



Massachusetts Housing Finance Agency  
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September 23, 2016

Steven N. Zieff  
Eden Management Inc.  
80 Hope Avenue, Suite 512  
Waltham, MA 02453

**Re: Brookside, 113-119 Boston Road  
Project Eligibility/Site Approval  
MassHousing ID No. 851**

Dear Mr. Zieff:

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").

Eden Management Inc. has submitted an application with MassHousing pursuant to Chapter 40B. You have proposed to build 60 units of rental housing (the "Project") on approximately 6.49 acres of land located on Boston Post Road (the "Site") in Wayland (the "Municipality"). The property is currently occupied by Mahoney's Garden Center, and includes several buildings and structures and a gravel parking area. In accordance with the Comprehensive Permit Rules, this letter is intended to be a written determination of Project Eligibility ("Site Approval") 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**

The Municipality was given a thirty (30) day period, in which to review the Site Approval application and submit comments to MassHousing. Cherry Karlson, Chairman of the Wayland Board of Selectmen, submitted a letter (received by MassHousing on July 26, 2016) summarizing comments from municipal officials, staff, and members of the public. Also provided with the Selectmen's letter were copies of a memo prepared by the Town Planner

summarizing staff concerns with the Project, and a letter from the Pine Brook Neighborhood Association outlining abutter issues.

Municipal comments identified the following specific concerns:

- The Town expressed concern that the project did not conform to local planning goals as articulated in the Town's zoning by-law and draft Housing Production Plan. Specifically, the Town described ongoing efforts associated with River's Edge (a Town-sponsored, 188-unit, rental housing development proposed for an 8.4-acre parcel of town-owned land at 489-490 Boston Post Road). They expressed concern that the Brookside project, if allowed to proceed, would threaten the feasibility of the Town-sponsored project by drawing away potential residents.
- Municipal officials expressed concern with the height, mass and density of the proposed multi-family building, noting that it was out of character with the surrounding neighborhood. This concern was also noted in the letter prepared by the Pine Brook Neighborhood Association.
- The Municipality expressed concern that the Town's fire-safety equipment would not have the capacity to handle a multi-family building of this size, putting future residents and abutting properties at risk.
- Wayland public safety officials expressed concern that the Project would exacerbate risks to pedestrian safety resulting from the combined effect of the lack of sidewalks and high traffic volumes along Boston Post Road.
- The Wayland Historical Commission noted the presence of a potentially sensitive and significant archeological site near Pine Brook. They recommended an archeological survey of the Site before the site is developed.
- The Town identified concerns about the Project's potential environmental impacts. Specifically, in light of existing soil conditions in this area, staff from the Wayland Board of Health questioned the feasibility of the proposed septic system and expressed concern about potential contamination of Pine Brook, area wetlands, and local groundwater supplies. Similarly, the Conservation Administrator urged the use of local standards in the design of drainage and stormwater management facilities, citing the Site's proximity to Pine Brook.
- The Wayland Historical Commission submitted a letter, dated September 1, 2016, suggesting that the Site contain potentially significant archeological resources, and recommending that an appropriate archeological survey be performed to ensure a finding of "no impact" before development plans could proceed.

MassHousing also received a letter, dated August 18, 2016, from State Representative Carmine L. Gentile, who represents the 13<sup>th</sup> Middlesex District. Representative Gentile's letter urged MassHousing to deny the application for Brookside, reiterating Municipal concerns relative to the building's size, and non-compliance with local land use regulations. Representative Gentile emphasized recent Town actions to address local housing need, and, in particular, the ongoing efforts associated with River's Edge (a Town-sponsored, mixed income rental development) arguing that such efforts should justify the Town's insistence on compliance with the local Zoning By-law.

### **MassHousing Determination**

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 prior to the submittal of your application for a Comprehensive Permit from the Wayland Zoning Board of Appeals (ZBA), and you should be prepared to explore them more fully in the local hearing process:

1. Development of this Site will require compliance with all state and federal environmental laws, regulations and standards applicable to existing conditions and to the proposed use related to building construction, stormwater management, and wastewater collection and treatment. The Applicant should expect that the Municipality will require evidence of such compliance prior to the issuance of a building permit for the Project.
2. The Applicant should be prepared to address Municipal concerns that the Project is in conflict with Wayland's planning and affordable housing goals. Additionally the Applicant should be prepared to respond to questions relative to market demand for multi-family housing in Wayland and the surrounding area, taking into account existing and proposed development, and, in particular the proposed affordable housing proposed for River's Edge.
3. The Applicant should be prepared to address Municipal concerns relative to the massing, height and density of the proposed building, and to work with the Town to mitigate or ameliorate potentially negative visual impacts to abutting properties and from Route 20. Should the Applicant apply for a Comprehensive Permit, they should provide detailed building elevations, sections and a landscape plan to facilitate this discussion.
4. The Applicant should be prepared to provide sufficient data to assess potential traffic impacts on area roadways and intersections, and to discuss appropriate mitigation. In particular, the Applicant should be prepared to address Municipal concerns relative to Project impacts on traffic volumes on Boston Post Road, and associated risks to pedestrian safety.

5. The Applicant should address Municipal concerns relative to the feasibility of the proposed septic system and its potential impacts to the groundwater supply, and to identify appropriate mitigation.
6. The Applicant should be prepared to describe the project's potential environmental impacts on Pine Brook, and work with Town officials to identify necessary mitigation.
7. The Applicant should be prepared to respond to the concerns of the Wayland Historical Commission relative to the possible presence of archeologically significant artifacts on the Site.
8. The Municipality asked that the Applicant provide evidence of the land's value. In accordance with 40B Regulations and as a part of the Site Approval process a third-party consultant was hired by MassHousing, and has completed an appraisal of the property. A copy of this appraisal was provided to the Wayland Town Planner via email on August 15, 2016.
9. In light of the number of two and three bedroom units, the site plan should include dedicated play space for young children. The Applicant should also provide information relative to snow storage, mail delivery, and trash pick-up.

This Site Approval is expressly limited to the development of no more than 60 rental units under the terms of the Program, of which not less than 25% (15) 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 NEF 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 years from the date of this letter. Should the Applicant not apply for a comprehensive permit within this period this letter shall be considered to be expired and no longer in effect unless MassHousing extends the effective period of this letter in writing. In addition, the Applicant is required to notify MassHousing of the following: (1) the Applicant applies to the local ZBA for a Comprehensive Permit, (2) the ZBA issues a decision and (3) any appeals are filed.

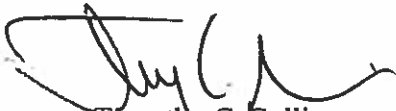
*Brookside, Wayland  
MassHousing #851  
Site Approval Letter*

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 Katy Lacy at (617) 854-1098

Sincerely,



Timothy C. Sullivan  
Executive Director

*Brookside, Wayland*  
*MassHousing #851*  
*Site Approval Letter*

cc: Ms. Chrystal Kornegay, Undersecretary, DHCD  
Cherry C. Carlson, Chairman, Board of Selectmen  
Eric Goldberg, Chairman, Zoning Board of Appeals  
Sarkis Sarkisian, Town Planner  
Nan Balmer, Town Administrator

## Attachment 1

760 CMR 56.04 Project Eligibility: Other Responsibilities of Subsidizing Agency  
Section (4) Findings and Determinations

### Brookside, Wayland, MA MH # 851

MassHousing hereby makes the following findings, based upon its review of the application, and taking into account 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 Wayland is \$73,050

Proposed affordable rent levels of \$1,094 for a studio apartment, \$1,172 for a one-bedroom unit, \$1,373 for a two-bedroom unit and \$1,573 for a three-bedroom unit accurately reflect current affordable rent levels for the Worcester HMFA under the NEF Program, plus utility allowances of \$126, \$135, \$195, and \$239 for the studio, one, two- and three-bedroom units, respectively.

A letter of interest was provided by Rockland Trust, 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, that such use would be compatible with surrounding uses, and would directly address the local need for affordable housing. While currently occupied by a non-conforming use (Mahoney's Garden Center) the Site is zoned for single-family residential development, suggesting that it is generally appropriate for residential use, and is in close proximity to area commuter routes and services. Water, gas and electricity are currently supplied to the Site.

Section IV-A (3) (a) of the Guidelines provide guidance to Subsidizing Agencies for evaluating a municipality's actions intended to meet affordable housing needs. MassHousing reviewed the information provided by the Wayland Board of Selectmen in their letter dated July 26, 2016 describing previous municipal actions intended to provide affordable housing. Selectmen

summarized the steps taken to date in support of the development of the 188-unit River's Edge rental development, including the identification of Town-owned land, allocation of CPA funds for pre-development, successful passage of a new zoning district, and the near completion of the developer selection process.

While MassHousing recognizes Wayland's efforts as meaningful, municipal actions to date have not resulted in housing production of a "character and scale to create significant opportunities as-of-right to meet the municipality's need for affordable housing as measured by the Statutory Minima." According to DHCD's Chapter 40B Subsidized Housing Inventory (SHI), updated through December, 2014, Wayland has 198 Subsidized Housing Inventory (SHI) units (3.99 % of its housing inventory). (It should be noted that according to the Town of Wayland's July 2016 Housing Production Plan, the Town currently has 258 units of affordable housing (5.2%). The additional units have recently been submitted to DHCD for inclusion in the Inventory. If these units are added to the SHI, an additional 238 would be required for Wayland to achieve the 10% threshold of 496.)

U.S. Census data from the 2010-2014 American Community Survey (ACS) further supports the need to increase the supply of affordable housing in Wayland. According to the ACS, of the 5,153 households in the Town of Wayland, approximately 42% earned less than 80% of the 2016 AMI (\$98,100), 14% earned less than 30% AMI; 20.8% earned less than 50% AMI, and 23.9% earned less than 60% AMI. Additionally, Wayland's recently updated Housing Production Plan identified a need for additional rental housing, noting an 88.7% rate of homeownership as of 2010. They identify, as a goal, "the creation of a mix of rental and homeownership opportunities," and note the Town's commitment to "work with developers to create a diversity of housing types directed to different populations." The Brookside Project directly supports this goal.

*(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)*

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

Buildings in close proximity to the Site accommodate a variety of uses (temple, assisted living facility, multi-family housing, mosque and restaurant along with more traditional single-family homes), and thus vary widely in style, size and materials. Throughout much of the rest of Wayland, however, the majority of buildings are 1-3 story, wood-frame Capes and Colonial-style single-family homes.

The proposed Project building is a four-story, wood-frames structure, and includes detailing suggestive of the Victorian Shingle-style such as clapboard siding accented with architectural shingles, high peaked dormers, and a central turret feature. The building's "T" shaped configuration, dropped roofline and articulated façade help to mitigate building mass and



height. While distinct in character from the more simple single-family residential architecture prevalent throughout Wayland, the building elevations are traditional in style, and appear to be compatible with Wayland's lower-density suburban context.

- **Relationship to adjacent streets/Integration into existing development pattern**

The proposed Project entrance is located directly across Boston Post Road from Rich Valley Road, creating a four-way, stop-controlled intersection. Sight lines appear to be sufficient in all directions.

The Site is currently occupied by Mahoney's Garden center, and the surrounding pattern of development is characterized by a mix of land uses, including small-scale multi-family housing, a large assisted living facility, a temple, a mosque, a gas station and a restaurant. The Site is also less than ½ mile from Wayland's small commercial center, which includes a modest assortment of commercial uses (bank, gas station, liquor store and eating establishments, etc.) While the majority of land in Wayland is characterized by traditional, single-family development, the introduction of a multi-family use at this particular location will be compatible within the surrounding mixed-use context.

**Density**

The Developer intends to build 60 homes on 6.49 acres (5.6 buildable acres). The resulting density is 10 units per buildable acre, which is at the lower range for multi-family housing in a suburban context.

- **Conceptual Site Plan**

The Site Plan concentrates development in the northeast corner, leaving the remainder of the property as open space, and effectively avoiding the more sensitive resource areas on the southern side of the Site. The site driveway enters the site at a location immediately across Route 20 from Rich Valley Road, branches off to a small, circular turn-around at the building's front entrance, continues to the garage entrance on the building's western side, and then around to the south side of the building. The bulk of the parking (seventy one parking spaces) will be located in a garage below the building, further reducing impervious surface and site disturbance. A limited amount of guest parking (approximately 20 spaces) is located in pull-in parking areas adjacent to the driveway.

**Environmental Resources**

The rear (southern) portion of the Site includes areas of bordering vegetated wetland and a section of the Pine Brook. The proposed building and associated infrastructure are all located in an upland area in the northeastern corner of the Site, minimizing resource impacts.

Because the Site is already occupied by Mahoney's Garden Center, Brookside is a redevelopment project that will require minimal new clearing, and will, when complete, include more undeveloped open space than it currently does. Additionally, the project narrative indicates that proposed site work includes restoration of existing wetland disturbances, though no details are provided about specific remediation actions.

### **Topography**

The Site slopes down from its frontage along the Boston Post Road to a low point in the western corner, where the Pine Brook runs along the property's rear (southern) boundary, traversing to its southeastern corner. The proposed Project building is sited on an upland area in the northeastern corner of the Site, set back approximately 50' from the Boston Post Road and 25' from the adjacent property boundary. While the building's location will be clearly visible from the right-of-way, adjacent properties to the east are heavily screened by existing vegetation. The building's location in the northeastern corner of the Site allows for the remainder of the property (80-90%) to remain open, and the more sensitive riverfront area near the Pine Brook to remain undisturbed.

*(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 Applicant proposes 60 rental apartments to be financed under the NEF Program. There will be 45 market-rate units with proposed average rent levels of \$1,646 for the studio apartments, \$1,738-2,111 for the one bedroom units; \$2,666-2,833 for the two-bedroom units; and \$3,023 for the three-bedroom units. A&M determined that the developer's proposed affordable rents and utility costs comply with 40B Guidelines, and market rents fall well within the range of adjusted comparable market rents for all unit sizes.

MassHousing's Appraisal and Marketing Department (A&M) performed a preliminary analysis of Project feasibility based on the area's market conditions and comparable rents. In summary, A&M found that a strong demand exists for both lower income and market-rate rental units in Wayland and the surrounding communities. A&M reported that while the area's conventional apartment market has been expanding, occupancy rates have been rising.

A&M noted that the proposal does not appear to include some of amenities found at higher end comparable properties in similarly affluent communities nearby such as Lexington, Concord and Wellesley. They also noted, however, the particularly limited supply of rental housing in Wayland. A&M recommends that a full market study be conducted prior to Final Approval in order to determine the depth of the market for rental housing in this location at that time.

*(e) 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;*

MassHousing has commissioned an as "As-Is" appraisal which indicates a land valuation of \$980,000. A preliminary review of the Project pro-forma indicates that the per-unit construction costs are well within the normal range for similar multi-family developments in the suburban Metro Boston context. Based on a proposed investment of \$4,943,583 in private equity, the application pro forma appears to be financially feasible and within the limitations on profits and distributions.

***(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. 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 by virtue of a Purchase and Sale Agreement dated December 31, 2015 between Mahoney's Garden Center (Seller) and Eden Management (Buyer). The expiration date for the P&S is the July 31, 2017.