



Massachusetts Housing Finance Agency
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February 7, 2018

John C. Dawley, President
Northland Residential, LLC
80 Beharrell Street
West Concord, MA 01742

**Re: 135 Great Plain Avenue
Project Eligibility/Site Approval
MassHousing #953**

Dear Mr. Dawley:

This letter is in response to your application as "Applicant" for a determination of Project Eligibility ("Site Approval") pursuant to Massachusetts General Laws Chapter 40B ("Chapter 40B"), 760 CMR 56.00 (the "Regulations") and the Comprehensive Permit Guidelines issued by the Department of Housing and Community Development ("DHCD") (the "Guidelines" and, collectively with Chapter 40B and the Regulations, the "Comprehensive Permit Rules"), under the New England Fund ("NEF") Program ("the Program") of the Federal Home Loan Bank of Boston ("FHLBB").

You have proposed to build forty-four (44) units, including eleven (11) affordable units of homeownership housing (the "Project") on a 12.05-acre site located at 135 Great Plain Avenue (the "Site") in Wellesley, MA (the "Municipality").

In accordance with the Comprehensive Permit Rules, this letter is intended to be a written determination of Project Eligibility by MassHousing acting as Subsidizing Agency under the Guidelines, including Part V thereof, "Housing Programs In Which Funding Is Provided By Other Than A State Agency."

MassHousing has performed an on-site inspection of the Site, which local boards and officials were invited to attend, and has reviewed the pertinent information for the Project submitted by the Applicant, the Municipality and others in accordance with the Comprehensive Permit Rules.

Municipal Comments

Pursuant to the Regulations, the Municipality was given a thirty (30) day period in which to review the Site Approval application and submit comments to MassHousing. A thirty (30) day extension of the town comment period was requested and granted. The Board of Selectmen submitted a letter on November 14, 2017, summarizing comments from municipal officials, staff and members of the public. In addition, the letter identified specific actions taken by the Town to meet affordable housing needs, such as inclusionary zoning and zoning provisions in Wellesley's commercial areas such as Wellesley Square that increase opportunities for the development of affordable units.

Municipal comments identified the following major areas of concern:

- The Municipality expressed concern that additional traffic generated by the Project would result in increased congestion on area roadways and pose heightened risks to drivers and pedestrians. They requested that the Applicant provide a traffic study to allow them to fully assess Project traffic and public safety impacts.
- The Municipality is concerned with the stormwater management plan proposed for this Site. Specifically, the Municipality believes the subsurface infiltration system proposed by the Applicant for the previous 12-unit subdivision at this Site is inadequate for the proposed 44 units.
- The Wellesley Fire Department has concerns regarding the ability for a Ladder Truck to access the Site in case of an emergency. In addition, they will require a fire hydrant at the front and likely the rear of the Site.
- The Municipality expressed concern that the proposed conceptual site plan lacks creativity, is too regimented, and that it does not provide variation in the height or siting of structures.
- The Municipality is concerned that the affordable units are clustered in the triplex buildings and request that affordable units are dispersed throughout the Site in both triplex and duplex style homes.

Community Comments

In addition to the comments from town officials, MassHousing received several letters from area residents which expressed opposition to the Project. Although the letters from members of the community basically echoed the concerns identified by local officials, the concerns are summarized below:

- Area residents expressed concern that public safety vehicles may have difficulty negotiating the Site in the event of an emergency;
- The Project's architectural design is incompatible with the surrounding neighborhood;
- Increased traffic;
- Lack of proposed open space; and
- Concerns regarding the proposed stormwater management plan.

MassHousing Determination and Recommendations

MassHousing staff has determined that the Project appears generally eligible under the requirements of the Program, subject to final review of eligibility and to Final Approval. As a result of our review, we have made the findings as required pursuant to 760 CMR 56.04(1) and (4). Each such finding, with supporting reasoning, is set forth in further detail on Attachment 1 hereto.

Based on MassHousing's Site and design review, and in light of feedback received from the Municipality, the following issues should be addressed in your application to the Zoning Board of Appeals, and you should be prepared to explore them more fully during the public hearing process:

- Development of this Site will require resolution of all environmental conditions per laws, regulations and standards applicable to existing conditions and to the proposed use, including but not limited to compliance with all applicable regulatory restrictions relating to floodplain management, the protection of wetlands, river and wildlife habitats/conservation areas, as

well as local and state environmental protection requirements relating to the protection of the public water supply, storm water runoff, wastewater treatment, and hazardous waste safety. The Applicant should provide evidence of such compliance prior to the issuance of a building permit for the project.

- The Applicant should be prepared to provide a detailed traffic study assessing potential impacts of the Project on area roadways, including traffic volumes, crash rates, and the safety and level of service (LOS) of area intersections, and identifying appropriate traffic mitigation in compliance with all applicable state and local requirements governing site design.
- The traffic study or other professional site design process should address proposed on-site circulation and parking to ensure compliance with public safety standards and good design practice relative to drive-aisle widths, turning radii and sight distances along the Site drive and the parking areas through which it passes. The Applicant should be prepared to address concerns about provisions for safe pedestrian access and pedestrian/vehicular separation within the Site, sufficiency of resident and guest parking, and plans for snow storage taking into consideration that there may be only one means of access and egress to the Site.
- A landscape plan should be provided to address Municipal comments concerning open space, including a detailed planting plan as well as paving, lighting, and signage details and the location of outdoor dumpsters or other waste receptacles.
- The Applicant should be prepared to address Municipal concerns regarding affordable unit placement throughout the Site. In addition, MassHousing will review the affordable unit locator plan at Final Approval for consistency with the requirement found in the Guidelines that all affordable units be equally dispersed throughout the Site.

This approval is expressly limited to the development of no more than forty-four (44) homeownership units under the terms of the Program, of which not less than eleven (11) of such units shall be restricted as affordable for low or moderate-income persons or families as required under the terms of the Guidelines. It is not a commitment or guarantee of financing and does not constitute a site plan or building design approval. Should you consider, prior to obtaining a Comprehensive Permit, the use of any other housing subsidy program, the construction of additional units or a reduction in the size of the Site, you may be required to submit a new site approval application for review by MassHousing. Should you consider a change in tenure type or a change in building type or height, you may be required to submit a new site approval application for review by MassHousing.

For guidance on the Comprehensive Permit review process, you are advised to consult the Guidelines. Further, we urge you to review carefully with legal counsel the M.G.L. c.40B Comprehensive Permit Regulations at 760 CMR 56.00.

This approval will be effective for a period of two (2) years from the date of this letter. Should the Applicant not apply for a Comprehensive Permit within this period or should MassHousing not extend the effective period of this letter in writing, this letter shall be considered to have expired and no longer be in effect. In addition, the Applicant is required to notify MassHousing at the following times throughout this two-year period: (1) when the Applicant applies to the local ZBA for a Comprehensive Permit, (2) when the ZBA issues a decision and (3) if applicable, when any appeals are filed.

Should a Comprehensive Permit be issued, please note that prior to (i) commencement of construction of the Project or (ii) issuance of a building permit, the Applicant is required to submit to MassHousing a request for Final Approval of the Project (as it may have been amended) in accordance with the Comprehensive Permit Rules (see especially 760 CMR 56.04(07) and the Guidelines including, without limitation, Part III thereof concerning Affirmative Fair Housing Marketing and Resident Selection). Final Approval will not be issued unless MassHousing is able to make the same findings at the time of issuing Final Approval as required at Site Approval.

Please note that MassHousing may not issue Final Approval if the Comprehensive Permit contains any conditions that are inconsistent with the regulatory requirements of the New England Fund Program of the FHLBB, for which MassHousing serves as Subsidizing Agency, as reflected in the applicable regulatory documents. In the interest of providing for an efficient review process and in order to avoid the potential lapse of certain appeal rights, the Applicant may wish to submit a "final draft" of the Comprehensive Permit to MassHousing for review. Applicants who avail themselves of this opportunity may avoid significant procedural delays that can result from the need to seek modification of the Comprehensive Permit after its initial issuance.

If you have any questions concerning this letter, please contact Michael Busby at (617) 854-1219.

Sincerely,



Thomas J. Lyons
Acting Executive Director

cc: Chrystal Kornegay, Undersecretary, DHCD
The Honorable Cynthia Stone Creem, State Senator
The Honorable Richard J. Ross, State Senator
The Honorable Alice Hanlon Peisch, State Representative
Ellen F. Gibbs, Chair, Board of Selectmen
Richard L. Seegel, Chair, Zoning Board of Appeals
Michael D. Zehner, Planning Director

Attachment 1

760 CMR 56.04

Project Eligibility: Other Responsibilities of Subsidizing Agency
Section (4) Findings and Determinations

135 Great Plain Avenue, Project #953

After the close of a 30-day review period MassHousing hereby makes the following findings, based upon its review of the application, and in consideration of information received during the site visit and from written comments:

(a) that the proposed Project appears generally eligible under the requirements of the housing subsidy program, subject to final approval under 760 CMR 56.04(7);

The Project is eligible under the NEF housing subsidy program and at least 25% of the units will be available to households earning at or below 80% of the Area Median Income (AMI), adjusted for household size, as published by the U.S. Department of Housing and Urban Development ("HUD"). The most recent HUD income limits indicate that 80% of the current median income for a four-person household in Wellesley is \$78,150. A letter expressing interest for Project financing was provided by Middlesex Savings Bank, a member bank of the Federal Home Loan Bank of Boston.

(b) that the site of the proposed Project is generally appropriate for residential development, taking into consideration information provided by the Municipality or other parties regarding municipal actions previously taken to meet affordable housing needs, such as inclusionary zoning, multifamily districts adopted under c.40A, and overlay districts adopted under c.40R, (such finding, with supporting reasoning, to be set forth in reasonable detail);

Based on a site inspection by MassHousing staff, internal discussions, and a thorough review of the application, MassHousing finds that the Site is suitable for residential use and development and that such use would be compatible with surrounding uses, and would directly address the local need for housing.

The Town of Wellesley does not have an DHCD approved Housing Production Plan, though municipal comments identifying specific actions taken to meet affordable housing needs indicate that as of November 21, 2017, the Town has hired two housing consultants to conduct research, create a needs assessment, and develop a Housing Production Plan to assist the Town in expanding opportunities for affordable housing production. While the Town should be commended for these actions, they have not resulted in the creation of affordable housing in numbers sufficient to satisfy the inherent local need for such housing.

According to DHCD's Chapter 40B Subsidized Housing Inventory (SHI), updated through January 4, 2018, Wellesley has 564 Subsidized Housing Inventory (SHI) units (6.2% of its housing inventory), which is 345 units short of the statutory minima requirement of 10%.

(c) that the conceptual project design is generally appropriate for the site on which it is located, taking into consideration factors that may include proposed use, conceptual site plan and building massing, topography, environmental resources, and integration into existing development patterns (such finding, with supporting reasoning, to be set forth in reasonable detail);

In summary, based on evaluation of the site plan using the following criteria, MassHousing finds that

the proposed conceptual Project design is generally appropriate for the Site. The following plan review findings are made in response to the conceptual plan, submitted to MassHousing:

Relationship to Adjacent Building Typology (Including building massing, site arrangement, and architectural details):

The existing neighborhood is predominately single-family homes ranging in size from modest three-bedroom ranches to large five-bedroom homes. The design of the two-and three-unit townhouse buildings will have varied rooflines with a peak height of no more than 36 feet, consistent with the height of homes found nearby. The proposed buildings will also feature architectural details such as door and window treatments, corbels, carriage style garage doors and covered porches that help reduce the overall bulk of the buildings. The exterior of the homes feature maintenance-free Azec trim work and Hardi Plank siding with contrasting colors and architectural roof shingles.

Relationship to Adjacent Streets

The subject property is located on the southerly side of Great Plain Avenue (Route 135) in the southeastern portion of Wellesley. The Town's downtown area with shops, restaurants, Town Hall, and schools are approximately 1 mile to the northwest. Diagonally across the street from the Site is the 75-acre Olin College campus. There appears to be adequate lines of sight for vehicles entering and exiting the Site.

Density

The Applicant proposes to build 44 units on 12.05 acres, of which approximately 9.58 acres are buildable. The resulting density is 4.59 units per buildable acre, which is acceptable given the proposed housing type and the uses found in the surrounding context.

Conceptual Site Plan

The proposed development will consist of 44 townhouses clustered in groups of two-and three-unit buildings. Each home will be oriented toward the center of the Site along a proposed green and a pedestrian path will connect the homes to the aqueduct walking path at the rear of the Site. The interior roadway is appropriately designed to meet the vehicular and pedestrian needs of the proposed development.

Topography

The subject property slopes gently from the front to the rear of the Site to a low point in the vicinity of existing wetland resource areas and Fuller Brook. The topographic features of the Site have been considered in relationship to the proposed development plans and do not constitute an impediment to development of the Site.

Environmental Resources

Abutting the Site to the southeast is the Sudbury Aqueduct, a 16-mile underground pipe that starts in Framingham and ends in Chestnut Hill. The land above the aqueduct is a popular walking trail for area residents. There are wetlands to the rear of the Site that include Fuller Brook and a man-made pond used for ice skating when frozen. Wetland resources in these areas will be subject to further review by the local Conservation Commission under a Notice of Intent.

(d) that the proposed Project appears financially feasible within the housing market in which it will be situated (based on comparable rentals or sales figures);

The Project appears financially feasible based on a comparison of sales submitted by the Applicant.

(e) that MassHousing finds that an initial pro forma has been reviewed, including a land valuation determination consistent with the Department's Guidelines, and the Project appears financially feasible and consistent with the Department's Guidelines for Cost Examination and Limitations on Profits and Distributions (if applicable) on the basis of estimated development costs;

The initial pro forma has been reviewed for the proposed residential use, and the Project appears financially feasible with a projected profit margin of 15.29%. In addition, a third-party appraisal commissioned by MassHousing has determined that the "As Is" land value for the Site of the proposed Project is \$9,000,000.

(f) that the Applicant is a public agency, a non-profit organization, or a Limited Dividend Organization, and it meets the general eligibility standards of the housing program; and

The Applicant must be organized as a Limited Dividend Organization prior to applying for Final Approval. MassHousing sees no reason this requirement could not be met given information reviewed to date. The Applicant meets the general eligibility standards of the NEF housing subsidy program and has executed an Acknowledgment of Obligations to restrict their profits in accordance with the applicable limited dividend provisions.

(g) that the Applicant controls the site, based on evidence that the Applicant or a related entity owns the site, or holds an option or contract to acquire such interest in the site, or has such other interest in the site as is deemed by the Subsidizing Agency to be sufficient to control the site.

The Applicant controls the entire 12.05-acre Site under a deed of ownership.