



Massachusetts Housing Finance Agency
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August 19, 2022

NSG Village Green-1, LLC
897 Main Street
Yarmouth, MA 02664
Attention: Stephen Cleary

**Re: Village Green, Sandwich
Project Eligibility/Site Approval
MassHousing ID No. 1142**

Dear Mr. Cleary:

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”).

NSG Village Green-1, LLC has submitted an application with MassHousing pursuant to Chapter 40B. You have proposed to build one hundred forty-four (144) units of rental housing (the “Project”) on 7.27 acres of land located at 76-78 Falmouth Road (the “Site”) in Sandwich (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 submitted a letter summarizing comments regarding the proposed Project:

- The Municipality states that the Applicant’s proposal is out of scale with the existing neighborhood and believes the overall architectural style should be readdressed to fit into the surrounding context more thoughtfully.

- The Municipality is concerned regarding wastewater and the potential negative environmental impact on nearby environmentally sensitive receptors, including Peters Pond and Popponeset Bay.
- The Municipality is concerned that the proposed Project will introduce additional traffic issues to an already congested series of roadways and intersections.

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 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 discuss concerns raised by the Municipality regarding the proposed size, scale, architectural style and pedestrian access of the proposed multi-family buildings.

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 one hundred forty-four (144) rental units under the terms of the Program, of which not less than thirty-eight (38) of such units shall be restricted as affordable for low- or moderate-income persons or families as required under the

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.

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.

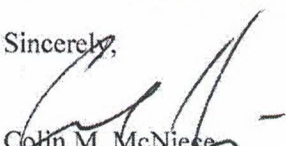
This approval will be effective for a period of two (2) years from the date of this letter. Should the Applicant not apply for a comprehensive permit within this period this letter shall be considered to be expired and no longer in effect unless MassHousing extends the effective period of this letter 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: Jennifer Maddox, Undersecretary, DHCD
The Honorable Susan Moran
The Honorable Steven G. Xiarhos
George Dunham, Town Manager
Shane Hocter, Chair, Board of Selectmen

Attachment 1

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

Village Green, Sandwich, MA #1142

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 Sandwich is \$86,950.

Proposed rent levels of \$1,409 for a studio affordable unit, \$1,458 for a one-bedroom affordable unit, and \$2,021 for a three-bedroom affordable unit accurately reflect current affordable rent levels for the Barnstable HMFA under the NEF Program, less utility allowances of \$129 for the studio affordable units, \$175 for the one-bedroom affordable units and \$286 for the three-bedroom affordable units.

The Applicant submitted a letter of financial interest from Martha’s Vineyard Savings 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 Sandwich does have a DHCD-approved Housing Production Plan. According to DHCD’s Chapter 40B Subsidized Housing Inventory, updated through August 10, 2022, Sandwich has 321 (SHI) units (3.92% of its housing inventory), which is 499 units below 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);

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

The Village Green development will provide a total of 144 units in six (6) 24-unit, three-story wood frame residential apartment buildings. The proposed plan will allocate 216 parking spaces, with additional, ample shared parking with abutting commercial and residential buildings. Outdoor living is at the heart of this complex, with an expansive open space and walking trails. In addition, resident amenities include electric vehicle and bicycle parking, with DC charging stations. The site layout is designed to consolidate the development area required for parking and buildings in order to protect existing vegetative buffers on all sides of the project traditional and natural building materials.

Varied exterior finishes and paint colors work to reduce the visual bulk of the new buildings. The basic massing is defined by flat roofs, inset balconies, and projected bays and the color palate consists of warm grey tones and medium earth tones. The design incorporates energy-efficient or "green" architecture into each residential unit.

Relationship to adjacent streets/Integration into existing development patterns

The site is in the Forestdale area of Sandwich which is situated about five miles south of the Mid-Cape Highway (Route 6) and immediately north of the Sandwich/Mashpee municipal boundary. The neighborhood includes the corridor along Route 130 extending from Main Street, Route 130 in Mashpee to Quaker Meeting House Road which is situated about one mile north of the property. This area is primarily undeveloped land, ponds and open space. There are also various commercial properties in this area that comprise 10% of the land use in this neighborhood. The majority of residential properties nearby include a mix of cape, ranch, and colonial style dwellings built in the 1970's and 1980's that include 5,000 to 10,000 square foot lots.

Density

The Applicant proposes to build one hundred forty-four (144) rental units on approximately 7.27 acres, all of which are buildable. The resulting density is 19.80 units per buildable acre, which is acceptable given the proposed housing type.

Conceptual Site Plan

The site appears generally flat with minimal cut/fill required and direct access to Route 130. Elevations range between 128 feet and 148 feet. Lower elevations are at the south and northeast perimeter of site with higher elevations at the north and northwest perimeter of site. The property has access to public water through the Sandwich Water District. Electrical service is available through Eversource and natural gas is available through National Grid. A fully resilient community microgrid on an abutting parcel, designed and permitted in partnership with the Massachusetts Clean Energy Center, may allow the Applicant to provide opportunities for clean renewable, fossil free, fixed, affordable solar generation to Village Green residents. It appears possible for the Applicant to take advantage of natural topography and a sloping grade allowing for efficient use of the land.

Environmental Resources

The site is adjacent to the northern watershed for Peter's Pond and northern watershed for Popponesset Bay in Mashpee. 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.

Topography

The existing site is relatively flat and occupied by a mixture of scrub trees and natural vegetation. The site is 7.27 Acres and currently zoned BL-1, Business Limited to provide moderately dense limited commercial mixed use. According to FEMA map site not located in a flood hazard zone. The property is not located within any defined wetland areas.

(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, Sandwich'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 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 \$1,230,000. Based on a proposed investment of \$31,030,766 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 7.27-acre site through a deed of ownership. The site is part of a larger parcel that was transferred from Thomas Ruhan and John Stinson Trustees of the Ruhan and Stinson Realty Trust to Route 130 Land Development, LLC for \$300,000 on August 11, 2015. The deed is recorded at the Barnstable County Registry of Deeds in Book 29066 Page 208. The deed includes two parcels, one identified as Lot 2 containing 17.93 acres and Parcel Two containing 1.095 acres. It is from these two lots that the subject property is being created.