



Commonwealth of Massachusetts
**DEPARTMENT OF HOUSING &
COMMUNITY DEVELOPMENT**

Maura T. Healey, Governor ♦ Kimberley Driscoll, Lieutenant Governor ♦ Jennifer D. Maddox, Undersecretary

March 2, 2023

Mr. Bob Murchison
Mr. Dan Hubbard
Washington Street Sherborn Homes, LLC
177 Lake Street
Sherborn, MA 01770

Re: 121-129 Washington Street, Sherborn, MA – Project Eligibility Letter

Dear Mr. Murchison and Mr. Hubbard:

We are pleased to inform you that your application for project eligibility determination for the proposed 121-129 Washington Street project located in Sherborn, Massachusetts, has been approved under the Low Income Housing Tax Credit (LIHTC) program. The property is located at 121-129 Washington Street, Sherborn, Massachusetts. This approval indicates that the proposed plan is for 40 units of rental housing for families, 40 (100%) of which will be affordable at no more than 60% of area median income. The proposed development will consist of 14 one-bedroom units, 22 two-bedroom units and 4 three-bedroom units. The rental structure as described in the application is generally consistent with the standards for affordable housing to be included in the community's Chapter 40B affordable housing stock. This approval does not constitute a guarantee that LIHTC funds will be allocated to the 121-129 Washington Street project. It does create a presumption of fundability under 760 CMR 56.04 and allows Washington Street Sherborn Homes, LLC to apply to the Sherborn Zoning Board of Appeals for a comprehensive permit. The sponsor should note that a One Stop + submission for funding for this project must conform to all Department of Housing and Community Development (DHCD) program limits and requirements in effect at the time of submission.

As part of the review process, DHCD has made the following findings:

1. The proposed project appears generally eligible under the requirements of the Low Income Housing Tax Credit program.
2. DHCD has performed an on-site inspection of the proposed 121-129 Washington Street project and has determined that the proposed site is an appropriate location for the project. The project consists of the development of housing on an unimproved site in a residential neighborhood. The land immediately surrounding the proposed building is protected town land. It is located on Route 16 which connects the site with Wellesley and Framingham.

3. The proposed housing design is appropriate for the site. The 40 units will be built in a single three-story building. The building will have an elevator and be all electric. There will be a tot lot and a mutli-purpose room for the residents.
4. The proposed project appears financially feasible in the context of the Sherborn housing market. The proposal includes 40 units for households earning up to 60% AMI, with eight of those units to be reserved for households earning at or below 30% of AMI.
5. The initial proforma for the project appears financially feasible and consistent with the requirements for cost examination and limitations on profits on the basis of estimated development and operating costs. Please note again that a One Stop+ submission for funding for this project must conform to all DHCD program limits and requirements in effect at the time of submission.
6. An as-is appraisal has been commissioned. The Low-Income Housing Tax Credit Program Guidelines state that the allowable acquisition value of a site with a comprehensive permit must be equal to or less than the value under pre-existing zoning, plus reasonable carrying costs. If this project applies for funding under the Low-Income Housing Tax Credit Program, the acquisition price in the proposed budget should reflect these program guidelines.
7. The ownership entity will be a single-purpose entity controlled by the applicants and subject to limited dividend requirements. The ownership entity meet the general eligibility standards of the Low Income Housing Tax Credit program. The applicant will need to demonstrate sufficient capacity to successfully develop the project under the Low-Income Housing Tax Credit program.
8. Washington Street Sherborn Homes LLC has an option to purchase the site.
9. The Town of Sherborn has submitted a letter of support for the project.

The proposed 121-129 Washington Street project will have to comply with all state and local codes not specifically exempted by a comprehensive permit. In applying for a comprehensive permit, the project sponsor should identify all aspects of the proposal that will not comply with local requirements.

If a comprehensive permit is granted, construction of this project may not commence without DHCD's issuance of final approval pursuant to 760 CMR 56.04 (7) and an award of LIHTC funds. This project eligibility determination letter is not transferable to any other project sponsor or housing program without the express written consent of DHCD. When construction is complete, a Chapter 40B cost certification and an executed and recorded 40B regulatory agreement in compliance with DHCD's requirements pertaining to Chapter 40B must be submitted and approved by DHCD prior to the release of a Low-Income Housing Tax Credit form 8609.

This letter shall expire two years from this date, or on March 2, 2025, unless a comprehensive permit has been issued.

We congratulate you on your efforts to work with the town of Sherborn to increase its supply of affordable housing. If you have any questions as you proceed with the project, please feel free to call or email Rebecca Frawley Wachtel at (617) 573-1318 or at Rebecca.Frawley@mass.gov.

Sincerely,

A handwritten signature in dark ink, appearing to be 'CR', with a long horizontal flourish extending to the right.

Catherine Racer
Director

cc: The Honorable Jeff Waldron, Chairman of the Sherborn Select Board