

June 21, 2017

**BY HAND**

Mr. Michael Kulesza, Chairman  
Zoning Board of Appeals  
Town of Norfolk  
Town Hall  
One Liberty Lane, 2nd Floor  
Norfolk, Massachusetts 02056

Re: Comprehensive Permit Application  
Applicant: Abbyville Residential LLC  
Project: Abbyville Commons  
Property: Off Lawrence Street, Norfolk, Massachusetts  
Studies Related to Potential Impacts on Fair Market Value to Surrounding Properties

Dear Chairman Kulesza and Other Board Members:

As a follow-up the Board's June 7, 2017 hearing, concerns were raised about the potential impacts of the proposed Project on the fair market value of existing homes in the surrounding neighborhood, as well as the generation of schoolchildren. In response to that comment, Ed Marchant, the Project's Affordable Housing Consultant, indicated that past studies of this very issue have confirmed that the development of 40B projects in close proximity to existing residential homes, including abutting single family residential homes, did not have an impact on fair market value.

To this end, we have examined the literature prepared by other professionals in connection with the evaluation of impacts to the fair market value of single family residential properties as a result of being located adjacent to more dense multi-family types of uses such as 40B projects in Massachusetts.

Specifically, we note that several recent studies performed by MIT and Tufts University have evaluated the impacts of dense, multifamily residential projects approved under Chapter 40B and the potential for diminution of the property values of adjacent single family residential dwellings. Although we have not prepared any fair market analysis in connection with the subject Project, we feel that for purposes of this matter, an evaluation of prior analyses of very similar circumstances is appropriate, and that the results of these studies would likely lead to the same conclusions in these studies provided.

These studies are summarized below, and copies of the same have also been filed under separate cover with the Board of Appeals record for this matter.

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- A. "Effects of Mixed-Income, Multi-Family Rental Housing Developments on Single-Family Housing Values," Cambridge, MA: MIT Center for Real Estate.  
(Pollakowski, Henry O., David Ritchay, and Zoe Weinrobe) (2005) (the MIT Study).

While there are many different methodologies that can be used to evaluate impacts on market value, the MIT Study developed a rigorous research methodology to examine the impact over time of introducing a large-scale, mixed income, multi-family rental development into a neighborhood of single family houses. The study examined seven Chapter 40B rental developments located within the Boston metropolitan area (Littleton, Mansfield, Norwood, Randolph, Wilmington and Woburn) which were located within existing residential neighborhoods, were known to be highly controversial and contested projects, and were selected because, as the study states, "...these types of developments would be the most likely to impact the values of neighboring single family houses." The MIT Study evaluated single family home prices adjacent to the various projects and were measured objectively over a 20-year period as projects were announced, approved, constructed, occupied and integrated into the residential communities. The project sizes range from 24 units to 525 units. The MIT Study used sales transaction data for single-family houses, and obtained records for about 36,000 transactions between 1982 and 2003. A weblink to the MIT Study is as follows:

[www.capecodcommission.org/resources/affordablehousing/ImpactRentHousingPropVal.pdf](http://www.capecodcommission.org/resources/affordablehousing/ImpactRentHousingPropVal.pdf)

As noted in the MIT Study, the Kimball Court 40B project in Woburn includes a total of 525 units located within a single family residential neighborhood, the "... grade affords houses...clear site lines of the seven story buildings..." and additional concerns cited were "drainage, flooding, inadequate water pressure, and that the access road to the site was unsafe." The other case studies identified similar stated concerns from the opponents to the projects.

The MIT Study concluded that "...the results in all seven case study towns leads us to conclude that the introduction of large-scale, high-density mixed-income rental developments in single family neighborhoods does not affect the value of surrounding homes. The fear of potential asset-value loss among suburban homeowners is misplaced."

Accordingly, we conclude that if there was no affect on the fair market values of surrounding single family neighborhoods as a result of the introduction of large-scale, high-density mixed-income rental 40B developments like those discussed in the MIT Study, then it is highly unlikely there would be a negative property value effect on the surrounding neighborhood as a result of The Preserve at Abbyville and Abbyville Commons proposals.

- B. "On the Ground: 40B Developments Before and After." Department of Urban and Environmental Policy and Planning, Tufts University, Medford, MA.  
Prepared for: Citizens' Housing and Planning Association I May 1, 2009.  
(DeGenova, Alexandra, Brendan Goodwin, Shannon Moriarty and Jeremy Robitaille)  
(2009) (the "Tufts Study").

As with the MIT Study, the Tufts Study examined controversial housing developments built under Massachusetts Chapter 40B. Projects selected for review were located in Walpole, Newton, Wellesley, and Weston. The purpose of the Tufts Study "...was to determine the extent to which concerns raised during the permitting process were realized once the developments had been completed and occupied. A weblink to the Tufts Study is as follows:

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[http://as.tufts.edu/uep/sites/all/themes/asbase/assets/documents/fieldProjectReports/2009/Team\\_4\\_Final\\_Report.pdf](http://as.tufts.edu/uep/sites/all/themes/asbase/assets/documents/fieldProjectReports/2009/Team_4_Final_Report.pdf)

The Tufts Study identified the key controversies and concerns raised during the permitting process. Among the fears and concerns that were uncovered were: municipal service capacity and adequacy (i.e., schools, water, sewer and emergency services), density, neighborhood change, environmental impacts, health and safety, property values, and the preservation of open space. The Tufts Study concluded that "...the controversies surrounding these cases were not realized to the extent feared." For example, the opponents to the 52-unit rental community called Hastings Village in Wellesley contended that the "...addition of a dense development of rental housing units would decrease the property values of abutting properties." But the Tufts Study concluded that "property values have not been affected." Similarly, the opponents of the Dickson Meadows Chapter 40B project in the Town of Weston also raised concerns that this project "...could lessen surrounding property values." The project site "...had been undeveloped land in a neighborhood of single-family houses and ...open space." The Tufts Study, however, concluded "...there was no known impact to surrounding property values."

The Tufts Study also found that the "concerns raised varied for each project, but it can be concluded that the underlying roots of these controversies are the loss of local control over zoning and fear of the unknown impacts of the developments." The Tufts Study also concluded that "...now that the projects have been built and occupied for more than two years, most of the controversies have evaporated."

- C. "Chapter 40B: Is there an Adverse Impact on Home Values and Family Income?" 40B Developments Before and After." Dukakis Center for Urban and Regional Policy, Northeastern University, Boston, MA. (Casy, Jessica)(2010) (the "Northeastern Study").

In anticipation of the Chapter 40B repeal effort via a ballot initiative in 2010, the Northeastern Study developed a statistical analysis to examine whether communities with 40B developments have been harmed in terms of changes in property values and family incomes. A weblink to the Northeastern Study is as follows: <http://www.northeastern.edu/dukakiscenter/wp-content/uploads/40B-HousingPricesStudy-Oct2010.pdf>

The Northeastern Study used median home sales data and median family incomes from 1980 through to 2010, and stated that "...the presence of Chapter 40B, regardless of the number of units, has no statistically significant impact on property values in Massachusetts." The Northeastern Study added that "...on average, Massachusetts communities experienced the same increase in property values, regardless of the presence of Chapter 40B housing units, even in communities with a large number of 40B units." The Northeastern Study also stated that "...the presence of Chapter 40B, regardless of the number of 40B units, had no systematic impact on the growth in median family income." The Northeastern Study concludes that "...there is no reason to believe that the presence of one or more Chapter 40B projects in a community has any impact on either home value appreciation or family income. The increase in both property value and family income was not statistically lower for communities with Chapter 40B developments – and, if anything – a bit higher. The development of Chapter 40B units has not harmed property values or family incomes in the Commonwealth."

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In sum, all three studies concluded there were no impacts to property values as a result of the siting of a multifamily 40B project near single family residential neighborhoods. First, an exhaustive study performed by MIT in 2005 concluded that a large and dense Chapter 40B residential community located at seven separate municipalities adjacent to single family residential neighborhoods "...does not affect the value of surrounding homes. The fear of potential asset-value loss among suburban homeowners is misplaced." Second, the Tufts Study similarly concluded that residential fears over the potential impacts of controversial Chapter 40B projects, including the impacts of such projects on fair market value, were not realized and there was no known impact to surrounding property values. Lastly, the Northeastern Study concluded that there is no reason to believe that the presence of one or more Chapter 40B projects in a community has any impact on either home value appreciation or family income. Based upon the findings of the reports cited above, there is no reason to believe that property values in the surrounding neighborhood area would behave any differently in connection with the proposed Projects, based upon the results of all three studies cited above.

### 2. Schoolchildren.

The Housing Appeals Committee has consistently held that the potential impacts arising from the number of school-aged children arising from a comprehensive permit project is not a matter which can be considered as a part of the Chapter 40B decision-making and hearing process. See *Dartmouth Crossroads Associates and The Claremont Company, Inc. v. Board of Appeals of Dartmouth* (Housing Appeals Committee No. 80-12)(October 20, 1981) (holding that Chapter 40B does not recognize school impact as a ground for sustaining the denial of a comprehensive permit as consistent with local needs). See also *Haverhill Green Associates LP v. Board of Appeals of Haverhill* (Housing Appeals Committee No. 87-14) (September 15, 1988) (We have held in other cases that the duty of supplying adequate school facilities is a municipal obligation, and that we would not permit a failure to fulfill that obligation to be relied upon as a ground for denying a Comprehensive Permit. Our regulations take cognizance of this position, and in effect provide that where the City relies on the lack of municipal services as a defense, it must be prepared to prove that the provision of such services is not technically or financially feasible.). The Housing Appeals Committee in *Hilltop Preserve LP v. Walpole Board of Appeals* (Housing Appeals Committee No. 00-11)(April 10, 2002) described the rationale for this finding as follows:

School budgets are constantly in flux, and in all school districts, teacher hiring, classroom sizes, and catchment boundaries for particular schools are adjusted to account for changes in population. Thus, our rulings have been uniform. Three of our earliest cases addressed the issue. In *Interfaith Housing Corp. v. Gardner*, No. 72-05, slip op. at 14 (Mass. Housing Appeals Committee Feb. 13, 1974), where the local schools were overcrowded and the high school had lost its accreditation, we said, "...the legislature felt that existing needs for low and moderate income housing were so overriding as to have priority over the admittedly pressing problem of overcrowded schools." In *Wilson Street Trust v. Norwood*, No. 71-06, slip op. at 25 (Mass. Housing Appeals Committee Feb. 13, 1974), *aff'd*, No. 112304 (Norfolk Super. Ct. May 7, 1975), we said, "the impact on the school system is not a ground under the statute to support a denial of a

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comprehensive permit." And in *Woodcrest Village Assoc. v. Maynard*, No. 72-13, slip op. at 27 (Mass. Housing Appeals Committee memorandum Feb. 13, 1974), *aff'd*, 370 Mass. 64, 345 N.E.2d 382 (1976), we concluded that "...the statute does not recognize [inadequate school facilities, rising costs, and the exacerbation of these problems by additional schoolchildren] as sufficient grounds for denial of a comprehensive permit." In *Georgetown Housing Auth. v. Georgetown*, No. 87-08, slip op. at 12 (Mass. Housing Appeals Committee June 15, 1988), a case involving the cost of both schools and other town services, we stated the principle more broadly: "We have ruled in other cases that the requirement for a town to provide municipal services is imposed upon it by law. The Town cannot use its duty to provide such services as a basis for denying or restricting a Comprehensive Permit. The cost of necessary municipal services is simply *not* an element of the concept of consistency with local needs." Also see *Millhaus Trust of Upton v. Upton*, No. 74-08, slip op. at 7 (Mass. Housing Appeals Committee July 8, 1975); *Haverhill Green Assoc. Ltd. Partnership v. Haverhill*, No. 87-14, slip op. at 33 (Mass. Housing Appeals Committee Sep. 15, 1988), *aff'd*, No. 88-5861 (Suffolk Super. Ct. Nov. 28, 1989); *Silver Tree Ltd. Partnership v. Taunton*, No. 86-19, slip op. at 33 (Mass. Housing Appeals Committee Oct. 19, 1988), *aff'd*, No. 88-6435E (Suffolk Super. Ct. May 10, 1989). So it is well-settled law that school impacts cannot be considered by the Board in its decision-making concerning the Project."

Lastly, as to the Norfolk School System, we note that a recent article in the July 27, 2016 *Boston Business Journal* entitled "The towns and cities with the fastest growing school districts in Massachusetts" performed a study which examined trends with regard to school enrollment in 284 school districts in Massachusetts based upon data supplied from the Commonwealth of Massachusetts.

Based upon this study, it was determined that "...total school enrollment in Massachusetts has dropped by around 4 percent since 2006, and that the vast majority of districts – some 200 out of 284 analyzed by the Business Journal – reported enrollment *declines* in the most recent academic year." Moreover, using a search tool for all the districts analyzed, including Norfolk, since 2006, school enrollment within the Norfolk public schools has declined 22%, or to a school enrollment of in 2016.

A copy of the *Boston Business Journal* article is attached as Exhibit A.

School District Norfolk Enrollment, 2013-2014	925
Enrollment, 2008-2009	1,059
5-year enrollment change	-13%
Enrollment, 2003-2004	1,184
10-year enrollment change	-22%

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Enrollment, 1993-1994	1,058
20-year enrollment change	-13%

Source: *Id.*

This decline represents approximately 259 less students in the Norfolk School system than what had existed for the 10-year period described above. The latest information on Norfolk Public School enrollment we could obtain suggests there are 938 students enrolled in FY 2017, representing a 262 student decline since 2002, or over a period of approximately 15 years. See Exhibit B.

Similarly, latest information we could obtain from the King Philip Regional School District projected over an 8% decline in student enrollment in the high and middle schools, based upon data provided by the District which is also attached as Exhibit C.

We look forward to discussing these matters with the Board at the July, 2017 hearing. In the interim, please do not hesitate to contact me should you have any questions. Thank you.

Sincerely,



John T. Smolak

JTS:

cc: Thomas W. DiPlacido, Jr., Manager, Abbyville Development LLC  
Edward H. Marchant, EHM/Real Estate Advisor  
Distribution List

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**EXHIBIT A**

**July 27, 2016 Boston Business Journal entitled "The towns and cities  
with the fastest growing school districts in Massachusetts"**

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From the Boston Business Journal:

[http://www.bizjournals.com/boston/blog/bbj\\_research\\_alert/2014/06/the-fastest-growing-school-districts-in-mass.html](http://www.bizjournals.com/boston/blog/bbj_research_alert/2014/06/the-fastest-growing-school-districts-in-mass.html)

## The fastest-growing school districts in Massachusetts (BBJ DataCenter)

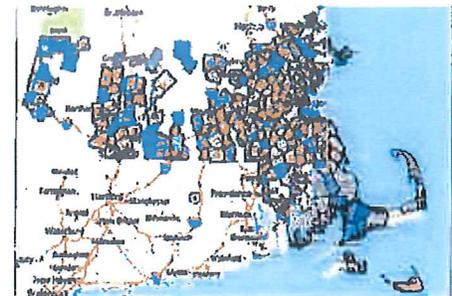
Jun 4, 2014, 4:53pm EDT

We've spent considerable time in recent months slicing and dicing test scores and related metrics to highlight the best-performing school districts in the state. It's a list that also happens to more or less mirror our annual rundown of the wealthiest communities in Massachusetts. No surprises there.

As such, demand to live in those towns and cities — and, in turn, to enroll one's kids in the local public schools — remains consistently strong. But they're not the only school districts in demand these days.

A Boston Business Journal analysis of school enrollment data has highlighted a diverse spectrum of schools that have seen surges in student enrollment over the past decade. For example, enrollment has been particularly strong in the relatively affordable southeastern region of the state, with school districts such as Pembroke, Freetown-Lakeville and West Bridgewater ranking among the five fastest-growing school systems in Massachusetts between 2003 and 2013.

Some 30 communities reported double-digit growth in student enrollment between 2003 and 2013, although most of that expansion was concentrated in Eastern Massachusetts. Approximately two out of every three districts statewide reported enrollment declines over the past decade, with many of the most-severe drops occurring in the western portions of the state. Those changes have corresponded with steep population declines in many Western Massachusetts communities as well.



School district enrollment in Massachusetts has been concentrated in Eastern Massachusetts, while the central and western portions of the state have seen declines. On the accompanying map, shades of blue indicate declines in school district enrollment, while shades of red highlight growth. Changes affecting many regional districts were not captured by Google's mapping application.

# The fastest-growing school districts in Massachusetts

DISTRICT All school districts

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SOURCE: Commonwealth of Massachusetts

Online Database by Caspio

**Craig Douglas**

ACBJ Director, Editorial Research  
& Analysis

*Boston Business Journal*



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**EXHIBIT B**

**Norfolk Public School Enrollment Data**

**Norfolk Public Schools:**

[www.norfolkpublicschools.org](http://www.norfolkpublicschools.org)



**FY2018  
Operating Budget  
School Committee Approved: 5/2/17**

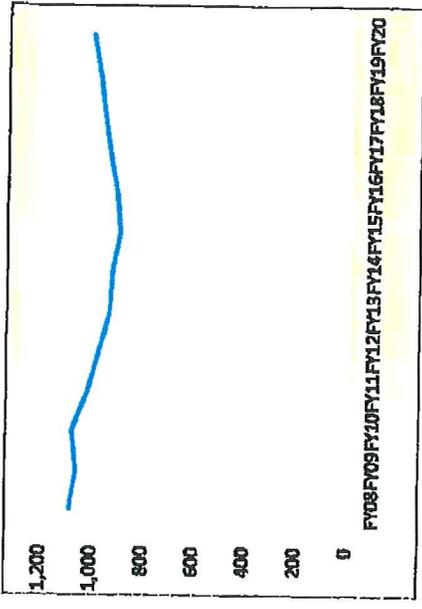
**H. Olive Day School  
232 Main Street  
508-541-5475**

**Freeman-Kennedy School  
70 Boardman Street  
508-528-1266**

**Administrative Offices  
70 Boardman Street  
508-528-1225**

# ENROLLMENT

Grade	Actual Pupil Enrollment (October 1st)												Projected Enrollment		
	FY08	FY09	FY10	FY11	FY12	FY13	FY14	FY15	FY16	FY17	FY18	FY19	FY20		
<b>Total Pupil Census</b>															
PreK	55	47	56	57	57	58	56	66	66	65	65	65	65	65	
K	182	140	123	121	105	92	135	86	86	132	130	135	132	132	
1	145	166	141	124	115	118	89	136	104	146	146	132	132	135	
2	148	143	163	134	122	111	115	89	136	106	106	147	134	134	
Subtotal, HOD	510	489	483	438	396	379	385	387	438	442	478	463	463	468	
3	132	145	144	162	130	120	111	121	108	143	105	150	150	156	
4	166	131	150	138	161	138	122	115	123	109	141	140	140	151	
5	127	166	136	149	135	161	138	126	112	125	111	143	143	142	
6	148	121	163	135	160	136	181	138	132	119	124	114	114	143	
Subtotal, FK	579	563	583	532	576	555	530	488	473	498	482	517	517	542	
<b>Total</b>	<b>1,083</b>	<b>1,059</b>	<b>1,076</b>	<b>1,018</b>	<b>975</b>	<b>934</b>	<b>925</b>	<b>896</b>	<b>908</b>	<b>938</b>	<b>961</b>	<b>980</b>	<b>1,009</b>	<b>1,009</b>	
Change	-5	-24	17	-58	-43	-41	-9	-30	14	28	35	35	18	28	



Norfolk K-6 Students Attending Other Schools					
FY12	FY13	FY14	FY15	FY16	FY17
97	92	80	68	54	46

Other Schools Include:

- Collaboratives
- Charter Schools
- Private Schools
- Home School

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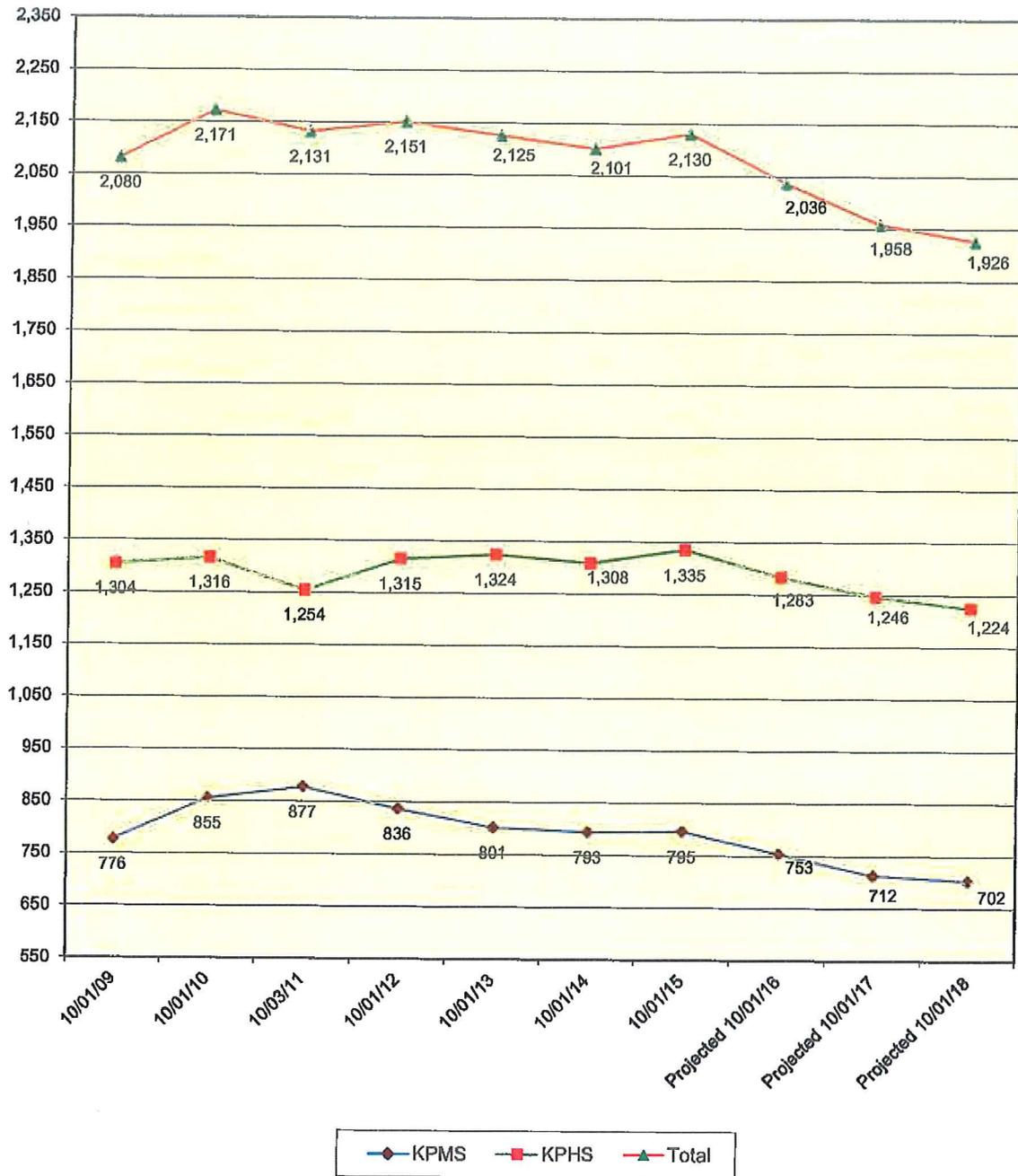
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**EXHIBIT C**

**King Philip Regional School Enrollment Data**

Total In-District Student Population & 3 Year Projection



1/29/2016

**King Philip Regional School District**

**Business Office**

**Pupil Census / Projections:**

**FY 2017**

**In-District Students Only**

Grade	Actual Pupil Population							Projections: 3 Year Survival %		
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018

**Actual**

**Total Pupil Census**

K	385	357	390	323	369	296	321	329	315	322
1	378	399	357	364	316	368	324	319	327	313
2	444	369	401	361	382	325	380	327	320	329
3	399	438	370	384	351	374	342	377	324	317
4	421	399	440	406	396	347	386	340	375	322
5	430	423	400	404	391	395	349	393	346	381
6	463	432	428	407	440	381	399	343	386	341
<b>Elem</b>	<b>2,920</b>	<b>2,817</b>	<b>2,786</b>	<b>2,649</b>	<b>2,645</b>	<b>2,486</b>	<b>2,501</b>	<b>2,428</b>	<b>2,393</b>	<b>2,325</b>
Chg	-28	-103	-31	-137	-4	-159	15	-73	-35	-103

7	383	469	415	418	380	420	372	385	332	373
8	393	386	462	418	421	373	423	368	380	329
<b>KP-M</b>	<b>776</b>	<b>855</b>	<b>877</b>	<b>836</b>	<b>801</b>	<b>793</b>	<b>795</b>	<b>753</b>	<b>712</b>	<b>702</b>
Chg	-35	79	22	-41	-35	-8	2	-42	-41	-51

9	334	333	290	388	330	328	306	342	299	308
10	342	331	324	281	375	326	331	307	344	301
11	307	330	319	328	287	365	326	319	295	330
12	321	322	321	318	332	289	372	315	308	285
<b>KP-H</b>	<b>1,304</b>	<b>1,316</b>	<b>1,254</b>	<b>1,315</b>	<b>1,324</b>	<b>1,308</b>	<b>1,335</b>	<b>1,283</b>	<b>1,246</b>	<b>1,224</b>
Chg	30	12	-62	61	9	-16	27	-52	-37	-59

<b>Total KP</b>	<b>2,080</b>	<b>2,171</b>	<b>2,131</b>	<b>2,151</b>	<b>2,125</b>	<b>2,101</b>	<b>2,130</b>	<b>2,036</b>	<b>1,958</b>	<b>1,926</b>
Chg	-5	91	-40	20	-26	-24	29	-94	-78	-110