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November 3, 2020

Joseph Tamposi, Manager
91 Beatrice Circle, LLC
10 Museum Way #721
Cambridge, MA 02141

**Re: 91 Beatrice Circle
 Project Eligibility/Site Approval
 MassHousing ID No. 1080**

Dear Mr. Tamposi:

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

91 Beatrice Circle, LLC (the "Applicant") has applied to MassHousing pursuant to Chapter 40B. You have proposed to build twelve (12) units of rental housing (the "Project") on approximately 0.54 acres of land located on 91 Beatrice Circle (the "Site") in Belmont (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 and has reviewed the pertinent information for the Project submitted by the Applicant, the Municipality and others in accordance with the Comprehensive Permit Rules.

After an initial review of the Site, the proposed plans, and comments from the Municipality regarding the site plan, pursuant to a letter dated July 14, 2020, MassHousing requested that the Applicant refine the conceptual project design and its compatibility with the surrounding residential neighborhood context in compliance with 760 CMR 56.04(4)(c), the applicable regulations that govern the design elements of a 40B proposal.

On August 12, 2020, MassHousing and the Municipality received revised site plans, showing modifications made by the Applicant in response to feedback from MassHousing regarding the conceptual Project design. The proposed design has been modified to improve the transition from the single-family neighborhood to the south of the Site, improve circulation and open space, and reduce the Project's massing and visual impact on abutting properties. To achieve this, the Applicant reduced the proposed units from sixteen (16) to twelve (12).

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. At the request of the Municipality, this period was extended to sixty (60) days. The Board of Selectmen submitted a letter on July 14, 2020, summarizing comments from municipal departments, boards, committees and members of the community identifying specific concerns with the proposed Project. Following receipt of the revised site plan, the Municipality requested additional time and were granted an additional 30 days to review the revised plans. On September 1, 2020, MassHousing received a second comment letter from the Municipality stating that the revised site plan did not address their initial concerns. The Municipality stated that it remained in opposition to the Project and affirmed that all of the comments included in the initial comment letter remained unchanged. However, the Municipality further noted its willingness and ability to help bring affordable housing Projects to fruition and hopes to work with the Applicant to arrive at a mutually acceptable plan for this Site.

Municipal concerns are outlined as follows:

- The Municipality states that the proposal is significantly denser than the surrounding neighborhood which could negatively impact the character of the area.
- The Municipality believes the siting of the buildings, the roof heights, and overall architectural style should be readdressed to more thoughtfully fit into the surrounding context. Further, the Municipality believes the proposed side setback of 5 feet between buildings is too narrow and unreasonable deviation from current minimum zoning requirements.
- The Municipality emphasized that the Project must be designed to ensure the maximum level of emergency access and fire protection. The Fire Department outlined a variety of requirements for the Project, including sufficient turning radii and roadway widths to accommodate public safety vehicles and interior fire suppression systems. Further, the Municipality notes that access for emergency vehicles at the proposed entrance is made complicated by the existence of a compound grade and an evaluation of these factors is critical in assessing the ability to respond to an emergency at the Site.
- The Municipality believes that the proposed site plan includes only a small percentage of usable Open Space.
- The Municipality believes that the proposal lacks a sufficient number of parking spaces for tenants.
- The Municipality noted potential challenges with the development of the Site and site constraints including sloping that will require a high retaining wall at the western end of the central drive.

- The Municipality is concerned that the Project would result in increased traffic volume and congestion on and around Frontage Road.
- The Municipality is concerned about pedestrian safety due to the steep slope of the entry drive and notes the need for improved pedestrian access in and out of the Site and a pedestrian connection to adjacent streets and sidewalks.
- The Municipality expressed concern about potential drainage and stormwater management impacts on abutting properties.
- The Municipality is concerned regarding the proposed removal of mature trees that provide critical screening to abutting properties.

Community Comments

In addition to comments from municipal staff and officials, MassHousing received letters from Attorney Dan Hill, representing neighbors and abutters, and area residents and other interested parties, expressing various concerns for the proposed Project. While letters from the community largely echoed the concerns identified by municipal officials, the letters received are summarized below:

- Area residents believe a Use Restriction prohibits the development of multi-family structures on the Site.¹²
- Area residents are concerned that the size and scale of the proposed Project is not in keeping with the modest nature of surrounding neighborhood residences of mostly single-family homes.
- Area residents are concerned about increased traffic and pedestrian safety, echoing the Municipality's comments regarding the concerns of public safety impacts due to the anticipated increase of traffic congestion along Frontage Road.
- Residents are concerned that public safety vehicles may have difficulty negotiating the Site in the event of an emergency.
- Residents expressed concerns regarding the proposed stormwater management plan.

Additional Comments

State Senator William N. Brownsberger and State Representative David M. Rogers provided a letter identifying a variety of concerns with the Project, including its size, stormwater management, traffic impacts and emergency vehicle access.

MassHousing carefully considered 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 Recommendation

MassHousing staff has determined that the Project appears generally eligible under the requirements of

¹ It is MassHousing's position that the existence of a use restriction does not impact a Determination of Project Eligibility Project Eligibility as defined by the Comprehensive Permit Rules.

²The Applicant contends the referenced Use Restriction is expired and unenforceable.

the Program, subject to final review of eligibility and to Final Approval.³ 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 I 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") 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 considering feedback received from the Municipality, the following issues should be addressed in the application to the ZBA, and the Applicant 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 building construction, stormwater management, wastewater collection and treatment, and hazardous waste safety. The Applicant should expect that the Municipality will require evidence of such compliance prior to the issuance of a building permit for the Project.
- The Applicant should be prepared to respond to Municipal concerns relative to potential off-site traffic impacts on area roadways and intersections and to respond to reasonable requests for mitigation.
- The Applicant should be prepared to verify that the site plan is fully compliant with public safety standards relative to emergency access and provisions for fire suppression.
- The Applicant should be prepared to discuss concerns raised by the Municipality regarding the proposed size, scale, architectural style and pedestrian access of the proposed multi-family buildings.
- The Applicant should be prepared to provide detailed information relative to light and noise impacts and respond to reasonable requests for mitigation.
- The Applicant should be prepared to provide detailed information related to the existing slope and the site work required to stabilize the slope.
- The Applicant should be prepared to discuss a proposed landscaping plan and potential for additional open space.

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 Site Approval is expressly limited to the development of no more than twelve (12) rental units under the terms of the Program, of which not less than three (3) of such units shall be restricted as

³ 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.

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.

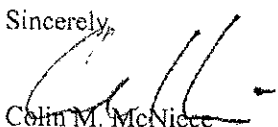
This approval will be effective for a period of two (2) years from the date of this letter. Should the Applicant not apply for a Comprehensive Permit within this period this letter shall be expired and no longer in effect unless MassHousing extends the effective period of this letter in writing. In addition, the Applicant is required to notify MassHousing 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 Michael Busby at (617) 854-1219.

Sincerely,


Colin M. McNiece
General Counsel

cc: Jennifer Maddox, Undersecretary, DHCD
The Honorable William N. Brownsberger
The Honorable David M. Rogers
Roy Epstein, Chair, Select Board
Nicholas Iannuzzi, Chair, Board of Appeal

Attachment 1.

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

91 Beatrice Circle, MA, MH #1080

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) 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 (AMI), 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 Belmont is \$96,250.

A letter expressing interest for Project financing was provided by Salem Five Cents Savings 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 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 and that such use would be compatible with surrounding uses.

The Town of Belmont does have a DHCD-approved Housing Production Plan. According to DHCD's Chapter 40B Subsidized Housing Inventory (SHI), updated through September 14, 2020, Belmont has 661 Subsidized Housing Inventory (SHI) units (6.53% of its housing inventory), which is 351 units short of the statutory minima of 10%.

(c) that the conceptual project design is generally appropriate for the site on which it is located, taking into consideration factors that may include proposed use, conceptual site plan and building massing, topography, environmental resources, and integration into existing development patterns (such finding, with supporting reasoning, to be set forth in reasonable detail);

Relationship to Adjacent Building Typology (Including building massing, site arrangement, and architectural details):

The proposal consists of twelve (12) units of rental housing in one four-story townhouse-style structure containing eight units, and four, two-story single-family detached units at the rear of the Site. The proposed buildings are larger than adjacent structures in the surrounding neighborhood. The proposed design uses the sloping site, building siting and architectural language to reduce the scale and mass of the buildings. Due to the sloping site, the four-story townhouse structure appears to be three stories at the front and western sides of the site. Building setbacks and material choices are used to reduce the massing of the building. For example, the penthouse level of the four-story townhouse structure is set back to further reduce the height of the proposed building at the street. The design language can be described as contemporary and includes large contemporary windows, various applications of clapboard siding (multiple exposures applied on both horizontal and vertical directions), vertical bead board siding and metal railings.

Relationship to adjacent streets/Integration into existing development patterns

An existing single-family structure with garage occupies the front of the site, which will be demolished. The surrounding area is predominately low-density residential development defined by single-family homes set on large lots with mature vegetation. Larger apartment-style residential uses can be found to the east of the Site along Route 2. The design of the site entrance at its intersection with Frontage Road should be carefully considered to ensure the safety of drivers and pedestrians passing in and out of the Site as well the safety of those travelling along Frontage Road.

The Site is well-connected to existing transportation routes, including a an MBTA bus stop located at the entrance of the Site providing service to the MBTA's Red Line service at Alewife Station, with further connections to Cambridge and downtown Boston. Consideration should be given to providing a bus stop shelter as well as a bus stop for children

Density

The Applicant proposes to build twelve (12) rental units on approximately 0.54 acres, all of which are buildable. The resulting density is 22.22 units per buildable acre, which is acceptable given the proposed housing type.

Conceptual Site Plan

A single, eight-unit townhouse style structure will be constructed at the front of the Site, parallel to Frontage Road. The four single-family detached buildings are placed at the back of the Site. Pedestrian and vehicular access to the site is from Frontage Road. Pedestrian paths connect both townhouse structures to the public sidewalks on Frontage Road as well as the existing pedestrian bridge which crosses to the westbound side of Route 2. A vehicular turn out from Frontage Road provides access to an overflow parking area containing 10 surface parking spaces at the western edge of the site and a central driveway area which provides access to garage parking. Each dwelling unit is provided garage parking for one vehicle. The central drive area and garage access is obscured by the placement of the front townhouse structure. A total of 20 parking spaces proposed results in a parking ratio of 1.66 parking spaces per unit.

Environmental Resources

The property does not contain any area of critical concern or areas of estimated or priority habitat of rare species, wildlife or vernal pools.

Topography

The Site slopes downward from west to east along Frontage Road. In addition, the site slopes away from the front of the Site towards the back of the Site. Existing retaining walls support the eastern and western edge of the Site. The existing topography is proposed to be shaped in a manner that will assist the Applicant in utilizing the Site efficiently, but careful attention must be taken in reworking the existing slope. The topographic features of the Site have been considered in relationship to the proposed development plans and do not constitute an impediment to 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 Applicant proposes nine (9) market-rate units with rent levels of \$4,800 for the four-bedroom units. There will be three (3) affordable units with proposed rent levels of \$2,587 for the four-bedroom units, less a utility allowance of \$406.

MassHousing's Appraisal and Marketing team performed a Competitive Market Analysis and found that proposed market rents for unit type fall within the range of adjusted comparable market rents.

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

MassHousing has commissioned an as "As-Is" appraisal performed by Cushman & Wakefield Appraisal Company, which indicates a land valuation of \$1,400,000. Based on a proposed investment of \$3,780,273 in private equity, the application pro-forma appears to be financially feasible and within the limitations on profits and distributions.

(f) that the Applicant is a public agency, a non-profit organization, or a Limited Dividend

MassHousing finds that the Applicant must be organized as a Limited Dividend Organization. MassHousing sees no reason this requirement could not be met given information reviewed to date. The Applicant meets the general eligibility standards of the NEF housing subsidy program and has 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 Site through a Deed from Narayan Mahesh and Narayan Rupa to Comprehensive Land Holdings, LLC, a related entity to the Applicant, dated November 6, 2019 and recorded with the Middlesex Registry of Deeds in Book No. 01551 and Page No. 124.