



Massachusetts Housing Finance Agency
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June 23, 2014

Weiss Farm Apartments LLC
100 Grandview Road, Suite 207, Braintree, MA 02184
Attention: Richard J. High

VIA CERTIFIED MAIL

Re: The Commons at Weiss Farm
Stoneham, MA (SA-13-006)
Project Eligibility (Site Approval) Application

Dear Mr. High:

This letter is in response to your application 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 following program (the "Program"):

- New England Fund ("NEF") Program of the Federal Home Loan Bank of Boston ("FLHBB").

Weiss Farms Apartments LLC has filed a proposal with MassHousing pursuant to Chapter 40B. The proposal is to build 264 units of rental housing (the "Project") on approximately 25.67 acres of land at 170 Franklin Street (the "Site") located in Stoneham (the "Municipality").

This letter is intended to be a written determination of Project Eligibility ("Site Approval") in accordance with the Comprehensive Permit Rules, establishing fundability by a subsidizing agency under a low or moderate-income housing subsidy program pursuant to the Guidelines which may be found at www.mass.gov/hcd/docs/legal/comprehensivepermitguidelines.pdf. To the extent that Project funding is provided by a non-governmental entity such as a Federal Home Loan Bank this letter is also intended to be a determination of Project Eligibility ("Site Approval") by MassHousing acting as a Subsidizing Agency (formerly, "Project Administrator") under the Guidelines, including Part V thereof, "Guidelines for Housing Programs in Which Funding Is Provided by Other Than a State Agency."

MassHousing staff 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. As a result of our review, we have made the following findings as required pursuant to 760 CMR 56.04(1) and (4): (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) ("Final Approval"); (b) that the Site of the proposed Project is generally appropriate for residential development taking into consideration the information provided by the Municipality regarding actions previously taken to meet affordable housing needs; (c) that the conceptual project design is generally appropriate for the site on which it is located; (d) that the proposed Project appears financially feasible within the housing market in which it will be situated based on comparable rentals; (e) that an initial pro forma, including a land value determination consistent with the Guidelines, has been reviewed, and the Project appears financially feasible and consistent with the Guidelines for cost examination and limitations on profits and distributions on the basis of estimated development costs, and the Project is fundable under the Program; (f) that the Applicant would be eligible to apply as a Limited Dividend Organization in connection with an application for financing under the Program; and meets the general eligibility standards of the Program; and (g) that the Applicant controls the Site. Each such finding, with supporting reasoning, is set forth in further detail on Attachment 1 hereto.

As noted, MassHousing staff has determined that the Project appears generally eligible under the requirements of the NEF Program, subject to final review of eligibility and to Final Approval. In order to maintain eligibility under the NEF Program the following requirements must be addressed as part of your Final Approval application submission:

1. Financing for the Project must originate from a subsidizing lender that is a member of the FHLBB; a minimum of 25% of the financing must be obtained from the NEF Program; the construction and permanent financing must be for a minimum term acceptable to the Subsidizing Agency; and other financing terms and conditions must be substantially similar to terms used by the Subsidizing Agency in its own lending programs or otherwise be commercially reasonable. Evidence of a firm commitment for financing for the Project must be provided during your request to MassHousing for Final Approval. The Regulatory Agreement shall provide that any transfer of all or a portion of the NEF lender's interest (including participations or sale of servicing rights) during the approved term of the construction loan or, if applicable, the first five (5) years of the permanent financing, shall be subject to the approval of the Subsidizing Agency.
2. The Applicant must offer a minimum of 25% of the units for rental to households earning no more than 80% of the area median income, adjusted for household size, as published by the U.S. Department of Housing and Urban Development (HUD). The initial maximum housing cost (rent plus applicable utility allowances) for the affordable units

must be set at levels affordable to households earning no more than 80% of the area median income as determined by MassHousing based on the income limits published annually by HUD as adjusted for household size (based on 1.5 persons per bedroom). The most recent HUD income limits indicate that 80% of the current median income for a 4-person household in the Municipality is \$67,750.

3. The Applicant must enter into a Regulatory Agreement acceptable to MassHousing in the form for the applicable Program, ensuring compliance with the Comprehensive Permit Rules and the Program. If the Project is funded through the NEF Program, MassHousing will serve as the Subsidizing Agency under the Regulatory Agreement. The legal description of the Site attached to the Regulatory Agreement must be in recordable form.
4. The Applicant must comply with the Land Value Policy described in Section IV (B) (1) of the Guidelines and, if applicable, MassHousing's Acquisition Value Policy. *Please note that the proposed purchase price of \$7,686,200 exceeds the "As Is Market Value" of the property determined by the MassHousing commissioned independent appraisal.* The maximum permissible acquisition value that can be included, for limited dividend purposes, in the Development Budget approved at Final Approval and at the time of Cost Examination/Cost Certification, is the "As Is" value determined by the MassHousing commissioned independent appraisal of \$1,800,000 plus reasonable and verifiable carrying costs (where permitted by the Guidelines) from the October 2, 2013 date of your Site Approval application.
5. In accordance with Section 15 of the Purchase and Sale Agreement, evidence of legal site subdivision into two parcels is required prior to Final Approval.
6. The Applicant must be a Limited Dividend Organization and agree to limit the profit on, and distributions from, the Project in accordance with the Comprehensive Permit Rules.
7. The Project must comply with the Commonwealth's Sustainable Development Principles.
8. The Applicant must demonstrate that the Project will comply with EPA's Energy Star guidelines or with similar standards acceptable to MassHousing. The Applicant must make an application and submit plans to the local Energy Star administrator.
9. Final plans for the Development must show the number and location of handicapped accessible rental units in compliance with all applicable state and federal regulations.
10. The affordable rent levels must comply with the then-applicable 80% of Area Median Income (AMI) rent standard as adjusted for the required utility allowances. If any utility allowances are proposed at the time of Final Approval, appropriate supporting documentation shall be provided by the Applicant.

11. In accordance with the Interagency Agreement Regarding Housing Opportunities for Families with Children dated January 17, 2014 (attached) at least 10% of the units in the Project must have three (3) or more bedrooms. Evidence of compliance with this requirement must be provided at Final Approval.

Municipal Comments

The Municipality was given a thirty (30) day period in which to review the site approval application and submit comments to MassHousing. In response to a request from the Stoneham Board of Selectmen this review period was extended to sixty (60) days. The Chairman of the Stoneham Board of Selectmen provided an initial comment letter, received by MassHousing on December 19, 2013, identifying numerous concerns with the Project, and urging MassHousing to deny the Application for Site Approval.

On January 14, 2014, MassHousing and the Municipality received revised site plans, showing modifications made by the Applicant in response to feedback from MassHousing and the Municipality regarding the site layout and building design. The number of units and overall unit mix remained the same as in the original submittal. Revisions to the site plan included reorientation of the larger apartment buildings around a central open space, and the incorporation of five smaller townhouse structures to better integrate the Project into the surrounding neighborhood.

Following receipt of the revised Site Plan, Stoneham Selectmen asked for and were granted an additional forty-one (41) days to review the revised plans. On February 19, 2014, MassHousing received a second comment letter from the Stoneham 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 a brief evaluation of the Project's compliance with the Commonwealth of Massachusetts "Sustainable Development Principles".

In response to a request from the Municipality, the Applicant agreed to a public meeting scheduled for May 19, 2014 intended to provide further opportunity for public comment. Subsequent to that public meeting the Municipality submitted additional comments in a letter dated May 29, 2014, expressing disappointment with the outcome of the presentation and restating all previous comments.

Municipal comments identified the following major areas of concern:

- Stoneham Selectmen expressed the belief that the Applicant failed to have a pre-application meeting with representatives from the Town of Stoneham prior to the

submittal of their application to MassHousing. They noted that a pre-submittal meeting was a MassHousing requirement and urged MassHousing to deny the application on this basis.

- Stoneham Selectmen questioned the Applicant's eligibility to apply for a determination of Site Approval because they fail to provide evidence that they are a "public agency, a non-profit organization, or a Limited Dividend Organization", as required by 760 CMR 56.04 (1) and 760 CMR (4) (f). MassHousing has determined that there is no reason that this requirement could not be met in the normal course prior to Final Approval. Final Approval would not be granted if at that time MassHousing could not find that the Applicant qualified as a Limited Dividend Organization.
- The Selectmen expressed concern that the Applicant fails to provide evidence of site control. MassHousing has reviewed the application and finds that the Purchase and Sale Agreement provided by the Applicant provides sufficient evidence of site control subject to final review at Final Approval.
- The Selectmen questioned the estimated land value of \$7,686,300 included in the project pro-forma. In accordance with the Section IV B.1 of the Guidelines, MassHousing has commissioned a self-contained appraisal regarding the Site, dated as of November 1, 2013, which indicates an "as-is" land valuation of \$1,800,000. In accordance with the Comprehensive Permit Rules, this is the only value that can be used in determining compliance with the limited dividend requirement.
- Stoneham Selectmen expressed the opinion that the Project was not consistent with the majority of the Commonwealth's Sustainable Development Principles, and cited evidence provided in a letter prepared by Glenn C. Gibbs, who is a municipal planner, received by MassHousing on February 19, 2014.
- Stoneham Selectmen expressed concern with the site plan, stating that it provided insufficient usable open space, too much impervious surface, and a level of density incompatible with the surrounding neighborhoods. They noted that these comments applied to both the initial and the revised site plan.
- Stoneham Selectmen noted that a significant portion of the Site is subject to the jurisdiction of the Stoneham Conservation Commission pursuant to the Wetlands Protection Act. They expressed the concern that the Project would have negative impacts on area wetlands, both on-and off site, and associated impacts on adjacent properties.
- The Stoneham Selectmen expressed concern that the Project will be located in an already congested location, and will exacerbate existing high traffic volumes on Franklin Street.

- The Selectmen expressed concern that the Project would result in the loss of agricultural land, and questioned whether the Site's use for a 40B development was permissible because they believe that "Executive Order 193 applies to the Project. MassHousing has reviewed the language of the Executive Order and determined that it does not apply to the proposed project. The Executive Order applies to projects involving state "funds" and state-owned land, neither of which are components of this proposal.

Community Comments

In addition to the comments from town officials, MassHousing received a significant number of letters from area residents, all of which expressed opposition to the Project. The vast majority of letters received were copies or slight modifications of the same letter which had been individually signed and mailed to MassHousing. While letters from members of the community basically echoed the concerns identified by the Selectmen, the quantity of letters received is worth note. Community concerns can be summarized as follows:

- Community members voiced concern with existing traffic congestion on Franklin Street, and the possibility that the Project would exacerbate traffic volumes and further reduce the level of service at area intersections. Letters expressed the concern that increased traffic volume on area roadways would result in unsafe conditions for area school children in light of the proximity of the Project to several public schools.
- Area residents expressed the belief that there were sufficient amounts of affordable housing in Stoneham, and that additional affordable housing was not needed at this time.
- Area residents expressed concern about the fiscal impacts of the Project, including impacts on the quality of municipal services, specifically those that would impact schools and public works.
- Area residents expressed concern about potentially negative environmental impacts of the Project. They noted that portions of the Site have historically experienced flooding, and expressed concern that Project grading could result in erosion and flooding impacts on area wetlands and adjacent properties.

MassHousing received a separate letter from the Stoneham Historical Commission dated November 14, 2013. This letter expressed opinion that the Project was out of character with the surrounding residential neighborhood, and asked that the Developer solicit community input relative to the final design. They also urged the Developer to incorporate interpretive elements reflecting the historical use of the Site as a farm dating back to the 1700s.

MassHousing was also contacted by Representative Jason Lewis, who provided a letter dated December 2, 2013 expressing concerns about the proposed development. Representative Lewis

reiterated constituent concerns about the potential impacts of the Project on area traffic, wetlands and natural resources. He stated that he had “serious reservations” about the Project, and expressed the opinion that “extensive deliberation and community input” was warranted prior to any sort of approval.

MassHousing has carefully considered all municipal concerns and, to the extent possible within the context of Site Approval, has offered responses in the “recommendations section” of this letter. It is anticipated that the Municipality, through the comprehensive permit process, will thoroughly review the Project proposal and identify all conditions necessary to ensure consistency with “local need” as defined in M.G.L Chapter 40B Section 20.

Recommendations

Based on MassHousing’s site and design review, and its review and consideration of comments received from the Municipality and others, the following issues should be addressed in your application to the local Zoning Board of Appeals (“ZBA”) for a comprehensive permit and fully explored in the public hearing process prior to submission of your application for Final Approval under the Program:

1. Development of the Site will require resolution of all environmental conditions in accordance with federal and state laws, regulations and standards applicable to existing conditions and to the proposed use including, but not limited to, compliance with all applicable regulatory restrictions relating to floodplain management, the protection of wetlands (WPA), river and wildlife habitats/conservation areas as well as state environmental protection requirements relating to the protection of the public water supply, storm water runoff, 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.
2. The Applicant should 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, as well as identifying appropriate mitigation in compliance with all applicable state requirements. In particular, the Applicant should be prepared to provide detailed information about potential traffic impacts on Franklin Street, and to address the need for physical upgrades to Franklin Street to accommodate the projected increase in trip rates.
3. The Applicant should be prepared to discuss the adequacy of sight distances at the Site’s proposed entrance on Franklin Street.
4. The Applicant should be prepared to respond to questions about the provision of alternative modes of transportation to and from the Site, and safe bike/pedestrian access on Franklin Street.

5. The traffic study or other professional peer review process should address on-site parking and circulation to ensure compliance with industry standards relative to drive-aisle widths, turning radii, hydrant locations and sufficiency of emergency access, etc.
6. The Applicant should provide a detailed Stormwater Management Plan identifying erosion control and stormwater management measures to be implemented during and after construction. This plan should describe any special measures that will be taken to address reported episodes of seasonal flooding on portions of the Site, and should include a comprehensive stormwater analysis showing no net increase in run-off on to abutting properties.
7. A Chapter 21E Phase I/II Environmental Assessment, was prepared by McPhail Associates, LLC on June 13, 2013. The purpose of the assessment was to identify the presence of Recognized Environmental Conditions (REC's) on the Site, and to assess the potential impacts to soil and groundwater from the Site's historical agricultural use. While this study did not identify any REC's, it did include recommendations relative to the removal of oil and potentially hazardous material that had been stored in the buildings, and the demolition of the buildings themselves. The Applicant should be prepared to discuss these recommendations during the Comprehensive Permit hearing process.
8. The Applicant should be prepared to discuss the implementation of appropriate noise attenuation measures through building and site design.
9. The site plan relies on the preservation of existing mature vegetation around the perimeter of the Site in order to provide effective screening from Franklin Street and adjacent neighborhoods. The Applicant should be prepared to describe, during the public hearing process, proposed measures to preserve the mature trees during and after construction, during the public hearing process.
10. A landscape plan should be provided, including a detailed planting plan as well as paving, lighting, and signage details and the location of outdoor dumpsters or other waste receptacles. The landscape plan also should include provisions for irrigation and long-term landscape maintenance.
11. Additional details should be provided to the Town about any proposed site amenities including shared community rooms, outdoor playground and seating areas, and specific information about proposed pedestrian links to nearby recreational facilities.
12. Any local preference plan required by the Municipality must conform to federal fair housing law and to the requirements outlined in the 40B Guidelines, Section III (D).

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This Site Approval is expressly limited to the development of no more than 264 rental units under the Program, subject to minimum affordability requirements (including percentage of units for low or moderate-income households, income eligibility standards and duration of restrictions requiring low or moderate-income housing) and the Developer's limited dividend status requirement, all as set forth in the Comprehensive Permit Rules for financing under the Program. It is not a commitment or a guarantee of MassHousing or NEF financing or state subsidies 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 programs, the construction of additional units or a reduction in the size of the Site, you will be required to submit a new site approval application for review by MassHousing. Should you consider a change in tenure type (rental/homeownership), or a change in building type or height, or a substantial change in the design of the Project, 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, 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.

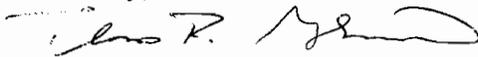
Further Opportunities for Assistance from MassHousing: Please note that MassHousing may not issue Final Approval if the comprehensive permit contains any conditions that are inconsistent with the regulatory requirements of the applicable housing subsidy program (The New England Fund Program of the FHLBB, for which MassHousing serves as Subsidizing Agency), as reflected in the applicable regulatory documents. A modification of the comprehensive permit may be required. Without limitation, we note that if the

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comprehensive permit will contain any local preference condition, the Guidelines require that the community demonstrate that a local preference is needed and can be implemented in a way that will not have a disparate impact on protected classes. 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 Greg Watson, Manager of the Comprehensive Permits Division, at 617-854-1880.

Sincerely,



Thomas R. Gleason
Executive Director

cc: Mr. Aaron Gornstein, Undersecretary, DHCD
Mr. Thomas Boussy, Chairman, Stoneham Board of Selectmen
Mr. David Ragucci, Stoneham Town Manager

Attachment 1

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

The Commons at Weiss Farm, Stoneham (SA-13-006)

After the close of a 30-day review period and extensions, 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 rental units will be available to households earning at or below 80% of the Area Median Income (AMI). Proposed gross rents for the affordable units are \$1,156 for a studio apartment; \$1,323 for a one bedroom; \$1,487 for a two bedroom and \$1,652 for a three bedroom, and accurately reflect current affordable rent levels for the Boston-Cambridge-Quincy HMFA. Projected rents include estimated utility costs of \$180, \$247, \$316 and \$402, respectively.

A letter of interest was provided by Cambridge Savings Bank, a member bank of the Federal Home Loan Bank of Boston (FLHBB).

(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;

The Site appears to be highly suitable for residential development. The Stoneham Zoning By-Law has designated this area as "Residence A", which limits by-right development to single-family homes with a minimum lot size of .23 acres (10,000 square feet) per unit. The Site's central location within the Municipality, its proximity to area services, relatively flat topography and ready availability of utilities, however, make it an acceptable location for higher-density, multi-family development such as that described by the Applicant.

According to the most recent version of DHCD's Chapter 40B Subsidized Housing Inventory (SHI), 495 of Stoneham's 9399 total housing units (5.3%) are subsidized for low or moderate income households. Stoneham does not have a DHCD certified Housing Production Plan, and MassHousing is not aware of recent or ongoing Municipal actions aimed at addressing local

need. If this Project were to be completed, however, the number of affordable units would increase by 264 to 759, or 8.1% of Stoneham's total housing stock.

(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;

In summary, based on evaluation of the site plan using the following criteria, MassHousing finds that the proposed conceptual project design is generally appropriate for the Site. It should be noted that the proposed site plan for Weiss Farm included in the original submittal to MassHousing on October 2, 2013 was significantly re-designed by the Applicant in response to feedback that they received from the community and MassHousing during the initial review process. The following plan review findings are made in response to the modified conceptual plan, submitted to MassHousing on January 14, 2014:

1. Relationship to Adjacent Building Typology:

The 25.67-acre Site, located at 170 Franklin Street in Stoneham, is a portion of a former dairy farm that is currently operated as a loam and topsoil business. Nearby development on Franklin Street includes a fairly broad mix of building types including traditional one- and two-story single-family homes on approximately quarter-acre lots, one-story commercial uses, and multi-family housing and undeveloped land. Stoneham High School, with its associated parking and athletic facilities, is located across Franklin Street from the Site. Of note are two substantial, three- to five- story, multi-family housing developments also located on the east side of Franklin Street across from the Site.

- Buildings are designed to fit into the surrounding, mixed-use suburban context through the use of a mix of traditional siding materials, articulated facades with projecting bays and balconies, and sloped, asphalt-shingled roofs with multiple gables.
- Buildings have been sited with the goal of minimizing impacts on the surrounding streetscape, with the townhouses located closest to the Site entrance, and the larger buildings oriented vertically to Franklin Street to minimize their observable bulk.
- Landscaping, including existing and proposed plantings, will further ameliorate the impact of the Project on the surrounding area.
- A 50,562 square-foot parcel of land including a two-story house and barn will be subdivided from the larger property to create a single-family house lot with frontage on Franklin Street (the two remaining barns will be demolished). The preservation of

the existing farmhouse adjacent to the Site entrance will enhance integration the Project into the surrounding neighborhood context

2. Relationship to Adjacent Streets

The Site fronts directly on Franklin Street to the east/southeast, but is separated from surrounding residential streets to the east, north, west and south by densely vegetated wetland areas. The visual impact of the Project on Franklin Street will be moderated by the following:

- Two townhouse buildings (each two stories high) will front directly on Franklin Street, reflecting the scale of adjacent single-family residential development;
- The larger, five-story apartment buildings will be located further back and at a significantly lower elevation from the road;
- The existing house and one of the barns will be preserved on a newly created lot fronting directly on Franklin Street immediately adjacent to the Site's entrance, thus protecting this portion of the streetscape and further screening views into the Site;
- The two larger buildings located closest to Franklin Street have been oriented so as to minimize their visual impact from street;
- Dense existing vegetation will be preserved on the Site's northern and western boundaries.

3. Density

- Gross Project density is 10.3 units per acre of total site area and 19.3 units per buildable acre, which would not be considered significantly dense when compared to other multi-family developments of this size.
- While proposed density is higher than that of nearby single-family residences, it appears to be significantly less dense than nearby multi-family developments on Franklin Street (Brookmeadow and Grand Villa).
- Project density is mitigated by the presence of ample open space and landscaping within the developed portion of the Site and the fact that much of the perimeter area (which is primarily vegetated wetlands) has been left undeveloped.

4. Site Plan

Weiss Commons includes five townhouse structures (each with two stories); three apartment buildings (each with five stories), and three garage structures (each with one story), along with associated surface parking, landscaped open areas, and site drives. Access to the Site

will be located on Franklin Street approximately 200' northwest from the existing farmhouse, which will be retained along with one barn on a newly created house lot with frontage on Franklin Street. As noted above, the Applicant revised the Site Plan significantly during the course of the project eligibility review in response to feedback from MassHousing and the Municipality. The resulting Site Plan provides an attractive setting for Project residents, while minimizing the visual impact of the Project from Franklin Street and adjacent residential neighborhoods.

- The entrance area will be heavily landscaped, and bounded by two residentially-scaled townhouse buildings, effectively screening views into the Site and complimenting the scale of nearby single-family development.
- From the entrance the site drive slopes downward, passing three two-story townhouse structures marking the Site's southern boundary, and further screening views into the Site from Franklin Street.
- The site plan largely concentrates development at the Site's central core, leaving largely vegetated open areas adjacent to Franklin Street and nearby residential neighborhoods undeveloped. The Site's central core includes three, five-story multifamily buildings organized around a central open area, with surface parking wrapped around the perimeter. The central open area will include a clubhouse, pool and lawn areas, providing an attractive outdoor area for Project residents.
- Two of the multi-family apartment buildings have been oriented so as to minimize their visual impact from Franklin Street. The largest, a "U"-shaped building will be located furthest back from Franklin Street, and will include ground-level parking under the building.
- Additional parking is provided below one of the apartment buildings and in three small garage structures, reducing the visual impact of surface parking as well as the amount of impervious surface.

5. Environmental Resources

- The Site includes significant wetland resources in the north and west portion of the Site and along the easterly edge of the Site. Wetland resources include a drainage channel that was constructed around three sides of the farm operation area. The site plan envisions limited work within the 50' buffer. An Order of Conditions from the Stoneham Conservation Commission will be required under the state Wetlands Protection Act.
- The Site features a substantial existing vegetative buffer around much of the perimeter, including a large vegetated area on the northern side of the property. The site plan

envisions retention of a significant amount of existing vegetation, effectively screening views into the Site from Franklin Street and abutting properties.

- FEMA maps indicate that no portion of the Site is within the 100-year floodplain.
- The Applicant submitted a Chapter 21E Phase I/II Environmental Assessment prepared by McPhail Associates, LLC on June 13, 2013 which identified no significant soil or groundwater contamination, and no evidence of Recognized Environmental Conditions (REC's). This report indicated the presence of lead and polynuclear aromatic hydrocarbons which, while below applicable reporting thresholds, would warrant additional testing. The report also recommended the removal of existing hazardous materials stored in the barns, and management of lead-based paint and asbestos.

6. Topography

The site plan takes advantage of existing topography to the extent possible in order to minimize the Project's visual impacts.

- The Site slopes down from its entrance on Franklin Street to a level plateau at its center where the majority of the development is concentrated, and then slopes back up to the east.
- The finished floor elevations of the three larger buildings are approximately 10-12 feet lower than Franklin Street, which will have the effect of significantly reducing the visual impact of proposed building elevations when viewed from surrounding areas.
- Lower, two-story buildings similar in scale and height to surrounding residential properties are located at higher elevations closest to Franklin Street, with the larger apartment buildings sited on lower areas further back into the Site.
- An existing knoll located in the center of the Site will be leveled, allowing for a more compact site layout, and resulting in the creation of additional usable open space for Project residents close to the buildings.

7. Proposed Use:

Based on MassHousing staff's site inspection, internal discussions, and a thorough review of the application, MassHousing finds that the Site is suitable for residential use and development. This is supported by the following:

- The Site is currently served by municipal water and sanitary sewer, with ready availability to other utilities including natural gas, electricity, phone and cable.

- The Site is zoned for residential use, and is located in close proximity to two existing multi-family developments of comparable or higher density on the opposite side of Franklin Street.
- The Site is located immediately across the street from Stoneham High School, and is within walking distance to a daycare center, convenience store, laundromat, and recreational facilities. An assisted living facility is currently being constructed approximately ¼ mile from the Site. Other commercial facilities and services are located within one to two miles from the Site.
- The Site is located approximately one mile east of Route 28 and two miles east of I-93, providing good highway access, and less than one mile from an MBTA commuter rail station (Melrose Highlands).

(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 Applicant proposes 264 rental apartments to be financed under the NEF Program. There will be 198 market-rate units with proposed average rent levels of \$1,391 for studio apartments; \$1,725 for the one bedroom units; \$2,204 for the two bedroom units, and \$2,847 for the three bedroom units. MassHousing's Appraisal and Marketing Division ("A&M") conducted a preliminary market analysis and found that proposed market rent levels for all units types fall within the adjusted range of comparable unit rents and appear feasible in this market.

A&M reports that, overall, the Stoneham rental market appears to be stable, with no direct competition within Stoneham from any other newly constructed rental developments. Comparable rental developments surveyed in Stoneham, Lynnfield, Burlington, Reading and Melrose have a current average occupancy of 96%, with two of the five properties surveyed (in Lynnfield and Melrose) currently in rent-up.

Marketability of the rental units (market rate and affordable) is further supported by a review of 2010 census data for the Town of Stoneham, which shows approximately 48% of Stoneham households at under 80% of the 2013 Boston Area Median Income.

(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;

MassHousing has commissioned an as "As-Is" appraisal which indicates a land valuation of

\$1,800,000. Based on a proposed equity investment of \$21,840,000 the Applicant's pro forma appears to be financially feasible and within the limitations on profits and distributions.

(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.

(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 25.66-acre Site by virtue of a Purchase and Sale Agreement (P&S) between Weiss Farm, Inc. (seller) and John M. Corcoran & Co. LLC (buyer) dated April 10, 2013, and a subsequent Assignment of Purchase and Sale Agreement between John M Corcoran & Co. LLC ("Assignor") and Weiss Farm Apartments LLC ("Assignee") dated May 16, 2013. The Site, which is located at 170 Franklin Street in Stoneham, is shown on Stoneham Assessor's Map 8, Block 0, Lot 106. The P&S also provides for the subdivision and retention by the seller of a 50,562 square foot parcel from the larger 25.674-acre Site, to include the existing family home and adjacent rear barn. Evidence of legal site subdivision into two separate parcels is required.