

11/01 (4)

**Christine Joyce**

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**From:** Dore' Hunter  
**Sent:** Wednesday, October 27, 2004 2:57 PM  
**To:** Peter Ashton; Manager Department  
**Subject:** Re: Woodlands 40B

Peter,

Thank you for your usual incisive and thoughtful memorandum. If you have no objection I would propose that we share the document with our friends from Westford at tomorrow morning's meeting, and also immediately copy it to TAC and the two School Committees. Again, if you have no objections, I would suggest that the Manager morph your memo into a draft letter to the ZBA which the BOS may be asked to adopt at its 1 November meeting as its initial position to be presented to the ZBA at the initial 40B hearing on 4 November. Obviously this matter should be on the 1 November BOS Agenda.

Don,

If you have not already done so, please circulate the pertinent parts of the Woodland's application documents, as well as Peter's memo to all the TAC and all other appropriate staff, boards and committees and take the steps necessary to quantify to the degree possible the costs of the necessary consultants we will want to review this 40B application and its pro forma.

I would also like to get run times and distances (by odometer and driving with a stop watch at recorded speeds, not by computer or map measurement) to the nearest point in the proposed development from the police station and each of the three fire houses, along with a comparison to, say, three other roughly equally densely populated areas in Town (from experience). If there are any police/fire statistics as to the relative level of services provided to any roughly equally densely populated apartment units, as compared with services provided to the same geographic areas of single family homes in nearby areas they might be of great interest as well.

Regards,  
Dore' Hunter  
Selectman, Town of Acton, MA  
Tel: 978-263-0882  
Fax: 978-263-9230  
Email: DoreHunter@aol.com

10/27/2004

## Christine Joyce

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**From:** Dore' Hunter  
**Sent:** Thursday, October 28, 2004 12:29 PM  
**To:** Finance Committee; Acton Public School Committee; Acton-Boxborough Regional School Committee; Transportation Advisory Committee; Planning Board; bryan@mail.ab.mec.edu; Acton Community Housing Corporation; conscom@action-ma.gov; Board of Health  
**Subject:** Woodlands at Laurel Hill 40B Project; Peter Ashton Memo Concerning

Hi Folks,

Selectmen Peter Ashton has prepared his usual incisive and most useful but brief memo summarizing what he sees as some of the problems with the Woodlands at Laurel Hill Chapter 40B proposal. The initial Acton ZBA hearing in Acton is set for 4 November at 7:30 p.m. followed a week later by the initial ZBA hearing in Westford. To the degree that this proposed development may impact any your responsibilities in Town government you might wish to closely follow the hearing process and perhaps make your views known at an early date to the ZBA.

Regards,  
Dore' Hunter  
Selectman, Town of Acton, MA  
Tel: 978-263-0882  
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## MEMORANDUM

October 27, 2004

TO: BoS

FROM: Peter Ashton

SUBJ: Initial Review of Ch 40B Project: The Woodlands at Laurel Hill

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I have reviewed the application for a comprehensive permit under Ch. 40B for The Woodlands at Laurel Hill. This is a 296 unit development in Acton near Nagog with another 56 units in Westford. The property extends behind the Nagog office development and borders Westford. The bulk of the housing units are planned for Acton with the sewerage facility to be located in Westford. There is some indication that the developer may develop additional units after completion of this initial project. Summarized below are my comments and concerns.

- This project if approved would significantly expand our stock of affordable housing and move us substantially closer to the magic 10% figure. Despite this obvious benefit, I have a number of concerns about the application and its potential impact on the town, particularly the town's ability to provide services to this new community.
- As Steve Anderson has already noted the applicant has requested waivers from local zoning and other regulations and by-laws totaling 16 pages. I defer to his wisdom and advice regarding most of these requests, although there are a few of particular concern:
  - The plans and associated information provided by the developer is in very preliminary form, e.g., drainage, earth removal, and hydrologic data are not included. Neither is information on utilities, location of affordable units, location of fire hydrants, and many other items. I would trust that the BoA will insist on the developer providing all of this information prior to considering the application.
  - Request for a waiver from sections 8.1.16ff of Zoning By-Law relating to dead end streets, single access streets, etc. This is a huge issue from a public safety standpoint. The entire project is to be built off a single connection road off of Nagog Park Drive, itself a single access road a very lengthy distance from Great Road.

- Request for a waiver from the local wetlands by-law – I would strongly oppose granting this waiver until the developer shows what resources under the local by-law would be affected.
  - The developer requests a waiver from providing information on how the project is consistent with local needs – this is the cornerstone of the application process and the developer should be required to produce such a justification in detail.
  - The applicant requests a waiver from the application fee of \$29,000 (plus review fees). Yet his pro forma includes items for these costs!
- Project pro forma financial analysis – the pro forma is somewhat more detailed than what we have seen in the past, however, no justification is provided for the project expenses which in some cases appear very high. The BoA must retain the services of a qualified consultant (similar to what was done for the Main St. project) as this will be the best way to analyze both the actual profit embedded in the pro forma as well as the impact of any proposed changes to the size of the project. Total development costs are \$44 million or approximately \$148,700 per unit. There is no appraisal justifying the purchase price of \$2.8 million for the land. No costs are included for the Westford piece either so there is no way to determine how joint costs are being allocated. These costs should be requested and the pro forma presented on a combined Acton-Westford basis. Also as I do not understand the HUD loan program being used, I cannot comment on the HUD underwriting cost or the loan calculation, although the loan is paid out over only 15 years. A rough, quick and dirty look at the profit on the project based on the 15 year cash flow analysis suggests a profit in the 12-15 percent range. However, I am not sure why the developer stops the analysis at 15 years. Using a 20-year time horizon for the project yields a much higher profit on the project in excess of 20 percent. Again this is an issue that a consultant must examine.
  - The projected rents are based on a market study which must also be evaluated. Projected rents are not significantly different between the market rate units and the affordable units except for the larger 2 bedroom units.<sup>1</sup> I would question the rates on the market units, especially the 2 bedroom units based on the comparables included in the market analysis. Also I question the comparability of some of the apartments included in the market study such as the two located in Lawrence. Finally, I think the affordable units could probably be priced lower.
  - The fiscal impact analysis presented by the applicant (misnamed an economic impact analysis) is woefully inadequate and fails to consider the most important impact on local services of this project: the impact on public safety resources. The analysis only examines the fiscal impact of the project on schools. It uses three, dated, state-wide studies relating the number of school-age children per

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<sup>1</sup> The difference on the 1 bedroom rental is only 8 percent and on the small two-bedroom unit, it is only 4 percent.

apartment by size and concludes that the project will generate between 31 and 46 school-age children.<sup>2</sup> Based on the anticipated taxes to be paid on the development (\$519,000)<sup>3</sup> and per pupil costs of \$6,800,<sup>4</sup> the study concludes that the fiscal impact is positive by between \$205,000 and \$308,000.<sup>5</sup> This computation is replete with errors which when corrected leads to exactly the opposite conclusion. For example, the Reetz study performed four years ago showed that in Acton (not state-wide averages), apartments and condos generate approximately .25 school-age children per unit. At 296 units that implies 75 school-age children not the 31 to 46 number used by the applicant.<sup>6</sup> Second, the per pupil cost used by the applicant is a FY03 number based on Acton elementary only and fails to include the Region which has a much higher per pupil cost (\$8,500 according to DoE in FY03). A more appropriate estimate is to take the current AB Regional school district budget and the current APS budget divided by total enrollment (including out of district placements) which yields a per pupil cost of \$9,000. Applying these more correct numbers yields an additional education cost to the town of \$675,000 which by itself exceeds the total tax revenue of \$519,000 by over \$155,000. Thus without even considering the additional costs related to public safety, this project is a net fiscal drain on the town. Given the project's large size and remote location, I would anticipate there to be sizeable additional costs associated with providing adequate police and fire protection. Also recent experience with other multi-family projects suggests that such developments require a considerably higher level of service than do single family homes. It is my understanding that the Manager is working with staff to develop some estimates in this regard. I believe that it is important that we provide to the BoA a complete fiscal impact analysis of this project so that we can build a strong case for mitigation. I also know that at one point the Finance Committee was interested in working on this issue and may be preparing their own analysis.

- Traffic impacts – the TAC must be engaged to review and critique the traffic study contained in the application. It would seem that any additional traffic on Great Road is too much, but the study projects additional trips at peak morning of 180 per hour and peak evening of 228 per hour.<sup>7</sup> That is an additional 3 cars per minute on this road. All of the service levels along this stretch of Great Road will move to level of service F if they are not already there. Again it seems appropriate for the applicant to provide some form of mitigation for these traffic impacts.

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<sup>2</sup> I have reviewed each of these studies, and the applicant has generally picked the lowest school-age children ratio that could be found in each study.

<sup>3</sup> This appears to be the total taxes paid on the site – the appropriate value to use is the additional taxes to be paid over and above what is currently being paid.

<sup>4</sup> This number is, I believe at least two years old.

<sup>5</sup> Computed as follows: 46 children \* 6800 = \$312,800 which is \$205,000 less than the property taxes to be paid of \$519,000.

<sup>6</sup> This is a reasonable expectation given the attractiveness of Acton's schools to all households.

<sup>7</sup> Some of this traffic will move west on Great Road but the traffic study projects 99 trips per hour headed east on Great Road each morning at peak.

- Density – it would appear that this project includes too many units and will be a fiscal drain on the town's already thin resources. There appears to be some wetlands issues which must be addressed and the applicant is considering giving some land for conservation purposes. Given that about 17.7 of the 19.4 acres in Acton are buildable, that translates into a density of 16.7 units per acre. Obviously if the developer intends to come back with additional units at some point in the future, then these density computations are too low. This density seems high particularly given its extraordinarily remote location. I would suggest that we should discuss the trade-offs between reducing the density of the project vs. obtaining some of form of mitigation for the adverse fiscal impact of the project. I assume that since the hearing opens next week that we will be discussing this project at our next meeting on Monday.