MASSHOUSING

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DEC 27 2016
TOWN OF NORFOLK
ZONING BOARD OF APPEALS

December 22, 2016

Mr. Eoghan Kelly, President
The Village at Norfolk, LLC
32 Norfolk Avenue
Easton, MA 02375

Re: The Village at Norfolk, Norfolk, MA
Project Eligibility/Site Approval
MH Project #880

Dear Mr. Kelly:

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

You have proposed to build 36 homeownership units (the "Project") on 6.53 acres of land located at 25 Rockwood Road (the "Site") in Norfolk (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. The Municipality was given a thirty (30) day period, in which to review the Site Approval application and submit comments to MassHousing.

Municipal Comments

- The Municipality expressed concern about potential traffic impacts on Rockwood Road, particularly, the sufficiency of sight lines from the site entrance to the north on Rockwood Road.

- The Municipality expressed concern relative to pedestrian safety both within the development and leading to and from the development along Rockwood Road.

- The Municipality expressed concern about the proposed on-street parking (parallel and pull-in) along portions of the site roadway, noting that it could impede the navigation of public safety vehicles.

- The Municipality expressed concern about the lack of confirmed secondary or emergency access, and asked that the Applicant explore all possible options for providing such access.

- The Municipality requested that the Applicant provide designated snow storage areas on the site plan.

- The Municipality expressed concern about potentially negative impacts to abutting properties from light spillover.

MassHousing Determination and Recommendations

MassHousing staff has determined that the Project appears generally eligible under the requirements of the Program, subject to final review of eligibility and to Final Approval. As a result of our review, we have made the findings as required pursuant to 760 CMR 56.04(1) and (4). Each such finding, with supporting reasoning, is set forth in further detail on Attachment 1 hereto. 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, the following issues should be addressed in your application to the Norfolk Zoning Board of Appeals, and you should be prepared to explore them more fully during the public hearing process:

- The Applicant should be prepared to respond to Municipal concerns relative to off-site traffic impacts on Rockwood Road and the sufficiency of sight lines at the Site's entrance/egress.

- The Applicant should be prepared to address concerns relative to pedestrian safety, both within the development and leading to and from the development along Rockwood Road.

- The Applicant should be prepared to address proposed on-site circulation to ensure compliance with public safety standards relative to emergency access in and out of the Site, and the sufficiency of off-site resident and visitor parking. In particular, the Applicant should be prepared to respond to the Municipality's request for a secondary/emergency access.

- The Applicant should review proposed Site lighting to ensure minimal "night sky" impacts, and protect abutting properties from excessive light spillover.

- In their submittal to the ZBA, the Applicant should provide additional information relative to snow storage, signage, mail delivery, and trash pick-up.

MassHousing has also reviewed the application for compliance within 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 approval is expressly limited to the development of no more than thirty six (36) homeownership units under the terms of the Program, with not less than nine (9) of such units restricted as affordable homeownership units for low and 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 and 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 or should MassHousing not extend the effective period of this letter in writing, this letter shall be considered to have expired and no longer be in effect. In addition, the Applicant is required to notify MassHousing at the following times throughout this two year period: (1) when the Applicant applies to the local ZBA for a Comprehensive Permit, (2) when the ZBA issues a decision and (3) if applicable, when any appeals are filed.

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

unless MassHousing is able to make the same findings at the time of issuing Final Approval as required at Site Approval.

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

If you have any questions concerning this letter, please contact Katharine Lacy at (617) 854-1098.

Sincerely,

Timothy C. Sullivan
Executive Director

cc: Chrystal Kornegay, Undersecretary, DHCD
Jeff Palumbo, Chairman, Board of Selectmen
Ray Goff, Town Planner
Michael Kulesza, Chairman, Zoning Board of Appeals

Attachment 1

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

The Village at Norfolk, LLC MH #880

After the close of a 30-day review period 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) MassHousing finds 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 Norfolk is $73,050. The Applicant has a letter of financial interest from Mechanics Cooperative Bank, a member bank of the FHLBB under the NEF Program.

(b) MassHousing finds 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 MassHousing staff's site inspections, 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. The Site is located in an area zoned B-1 (business/commercial) though it is currently occupied by a single family home, and abuts an established residential neighborhood to the north and east. The Norfolk Housing Authority's Hillcrest Village complex is located immediately to the northwest of the Site.

The Site is within walking distance (500') of Norfolk's Town Center, which includes an MBTA commuter rail station, and a variety of civic and commercial uses and places of employment. Utilities including gas, water and electricity are available subject to appropriate review; wastewater treatment will be provided by on-site septic systems.

Norfolk does not have a current Housing Production Plan approved by DHCD. According to the DHCD Subsidized Housing Inventory (SHI), last updated in December 2014, Norfolk has 111 Subsidized Housing Inventory (SHI) units (3.6% of its housing inventory) which is 200 units shy of the requisite 10% SHI threshold. The need for affordable housing in Norfolk is further supported by the American Community Survey's 2010-2014, 5-Year Estimate, showing that

14.4% of households in Norfolk earn less than 50% AMI; 17.9% earn less than 60%, and 22.9% earn less than 80%.

(c) MassHousing finds 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
The proposed Villages of Norfolk is located between Norfolk's growing, low-scale commercial center to the south and an established residential neighborhood along Rockwood Road to the north. Hillcrest Village, a multi-family development managed by the Norfolk Housing Authority, abuts the Site immediately to the northwest. Existing homes along Rockwood Road include traditional, 2-3 story capes and colonials. Proposed project buildings are compatible in scale and style with the surrounding residential neighborhood, with traditional features including pitched roofs, clapboard and shingle siding, architectural roof shingles, and double hung windows. The retention of existing vegetation along the MBTA commuter rail line at the Site's southern boundary will provide a visual separation between the proposed development and commercial uses to the south. The proposed 36-unit, single-family condominium development provides a logical transition between the two areas.

Relationship to Adjacent Streets
The Site has relatively narrow (180') frontage on Rockwood Road, similar to that of nearby house lots, but extends back more than 2000' in a westerly direction parallel to the MBTA commuter rail tracks. The proposed, 20' site drive creates a T intersection with Rockwood Road, leading into the development in a westerly, perpendicular direction. Due to the lot's configuration and relatively flat topography, views into the Site from Rockwood Road will be largely obscured by the existing home at 23 Rockwood Road and Unit 1 of the proposed development, which fronts directly onto the existing right-of-way, effectively blocking views of the homes behind it.

Density
The Developer intends to build 36 homes on 6.35 acres, all of which is buildable. The Project's overall density is 5.7 units per buildable acre. While more dense than the residential neighborhood to the north on Rockwood Road, it is of comparable or lower density than the Norfolk Housing Authority's Hillcrest Village abutting the site to the east, and provides a logical transition between these existing residential neighborhoods and Norfolk's commercial center to the south, resulting in a comfortable connection between Norfolk's commercial center to the south.

Conceptual Site Plan
The site plan consists of 36 single-family condominium units spaced a regular intervals along a single, winding roadway which leads into the Site from Rockwood Road, loops around a central common open space in the center of the Site, and continues in a westerly direction to a proposed secondary access on Boardman Street. The overall effect is of a complete, small neighborhood of

individual homes with private yards, linked by a public sidewalk and shared common open space areas.

Topography
Topography is not a significant factor in the site plan. The Site is relatively flat at its front (eastern) end and slopes very gradually up from elevation 196' at the entrance on Rockwood Road to a high point of 220'-224' at the rear (western) end of the Site.

Environmental Resources
There are no documented environmentally sensitive areas or features on the Site.

(d) MassHousing finds 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 Comparative Market Analysis submitted as a part of this application and prepared by Danielle Rochefort of Berkshire Hathaway (9/2/2016).

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

The initial pro forma has been reviewed for the proposed residential use and the Project appears financially feasible with a projected profit margin of 15.37%. A third party appraisal commissioned by MassHousing and prepared by Stephen M. Dylag of Keystone Consulting has determined that the "As Is" land value for the Site of the proposed Project is $1,120,000.

(f) MassHousing finds 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) MassHousing finds 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 6.53-acre Site under a purchase and sale agreement dated April 25, 2016 and expiring 30-days after issuance of a Comprehensive Permit.