COST:
\$49.9M

PROPOSED FINANCING PLAN

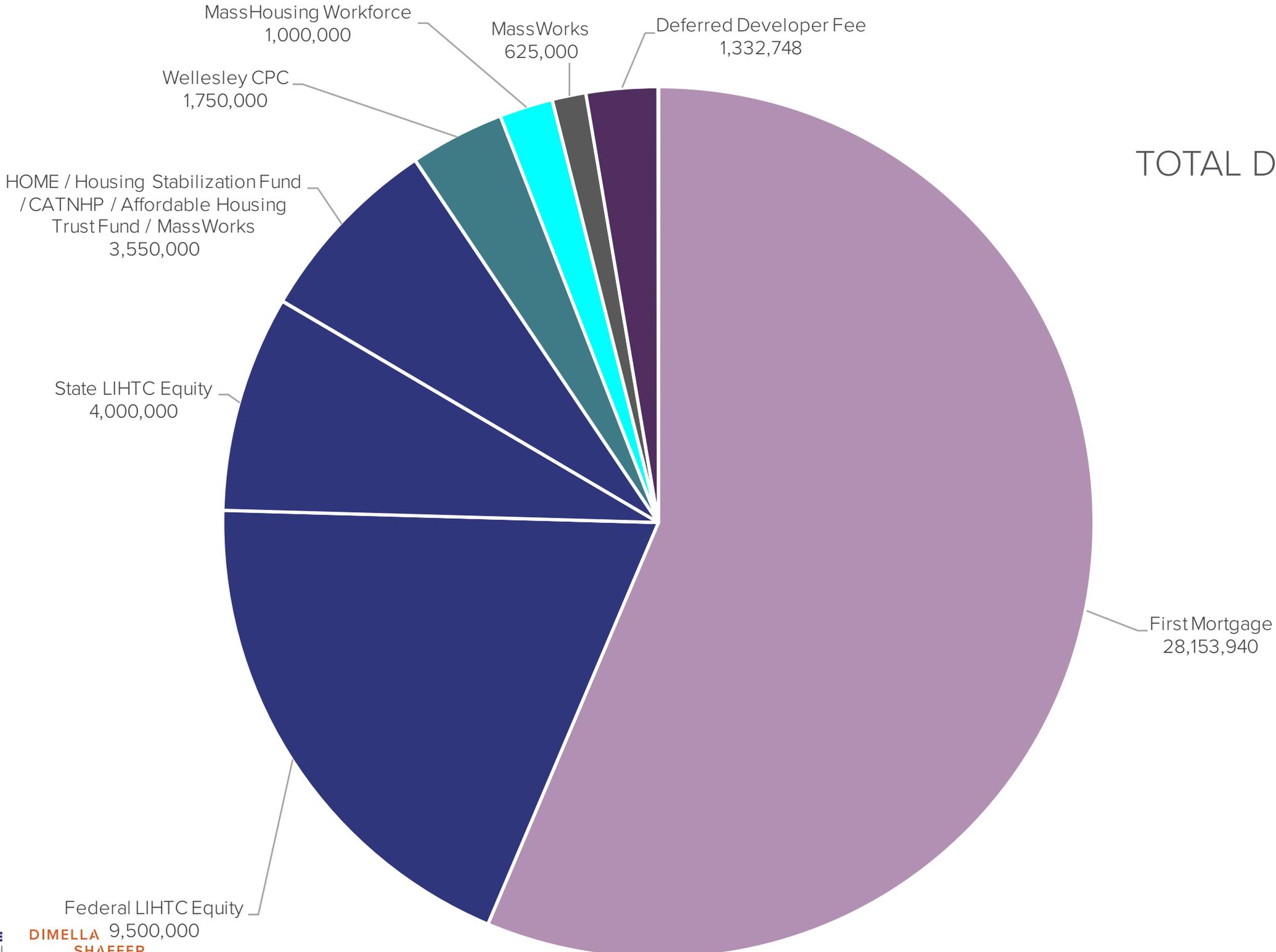


TOTAL DEVELOPMENT COST:
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PAST WELLESLEY CPC ALLOCATIONS IN PAST DECADE

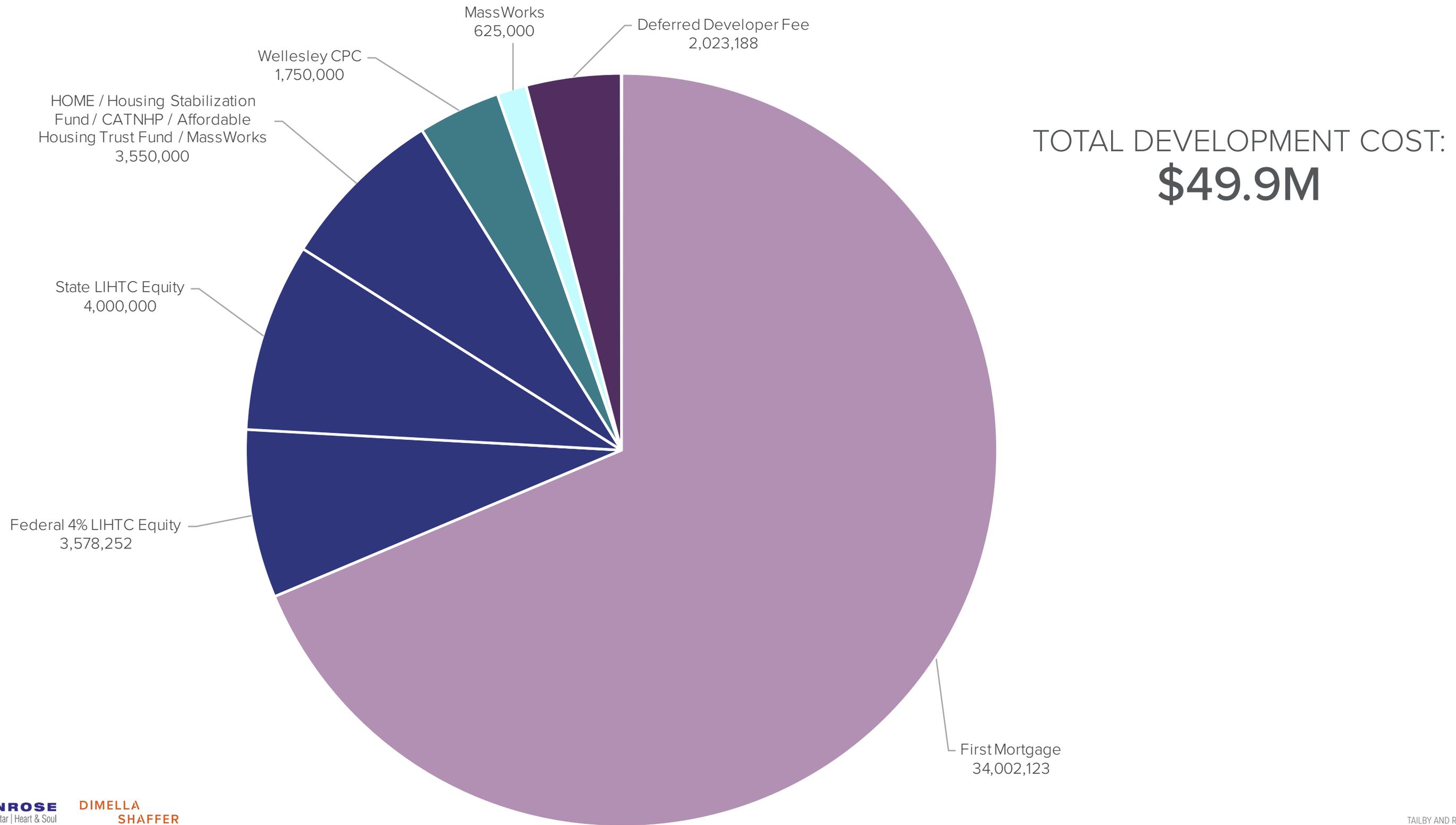
| Year | Purpose | Amount |
|-------------|---|-----------------------------|
| 2019 | Tailby & Railroad Lot Development | \$1,750,000 (~\$18k/unit) |
| 2016 | Rehabilitation of Hunnewell Track & Field | \$1,000,000 |
| 2015 | North 40 – Acq. of 46 acres for open space and recreation | \$10,000,000 (~\$217k/acre) |
| 2009 - 2013 | WDHC Housing Grant | \$1,730,000 |
| 2012 | 900 Worcester Street – Purchase of 8 acres for Conservation | \$2,600,000 (~\$325k/acre) |
| 2012 | Morses Pond Preservation | \$400,000 |
| 2011 | Fuller Brook Park Final Design | \$665,000 |
| 2009 | Waldo Court Renovation of 12 units | \$700,000 (~\$58k/unit) |
| 2008 | Sprague Field Athletic Field Remediation | \$1,500,000 |

PROPOSED FINANCING PLAN



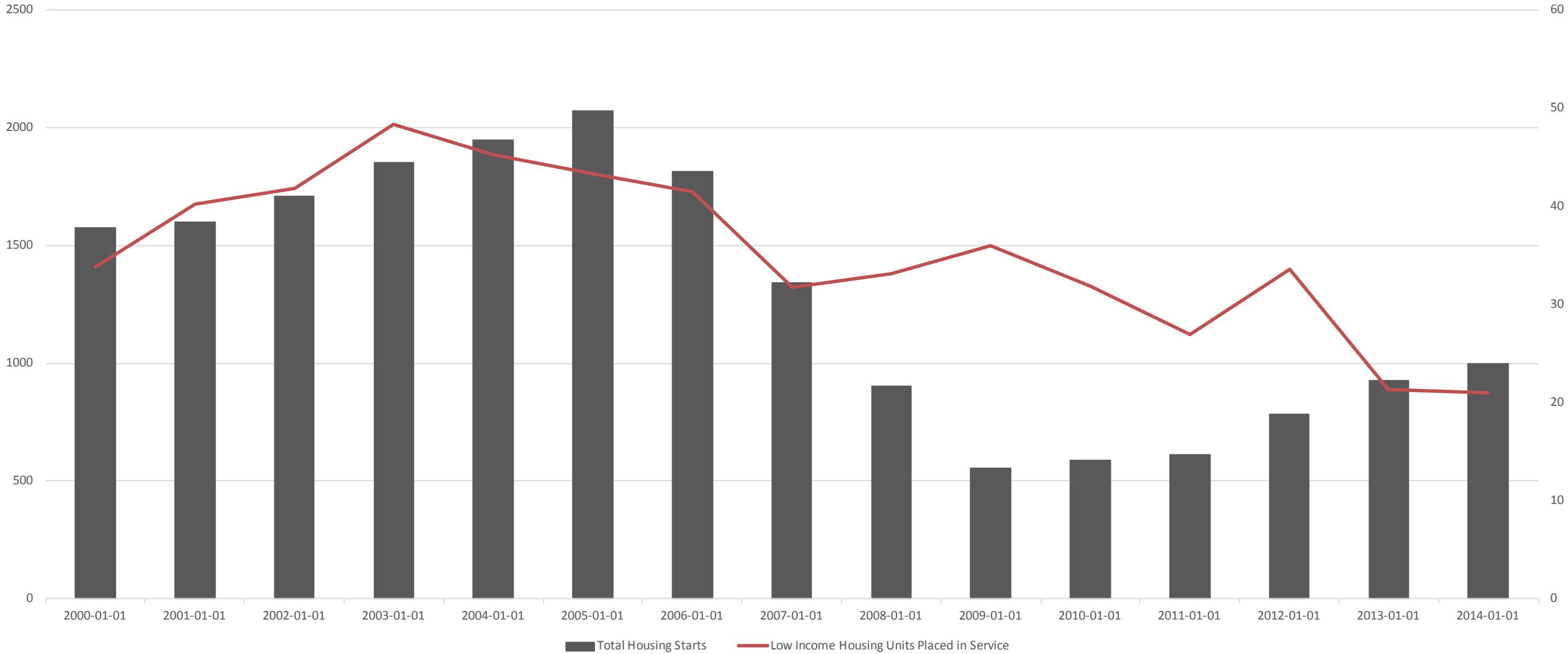
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PROPOSED FINANCING PLAN: OPTION B



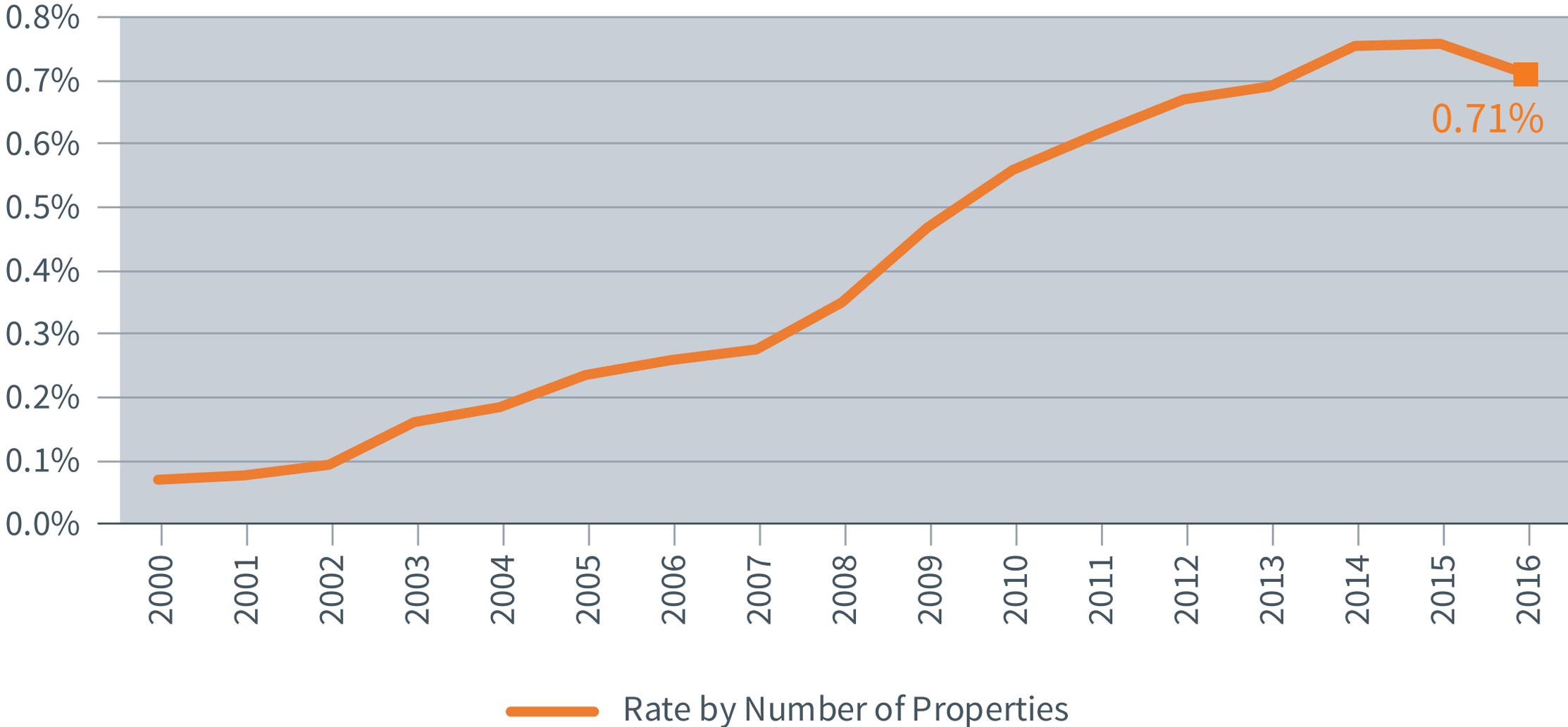
TOTAL DEVELOPMENT COST:
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FINANCING PLAN: INSULATED FROM MARKET RISK AND VOLATILITY



FINANCING PLAN: INSULATED FROM MARKET RISK AND VOLATILITY

Cumulative Foreclosure Rate



SOURCE: CohnReznick LLP, Housing Tax Credit Investments: Investment and Operational Performance, April 2018

IMPLEMENTATION TIMELINE

Past Planning Efforts around Tailby and Railroad Parking Lots

- 1997: Wellesley Square Forum
- 1998: Wellesley Square Action Plan:
- 2002: Linden Street Corridor Master Plan
- 2004-2005: Tailby Lot Feasibility Study
- 2007-2017: Comprehensive Plan
- 2018: Request for Proposals for Ground Lease of Tailby and Railroad Parking Lots

| Tailby Lot Development Schedule | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
|---|---|-----|------------------|---|---|---|---|---|---|-------------|----|----|----|-----------------------|----|----|----|----|----|----|----|---------|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|----|--|--|--|
| Months | 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 | 10 | 11 | 12 | 13 | 14 | 15 | 16 | 17 | 18 | 19 | 20 | 21 | 22 | 23 | 24 | 25 | 26 | 27 | 28 | 29 | 30 | 31 | 32 | 33 | 34 | 35 | 36 | 37 | 38 | 39 | 40 | 41 | 42 | 43 | 44 | 45 | 46 | 47 | 48 | 49 | 50 | 51 | 52 | 53 | | | |
| Designation as Developer | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Negotiation of MDA | | MDA | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Preparation of 40B Application | | | Schematic Design | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Submission of 40B Application | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| ZBA Hearings / Permitting | | | | | | | | | | 40B Process | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Secure Funding | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Development of Construction Documents / Pricing | | | | | | | | | | Pricing | | | | Dev. of Plans & Specs | | | | | | | | Pricing | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Financial Closing | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Construction | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
| Lease-up/Full Stabilization | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | | |
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CHARLES L. ADAMS

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- **20+ years** of experience acquiring, developing, and financing multi-family housing, last 3 years with Penrose
- Developed or financed 75+ multifamily properties representing **over \$750 million** in total development costs

Past Massachusetts Real Estate Experience:

- Member, Massachusetts Housing Advisory Group, MassHousing
- Committee Member, CHAPA Public Housing Committee
- Chair, Community Planning and Development Commission, Town of Reading
- Principal, Boston Financial Investment Management
- Vice President, Richman Group Affordable Housing Corporation
- Senior Project Manager, Preservation of Affordable Housing
- Development Project Manager, The Community Builders
- Development Coordinator, Cambridge Housing Authority
- Board Member, Reading Housing Authority

DEVELOPMENT EXPERIENCE WITH PASSIVE HOUSE BUILDING



SACRED HEART
Allentown, PA

Passive House Certified

roots

WELLESLEY
SQUARE

THE FORUM

THANK YOU.

