



Massachusetts Housing Finance Agency
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January 12, 2021

David B. Grossman, Manager
TGCI EMNACA, LLC
One Adams Place
859 Willard Street, Suite 5
Quincy, MA 02169

**Re: Settler's Glen
Project Eligibility/Site Approval
MH ID No. 1095**

Dear Mr. Grossman:

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

You have proposed to build twenty (20) units, including five (5) affordable units of homeownership housing (the "Project") on a 3.6-acre site located on Cranberry Highway (the "Site") in Wareham (the "Municipality").

In accordance with the Comprehensive Permit Rules, this letter is intended to be a written determination of Project Eligibility by MassHousing acting as Subsidizing Agency under the Guidelines, including Part V thereof, "Housing Programs In Which Funding Is Provided By Other Than A State Agency."

MassHousing has performed an on-site inspection of the Site, which local boards and officials were invited to attend, and has reviewed the pertinent information for the Project submitted by the Applicant, the Municipality and others in accordance with the Comprehensive Permit Rules.

Municipal Comments

Pursuant to the Regulations, the Municipality was given a thirty (30) day period in which to review the Site Approval application and submit comments to MassHousing. The Municipality did not provide any comments for MassHousing staff to review.

MassHousing Determination and Recommendations

MassHousing staff has determined that the Project appears generally eligible under the requirements of the Program, subject to final review of eligibility and to Final Approval.¹ As a result of our review, we have made the findings as required pursuant to 760 CMR 56.04(1) and (4). Each such finding, with supporting reasoning, is set forth in further detail on Attachment 1 hereto. It is important to note that Comprehensive Permit Rules limit MassHousing to these specific findings in order to determine Project Eligibility. If, as here, MassHousing issues a determination of Project Eligibility, the Applicant may apply to the Zoning Board of Appeals (the “ZBA”) of the Municipality for a Comprehensive Permit. At that time, local boards, officials and members of the public are provided the opportunity to further review the Project to ensure compliance with applicable state and local standards and regulations.

Based on MassHousing’s Site and design review, the following issues should be addressed in your application to the ZBA, and you should be prepared to explore them more fully during the public hearing process:

- Development of this Site will require compliance with all state and federal environmental laws, regulations, and standards applicable to existing conditions and to the proposed use related to floodplain management, wetland protection, river and wildlife habitats/conservation areas, stormwater management, wastewater collection treatment, hazardous waste safety, and public water supply. The Applicant should be prepared to provide evidence of such compliance.

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

This approval is expressly limited to the development of no more than twenty (20) homeownership units under the terms of the Program, of which not less than five (5) of such units shall be restricted as affordable for low or moderate-income persons or families as required under the terms of the Guidelines. It is not a commitment or guarantee of financing and does not constitute a site plan or building design approval. Should you consider, prior to obtaining a Comprehensive Permit, the use of any other housing subsidy program, the construction of additional units or a reduction in the size of the Site, you may be required to submit a new site approval application for review by MassHousing. Should you consider a change in tenure type or a change in building type or height, you may be required to submit a new site approval application for review by MassHousing.

For guidance on the Comprehensive Permit review process, you are advised to consult the Guidelines. Further, we urge you to review carefully with legal counsel the M.G.L. c.40B Comprehensive Permit Regulations at 760 CMR 56.00.

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

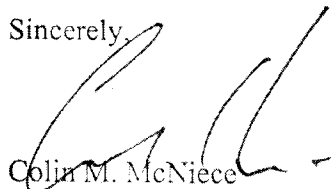
This approval will be effective for a period of two (2) years from the date of this letter. Should the Applicant not apply for a Comprehensive Permit within this period or should MassHousing not extend the effective period of this letter in writing, this letter shall be considered to have expired and no longer be in effect. In addition, the Applicant is required to notify MassHousing at the following times throughout this two-year period: (1) when the Applicant applies to the local ZBA for a Comprehensive Permit, (2) when the ZBA issues a decision and (3) if applicable, when any appeals are filed.

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

Please note that MassHousing may not issue Final Approval if the Comprehensive Permit contains any conditions that are inconsistent with the regulatory requirements of the New England Fund Program of the FHLBank Boston, for which MassHousing serves as Subsidizing Agency, as reflected in the applicable regulatory documents. In the interest of providing for an efficient review process and 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,



Colja M. McNiece
General Counsel

cc: Jennifer Maddox, Undersecretary, DHCD
The Honorable Mark R. Pacheco
The Honorable Susan Williams Gifford
Peter W. Teitelbaum, Chair, Select Board
Nazih Elkallassi, Chair, Zoning Board of Appeals

Attachment 1

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

Settler's Glen, MH Project #1095

MassHousing hereby makes the following findings, based upon its review of the application, and in consideration of information received during the Site visit and from written comments:

(a) that the proposed Project appears generally eligible under the requirements of the housing subsidy program, subject to final approval under 760 CMR 56.04(7);

The Project is eligible under the NEF housing subsidy program and at least 25% of the units will be available to households earning at or below 80% of the Area Median Income (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 Wareham is \$96,250.

A letter expressing interest for Project financing was provided by Dedham 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 a site inspection by MassHousing staff, internal discussions, and a thorough review of the application, MassHousing finds that the Site is suitable for residential use and development and that such use would be compatible with surrounding uses and would directly address the local need for housing.

The Town of Wareham does not have a DHCD-approved Housing Production Plan. According to DHCD's Chapter 40B Subsidized Housing Inventory (SHI), updated through December 15, 2020, Wareham has 745 (SHI) units (7.54% of its housing inventory), which is 243 units short of the statutory minima requirement 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);

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. The following plan review findings are made in response to the conceptual plan, submitted to MassHousing:

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

The proposal includes 20 units of homeownership housing located in ten duplex buildings. All units will have 2-car garages and patios. The horizontal mass of the facades of the units will be minimized by the use of front-entry garages, varying rooflines, covered entry porches, and trim details. The buildings are 2-story but have the appearance of 1 ½-story by the use of Cape Cod style rooflines with rear dormers. The exterior siding is a mix of horizontal clapboard and shake shingles with shutters and craftsmen-style entry doors. The garage doors are carriage style to enhance the facades. Windows, trim details, and front-facing gables are used to break up large areas of the elevations.

Relationship to Adjacent Streets

The Site is located in the Buttermilk Bay neighborhood of Wareham. Buttermilk Bay is a small neighborhood located between Massachusetts Route 25, Red Brook Road/Head of the Bay Road, and Buzzards Bay. The modest, two-story Cape Cod style designs are in keeping with the traditional New England style homes of the surrounding area. The Site has frontage on Cranberry Highway, also known as State Route 28. The location offers opportunities for access to shopping, services, restaurants, and recreation areas to individuals who do not drive via the GATRA bus. The relationship of the proposed Site access and egress to Red Brook Road does not present any discernable public safety impacts. There appear to be adequate lines of sight for vehicles entering and exiting the proposed Site.

Density

The Applicant proposes to build twenty (20) homes on 3.6 acres, all of which are buildable. The resulting density is 5.55 units per buildable acre, which is acceptable given the proposed housing type and the uses found in the surrounding context.

Conceptual Site Plan

Public water is available in the street and the Applicant has an easement for public sewer. Pole mounted utilities that exist along Red Brook Road will be brought to the entrance of the Site and put underground. They include electric, cable television, telephone, and other communications. Units range in size from 1,701-1,975 square feet and average 1,851 square feet. The buildings are spaced at least 25 feet apart. There will be a sidewalk on one side of an internal roadway. All units are accessible at grade. The proposed buildings sit roughly 25 feet apart on a single cul de sac road with sidewalks and private off-street parking.

Topography

The subject property is fairly level with similar elevations throughout the Site. The topographic features of the Site have been considered in relationship to the proposed Project plans and do not constitute an impediment to development of the Site.

Environmental Resources

Based on MassHousing's site inspection, and information provided by the Applicant, no significant natural or cultural resources, endangered species habitat, or areas prone to flooding have been identified on the site. The absence of these potential constraints suggests that the site is generally appropriate for residential development and use.

(d) that the proposed Project appears financially feasible within the housing market in which it will be situated (based on comparable rentals or sales figures);

The Project appears financially feasible based on a comparison of sales submitted by the Applicant.

(e) that 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 3.31%. In addition, a third-party appraisal commissioned by MassHousing has determined that the "As Is" land value for the Site of the proposed Project is \$370,000.

(f) that the Applicant is a public agency, a non-profit organization, or a Limited Dividend Organization, and it meets the general eligibility standards of the housing program; and

The Applicant must be organized as a Limited Dividend Organization prior to applying for Final Approval. MassHousing sees no reason this requirement could not be met given information reviewed to date. The Applicant meets the general eligibility standards of the NEF housing subsidy program and has executed an Acknowledgment of Obligations to restrict their profits in accordance with the applicable limited dividend provisions.

(g) that the Applicant controls the site, based on evidence that the Applicant or a related entity owns the site, or holds an option or contract to acquire such interest in the site, or has such other interest in the site as is deemed by the Subsidizing Agency to be sufficient to control the site.

The Applicant owns the Site via Deed from EMNACA, INC. to TGCI EMNACA, LLC dated June 12, 2012 and registered with the Plymouth County Registry of Deeds in Book 41497, Page 318.