

Ellsworth Village, LLC
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April 2, 2013

Town of Acton
Planning Department
472 Main Street
Acton, MA 01720

Re: Ellsworth Village Affordable Unit

The Ellsworth Village condominium project will be sold out as of April 15, 2013, with the exception of the one remaining affordable unit. We recently requested assistance from the Planning Department regarding the disposition of this unit. Planning requested comments from the Acton Community Housing Corporation (ACHC) as well as a proposal from Ellsworth Village, LLC.

Ellsworth Village, LLC, hereby requests the Planning Board amend the Ellsworth Village Special Permit, in accordance with Zoning By-Law Section 9B.12.9.2, to allow substitution of affordable senior residences. We propose to make a monetary contribution to ACHC for affordable housing programs in the amount of \$25,000 in lieu of selling the last condominium as an affordable unit. The following paragraphs outline the basis of this proposal as well as our comments regarding ACHC's recommendation letter to the Planning Department dated March 29, 2013.

The last affordable unit at Ellsworth Village has been available since 2009. Since that time, our efforts to find a qualified buyer to purchase the unit have been difficult. We had two potential buyers, but they backed out of the sale; in additional efforts to sell the unit we've reached out to ACHC and applicants from our affordable project in Maynard; and, most recently, ran a newspaper ad for two weeks in fourteen surrounding towns. This most recent effort resulted in just one inquiry from a prospective buyer who ultimately decided not to pursue the purchase.

In their letter to the Planning Department, ACHC recommends either of the following actions which we strongly oppose:

ACHC Recommendation #1: Sell the unit as an affordable unit at \$159,100 by aggressively extending the outreach and marketing. This is not realistic. In addition to the Ellsworth Village unit, we've been trying to find qualified buyers for two condos at our Maynard project. Recently our MassHousing permitting/monitoring specialist conceded that eligible buyers are getting hard to find in our area. We could continue to market the unit, but we've been paying real estate taxes, utilities and condo fees on this unit for over two years totaling more than \$13,000 to date.

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ACHC Recommendation #2: Pay a monetary contribution equal to the difference between the affordable selling price and the market selling price (range \$190,900 to \$220,800): ACHC cites the 2010 case whereby the developers of the Robbins Brook Senior Housing project made a similar request regarding three remaining affordable units. The Town agreed to release them from their obligation for a monetary payment of \$20,000 per unit (or \$60,000) based on the sales price difference between an affordable and market rate unit as well as the size and floor plans of the condominiums at their project. ACHC states that the methodology would be the same for Ellsworth Village -- which is not true. Desirability of the floor plans and unit size should not be taken into consideration just as it's not considered when calculating the selling price of an affordable unit. Ellsworth Village, LLC, should not have to donate a substantially larger monetary amount because our products may be more desirable and of a higher quality than that of other builders.

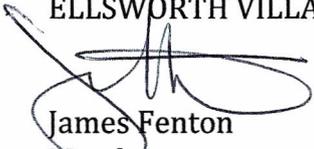
In addition, ACHC states that with either scenario, "the developer would receive, free and clear, \$159,100." The construction cost for this size unit averages \$260,000 not including carrying costs - not exactly free and clear. Also in the letter ACHC acknowledges that "selling age restricted housing is a huge challenge and especially finding eligible affordable owners, but that was the development choice that was made in 2005." In 2005, the housing market was strong and no one anticipated a three year period of little or no sales and a saturation of the senior housing condominium market.

Despite the challenges, we're proud of our role in the creation of affordable housing in the area. Since 2003, Mike Jeanson and I have constructed and sold 27 affordable single family homes and condominiums in the towns of Acton, Boxborough and Maynard - and we plan to continue building these types of homes into the future.

Thank you for your consideration and we look forward to your decision.

Sincerely,

ELLSWORTH VILLAGE, LLC



James Fenton
Member