MASSHOUSING

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

TEL: 617.854.1000
FAX: 617.854.1091 | www.masshousing.com
Videophone: 857.366.4157 or Relay: 711

October 9, 2019

Perkins Landing, LLC
C/O Michael J. Larkin
P.O. Box 129
Medfield, MA 02052

RE: Perkins Landing–Topsfield, MA
Project Eligibility/Site Approval
MassHousing ID No. 1005

Dear Mr. Larkin:

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 ("FHLBank Boston").

You have proposed to build forty-four (44) homeownership units, including eleven (11) affordable units (the "Project"), on approximately 8.19 acres of land located at 57 Perkins Row (the "Site") in Topsfield (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 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. The Board of Selectmen provided an initial comment letter, received by MassHousing on November 8, 2018, identifying numerous concerns with the Project, and urging MassHousing to deny the Application for Site Approval.

In response to municipal comments, the Applicant submitted a revised site plan to MassHousing on April 25, 2019. The revised site plan reduced impervious surfaces, including roadways, driveways and building footprints, while changing the proposed housing type to duplex-style buildings. The duplex homes increase the number of homes proposed for the Site, while maintaining building footprints from the previous site plan.

Following receipt of the revised Site Plan, the Municipality asked for and was granted an additional 30 days to review the revised plans. On June 11, 2019, MassHousing received a second comment letter from the Topsfield Board of Selectmen stating that the revised Site Plan did not address their initial concerns. They stated that they remained in opposition to the Project and affirmed that all of the comments included in the initial comment letter remained unchanged. The second letter also included additional comments from several town departments and area residents.

In response to a request from the Municipality and MassHousing, the Applicant agreed to an additional site visit on July 23, 2019, intended to provide further opportunity for local officials and MassHousing staff to review the revised site plans in the context of existing uses.

Municipal comments identified the following major areas of concern:

- The Municipality emphasized that part of the Site sits in proximity to wetlands, and as such any development of this Site must be designed to protect the surrounding wetlands and ensure that the species of animals and plants found in the area are protected. They emphasized that the Project's stormwater collection and treatment system must prevent erosion and contamination to the nearby Ipswich River, both during and after construction. They questioned the impact of a significant amount of new impervious surfaces (buildings and paved areas) on groundwater recharge patterns in this area.

- The Municipality stated that Perkins Row and area roadways do not have the capacity to safely handle the additional traffic which the proposed Project is projected to generate. They expressed concern that increased traffic from the new development threatens both the safety and convenience of area residents. Pedestrian safety was also identified as a concern in light of the lack of sidewalks in this area.

- The Municipality also provided comments from the Topsfield Fire Department. The Fire Department emphasized that the Project must be designed to ensure the maximum level of emergency access and fire protection. They outlined a variety of requirements for the Project including fire lanes, sufficient roadway widths and intersection radii to accommodate public safety vehicles, hydrants and interior fire suppression systems.

- The Municipality expressed concern with various aspects of the site plan. Of significant concern was the length of the site drive and lack of secondary or emergency access. They also noted that the project design featured density levels significantly higher than those found at other properties located nearby.

Community Comments

In addition to the comments from town officials, MassHousing received letters from direct abutters and community members expressing opposition to the Project. Area residents expressed concern about potentially negative environmental impacts of the Project. They noted that the Site is directly

adjacent to the Ipswich River Wildlife Sanctuary and expressed concern that the Project grading could result in erosion and flooding impacts on the Ipswich River. In addition, they are concerned that the Site supports a large and diverse wildlife population and that the proposed Project may result in harm to wildlife and its associated habitat.

Additionally, community members expressed concerns about traffic and pedestrian circulation, public safety access, project architectural design, amount of open space, and stormwater management.

MassHousing received a separate letter from the Mass Audubon Ipswich River Wildlife Sanctuary, dated May 17, 2019. This letter expressed the opinion that the density of the Project threatens to undermine the scenic quality, wildlife habitat, water quality, and environmental health of the area.

MassHousing was also contacted by Senator Joan Lovely and Representative Brad Hill, who provided a letter dated August 5, 2019 expressing concerns about the potential impacts of the Project on area traffic, wetlands and natural resources. Additionally, they expressed opposition to the approval of the project's eligibility for site approval.

MassHousing carefully considered all of the Municipality's concerns and, to the extent appropriate within the context of the Site Approval process, has offered responses in the following "Recommendations" section of this letter.

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.[1] As a result of our review, we have made the findings as required for a determination of eligibility 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. 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 Applicant may apply to the Zoning Board of Appeals ("ZBA) 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 consideration of comments received from the Municipality and its site and design review, the following issues should be addressed in your application to the ZBA, and you should be prepared to explore them more fully during 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 related to floodplain management, wetland protection, river and wildlife habitats/conservation areas, stormwater management, wastewater collection treatment, hazardous waste safety, and public water supply. Given public comments received to date

[1] MassHousing has relied on the Applicant to provide truthful and complete information with respect to this approval. If at any point prior to the issuance of a comprehensive permit MassHousing determines that the Applicant has failed to disclose any information pertinent to the findings set forth in 760 CMR 56.04 or information requested in the Certification and Acknowledgment of the Application, MassHousing retains the right to rescind this Site Approval letter.

and given the Site's location relative to the Ipswich River, the Applicant should be prepared to engage in a robust dialogue on environmental protection and mitigation strategies and should be prepared to provide evidence of compliance with all applicable state and federal environmental laws, regulations and standards.

- Plans for the Project must comply with all conditions contained in any Order of Conditions issued by the Conservation Commission or the Department of Environmental Protection in connection with the Project.

- The Applicant must comply with Title V regulations regarding the design and construction of individual wells, septic systems and wastewater treatment plants. The Applicant should provide evidence of such compliance prior to the issuance of a building permit for the Project.

- A landscape plan should be provided to address Municipal concerns, including a detailed planting plan as well as paving, lighting, and signage details and the location of outdoor dumpsters or other waste receptacles. In addition, the Municipality requests that you avoid clear cutting the Site and preserve as many existing trees as possible.

- The Applicant should be prepared to provide detailed information relative to proposed water use, potential impacts on existing capacity, and appropriate mitigation.

- 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.

MassHousing has also reviewed the application for compliance with the requirements of 760 CMR 56.04(2) relative to Application requirements and has determined that the material provided by the Applicant is sufficient to show compliance.

This Site 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 Site 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 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 FHLBank Boston, 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 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 a 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,

Chrystal Kornegay

Chrystal Kornegay
Executive Director

cc: Janelle Chan, Undersecretary, DHCD
The Honorable Joan B. Lovely
The Honorable Bradford R. Hill
John K. Spencer, Chairman, Board of Selectmen
Robert Moriarty, Chairman, Zoning Board of Appeals

Attachment 1

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

Perkins Landing, Topsfield, MH ID No. 1005

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, 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 Topsfield is $89,200. A letter of interest regarding project financing was provided by Reading Cooperative Bank, a member bank of the FHLBank 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 Topsfield does not have a DHCD-approved Housing Production Plan. According to DHCD's Chapter 40B Subsidized Housing Inventory (SHI), updated through August 27, 2019, Topsfield has 187 Subsidized Housing Inventory (SHI) units (8.67% of its housing inventory). An additional 29 units would be required for the Town to achieve the 10% threshold of 216 units.

(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 an 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 neighborhood is comprised of primarily older single-family homes on larger parcels of land. There are several historic homes found throughout the surrounding area. The Applicant proposes to

develop housing at a higher density than the single-family home uses found throughout this neighborhood and introduces a different building type to the area, but these differences are mitigated by incorporating a design theme that takes cues from the prevailing architectural context. The Applicant's objective is to create a New England Village-style development which features attractive landscaping and homes facing a single drive through the site. The proposed duplex-style homes are of a comparable scale and architectural style to that of other homes found in the neighborhood.

Relationship to Adjacent Streets
The subject property is located in east central Topsfield on Perkins Row. The road roughly follows the edge of the Ipswich River Wildlife Sanctuary which surrounds Ipswich River and is generally rural in character. While the setting along Perkins Row is very bucolic, the location is not isolated. The Site is within a mile of Route 1 and within 1.5 miles of the town's central business district. The proposed Site access and egress to Perkins Row does not present any discernable public safety impacts. There appear to be adequate lines of sight for vehicles entering and exiting the proposed Site.

Density
The Applicant proposes to build twenty-two (22) duplex style homes on approximately 8.19-acres, of which approximately 6.8-acres are buildable. The resulting density is 6.47 units per buildable acre, which is acceptable given the proposed housing type and similar uses found within the region.

Conceptual Site Plan
The Applicant proposes twenty-two (22) duplex style homes with driveways and garages. While the number of units proposed has increased from the original site plan of twenty-eight (28) single-family homes to twenty-two (22) duplex-style homes for a total of forty-four (44) units, the Applicant revised the site plan to eliminate three (3) single-family homes originally proposed for the front portion of the parcel allowing for an undisturbed scenic entrance to the Site. The revised application also includes areas for snow storage, a bus stop and designated play areas for the residents.

Environmental Resources
The Site is a large parcel that directly abuts the Ipswich River. Wetlands found in the north west portion of the Site will limit the development to upland areas identified by the Applicant. Wetland resources in these areas will be subject to further review by the local Conservation Commission under a Notice of Intent.

Topography
The Site is moderately rolling, rising from street frontage to the center of the Site then gradually declining to the marsh area surrounding the Ipswich River. The topographic features of the Site have been considered in relationship to the proposed development plans and do not constitute an impediment to the development of the Site.

(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 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 17.67%. 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 $610,000.

(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 8.19-acre Site under a deed of ownership.