



Massachusetts Housing Finance Agency
One Beacon Street, Boston, MA 02108

TEL: 617.854.1000 | FAX: 617.854.1091
VP: 866.758.1435 | www.masshousing.com

February 21, 2017

David D. Calhoun
Layline Ventures
P.O. Box 1674
Duxbury, MA 02332

RE: Stony Brook—Weston, MA
MH ID No. 906
Project Eligibility/Site Approval

Dear Mr. Calhoun:

This letter is in response to application by 104 Stony Brook, LLC 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”).

104 Stony Brook, LLC has submitted an application with MassHousing pursuant to Chapter 40B. You have proposed to build 154 units of rental housing (the “Project”) on a 2.1 acres property located at 104 Boston Post Road (the “Site”) in Weston, MA (the Municipality).

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 submitted by the Applicant, the Municipality and others in accordance with the Comprehensive Permit Rules.

Municipal Review and Comments

The Municipality was given a 30-day period in which to review the Site Approval application and submit comments and recommendations to MassHousing. At the request of the Town Manager, this period was extended by two weeks. The Municipality submitted a letter, received by MassHousing on January 11, 2017, summarizing the following comments from municipal officials and staff, and identifying specific concerns with the proposed Project:

- The Municipality is concerned that the proposed design is out of character with the historic Sibley House and is not appropriate in scale or character for the Route 20 gateway to Weston.
- The Municipality is concerned that the footprint of the building and parking occupy the entirety of the site, requiring that the entire wooded hill be cleared, blasted, leveled and excavated. It believes that the proposed planting is insufficient to recall the existing character of the Site.
- The Municipality is concerned that the Site does not have municipal stormwater or septic infrastructure on which a development of this size would normally rely.
- The Planning Board is specifically concerned that the proximity of the existing traffic signal and interchange presents a challenging situation for vehicles entering and exiting the site.
- Conservation of both the water provided by the MWRA and the electricity provided by Eversource is a concern for the Municipality.
- The Weston Board of Health and the Cambridge Water Department note that the project abuts property owned by the City of Cambridge and is within Zone A of the Stony Brook tributary and Stony Brook Reservoir. There is concern about the impacts of the Project on the Stony Brook tributary and reservoir which are Outstanding Resource Waters and are the primary drinking water source for the City of Cambridge.
- The Municipality is concerned that the proposed relocation of the Sibley House would lack the strong presence it now has, taking advantage of the existing backdrop of trees and natural scenery.
- The Weston Affordable Housing Trust notes that the development fits the Town's need for more diversity in housing types and affordability as identified in the "Town of Weston Housing Production Plan" (HPP), dated November 2015.

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 in Attachment 1 hereto. It is important to note that Comprehensive Permit Rules limit MassHousing to these specific findings in order to determine Project Eligibility. If, as here, MassHousing issues a determination of Project Eligibility, the Developer may apply to the Zoning Board of Appeals of the Municipality for a comprehensive permit. At that time local boards, officials and members of the public are provided the opportunity to further review the Project to ensure compliance with applicable state and local standards and regulations.

Based on MassHousing's site and design review, and in light of feedback received from the

Municipality and abutters, the following issues should be addressed in your application to the Weston Zoning Board of Appeals, and you should be prepared to explore them more fully in the public hearing process:

- 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 relating to floodplain management, wetland protection, river and wildlife conservation, water quality, stormwater management, wastewater treatment, and hazardous waste safety. The Applicant should expect that the Municipality will require evidence of such compliance prior to the issuance of a building permit for the Project.
- The Applicant should be prepared to address Municipal and abutter concerns relative to the size, scale and architectural style of the proposed multi-family building and its impact on the character of the surrounding neighborhood, and to fully describe proposed measures to address and mitigate these concerns.
- The Applicant should be prepared to provide sufficient data to assess potential traffic impacts on area roadways and intersections, including the safety of proposed site access and egress, and to respond to reasonable requests for mitigation.
- The Applicant should be prepared to provide detailed information relative to proposed water usage, especially potential impacts on existing capacity, and septic system design.
- The Applicant should be prepared to discuss Boston Post Road's designation as a "scenic road" pursuant to MGL c. 40, Section 15C.
- In response to Municipal and abutter concerns relative to potentially negative visual and noise impacts, the Applicant should provide specific information about proposed mitigation measures including the preservation of existing vegetation and the introduction of new landscaping and structural and vegetative screening.
- The Applicant should be prepared to verify that the site plan is fully compliant with public safety standards relative to emergency access and provisions for fire suppression.
- The Applicant should provide a detailed stormwater management plan to be reviewed by the Municipality to ensure proper drainage on the Site and the protection of abutting properties.
- The Applicant should be prepared to discuss proposed setbacks and potential compliance with the Town's minimum setback requirements.
- The Applicant should be prepared to provide information relative to snow storage, mail delivery, trash pick-up and lighting.
- The Applicant should consider incorporating opportunities for enhancing pedestrian access around the site.

- The Applicant should be prepared to discuss the possibility of providing Transportation Demand Management strategies such as utilizing the Route 128 Business Council shuttles to provide commuter services, provide bike shares, and provide pedestrian and bike access to services including those services located across I-95 in Waltham.
- The Applicant should be prepared to discuss sustainable landscaping techniques to eliminate the need for irrigation, use of low flow fixtures, grey water re-use and solar arrays.
- The Applicant should be prepared to discuss plans for adequate fire protection access around the building.

This Site Approval is expressly limited to the development of no more than 154 rental units under the terms of the Program, of which not less than 39 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, a reduction in the size of the Site, a change in tenure type or a substantial change to the overall Site Plan, 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.

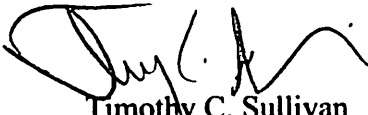
Should a comprehensive permit be issued, please note that prior to (i) commencement of construction of the Project or (ii) issuance of a building permit, the Applicant is required to submit to MassHousing a request for Final Approval of the Project (as it may have been amended) in accordance with the 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 Jessica Malcolm at (617) 854-1201.

Sincerely,



Timothy C. Sullivan
Executive Director

cc: Chrystal Kornegay, Undersecretary, Department of Housing and Community Development
Michael H. Harrity, Chair, Weston Board of Selectmen
Winifred I. Li, Chair, Weston Zoning Board of Appeals

Attachment 1

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

Stony Brook, Weston, MA MH ID No. 906

After the close of the review period and extension, 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, 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 Weston is \$73,050.

Proposed gross rent levels for the affordable units, less utility allowances (as discussed in section (d) below) accurately reflect current affordable rent levels for the Boston-Cambridge-Quincy HMFA under the NEF Program.

A letter of interest to provide financing under the NEF Program was provided by Eastern Bank, a member bank of the FHLBB.

(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 affordable housing. The location will attract interest given its proximity to area commuter routes, employment and services.

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 carefully reviewed the information provided by the Weston Board of Selectmen describing previous municipal actions intended to provide affordable housing. Specific examples cited by the Selectmen include:

- Approval of \$2,688,500 in Community Preservation Act (CPA) funds to renovate three buildings owned by the Town of Weston, creating seven (7) affordable family units; and
- Approval of a \$1,188,100 grant to Affordable Housing Foundation, Inc., to produce two (2) affordable family units through the renovation of a two-family house.

The Town of Weston submitted a Housing Production Plan on June 28, 2016, which has not been certified. According to DHCD's Chapter 40B Subsidized Housing Inventory (SHI), updated through January, 2017, Weston has 142 SHI units out of a total of 3,952 housing units (3.6% of its housing inventory). An additional 254 units would be required for the Town to achieve the 10% threshold of 395.

The need for additional affordable housing is further supported by U.S. Census data from the 2011-2015 American Community Survey, which indicates that 10.5% households in the Town of Weston earn less than 30% of the 2016 AMI (\$98,100), approximately 14.5% earn less than 50% of the 2016 AMI, and 16.9% earned less than 60% of the AMI and 20.4% of households earned less than 80% of the 2016 AMI.

(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):

A five-story, wood-framed, double-loaded corridor building is proposed upon a two-level, 235 car concrete parking garage that acts as a "podium." The massing steps down as the building addresses the public ways of Boston Post Road and Sibley Road. This proposed main building is directed into the steeply graded topography. The shape of the double-loaded corridor resembles a "w" creating two courtyards for use by the residences of the building. The highest point of the building is focused to the rear, southwest portion of the Site to avoid adverse visual impact from any public way. This configuration also affords views of the adjacent Cambridge Reservoir. The Applicant has proposed mitigating the visual impacts of the proposed building by "pushing" the two-story parking garage podium into the ground/rock ledge, reducing the overall perceived height of the building.

Proposed materials include clapboard, as well as composite flat panels for detailing. The parking garage will be faced in limestone colored cast-stone. The prominent two-story mansards will be clad in architectural asphalt or laminated fiberglass shingle in a contrasting color with single and two-story dormers clad in a composite material.

In accordance with the proposed plan, the Site will be further redeveloped by relocating the historic Sibley House onto Route 20. The proposal indicates that the Sibley House will be converted to two units of rental housing. The Applicant intends to work with the Weston Historic Commission to adjust the building location to be more visible and remain a prominent feature to be incorporated into the conceptual design.

Relationship to adjacent streets/Integration into existing development patterns

The proposed Site is approximately 2.1 acres and is located in a commercial/office section of Weston just off of Route 128, along Route 20 (Boston Post Road). Traveling west along Boston Post Road into Weston, commercial space occupied by Biogen and Monster is located north of the Site. The south of the Site is wooded undeveloped land. To the east, along Sibley Road, are commercial and industrial developments consisting of the Mobil Gas Station, various commercial tenants, and offices. Currently there is an existing residential building with historical significance, the Sibley House, which is currently used for offices. This building will be relocated closer to Route 20. One-way vehicular access into the Site is provided from Boston Post Road with a proposed a one-way exit onto Sibley Road.

Density

The Developer intends to build 154 rental apartments in a single building on a 2.1-acre site. The resulting density is approximately 73.3 units per acre, which is generally acceptable for multi-family development in this region.

Conceptual Site Plan

The subject property contains 2.1 acres and has 146 +/- feet of frontage along Boston Post Road and 459 +/- feet of frontage along Sibley Road. The shape is irregular and the lot slopes upward from Boston Post Road and Sibley Road. There are 16 parking spaces and a large front lawn outlined by a stone wall along Boston Post Road. A two-level, 235 car parking garage proposed will be constructed out of case-in-place reinforced concrete and acts as the "podium" upon which the five-story, wood-framed, double-loaded corridor building would be built.

Environmental Resources

The project abuts property owned by the City of Cambridge and is within Zone A of the Stony Brook tributary and Stony Brook Reservoir. The Stony Brook tributary and reservoir are Outstanding Resource Waters and are the primary drinking water source for the City of Cambridge. The Applicant should be prepared to comply with relevant regulations critical for protecting source water quality. Further, the Project will be subject to review by the Weston Conservation Commission under the State Wetlands Protection Act as portions of the project are located within the 100' wetland buffer and the 200' riverfront buffer.

Topography

The subject property consists of steep topography which reaches a high point of an elevation of 141' (NAVD 1988) at the center and a low point of 90' to the south. In the proposed developed condition the concept is to lower the site elevations closer to the existing grades for vehicular access to Boston Post Road and Sibley Road driveways. While the proposed multi-family apartment building will be clearly visible from the street, the Applicant has proposed mitigating the visual impacts of the building by "pushing" the two-story parking garage podium into the ground/rock ledge, reducing its overall perceived height.

(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 the construction of 154 apartments to be financed under the NEF Program. There will be 115 market-rate units with proposed average rent levels of \$2,322 for

one-bedroom units, \$3,105 for the two-bedroom units, \$3,553 for the three-bedroom units. According to A&M, the proposed market rents for the one, two, and three-bedroom apartments are within the range of adjusted comparable market rents.

A&M's review indicate that between 2010 and 2015 the inventory of rental housing in the West/North West suburban Submarket expanded by 1.3% per year on average. As the area's supply of rental units continues to grow, REIS, Inc. data indicates that the submarket's vacancy rate will grow as well, increasing from 5.6% to 7.9%. However this increase in supply (and vacancy level) does not appear to have slowed growth in the effective rents, as they have increased from \$1,505 in 2010 to \$1763 (17%) in 2015, and are projected to continue to rise, albeit more modestly, to \$1897 (7.6%) by 2019. In general, occupancy levels in the area have remained stable, with an average occupancy rate of 3.78%.

A&M notes that the proposal does not include many of the site amenities found at comparable high-end properties. Further, public transportation is limited in the area (although there are two commuter rail stations within 2 miles); therefore, most of the competitive rentals are in close proximity to the regions primary highways including Routes 90, 9, 20, 117, 95, 60, 3, 3A and 2. These locations are more accessible to the area's wide mix of commercial/retail establishments and employment centers. There are plans to build a new commuter rail station in the vicinity, although no time table has been set by the MBTA. A more in depth market study should be conducted prior to financing and Final Approval.

(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 \$1,250,000. Based on a proposed investment of \$18,107,710 in private equity, the 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 agreed 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 Site through a Deed from Massachusetts Broken Stone Company to 104 Stony Brook, LLC dated January 9, 2015.