



Massachusetts Housing Finance Agency
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August 21, 2023

32 Nahant Street, LLC
9A Melvin Street
Wakefield, MA 01880
Attention: Scott Green

**Re: 32 Nahant Street, Wakefield
Project Eligibility/Site Approval
MassHousing ID No. 1183**

Dear Mr. Green:

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 Executive Office of Housing and Livable Communities (“EOHLC”) (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”).

32 Nahant Street, LLC submitted an application with MassHousing pursuant to Chapter 40B. You have proposed to build thirty-two (32) units of rental housing (the “Project”) on 1.65 acres of land located at 32-32A & 36 Nahant Street (the “Site”) in Wakefield (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 Town Administrator submitted a letter summarizing concerns dated June 27, 2023.

Municipal comments identified the following areas of concern:

- The Municipality states that the proposal is significantly denser than the surrounding neighborhood which could negatively impact the character of the area. Further, the

Municipality believes the siting of the building, the roof height, and overall architectural style should be readdressed to more thoughtfully fit into the surrounding context.

- The Municipality is concerned that the proposed Project would lead to increased traffic volume and congestion on and around Nahant Street. In addition, the Municipality noted 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 also provided comments related to the Fire Department. The Municipality emphasized that the Project must be designed to ensure the maximum level of emergency access and fire protection. They outlined a variety of requirements for the Project including fire lanes, sufficient roadway widths to accommodate public safety vehicles and interior fire suppression systems.
- The Municipality expressed concerns regarding the impact on the Town's infrastructure, particularly regarding the existing water distribution system.
- The Municipality notes that the proposal contains virtually no green space and removes mature trees with no comparable replanting.

MassHousing Determination and Recommendation

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 ("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

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.

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 continue to engage with municipal officials in a good-faith discussion regarding design review matters and other site-related concerns, including, but not limited to building design, sewer capacity, water capacity and distribution and public safety considerations concerning the proposed exit onto Nahant Street.
- The Applicant should be prepared to respond to community concerns relative to potential off-site traffic impacts on area roadways and intersections and to respond to reasonable requests for mitigation.
- 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 should also include provisions for irrigation, snow removal and long-term landscape maintenance.
- The Applicant is encouraged to work with its design team to address concerns related to pedestrian circulation, open space elements and providing safe connections to existing sidewalks.
- 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.

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 thirty-two (32) rental units under the terms of the Program, of which not less than eight (8) 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.


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 considered to 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 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,



Colin M. McNiece
General Counsel

cc: Ed Augustus, Secretary, Executive Office of Housing and Livable Communities
The Honorable Jason M. Lewis
The Honorable Kate Lipper-Garabedian
The Honorable Donald H. Wong
Jonathan P. Chines, President, Town Council
Thomas Lucey, Chair, Zoning Board of Appeals

Attachment 1

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

32 Nahant Street, Project #1183

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, 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 Wakefield is \$118,450. Proposed rent levels of \$2,238 for a one-bedroom affordable unit and \$2,796 for a three-bedroom affordable unit accurately reflect current affordable rent levels for the Boston-Cambridge-Quincy HMFA under the NEF Program, less utility allowances of \$126 for the one-bedroom affordable units and \$200 for the three-bedroom affordable unit.

The Applicant submitted a letter of financial interest from Northern Bank, a member bank of the FHLBank Boston under the NEF Program.

(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 address the local need for housing.

The Town of Wakefield does not have an EOHLA-approved Housing Production Plan. According to EOHLA's Chapter 40B Subsidized Housing Inventory (SHI), updated through August 1, 2023, Wakefield has 995 Subsidized Housing Inventory (SHI) units (8.84% of its housing inventory), which is 131 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 Applicant's proposal consists of 32 residential rental apartments. The residential units consist of 26 one-bedrooms, 2 two-bedrooms and 4 three-bedroom units. The proposed plans indicate a resident laundry room, interior bike storage, meeting room, gym, common room, and an outdoor enclosed trash storage area. All parking is on the exterior surface with provision for ADA compliant parking spaces and electric vehicle charging stations. The four main levels are accessible by an elevator. The Applicant intends to use finishes commonly found in the local residential buildings including clapboards, shingles, paneling, and corner boards. The 4th floor is designed with a mansard roof to reduce the overall height and visual impact of the building. Windows located in the shingled & 4-1/2" to the weather clapboard areas have a three-piece surround with an applied sill piece. The roof is finished with architectural roof shingles. The architectural renderings indicate a stone base and stone accent to the residential entry.

Relationship to adjacent streets/Integration into existing development patterns

The Site's immediate neighborhood includes a mixture of commercial and residential development and is undergoing a transformation. Just to the northwest of the Site is the town center. The town center location offers walkability to retail and dining. In all, there are over 100 shops and dining options within a 10-minute walk, including Farmland Market (grocer & bakery), Brother's Deli, as well as numerous upscale and casual eateries, coffee shops, barber shops and salons, banks, the Wakefield library and more. The location is also a half-mile to Lake Quannapowitt, a unique recreational amenity, which residents travel regionally to walk/run, boat, and fish. The immediate neighborhood also includes several single-family homes with construction appearing to date to the 1960's and 1970's, as well as industrial and commercial development.

Density

The Applicant proposes to build thirty-two (32) rental units on approximately 1.65 acres of buildable land. The resulting density is 19.39 units per buildable acre, which is acceptable given the proposed housing type.

Conceptual Site Plan

The proposed building will be located on the southeast corner of the Site with a 16-foot setback from the property line. A two-way drive isle with double-loaded parking is shown along the western portion of the Site wrapping around the rear of the building to the northerly portion of the Site. Walkways are shown along the building on the north and western portion of the Site. A trash and recycle enclosure are proposed off the drive isle to the north. Stormwater runoff will be managed on-site in a system under the proposed parking lot. Access is proposed at the southwest of the site from Nahant Street. The Applicant proposes 48 exterior surface parking spaces, with provision for ADA-compliant parking spaces and electric vehicle charging stations.

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 is generally level throughout. 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);

According to the appraisal report for the Site, Wakefield's residential market appears stable and strong, with an overall upward trajectory in sales volume and prices in the last decade. MassHousing's Appraisal and Marketing team (A&M) performed a Competitive Market Analysis and found that proposed market rents for each 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 Secretariat's Guidelines, and the Project appears financially feasible and consistent with the Secretariat'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 \$1,460,000. Based on a proposed investment of \$15,202,090 in equity and permanent financing, the development 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 Organization, and it meets the general eligibility standards of the housing program; and

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 entire 1.65-acre Site through two deeds of ownership, recorded at the Southern Middlesex Registry of Deeds in Book 78800/Page 50 for 32 Nahant Street, and Book 80784/Page 433 for 36 Nahant Street.

