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October 11, 2024

SLV Ashland, LLC  
257 Hillside Avenue  
Needham, MA  
Attention: Geoff Engler

**Re: The Sanctuary at Ashland Mills  
Project Eligibility/Site Approval  
MassHousing ID No. 1222**

Dear Mr. Engler:

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”).

SLV Ashland, LLC (the “Applicant”) has submitted an application with MassHousing pursuant to Chapter 40B. You have proposed to build two hundred fifty (250) units of rental housing (the “Project”) on approximately 7.81 acres of land located at 10-60 Main Street (the “Site”) in Ashland (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. At the request of the Municipality, this time was extended an additional thirty (30) days for a total of sixty (60) days. The Municipality submitted a letter dated May 29, 2024 identifying comments and concerns with the Proposed Project. The following comments and concerns were identified by the Municipality:

- The Municipality is concerned that the proposed Project is inconsistent with local needs and cited municipal actions previously taken to meet local housing needs, which are discussed further in Attachment 1(b) of this letter.
- The Municipality highlighted the following concerns related to local infrastructure:
  - Local capacity for water and sewer in connection with the demands of the proposed Project, noting the potential need for capital improvements to existing infrastructure.
  - Traffic and construction impacts on the adjacent Myrtle Street bridge, which may have deferred maintenance needs.
  - The capacity of the proposed Project's stormwater management infiltration system and potential impacts on the Sudbury River.
- The Municipality is concerned about traffic impacts on Main Street and Pleasant Street, noting the nearby railroad crossing and the proposed Project's location of access and egress as particular challenges. The Municipality also expressed concern for potential cut-through traffic on neighborhood side streets and questioned the adequacy of the proposed Project's parking ratio.
- The Municipality expressed concern regarding the presence of contaminants on the Site, including as it relates to the nearby Nyanza Superfund site, and noted that the associated AUL will need to be modified/removed in compliance with MassDEP and EPA requirements.
- The Municipality is concerned that the proposed Project results in a significant loss of occupied downtown commercial space.
- The Municipality noted that the proposed Project falls within the jurisdiction of the Conservation Commission pursuant to the Wetlands Protection Act, given its resource areas including Bordering Vegetated Wetlands (BVW), Bank, Land Under Water and Waterbodies (LUWW), 100-foot and 200-foot Riverfront Area, and Bordering Land Subject to Flooding (BLSF).
- The Municipality requested additional information on the proposed Project's landscaping and publicly accessible open space, including opportunities for revitalization and access to the riverfront area, and precautions that will be taken to protect area natural and recreational resources during construction.
- The Municipality is concerned about the scale of the proposed Project, including density, height, and its ability to architecturally integrate with the downtown's historic context.

### **Community Comments**

In addition to comments submitted by municipal boards, committees, and departments, the Municipality shared comments received from the public. A majority of comments from the community opposed the proposed project. Several comments, however, expressed support for redevelopment of the Site, noting that adding density downtown would be beneficial to revitalization efforts and help meet local and regional housing needs. While some comments completely opposed multifamily residential development on the Site, others appeared open to alternative development plans that included a better balance of retail and residential or a downsized project. Specifically, area residents detailed the following comments and concerns:

- Impacts on the capacity of local infrastructure, including water and sewer, and various town services.
- Downtown traffic and parking impacts, and pedestrian safety.
- The scale of the proposed Project, including the density, height and visual impacts on historic downtown character.
- A loss of commercial and retail space, and existing local businesses.
- Environmental and public health concerns related to the Nyanza plume and other potential on-site contaminants.

### **Comments Outside of the Findings**

While Comprehensive Permit Rules require MassHousing, acting as Subsidizing Agency under the Guidelines, to “accept written comments from Local Boards and other interested parties” and to “consider any such comments prior to issuing a determination of Project Eligibility,” they also limit MassHousing to specific findings outlined in 760 CMR 56.04(1) and (4). The following comments were submitted to MassHousing by community members, identifying issues that are not within the scope of our review:

- Possible impacts on the capacity of local schools.
- Possible impacts on local property values.

### **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.<sup>1</sup> 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 work with the Municipality to address water and sewer capacity concerns in the area.

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<sup>1</sup> 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 be prepared to provide detailed information regarding groundwater, and stormwater conditions at the Site, and ensure appropriate mitigation is incorporated into the design.
- The Applicant should be prepared to submit detailed information relative to traffic impacts and transportation demand management as part of their Comprehensive Permit application.
- The Applicant should be prepared to file a notice of intent with the Conservation Commission relative to work in and around on-site resource areas.
- The Applicant should provide a detailed landscaping plan and be prepared to discuss options for publicly accessible open space, including along the riverfront.
- The Applicant should be prepared to work closely with its design team to address concerns regarding building size, height, and architectural details.
- The Applicant should be prepared to discuss the commercial and retail components of the proposed Project.

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 two hundred fifty (250) rental units under the terms of the Program, of which not less than sixty-three (63) 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 Kat Miller at [kmiller@masshousing.com](mailto:kmiller@masshousing.com) or (617) 854-1217.

Sincerely,

Signed by:  
  
2925669AABA64F0...

Paul McMorrow  
Director of Communications & Policy

cc: Ed Augustus, Secretary, EOHLC  
The Honorable Karen E. Spilka  
The Honorable Jack Patrick Lewis  
Yolanda Greaves, Chair, Ashland Select Board  
John F. Trefethen, Chair, Ashland Zoning Board of Appeals  
Michael Herbert, Ashland Town Manager  
Peter Matchak, Ashland Town Planner

## Attachment 1

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

#### **The Sanctuary at Ashland Mills, Ashland, MA #1222**

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 Ashland is \$130,250.

Proposed rent levels, net utility allowances for the area, of \$1,855 for a studio, \$1,932 for a one-bedroom affordable unit, \$2,289 for a two-bedroom affordable unit and \$2,606 for a three-bedroom affordable unit, are within current affordable rent levels for the Boston-Cambridge-Quincy HMFA under the NEF Program.

The Applicant submitted a letter of financial interest from Cambridge 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. In their comment letter dated May 29, 2024, the Municipality identified the following municipal actions taken towards meeting affordable housing needs:

- A total of 1,065 multi-family units permitted or fully constructed since 2010, consisting of:
  - 761 units by special permit, 56 of which are included on the SHI and 141 of which are SHI eligible
  - 304 units under Chapter 40B, 124 of which are included on the SHI and 180 of which are SHI eligible

The Municipality submitted additional comments in a letter dated September 23, 2024, further clarifying previous municipal actions taken towards meeting affordable housing needs. The Municipality clarified the following matters:

- The adoption of the following overlay districts, which include 10% affordability provisions, and in which a portion of the above-referenced multifamily units are permitted or constructed:
  - Wildwood Mixed-Use Special District (2000)
  - Pond Street Overlay District (2009)
- The Ashland Affordable Housing Trust's financial support towards buying 4 deed restrictions on a 16-unit project located within the Pond Street Overlay District (2020)
- The Planning Board's use of development agreements to promote and secure affordability within large multi-unit projects.
- Efforts to make municipal land available for affordable housing development, including the disposition of 13.4 acres on Robert Smith Way (2005) which has resulted in the construction of 64 age-restricted affordable units (2020).

MassHousing recognizes Ashland's efforts as meaningful; however, municipal actions to date, including the creation of significant opportunities as-of-right, have not been of a scale to meet the municipality's need for affordable housing as measured by the Statutory Minima. The Town of Ashland has an EOHLC-approved Housing Production Plan. According to EOHLC's Chapter 40B Subsidized Housing Inventory, updated through August 27, 2024, Ashland has 435 Subsidized Housing Inventory (SHI) units (5.28% of its housing inventory), which is 311 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);*

**Relationship to adjacent streets/Integration into existing development patterns**

Ashland is located approximately halfway between Boston and Worcester with excellent roadway and public transportation connections. The primary local arteries connecting Ashland to nearby communities include routes 135 and 126. Major highway access is provided by Interstate 90, the Massachusetts Turnpike, approximately 4 miles to the north, and Interstate 495, approximately 6 miles to the west. MBTA Commuter Rail access (Framingham/Worcester line) is located approximately one mile from the Site, on Pleasant Street.

The Site is located on Main Street in Ashland's downtown, and currently occupied by an existing mill structure that contains several businesses. Development in the downtown area consists of a mix of commercial and single- and multi-family residential uses. The rear of the site is bordered by the Sudbury River, creating a natural buffer with residential neighbors to the rear. Overall, the Site is able to successfully integrate into existing development patterns and is well positioned to support the proposed multifamily residential use.

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

The proposed Project design maintains and restores the two northernmost mill structures, converting the space to commercial and retail uses, some of which will be open to the public, including

approximately 7,500sf of flexible open space. The remaining brick structures on site will be replaced with a single 4 and 5-story multifamily residential building containing 250 apartment units over 337 concealed podium parking spaces, plus additional surface parking around the perimeter.

The building configuration benefits from the existing site topography as the land slopes down from Main Street, allowing most of the projects' parking to be concealed from public view, and the tallest portions of the building located away from Main Street. The massing and exterior aesthetic of the project is complimentary to the existing mill buildings and the New England row house concept, including a 4-story rowhouse volume set in alignment with existing buildings on Main Street, and regularized large openings along the façade to break down the massing of the structure. Light gay brick veneer compliments the old granite that appears in the existing mills, while private front entry stoops, contemporary window bays, and mansard roof details respond to the adjacent residential neighborhoods.

### **Density**

The Developer intends to build 250 homes on approximately 7.81 acres, 0.97 of which are wetland area and 5 of which are located within FEMA Flood Hazard Area. Given that all units are located above the flood plain, the resulting density is approximately 36.55 units per buildable acre. The proposed density is acceptable given the proposed housing type.

### **Conceptual Site Plan**

The proposed site plan consists of one 4-6 story building fronted along Main Street in downtown Ashland. Site access is by curb cuts on Myrtle Street and Main Street at the northernmost and southernmost edges of the Site's frontage. The primary driveway forms a loop around the rear of the structure connecting these access points, and servicing 53 surface parking spaces and the 337 concealed podium parking spaces. A small pickup and drop-off loop is centered on the Site's frontage, located within a strategic break along the building's façade that accommodates a 100-foot setback and frames the building's main pedestrian entry point. Access to a central courtyard amenity area is also provided here. A public plaza is shown at the Sites's northern frontage, outside the restored mill structures and proposed retail space. A new retaining wall will be constructed in the approximate location of the existing one, along the rear Sudbury River boundary. Stormwater catch basins are shown within a landscaped area in between the retaining wall and the driveway. An underground storm water storage and pump system is identified under the rear driveway. All utility connections (water/sewer, gas, electric, cable and telephone) are available at Main Street.

### **Environmental Resources**

Documented on-site resource areas include approximately 5 acres of area located in FEMA Floodplain Zone AE, with flood elevations ranging between approximately 186' and 184.5' on the Site. Largely included in this area, and outside the proposed development area, is the 0.97 acres of wetland area associated with the Sudbury River. Development within the wetland buffer zone is limited and falls within previously developed areas onsite that are mostly impervious. All habitable levels of the building, including all accessible open spaces, are constructed well above the flood plain. The Site is subject to an Activity and Use Limitation restricting residential use (pursuant to Massachusetts Contingency Plan (MCP) (RTN 3-15917)). The site will require cleanup and removal of the AUL restriction on residential use in accordance with MassDEP Requirements.

## **Topography**

The Site slopes downward, away from Main Street, from elevations 192' to 182', with most of the grade change concentrated close to Main Street. The design makes effective use of this grade change by incorporating podium parking under the proposed building and locating the tallest portions of the building away from Main Street.

***(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 market information for the area, rental rate trends, vacancy rate and absorption trends, and existing supply and new construction levels indicate the market is in equilibrium and that demand for apartment units in the area will continue to be favorable.

The Applicant proposes 250 rental apartments to be financed under the NEF Program. There will be 187 market-rate units with proposed average rent levels of \$2,000 for the studio units, \$2,357 for the one-bedroom units; \$3,250 for the two-bedroom units; and \$3,788 for the three-bedroom units. MassHousing's Appraisal and Marketing team (A&M) performed a market analysis and found that proposed market rents for the studio, 1-bedroom, and 2-bedroom units were below the range of comparable market rents. The proposed market rent for the 2-bedroom units was above the range. A more in-depth market study would be required prior to marketing/lease up of the proposed project.

***(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 \$6,600,000. Based on a proposed investment of \$83,449,870 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 Site by virtue of a Purchase and Sale Agreement with between Ashland Properties LLC (Seller) and SLV Ashland, LLC (Buyer), with an expiration date of 365 days following the Buyer's receipt of Permits, with an option for extension.