



Massachusetts Housing Finance Agency
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May 21, 2024

Summit Development LLC
215 Salem Street, Suite 1
Woburn, MA
Attn: Ronald Lopez

**Re: Summit Ridge
Project Eligibility/Site Approval
MassHousing ID No. 1211**

Dear Mr. Lopez:

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”).

Summit Development LLC (the “Applicant”) has proposed to build twenty-eight (28) homeownership units (the “Project”) on approximately 2.66 acres of land located at 34 and 55 Summit Avenue (the “Site”) in Melrose (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.

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.

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 time was extended an additional 30 days, for a total of 60 days. A subsequent comment period of fifteen (15) days was provided to review project revisions that were submitted by the Applicant. The Municipality submitted initial comments in letters dated February 16, 2024. Supplemental comments were provided in response to project revisions on April 22, 2024. While the Municipality noted that the revised Project’s removal of units in the Site’s steepest location was a positive change, the

Municipality remains concerned about the suitability of the Site for development and could not support the proposal. Specifically, the following comments and concerns were identified by the Municipality:

- The Municipality's comments acknowledged that the Site was the subject of prior planning and zoning applications that were denied for various reasons and noted that concerns with prior proposals are exacerbated by the 40B proposal.
- The Municipality is concerned with the extent of site work required to construct the proposed Project, noting challenging topography, rock removal, and related safety concerns for abutters.
- The Municipality requests additional information on the locations and design of stormwater management infrastructure on the Site, noting concern for adverse impact on the surrounding neighborhood due to the Site's topography.
- The Municipality expressed concern for environmental and visual impacts related to the density of the proposed Project, noting that the number of units overwhelms the property and encroaches upon the surrounding neighborhood, steep topography, and adjacent conservation land.
- The Municipality is concerned about traffic and safety impacts on Summit Avenue, noting it's steep grade and narrow width. Particular concern was raised relative to access for emergency vehicles, trash, mail, and delivery trucks.
- The Municipality noted that the Town of Wakefield may hold access rights over the Site via an existing paper street and that potential legal and practical issues related to this access should be explored.
- The Municipality is concerned about the significant infrastructure needs required for the proposed Project, and the potential damage that installation will have on the newly paved Summit Avenue. Particular concern was raised in connection with the proposed location of the water booster station and related noise impacts on the surrounding neighborhood.
- The Municipality is concerned that the proposed Project does not sufficiently incorporate the Commonwealth's Sustainable Development Principles.

Community Comments

In addition to comments submitted by the Municipality, MassHousing received approximately twenty-seven (27) letters from area residents expressing comments and concerns regarding the proposed Project. These letters were submitted in connection with the original project design and do not reflect project modifications. In general, letters from the community opposed the proposed Project., expressing concern that the Applicant is seeking 40B approval after denial or withdrawal of prior proposals with the planning board. The following concerns were detailed by area residents:

- The amount of site work required to construct the proposed Project and potential geologic and safety impacts on the surrounding neighborhood.
- Related construction vehicle activity on Summit Avenue.

- Environmental concerns, particularly related to increased stormwater and potential flooding as a result of density on the Site and increased impervious area.
- Minimal setback and lack of buffer between the proposed townhomes and the Site's closest abutters.
- Water pressure concerns, the location of the proposed water booster station, and related noise impacts.
- Traffic and safety impacts to Summit Avenue and area roadways, including the ability for emergency, trash, and delivery vehicles to access the street.

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 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 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 must demonstrate the ability to manage the site work and rock removal required to construct the proposed Project. A construction management plan should be prepared to give assurance to the Municipality and neighborhood that the contractor will mitigate the impacts of construction, including noise and vibration.
- The Applicant should be prepared to provide and respond to data assessing the capacity of Summit Avenue to meet the future traffic and safety demands and explore ways to mitigate potential disruptions in flow. The Applicant should ensure safe pedestrian connectivity to and from the proposed Project.

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.

- The Applicant should provide a detailed landscaping plan. Vegetative buffer should be augmented to the greatest extent feasible, and consideration should be given to incorporating pervious materials and identifying areas for trash management and snow storage.
- The Applicant should be prepared to address the potential need for resolution of legal and practical issues related to access rights over the Site purported by the Town of Wakefield.
- The Applicant should be prepared to provide detailed information relative water usage, stormwater drainage needs and appropriate mitigation, including Low Impact Development (LID) techniques. Alternative locations for the proposed water booster station should be explored.
- The Applicant should collaborate with the Municipality to maximize sustainability features in the proposed Project's design and construction.

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 twenty-eight (28) homeownership units under the terms of the Program, of which not less than seven (7) 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 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 Kat Miller at (617) 854-1217.

Sincerely,

DocuSigned by:

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Colin M. McNiece
General Counsel

cc: Ed Augustus, Secretary, EOHLC
The Honorable Jennifer Grigoraitis
The Honorable Jason M. Lewis
The Honorable Kate Lipper-Garabedian
Denise Gaffey, Director of Planning and Community Development

Attachment 1

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

Summit Ridge, Melrose, MA #1211

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 Melrose is \$130,250.

The Applicant submitted a letter of financial interest from Middlesex 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);

Section IV-A (3) (a) of the Guidelines provide guidance to Subsidizing Agencies for evaluating a municipality’s actions intended to meet affordable housing needs. MassHousing carefully reviewed the information provided by the Municipality describing previous municipal actions intended to provide affordable housing. Specific examples cited by the Municipality include:

- Establishing overlay districts such as the Rail Corridor Overlay District (2014) and Smart Growth Overlay District (2008), and maintaining growth-oriented zoning in various base districts that allow by-right high-density housing around transit stations and in Melrose’s downtown, resulting in 234 net new units constructed over the last 5 years.
- Adoption of the Affordable Housing Incentive Program Ordinance (2004), as amended (2018) requiring 15% affordability in developments with 5 or more residential units, resulting in the creation of 20 homeownership and 78 rental units which have been added to the town’s SHI.
- Designation as a Housing Choice Community in 2018.

MassHousing recognizes Melrose’s efforts as meaningful; however, municipal actions to date have not been of a character and scale that meets the municipality’s need for affordable housing as measured by the Statutory Minima. The City of Melrose has an EOHLC-approved Housing Production Plan (HPP). According to EOHLC’s Chapter 40B Subsidized Housing Inventory, updated through June 29, 2023,

Melrose has 967 Subsidized Housing Inventory (SHI) units (7.69% of its housing inventory), which is 291 units below the statutory minima requirement of 10%.

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.

(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 streets/Integration into existing development patterns

The Site is located at 34 and 55 Summit Avenue in the Melrose Highlands neighborhood of Melrose, approximately ½ mile from the Melrose Highlands commuter rail station, where various retail and restaurant services are also located. Melrose Highlands is approximately 2.5 miles east of Route 93, 3.5 miles west of Route 1, and just 10 miles north of downtown Boston. The subject neighborhood is a densely populated primarily single-family residential neighborhood. Summit Avenue itself is a sloped, narrow, dead-end street lined with single family homes. The Site sits at the top of the street, is abutted by single family homes immediately to the south and west, and undeveloped conservation land to the north and east. Given its transit-oriented location and accessibility to employment and services, the Site is positioned to support the proposed residential use.

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

The proposed development will consist of twenty-eight (28) two- and three-bedroom townhouses built in groupings of two, three, and four. The facades of each set of buildings vary, employing a range of bump outs, shed roof overhangs, and a material palette in keeping with classic New England architectural style. Garage placements are either at grade or accessed from the lower level, allowing the buildings to work with the existing topography of the Site. The architectural designs and building scale are compatible with the style of homes found in the surrounding area.

Density

The Applicant proposes to build twenty-eight (28) homeownership units on approximately 2.66 acres, all of which are buildable. The resulting density is 10.52 units per acre, which is acceptable given the proposed housing type.

Conceptual Site Plan

The proposed site layout consists of twenty-eight (28) townhouses built in groupings of two, three, and four, organized around a one-way looped roadway with all homes oriented with garages and driveways facing the street. A sidewalk wraps the interior perimeter of the roadway. An open space intended for a common playground area is shown at the entrance to the Site, on the northern side of Summit Avenue. Evergreen screening is shown on the site plan at the Site's western boundary, where the nearest single-family abutter is located. All utility connections for the homes (sewer, water, gas, electric) will be tied

into from Summit Avenue. A water booster pump is located on the south side of the Site's access, where it meets Summit Avenue, to improve existing capacity. Several retaining walls are required to achieve the site layout, particularly along the southern portion of the roadway, where seven visitor parking spaces are located, and where the topography is steepest. Private stormwater management will be located on site.

Environmental Resources

While the property does not contain any area of critical concern or areas of estimated or priority habitat, rock ledge spans portions of the Site some of which will require removal prior to development.

Topography

The Site has challenging topography with areas of rock ledge outcroppings, having an overall change in grade of approximately 78 feet from the lowest point in southern portion of the Site to the highest point at the northern edge. The steepest areas of the Site will be maintained as open space. Removal of ledge and retaining walls will be required to construct the proposed Project.

(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 market analysis submitted by the Applicant.

(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;

The initial pro forma has been reviewed for the proposed residential use, and the Project appears financially feasible with a projected profit margin of 10.96%. A third-party appraisal commissioned by MassHousing has determined that the "As Is" land value for the Site of the proposed Project is \$1,800,000.

(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

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.

A related party to the Applicant controls the Site by virtue of the following deeds:

1. Quitclaim Deed recorded at the Middlesex South District Registry of Deeds in Book 76456; Page 243.
2. Fiduciary Deed recorded at the Middlesex South District Registry of Deeds (Registered

Land) in Book 1597; Page 157.